

Notice of Meeting:

I hereby give notice that an ordinary Meeting of the Council will be held on:

Date: Thursday 24 August 2017
Time: 9.30am
Meeting Room: Council Chamber
Venue: Municipal Building, Garden Place, Hamilton

Richard Briggs
Chief Executive

Council OPEN AGENDA

Membership

Chairperson	Mayor A King
Deputy Chairperson	Deputy Mayor M Gallagher
Members	Cr M Bunting
	Cr J R Casson
	Cr S Henry
	Cr D Macpherson
	Cr G Mallett
	Cr A O'Leary
	Cr R Pascoe
	Cr P Southgate
	Cr G Taylor
	Cr L Tooman
	Cr P Yeung

Quorum: A majority of members (including vacancies)

Meeting Frequency: Monthly – or as required

Lee-Ann Jordan
Governance Manager

18 August 2017

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Purpose

The Council is responsible for:

1. Providing leadership to, and advocacy on behalf of, the people of Hamilton.
2. Ensuring that all functions and powers required of a local authority under legislation, and all decisions required by legislation to be made by local authority resolution, are carried out effectively and efficiently, either by the Council or through delegation.

Terms of Reference

1. To exercise those powers and responsibilities which cannot legally be delegated by Council:
 - a) The power to make a rate.
 - b) The power to make a bylaw.
 - c) The power to borrow money, or purchase or dispose of assets, other than in accordance with the Long Term Plan.
 - d) The power to adopt a Long Term Plan or Annual Plan, or Annual Report.
 - e) The power to appoint a Chief Executive.
 - f) The power to adopt policies required to be adopted and consulted on under the Local Government Act 2002 in association with the Long Term Plan, or developed for the purpose of the Council's governance statement, including the 30-Year Infrastructure Strategy.
 - g) The power to adopt a remuneration and employment policy.
 - h) The power to approve or change the District Plan, or any part of that Plan, in accordance with the Resource Management Act 1991.
 - i) The power to approve or amend the Council's Standing Orders.
 - j) The power to approve or amend the Code of Conduct for Elected Members.
 - k) The power to appoint and discharge members of committees.
 - l) The power to establish a joint committee with another local authority or other public body.
 - m) The power to make the final decision on a recommendation from the Parliamentary Ombudsman, where it is proposed that Council not accept the recommendation.
 - n) The power to amend or replace the delegations in Council's *Delegations to Positions Policy*.
2. To exercise the following powers and responsibilities of Council, which the Council chooses to retain:
 - a) Resolutions required to be made by a local authority under the Local Electoral Act 2001, including the appointment of an electoral officer and reviewing representation arrangements.
 - b) Approval of any changes to Council's vision, and oversight of that vision by providing direction on strategic priorities and receiving regular reports on its overall achievement.
 - c) Approval of any changes to city boundaries under the Resource Management Act.
 - d) Adoption of governance level strategies, plans and policies which advance Council's vision and strategic goals.
 - e) Approval of the Triennial Agreement.

- f) Approval of the local governance statement required under the Local Government Act 2002.
- g) Approval of a proposal to the Remuneration Authority for the remuneration of Elected Members.
- h) Approval of any changes to the nature and delegations of the Committees.

Oversight of Policies:

- *Corporate Hospitality and Entertainment Policy*
- *Delegations to Positions Policy*
- *Elected Members Support Policy*
- *Significance and Engagement Policy*

ITEM	TABLE OF CONTENTS	PAGE
1	Apologies	5
2	Confirmation of Agenda	5
3	Declarations of Interest	5
4	Public Forum	5
5	Council Meeting Open Minutes - 27 July 2017	6
6	Elected Member Briefing Notes - 10 August 2017	16
7	Chair's Report	20
8	Waikato Regional Theatre - Concept Design Recommendation to Council	22
9	Funding Partnership Opportunities for a Second Indoor Court Facility	24
10	Community Use of H3 Venues	34
11	Draft Significance and Engagement Policy - Review	40
12	Special Housing Areas Policy Deliberations Report	62
13	Report Back for Financial Strategy and Revenue Taskforce	130
14	Audit and Risk Committee - External Appointments Update	141
15	Recommendation to Council concerning amendments to the External Funding Application Policy, from 8 August 2017 Community and Services Committee Meeting.	143
16	Resolution to Exclude the Public	149

1 Apologies

2 Confirmation of Agenda

The Council to confirm the agenda.

3 Declaration of Interest

Members are reminded of the need to be vigilant to stand aside from decision making when a conflict arises between their role as an elected representative and any private or other external interest they might have.

4 Public Forum

As per Hamilton City Council's Standing Orders, a period of up to 30 minutes has been set aside for a public forum. Each speaker during the public forum section of this meeting may speak for three minutes or longer at the discretion of the Mayor.

Please note that the public forum is to be confined to those items falling within the terms of the reference of this meeting.

Speakers will be put on a Public Forum speaking list on a first come first served basis in the Council Chamber prior to the start of the Meeting. A member of the Governance Team will be available to co-ordinate this. As many speakers as possible will be heard within the allocated time.

If you have any questions regarding Public Forum please contact Governance by telephoning 07 838 6439.

Council Report

Item 5

Committee: Council **Date:** 24 August 2017
Author: Amy Viggers **Authoriser:**
Position: Committee Advisor **Position:**
Report Name: Council Meeting Open Minutes - 27 July 2017

Report Status	<i>Open</i>
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Staff Recommendation

1. That Council confirm the Open Minutes of the Council Meeting held on 27 July 2017 as a true and correct record.

Attachments

Attachment 1 - Council Meeting Open Minutes - 27 July 2017 - Unconfirmed

Council

OPEN MINUTES

Minutes of a meeting of the Council held in Council Chamber, Municipal Building, Garden Place, Hamilton on Thursday 27 July 2017 at 9.30am.

PRESENT

Chairperson	Mayor A King
Deputy Chairperson	Deputy Mayor M Gallagher
Members	Cr M Bunting
	Cr J R Casson
	Cr S Henry
	Cr D Macpherson
	Cr G Mallett
	Cr A O'Leary
	Cr R Pascoe
	Cr P Southgate
	Cr G Taylor
	Cr L Tooman
	Cr P Yeung

Richard Briggs – Chief Executive
Chris Allen – General Manager City Infrastructure
David Bryant – General Manager Corporate
Sean Hickey – General Manager Strategy and Communications
Blair Bowcott – Executive Director Special Projects
Luke O'Dwyer – Acting General Manager City Growth
Helen Paki – Acting General Manager Community
Tracey Musty – Financial Controller
Nick Johnston – Strategic Advisor Arts and Community
Jen Baird – Communications Manager
Nigel Ward – Communications Team Leader
Greg Carstens – Team Leader Growth Funding and Analytics
Julie Clausen – Programme Manager Strategy
Riki Manarangi – Corporate Policy Specialist
Sarah Ward – Programme Manager Corporate Planning
Rachael McMillian - Project Manager - Special Projects Strategy

PWC Representatives - Andrew Ricketts, Brent Goldsack, and Justin Liddell.

Lee-Ann Jordan – Governance Manager
Becca Brooke – Governance Team Leader
Amy Viggers – Committee Advisor

- 1. Apologies**
Resolved: (Crs Casson/Mallett)

That the apology from Cr Yeung is accepted.
- 2. Confirmation of Agenda**
Resolved: (Crs Casson/Macpherson)

That the agenda is confirmed, noting that Item 15 – Waikato Plan Adoption (Circulated Under Separate Cover) was added to the agenda.
- 3. Declarations of Interest**

No members of the Council declared a Conflict of Interest.
- 4. Public Forum**

Frank Grover (Resident) *spoke to Item 12 – Draft Easter Sunday Shop Trading Policy – Deliberations.* Mr Grover expressed his views that he was against shop trading on Easter Sunday for religious reasons and because he thought people needed more family time.
- 5. Council - Open Minutes to be Confirmed - 29 June 2017**

Resolved: (Crs Casson/Gallagher)

That Council confirm the Open Minutes of the Council Meeting held on 29 June 2017 as a true and correct record.
- 6. Extraordinary Council - Open Minutes to be Confirmed - 4 July 2017**

Resolved: (Crs Bunting/Casson)

That Council confirm the Open Minutes of the Extraordinary Council Meeting held on 4 July 2017 as a true and correct record.
- 7. Elected Member Briefing Notes (Open) - 5 July 2017 - To be confirmed**

Resolved: (Crs Macpherson/Casson)

That Council confirm the notes of the Elected Member Briefing held on 5 July 2017 as a true and correct record.
- 8. Elected Member Briefing Notes (Open) - 6 July 2017 - To be confirmed**

Resolved: (Crs Casson/Mallett)

That Council confirm the notes of the Elected Member Briefing held on 6 July 2017 as a true and correct record, noting that the risk workshop discussions were restricted to assets that Council has jurisdiction over.

9. Chair's Report (Open) - 27 July 2017

The report was taken as read. The Chair and staff responded questions from Elected Members concerning alignment of the Waterworld Project with the 10 Year Plan process.

Motion: (Mayor King/Cr Mallett)

That the Council:

- a) receives the report; and
- b) approves consideration of the Waterworld report as aligned with the 2018/2028 10 Year Plan Process, and that the report comes to the 21 September 2017, or 19 October 2017, Council Meeting.

The Motion was put.

Those for the Motion: Mayor King, Councillors Gallagher, Mallett, Macpherson, Bunting, Casson and Taylor.

Those against the Motion: Councillors Pascoe, Tooman, O'Leary, Henry and Southgate.

The Motion was declared carried.

Resolved: (Mayor King/Cr Mallett)

That the Council:

- a) receives the report; and
- b) approves consideration of the Waterworld report as aligned with the 2018/2028 10 Year Plan Process, and that the report comes to the 21 September 2017, or 19 October 2017, Council Meeting.

10. Financial Strategy Assessment - External Review

PWC representatives spoke to the report, noting that the report was following on from an Elected Member Briefing on Council's Financial Strategy. Along with staff, they responded to questions from Elected Members on the 8 key points from the Financial Strategy Assessment, as outlined in attachment 1 of the staff report. Elected Members raised concerns regarding the reasons for and the cost of the PWC report.

Resolved: (Mayor King/Cr Casson)

That Council receives the report.

Cr O'Leary Dissenting.

The meeting adjourned 11.36am – 11.53am.

11. Vibrant Hamilton Trust (VHT)

The Strategic Advisor Arts and Community introduced the report, noting that VHT were seeking Council's preference for the future use of the Trust's funds and that the recommended option from the Trust was Option 2 (directed funding towards a key project). It was confirmed that all of the options outlined in the report would result in the VHT being dissolved.

Staff responded to questions from Elected Members concerning the proposed options. It was noted that the final decision regarding the future of VHT and the funds would lie with the trust.

Resolved: (Crs O'Leary/Taylor)

That the Council:

- a) receives the report.
- b) confirms the Council's preference for option two for the future use of the Vibrant Hamilton Trust funds; and
- c) advises the Trust of Council's preference for projects for option two, after they have been discussed as part of the 10 Year Plan Process.

Cr Bunting Dissenting.

Cr Macpherson left the meeting (12.31pm) during the discussion on the above Item. He was not present when the matter was voted on.

The meeting adjourned from 12.35pm – 1.15pm.

Cr Tooman retired from the meeting during the above adjournment.

Item 13 (2018-28 10-Year Plan – Confirmation of Community Outcomes and Population and Household Growth Projections) was taken before Item 12 (Draft Easter Sunday Shop Trading Policy – Deliberations) to accommodate staff availability.

12. 2018-28 10-Year Plan - Confirmation of Community Outcomes and Population and Household Growth Projections

The report was taken as read. Staff responded to questions from Elected Members concerning the following:

Community Outcomes: Staff confirmed that Council was required to outline its Community Outcomes in the 10-Year plan as they were an important component of strategic direction setting. The Community Outcomes were intended to set some aspirational goals, and reflect the activities Council would undertake to deliver services to the community. The 10 Hamilton Plan priorities were the current Council Community Outcomes.

Population and Household Growth Projects: It was noted that Council must approve a set of population and household growth projections to inform the 10-Year Plan process.. The risk of projections being inaccurate were mitigated by the regular monitoring of the projections against actual growth.

Motion: (Mayor King/Cr Casson)

That the Council:

- a) approves the Community Outcome: to enhance the cultural, social, economic and environmental well-being of Hamilton; and

- b) approves that the National Institute of Demographic and Economic Analysis (NIDEA) low series population and household growth projections to be used for the development of the 2018-28 10-Year Plan.

Amendment: (Crs O'Leary/Bunting)

That the Council:

- a) approves the following 10 priorities from the Hamilton Plan as its Community Outcomes:
 - i. Our books are balanced
 - ii. The third city economy in New Zealand
 - iii. Providing outstanding infrastructure
 - iv. Strongly connected to the river
 - v. Best garden in the world
 - vi. An active, strong commercial central city with distinctive suburban villages
 - vii. An urban garden
 - viii. Access to affordable housing
 - ix. Celebrated for our arts and culture
 - x. Waikato is the capital of high performance sport
- b) approves the National Institute of Demographic and Economic Analysis (NIDEA) low series population and household growth projections to be used for the development of the 2018-28 10-Year Plan.

Procedural Motion: (Crs Southgate/Macpherson)

That this item (in relation to staff recommendation a), be adjourned to be discussed as part of the next available 10-Year Plan Elected Member Briefing.

The Procedural Motion was put.

Those for the Procedural Motion: Mayor King, Councillors Pascoe, Macpherson, Bunting, Henry and Southgate.

Those against the Procedural Motion: Councillors Gallagher, Mallett, O'Leary, Casson and Taylor.

The Procedural Motion was declared carried.

Resolved: (Crs Southgate/Macpherson)

That this item (in relation to staff recommendation (a)), be adjourned to be discussed as part of the next available 10-Year Plan Elected Member Briefing.

Resolved: (Crs Mallett/Bunting)

That Council approves that the National Institute of Demographic and Economic Analysis (NIDEA) low series population and household growth projections to be used for the development of the 2018-28 10-Year Plan.

The meeting adjourned 2.45pm-3.08pm during the discussion of the above Item.

13. Draft Easter Sunday Shop Trading Policy – Deliberations

The Corporate Policy Specialist summarised the public consultation process that had been undertaken concerning the amendment to the Shop Trading Hours Act 1990 which allowed Councils the ability to adopt an Easter Sunday Shop Trading Policy. Staff responded to questions from Elected Members concerning the outcomes of the public consultation process, particularly regarding the position of major retailers such as JPL Group (comprising of Farmers, Whitcoulls, Stevens, Pascoes, Stewart Dawsons) who had indicated they would not trade on Easter Sunday.

Motion: (Crs Macpherson/Pascoe)

That Council does **not** approve the Easter Sunday Shop Trading Policy for adoption.

Those for the Motion: Mayor King, Councillors Pascoe, Gallagher, Macpherson, O’Leary, Henry, Casson and Southgate.

Those against the Motion: Councillors Mallett, Taylor and Bunting.

Resolved: (Crs Macpherson/Pascoe)

That Council does **not** approve the Easter Sunday Shop Trading Policy for adoption.

5. Waikato Plan Adoption (under separate cover)

The Executive Director Special Projects summarised the report noting that the Waikato Plan was a high level non-statutory strategic document that focused on regional collaboration. Staff responded to questions from Elected Members concerning the following:

Value to Hamilton City Council: The Waikato Plan facilitated regional conversations about large scale issues and opportunities which provided benefit to Hamilton City as the central hub of the region. It also enabled and encouraged Central Government, and large regional organisations such as Waikato District Health board, to be involved in those discussions early on. It was indicated by Central Government that having a model in place such as the Waikato Plan, meant that the region would increase the chance of receiving regional economic funding from the Government.

Staff noted that Council would review its ongoing participation in the Waikato Plan by 30 June 2018, with the understanding that if expectations were not met, Hamilton City Council would end its membership with the Waikato Plan.

Leadership Group: The Leadership structure was comprised of local government, businesses, community groups, iwi and government agencies. Members of the Leadership Group would have voting rights with the exception of the government agencies being observers and non-voting members.

Motion: (Cr Gallagher/Mayor King)

That Council:

- a) receives the report;
- b) adopts the Waikato Plan and summary;
- c) approves, in accordance with Clauses 30 and 30A, Schedule 7 of the Local Government Act 2002, establishment of the Waikato Plan Leadership Group as a Joint Committee of Hamilton City Council, Hauraki District Council, Matamata-Piako District Council, Otorohanga District Council, South Waikato District Council, Taupo District Council, Thames-Coromandel District Council, Waikato District Council, Waikato Regional Council, Waipa District Council, Waitomo District Council, tāngata whenua, with additional representation from business and the wider community as well as government agencies and that the Leadership Group have the terms of reference and membership as outlined in Attachment 3;
- d) delegates authority to the Waikato Plan Leadership Group to implement the Waikato Plan in accordance with the delegated functions set out in the Agreement and Terms of Reference as outlined in Attachment 3;
- e) approves that the Waikato Plan Leadership Group will endure and will not be discharged at the point of the next election period in line with Clause 30(7) of Schedule 7 of the Local Government Act 2002;
- f) approves that the Leadership Group will be chaired by an independent chairperson (non-elected member) to be appointed by the Leadership Group;
- g) approves that a deputy chairperson will also be appointed by the Leadership Group, who may be an elected member and a committee member;
- h) notes that the membership of the Leadership Group will be reviewed within 12 months of the adoption of the Waikato Plan, with the aim of reducing the number of members to 12;
- i) approves the appointment of the Mayor or Mayor's nominee as per the agreed appointment process as Council's representative on the Waikato Plan Leadership Group; and
- j) reviews its ongoing participation in the Waikato Plan by 30 June 2018, taking into consideration the progress against outcomes achieved by the Plan following adoption, external funding contribution targets being achieved (25% for 2018/19 and 50% for 2019/20 and future years) and other key partners' feedback.

Those for the Motion:

Mayor King, Councillors Pascoe, Gallagher, Bunting, O'Leary, Henry, Casson and Southgate.

Those against the Motion:

Councillors Mallett, Taylor and Macpherson.

Motion: (Cr Gallagher/Mayor King)

That Council:

- a) receives the report;
- b) adopts the Waikato Plan and summary;

- c) approves, in accordance with Clauses 30 and 30A, Schedule 7 of the Local Government Act 2002, establishment of the Waikato Plan Leadership Group as a Joint Committee of Hamilton City Council, Hauraki District Council, Matamata-Piako District Council, Otorohanga District Council, South Waikato District Council, Taupo District Council, Thames-Coromandel District Council, Waikato District Council, Waikato Regional Council, Waipa District Council, Waitomo District Council, tāngata whenua, with additional representation from business and the wider community as well as government agencies and that the Leadership Group have the terms of reference and membership as outlined in Attachment 3;
- d) delegates authority to the Waikato Plan Leadership Group to implement the Waikato Plan in accordance with the delegated functions set out in the Agreement and Terms of Reference as outlined in Attachment 3;
- e) approves that the Waikato Plan Leadership Group will endure and will not be discharged at the point of the next election period in line with Clause 30(7) of Schedule 7 of the Local Government Act 2002;
- f) approves that the Leadership Group will be chaired by an independent chairperson (non-elected member) to be appointed by the Leadership Group;
- g) approves that a deputy chairperson will also be appointed by the Leadership Group, who may be an elected member and a committee member;
- h) notes that the membership of the Leadership Group will be reviewed within 12 months of the adoption of the Waikato Plan, with the aim of reducing the number of members to 12;
- i) approves the appointment of the Mayor or Mayor's nominee as per the agreed appointment process as Council's representative on the Waikato Plan Leadership Group; and
- j) reviews its ongoing participation in the Waikato Plan by 30 June 2018, taking into consideration the progress against outcomes achieved by the Plan following adoption, external funding contribution targets being achieved (25% for 2018/19 and 50% for 2019/20 and future years) and other key partners' feedback.

Resolution to Exclude the Public

Resolved: (Crs Casson/Bunting)

Section 48, Local Government Official Information and Meetings Act 1987

The following motion is submitted for consideration:

That the public be excluded from the following parts of the proceedings of this meeting, namely consideration of the public excluded agenda.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution follows.

General subject of each matter to be considered	Reasons for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
C1. Council - Public Excluded Minutes to be Confirmed - 29 June 2017) Good reason to withhold information exists under Section 7 Local Government Official Information and Meetings Act 1987	Section 48(1)(a)
C2. Extraordinary Council - Public Excluded Minutes to) Official Information and Meetings Act 1987	

- be Confirmed - 4 July 2017)
- C3. Elected Member Briefing Notes (Closed) - 5 July 2017
- To be confirmed
- C4. Elected Member Briefing Notes (Closed) - 6 July 2017
- To be confirmed

- C5. Council - Chair's Report (Public Excluded) - 27 July 2017

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:

Item C1.	to prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (j)
Item C2.	to prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (j)
Item C3.	to prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (j)
Item C4.	to prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (j)
Item C5.	to protect the privacy of natural persons	Section 7 (2) (a)

The Meeting went into a Public Excluded session at 4.10pm.

The Meeting was declared closed at 6.00pm.

Council Report

Item 6

Committee: Council **Date:** 24 August 2017
Author: Amy Viggers **Authoriser:**
Position: Committee Advisor **Position:**
Report Name: Elected Member Briefing Notes - 10 August 2017

Report Status	<i>Open</i>
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Staff Recommendation

1. That the Council confirm the notes of the Elected Member Briefing held on 10 August 2017 as true and correct record.

Attachments

Attachment 1 - Elected Member Briefing Notes - 10 August 2017

Elected Member Briefing Notes –2017

Time and date:	10 August 20107
Venue:	Committee Room 1, Hamilton City Council
In Attendance:	Mayor King, Crs Tooman, Pascoe, Mallett, Gallagher, Casson, Taylor, Southgate, Bunting, O’Leary, Macpherson
Apology for Full Session:	Crs Yeung and Henry
Apologies for lateness/early departure:	Crs Mallett, Gallagher, and Taylor

Discussion

The briefing session covered the following topics in the open session:

- CDEM – Roles and responsibilities of Elected Members and Mayor in Civil Defence Emergency
- Community Assistance Funding Policy
- Draft Open Space Provision Policy
- Hamilton Properties Limited
- KPI Reporting
- Draft Regional Funding Framework

There were a number of key points arising from the discussions:

1. CDEM – Roles and responsibilities of Elected Members and Mayor in Civil Defence Emergency *(Presentation provided)*

The City Safe Manager and the Waikato CDEM Group Controller provided a presentation on the roles and responsibilities of Elected Members in a civil defence emergency. The presentation also covered the definition and forms of civil defence emergencies and clarified what Civil Defence Emergency Management (CDEM) was responsible for and how they would respond in the event of a civil defence emergency. They responded to questions from Elected Members concerning:

- types of events Hamilton was at risk for that would trigger a civil defence declaration,
- communication plans and guidelines in the event of a civil defence emergency,
- hazard plans and types of training provided regarding civil defence emergencies,
- public expectations,
- responsibilities of Elected Members and key roles,
- succession plans and the declaration process, and
- safety of Council buildings.

The Mayor noted that the following succession order would be followed the event that he was unable to carry out his role:

- 1) Mayor
- 2) Deputy Mayor
- 3) Cr Tooman
- 4) Cr Casson

Elected Members requested that staff investigate options for in-house civil defence training for Elected Members.

2. Community Assistance Funding Policy

(Presentation provided)

The Manager Social Development provided a presentation on the Community Assistance Funding Policy. Staff sought direction from Elected Members concerning the review of the policy (to be undertaken this financial year and be part of the 10-Year Plan discussions), specifically covering the below points:

- 1) Single-Year Community Grant,
- 2) Multi Year Community Grant,
- 3) Re introduction of Community Events Fund,
- 4) Re introduction of Capital Grant, and
- 5) Funding Envelope and split between grant programmes.

Elected Members provided feedback concerning the following points:

- request for funding criteria to be reviewed, specifically regarding the charity status requirement,
- the need to take into account the increased community funding needs as part of the 10-Year Plan process,
- risks and opportunities regarding the different options for the management and distribution of community funding, and
- consideration to be given to the reputational risks regarding appropriate distribution of public money.

Elected Members requested that further information concerning this policy and increased funding recommendations to be discussed as part of the 10 Year Plan.

3. Proposed Open Space Provision Policy

(Presentation provided)

Acting General Manager Community and Acting Team Leader Planning and Assets provided an overview of the Proposed Open Space Provision Policy and sought feedback from Elected Members concerning the approach and proposed principals of the draft policy and to confirm the process and next steps.

They outlined that Council had a legal responsibility under the LGA 2002 to provide communities with access to recreation, social and environmental experiences. There was currently no clear policy guidance in relation to this and there was uncertainty within the developer community regarding the requirements for the provision of open spaces/parks. Staff were recommending a policy be adopted for the provision of open space. A timeline for this process was included in the presentation. Staff responded to questions from Elected Members concerning:

- policy robustness and benchmarking against other Councils,
- funding/budget requirements, and
- Private Developer Agreements and offset of Development Contributions.

4. Hamilton Properties Limited (HPL)

(Presentation provided)

Strategic Property Manager and PWC Representatives provided a presentation concerning Endowment Funds and HPL. Staff outlined what 'endowment' was, the historical background/purpose for the different types of endowment funds, and the role of HPL in historically managing the funds.

PWC outlined the various risks and opportunities regarding the reactivation of HPL, and the option of endowment fund dissolution. Staff responded to questions from Elected Members concerning:

- risks involved with the options,
- historical performance of HPL,
- current management and performance of the funds,
- responsible return on investment, and
- representation of funds in financial reports.

5. KPI Reporting

(Background memo provided)

The General Manager Strategy and Communications provided an update to Elected Members concerning changes to the 10 Year Plan Key Performance Indicator (KPI) reporting. He noted that KPI reporting had previously been split to be reported to either the Community and Services or Growth and Infrastructure Committees as specified in the 2016-19 Governance Structure. Going forward, the KPIs would be reported to the Finance Committee to increase visibility.

In response to Elected Members concerns around the current KPI reporting measures, it was noted that as part of the 10 Year Plan process, Elected Members would have the opportunity to review the reporting measures and targets of KPIs.

6. Draft Regional Funding Framework

(Background memo provided)

The Chief Executive and Acting General Manager Community provided an update to Elected Members concerning the proposed Regional Funding Framework. The intent of the framework was to encourage a collaborative approach to planning and development of regional and sub-regional facilities in the Waikato.

Elected Members provided feedback on the following points:

- that the framework should be used/informed by plans and projects and the process around this needed to be clarified,
- importance of an agreed regional approach concerning the Avanti drome,
- framework should cover accessibility benefits to facilities rather than just focus on location,
- important that facilities were for general use, not just for elite, and
- the role of the Regional Council in terms of co-ordination and funding.

Council Report

Item 7

Committee: Council

Date: 24 August 2017

Author: Amy Viggers

Authoriser:

Position: Committee Advisor

Position:

Report Name: Chair's Report

Report Status	<i>Open</i>
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Attachments

Attachment 1 - Chair's Report 24 August 2017



Chair's Report

Rail report

A meeting was held with Waikato District Council, Waikato Regional Council, ourselves and Kiwirail, with a representative of NZTA observing, on the 10th of August 2017.

The purpose of the meeting was to hear from Kiwirail on the feasibility of using a diesel locomotive to start a commuter service to Papakura from Hamilton.

Kiwirail was very positive and supportive of an option using a diesel locomotive, they highlight a number of solutions to previous constraints raised, e.g. there are slots at Papakura, there is line availability (some constraints around scheduling) and there are locomotives and carriages that need refitting. Kiwirail understand the proposition and have offered us the necessary data to support us in a business case.

Civil Defence Emergency Management

Under section 25 of the Civil Defence Emergency Management Act 2002 there is a requirement to appoint at least 1 person as a person authorised to declare a state of local emergency for its area. This responsibility sits with the Mayor in the first instance. However there needs to be some redundancy should people be not in a position to declare an emergency.

I therefore propose the following; in the first instance the Mayor is authorised to declare a local emergency, in the absence of the Mayor, then the Deputy Mayor is authorised, should both of them be unable, then Cr Leo Tooman has authorisation then if he is unable then Cr James Casson has authorisation.

Recommendation

That the Council:

- a) approves the following order of persons authorised to declare a local emergency: the Mayor, the Deputy Mayor, Cr Leo Tooman, Cr James Casson; and
- b) notes the order is only to be followed if the authorised person is not capable or in an informed position to declare an emergency under the relevant legislation.

Andrew King
Mayor – Hamilton City Council

Council Report

Item 8

Committee: Council **Date:** 24 August 2017
Author: Sean Murray **Authoriser:** Sean Murray
Position: General Manager Venues, Tourism and Major Events **Position:** General Manager Venues, Tourism and Major Events
Report Name: Waikato Regional Theatre - Concept Design Recommendation to Council

Report Status	<i>Open</i>
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Purpose

1. To inform Council regarding a presentation from Momentum Waikato Community Foundation on their proposed concept design and business case for the development of a new Waikato Regional Theatre. The report also provides information on next steps to be taken by Council.
2. Representatives from Momentum Waikato, the Waikato Regional Theatre Governance Panel and Charcoal Blue, the Theatre design consultants engaged to develop the concept design, will present to Council at this meeting.

Staff Recommendation

3. That the Council:
 - a) receives the report; and
 - b) notes that Management will report back to Council at its 21 September 2017 meeting with:
 - i. management's response to the concept design;
 - ii. financial implications of the proposed capital contribution of \$30,000,000 plus GST;
 - iii. financial implications of any ongoing annual contribution by Council to the Waikato Regional Theatre's ownership and operating costs;
 - iv. options and financial implications regarding the future of Founders Theatre; and
 - v. a work plan for a public consultation process on the proposal for the new Waikato Regional Theatre and future options for the Founders Theatre including a draft consultation document, communications plan, timetable and cost estimate.

Background

4. Founders Theatre offered space for live entertainment and civic functions. Founders Theatre was closed due to safety concerns with the flying system in March 2016. In July 2016, Council also received independent confirmation that Founders Theatre was an earthquake prone building. Founders Theatre has remained closed. Previous users (community based and commercial operators) have relocated to other venues such as Clarence Street Theatre, Claudelands, School halls etc. In some cases, commercial touring shows have bypassed Hamilton on their touring routes.

5. In July 2016, public consultation on the future of Founders concluded with a total of 2,279 written and electronic submissions received. Feedback through the public engagement process clearly indicated that Hamilton and Waikato residents valued the need for a new performing arts theatre and saw a facility as vitally important community infrastructure.
6. It was during this time that Momentum Waikato approached Council with an offer to work on a 'Waikato Regional Theatre' project. Council resolved to accept the proposal by Momentum Waikato to support building of a new performing arts theatre in Hamilton and signalled in principle, a maximum of \$30 million plus GST towards the new build.
7. Council also committed \$100,000 to match Momentum's contribution towards the costs of developing a concept design, identification of a preferred location and business case and ongoing operating model for a new theatre.
8. An independent Governance Panel was selected to oversee development of the plan and Charcoal Blue, an internationally renowned theatre development consultancy firm, was appointed by the panel to develop the concept plan.
9. The members of the Governance Panel are:
 - Dr Julian Elder (Chair) – Independent
 - Margi Moore – Creative Waikato
 - Glenn Holmes – Property Institute
 - Graeme Ward – Wintec
 - Sean Murray - HCC
10. On 12 July 2017 Momentum Waikato publically released its proposal for a preferred location for the new theatre on the site of the former Hamilton Hotel, which takes up a block between Victoria Street and the Waikato River in Hamilton's CBD.
11. The full concept design recommendation including confirmation of the preferred location is the subject of this report.
12. The future of the Founders Theatre remains to be determined. Further details on the costs and logistics of several options (such as re-opening the building for a different use, reinstating Founders or demolishing and returning land to a green open space) will be reported back to Council in September 2017, once the outcome of the Waikato Regional Theatre project is known. The future of the Founders Theatre itself remains a matter of high public interest and as such should be considered under the public consultation process at the same time as the consultation on the proposed new Waikato Regional Theatre.

Attachments

There are no attachments for this report.

Council Report

Item 9

Committee: Council **Date:** 24 August 2017
Author: Stephen Standley **Authoriser:** Lance Vervoort
Position: Executive Projects Manager **Position:** General Manager Community
Report Name: Funding Partnership Opportunities for a Second Indoor Court Facility

Report Status	<i>Open</i>
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Purpose

1. To seek approval to enter into a Memorandum of Understanding with Sport Waikato and the University of Waikato, and another with Sport Waikato and Waikato Institute of Technology (Wintec), which may include other local authorities, to investigate a potential partnership option for a new multipurpose indoor court facility that provides for 50% community use.

Staff Recommendation

2. That the Council:
 - a) receives the report; and
 - b) delegates authority to the General Manager Community to enter into a Memorandum of Understanding with Sport Waikato and the University of Waikato, and another with Sport Waikato and Waikato Institute of Technology (Wintec), which may include other local authorities, to investigate a potential partnership option for a new multipurpose indoor court facility.

Executive Summary

3. The Council resolved in November 2016 that the development of a second partnership for an indoor recreation centre, aligned to the Waikato Regional Sports Facility Plan, is considered in the development of the 2018-28 10 Year Plan and that the Council works with other local authorities to discuss and pursue regional funding options.
4. A Memorandum of Understanding with Sport Waikato and the University of Waikato, and another with Sport Waikato and Wintec to explore funding partnership opportunities for a second indoor court facility will ensure that this is a fair and transparent process.
5. There is also the potential to include Waikato District Council and Waipa District Council as signatories to engage them as potential funding partners.
6. Partnership options to address other community recreational needs, such as a shortage of swimming pool space and all-weather sports fields can be considered separately.
7. All parties understand that grant funding is being considered for the Council's 2018-28 10 Year Plan and that the preparation and evaluation of proposals shall cease if funding is not included.

Background

8. Sport Waikato has led the development and partnered delivery of the Waikato Regional Sports Facility Plan, which was adopted by the Mayoral Forum in November 2014 and funded for delivery by local authorities in the Waikato Region.
9. The Waikato Regional Sports Facility Plan recommended that Hamilton City Council develop, in partnership with other organisations, two multipurpose indoor court facilities each sized to fit 4-5 netball courts.
10. Opus International Consultants (Opus) was engaged by Sport Waikato in July 2015 on behalf of Council to review and analyse five potential partnership opportunities for the development of these indoor court facilities for Hamilton.
11. The Opus report recommended that the Council established a funding partnership with the Ministry of Education for a new four court facility at Rototuna Junior and Senior High Schools and that the Council works with the University of Waikato and Wintec to develop a feasibility study and business case for another new shared four court facility.
12. On 24 February 2016, the Council approved entry into a partnership agreement, which secures community use, with the Rototuna High School Establishment Board of Trustees and Ministry of Education to construct a four-court indoor recreation facility on the school site. The new facility opened for use in July 2017.
13. On 30 November 2016, the Council resolved that the development of a second partnership for an indoor recreation centre aligned to the Waikato Regional Sports Facility Plan be considered in the development of the 2018-28 10 Year Plan and that the Council works with other local authorities to discuss and pursue regional funding options.

Discussion

14. The Council and Sport Waikato staff are working with the University of Waikato and the Waikato Institute of Technology (Wintec) for the purpose of identifying a second partnership for an indoor recreation centre as it aligns with the Opus report recommendation and they are both actively developing plans to build sport and recreation facilities, including indoor courts.
15. Approval is sought for the General Manager Community to enter into a Memorandum of Understanding (MOU) with Sport Waikato and the University of Waikato and another with Sport Waikato and Wintec, to explore funding partnership opportunities for a second indoor court facility in order to ensure that this is a fair and transparent process.
16. There is also the potential to include Waikato District Council and Waipa District Council as signatories to the MOU to engage them as potential funding partners.
17. Attachment 1 is a draft MOU between Hamilton City Council and the University of Waikato. A MOU between the Council and Wintec would be comparable.
18. The MOU clearly states that Council would require the indoor court facility to provide for at least 50% community use at all times between 6am and 10pm.
19. The MOU also states that funding has not been allocated for this purpose but grant funding is being considered for the Council's 2018-28 10 Year Plan and that the preparation and evaluation of proposals shall cease if funding is not included in the 10 Year Plan.
20. Partnership options to address other community recreational needs, such as a shortage of swimming pool space and all-weather sports fields can be considered separately but these are outside the scope of this MOU.
21. If the recommendation is not approved there will not be a formal framework for ongoing discussions to explore funding partnership opportunities for a second indoor court facility that provides for community use.

22. This recommendation supports the Hamilton Plan priority that 'Waikato is the capital of high performance sport'. In addition to the high performance sporting objectives, the Hamilton Plan states that 'Hamilton has a commitment to community sports' and 'participation in organised and recreational sports increases'.

Financial Considerations

23. The cost for developing an MOU and any subsequent procurement process is a regular operating activity funded through the current 10 Year Plan.
24. The MoU does not commit Council to fund the development of a new facility. This decision is made solely by the Council during the 10 Year Plan process, as is the choice of the preferred proposal.

Legal and Policy Considerations

25. The staff recommendation complies with the Council's legal and policy requirements. There will be a legal review of the draft MOU before it is finalised.

Risks

26. There are no known risks associated with the decisions required for this matter.

Attachments

Attachment 1 - Draft MOU with University of Waikato

Explore Funding Partnership Opportunities for Second Indoor Court Facility

MEMORANDUM OF UNDERSTANDING

1. Parties

Between: Hamilton City Council ("Council")
And: Sport Waikato
And: University of Waikato ("University")

2. Purpose

To explore funding partnership opportunities for a second indoor court facility that provides for at least 50% community use.

3. Background

- A. Sport Waikato has led the development and partnered delivery of the Waikato Regional Sports Facility Plan, which was adopted by the Mayoral Forum in November 2014 and funded for delivery by the Waikato Local Authorities.
- B. The Waikato Regional Sports Facility Plan 2014 makes a number of recommendations for Hamilton including the development, ideally in partnerships, of two 4-5 court (netball size) multipurpose facilities with one being located in the north-east of the city, which will also serve Waikato District Council, Waipa District Council and Matamata Piako residents.
- C. The Council made the following resolution as part of the 2015-25 10-Year Plan:
 - Council supports the development of a feasibility study, led by Sport Waikato in conjunction with key stakeholders, investigating the best option for an indoor recreation facility including location, design, fundraising and operational model, with recommendations to Council prior to October 2015.
- D. Opus International Consultants Ltd (Opus) was engaged by Sport Waikato in July 2015 on behalf of Council to undertake an analysis of potential partnership options for a new indoor recreation facility in the city consistent with the findings of the Waikato Regional Sports Facility Plan and the Council resolution in the 2015-25 10-Year Plan.
- E. The 2016 Opus report considered four sites: the Te Rapa Sports Drome, Rototuna Junior and Senior High Schools, Wintec Rotokauri Campus, and the University of Waikato. It recommended a funding partnership with the Ministry of Education for a new four court facility at Rototuna Junior and Senior High Schools and that Council works with the University and Wintec to develop a feasibility study and business case for a new shared four court facility.
- F. On 24 February 2016, Council approved entry into a partnership agreement, which secures community use, with the Rototuna High School Establishment Board of Trustees and Ministry of Education to construct a four-court indoor recreation facility on the school site.
- G. Council received an update on the Rototuna Indoor Recreation Centre at the meeting on 30 November 2016 and resolved that:

- The development of a second partnership for an indoor recreation centre aligned to the Waikato Regional Sports Facility Plan be considered in the development of the 2018-28 10-Year Plan.
- That Council works with regional councils to discuss and pursue regional funding options.

- H. The University is developing plans for a sport and recreation precinct on its Hillcrest campus. This may include an indoor recreation facility, artificial turf sports fields and enhancement of existing swimming pool facilities and could provide for community use.
- I. Wintec is developing plans for a sports hub on its Rotokauri campus. This may include an indoor recreation facility, artificial turf sports fields and a swimming pool and could provide for community use.
- J. Council is working with Sport Waikato, supported by Sport New Zealand, to consider potential partnership options with the University or Wintec, for developing another indoor recreation centre to meet the demand for sports codes like volleyball, netball, futsal (indoor football), basketball and badminton.

4. Understanding

- A. The parties are entering into this Memorandum of Understanding (“MOU”) to record the basis for working together on the preparation and evaluation of proposals for funding partnership opportunities for the development and operation of a multipurpose indoor court facility.
- B. This MOU is not exclusive as Council and Sport Waikato are entering into an MOU with the University and an MOU with Wintec for the same purpose.
- C. Council has not allocated funding for this purpose but the development of a partnership for a second indoor recreation centre and associated grant funding is being considered for the 2018-28 10-Year Plan. The preparation and evaluation of proposals shall cease if funding is not included in Council’s 2018-28 10-Year Plan.
- D. The parties will follow the Facility Investment Decision Making Process in the Waikato Regional Sports Facility Plan 2014 for this purpose.
- E. Council and Sport Waikato have identified their priorities for community needs and these are listed in Attachment 1: Specifications for Second Indoor Court Facility.
- F. The parties shall endeavour to complete the key tasks within the proposed timeline shown in Attachment 2: Proposed Timeline. However, Council acknowledges that the University and Wintec need to ensure that any such proposal would align with their own campus development plans, which are still under consideration. Accordingly, the University and Wintec have the discretion to decide not to submit a proposal if they should so choose, but will notify Council promptly in that event.

- G. Council and Sport Waikato will use Council's Request for Proposal procurement process to evaluate the proposals.
- H. Council and Sport Waikato will evaluate the proposals using a range of criteria including, but not limited to:
- Design
 - Capital cost
 - Capital funding
 - Development timeline
 - Level of proposed community use
 - Governance and management
 - Operating model
 - Financial viability
- I. The parties acknowledge the intent that should a proposal be accepted and funding included in Council's 2018-208 10-Year Plan, this MOU shall be superseded by an Agreement ("The Agreement"), the scope and intent of which will be to implement the proposal, and The Agreement will be negotiated in good faith by the parties.
- J. Each party will bear its own costs and expenses incurred in the implementation of matters related to this MOU and the transactions contemplated hereby.
- K. Council may consider partnership options to address other community recreational needs, such as a shortage of swimming pool space and all-weather sports fields, but these are outside of the scope of this MOU.

5. Confidentiality and Intellectual Property

- A. Confidential Information means:
- All information and materials relating to or arising from this MOU in any form whatsoever, including any proposal submitted under this MOU, and
 - Information which is by its nature confidential or which the discloser advises the recipient is confidential and includes the terms of this MOU, and
 - Includes anything disclosed before the date of this MOU.
- B. Confidential Information does not include:
- Information which at the date of this MOU is in the public domain or subsequently enters the public domain without fault on the part of the recipient,
 - Information that is received in good faith by the recipient from a third party,
 - Information which is at the date of this MOU, independently developed by, or already properly in the possession of, the recipient and which the recipient can demonstrate by

written record to be previously known to the recipient.

- C. The recipient of Confidential Information shall:
- Keep it in the recipient's possession and treat it as confidential regardless of when disclosed,
 - Not use any Confidential Information belonging to the other party for any purpose other than as required in terms of this MOU,
 - Only disclose Confidential Information to employees, officers or professional advisers on a need to know basis and shall be liable to the discloser for any breach by those persons of these confidentiality obligations.
- D. The restrictions in this Clause 5 do not apply where disclosure is required by law or by a government agency or governmental authority.
- E. All intellectual property rights in any proposal submitted by the University under this MOU will remain the property of the University.

6. Communications

- A. Communication on all matters relating to this MOU, to performance and to activities undertaken in terms thereof, shall be by the following:
- Lance Vervoort, General Manager Community (or designate) for the Council,
 - Matthew Cooper, Chief Executive Officer (or designate) for Sport Waikato,
 - Michelle Jordan-Tong, Assistant Vice-Chancellor Student and Information Services (or designate) for the University.
- B. No party gives any representation or warranty with respect to any information other than that it has the right to disclose such information.
- C. This MOU shall terminate on the earlier of the execution of The Agreement (Clause 3.4) or the parties mutually agreeing to terminate the MOU.

7. Liability

- A. No party shall be liable to the other for any costs, liability, damages, loss, claims or proceedings of whatever nature arising out of this MOU and neither party shall be liable to the other for any loss of profit, loss of business or consequential loss of that party, howsoever caused.

8. Disputes

- A. If a dispute arising out of this MOU occurs between the parties, then the parties will in good faith try to resolve that dispute.
- B. If the dispute is not resolved within twenty (20) working days from the date the dispute was advised in writing, then the dispute shall be referred to mediation.

9. General

- A. This MOU is governed by New Zealand law and the parties submit to the non-exclusive jurisdiction of the courts of New Zealand.
- B. This MOU may be signed in counterparts, including by facsimile or email, all of which when read together shall constitute one and the same document.
- C. Only clauses 5, 7 and 9 in this MOU are legally binding on the parties and those clauses shall survive termination of this MOU.
- D. The date of this MOU shall be the date that the last person signed.

Signed by Hamilton City Council

Signed by Sport Waikato

Signature

Signature

Name of authorised signatory

Name of authorised signatory

Position

Position

Date

Date

Signed by the University of Waikato

Signature

Name of authorised signatory

Position

Date

Attachment 1: Specifications for Second Indoor Court Facility

Attachment 1

Specification	Description
Community Use	<ul style="list-style-type: none"> • Must provide for at least 50% community use at all times between 6am and 10pm. • Use by sporting franchises is generally not considered as community use.
Car Parking Spaces	1 per 20m ² building footprint (accessible for community use). ¹
Structure	Standard steel portal construction.
Building Access	Reception area, which provides equal access for people with disabilities. Should include kitchen, control room and spectator eating area for tournaments.
Staff Facilities	Office space and cleaner's cupboard.
Court Area	To be determined dependent on court configuration.
Height	7.5m minimum playing clearance.
Flooring	Sprung wooden flooring (either single batten or professional grade).
Lighting	Adjustable lighting between 300-500 Lux with clear, intermittent side panelling for natural light.
Heating & Ventilation	A combination of natural ventilation and a mechanically assisted system.
Changing	Minimum of two community changing rooms at all times.
Estimated Storage	~7% of Court Area.
Spectator Seating	5m area to be provided at one end of the courts for spectator seating (additional to Court Area).
Configuration	<p>Four premier size or five club size netball courts (probably in linear configuration), overlaid with:</p> <ul style="list-style-type: none"> • eight premier size volleyball courts (probably configured 4x2), • at least four club size futsal courts, • at least four club size basketball courts, and • at least ten club size badminton courts.

Item 9

Sport Grade ²	Premier Volleyball	Premier Netball ³	Club Netball	Club Futsal ⁴	Club Basketball	Club Badminton
Court Size	18m x 9m	30.5m x 15.25m	30.5m x 15.25m	25-42m x 16-25m	28m x 15m	13.4m x 6.1m
Court Run-off	3m sides, 5m ends	3.05m all round	3.05m all round		2.05m all round	1.5m sides, 2m ends
Team & Match Official Space	2m on one side	1.65m on one side	NA		1m on one side	NA
Other Space	NA	0.5m all round	NA	1m each end (goals)	NA	NA
Total Footprint per Court	28m x 17m	37.6m x 24m	36.6m x 21.35m		32.1m x 20.1m	17.4m x 9.1m

¹ Partly Operative District Plan: Hamilton City Council

² Sports Data Sheets: Sport England 2012 (except Premier Netball and Futsal)

³ Venue Specifications: Netball New Zealand 2009

⁴ Sports Dimensions Guide for Playing Areas: Government of Western Australia 2016

Attachment 2: Proposed Timeline

The key tasks to be completed and proposed timeline are:

Key Task	Due Date
MOU approved by Council	24 August 2017
MOU endorsed by all parties	29 September 2017
The University and Wintec, with appropriate input from Council and Sport Waikato, prepare proposals for evaluation, i.e. a concept including preliminary design, rough order of costs, draft funding strategy, suggested operating model, proposed governance and management arrangements, projected operating budget (revenue and expenditure), proposed development timeline and feasibility assessment.	1 March 2018
Council considers funding for a second indoor court facility in the development of the draft 2018-2028 10-Year Plan	1 March 2018
Council advises other parties to MOU whether funding for a second indoor court facility is included in its draft 2018-2028 10 Year Plan for public consultation	1 March 2018
Evaluation of proposals	30 June 2018
Council confirm The Proposal and the level of funding to be provided by Council is in its final approved 2018-2028 10-Year Plan	30 June 2018
Development of detailed business case	TBA
Negotiate Partner and Funding Agreements	TBA

Item 9

Attachment 1

Council Report

Item 10

Committee: Council
Author: Sean Murray
Position: General Manager Venues, Tourism and Major Events
Date: 24 August 2017
Authoriser: Sean Murray
Position: General Manager Venues, Tourism and Major Events
Report Name: Community Use of H3 Venues

Report Status	<i>Open</i>
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Purpose

1. To inform the Council of preliminary analysis of the proposal to assess the impact of making H3 venues more accessible for community use and not operate them on a market-based commercial model.

Staff Recommendation

2. That the Council:
 - a) receives the report; and
 - b) approves Options 1 Status Quo: Management to continue operating H3 venues on a semi-commercial basis .

Background

3. At its meeting on 8 February 2017, following discussion on agenda item 11 (H3 Service Delivery review – linked [here](#)), Council made the following resolution:

Resolved: (Mayor King / Cr Yeung)

That:

- a) *The report be received*
 - b) *Council defers a decision on the Howarth HTL recommendation until after 30 June 2017; and*
 - c) *The CE presents a report to the 4 April 2017 Community and Services Committee meeting outlining the impact of moving the H3 business from a fully commercial business model through to a community focused business model.*
4. This paper focuses on item c) of the above resolution.

Current Operating Brief for H3 Venues

5. H3 venues (Claudelands Event Centre, FMG Stadium Waikato, Seddon Park and Founders Theatre pre-closure) were originally intended and currently mandated by Council to deliver:
 - Exposure and promotion for the city;
 - Activity and opportunity that enhances the lives of residents on a national (and international) level;

- Direct and indirect economic benefits to the city and its business; and
 - Enhanced pride and a sense of identity for residents.
6. To summarise, the purpose of H3 Venues is to lift Hamilton’s national profile and visitor levels in a way that also delivers event activity, which residents can participate in and enjoy.
 7. At the same time there has been a consistent brief for management to do so in the most cost effective way possible, cognisant of the venue’s need to function in a commercially competitive environment. This drives H3 to operate effectively in a semi-commercial mode if it is to also fulfil non-financial imperatives.
 8. In the case of the Claudelands Event Centre project, Council very clearly identified and stipulated in its 2006-2016 Business Plan that it should be built to operate on a fully commercial basis. To quote:
 - 2.4 Operate the venue at market and commercial hire rates, with the ability to offer competitive negotiations*
 - 2.5 Improve revenue opportunities with commercial initiatives*
 - 2.6 Encourage events and activities that have high commercial returns*
 - 2.7 Maximise the venue with concurrent activities and events*
 - 2.8 Operate seven days per week*
 - 2.9 Seek retail activities within the venue*
 9. In October 2007, the Claudelands Development Plan was resolved to proceed and it stipulated that it was to be operated as a “commercial model”. It also recognised a facility of the type that was ultimately built could not successfully have a commercial focus and meet community based recreational needs at the same time.
 10. This view led to the design and functionality of the facility built and the business model currently deployed. For example, Claudelands would never have been built in the way it has (core function and spaces) had it been intended as a community facility.
 11. It is important to note that functional design elements of our major event venues do not easily convert to use by smaller community users where specialist staff must be deployed at a cost.
 12. A clear exception to this is theatres although their design has a very specific function. Theatre investment is for the community however the performance delivery at a theatre can equally be a mix of community and commercial events. Even commercial events at a theatre serve a strong community service but have the benefit of paying commercial rates that help offset the cost of delivery through that type of venue.

Current Support by Council to Community Users (excluding Parks & Open Spaces)

13. **Grant Schemes – Single Year and Multi-Year Community Grants**
14. The current definition of ‘community’ used by Council when considering any grants awarded targets organisations whose primary objective is to provide programmes, services or activities that benefit the social, cultural, arts and environmental wellbeing of communities in Hamilton. They must be a registered legal entity and have charitable status as defined by the Charities Act 2005.
15. During the 2016 year, 96 not for profits received grants from a pool of \$292,000 under the single-year community grant scheme.
16. Further information on the single and multi-year schemes can be found on the Council webpage – linked [here](#).

17. **Community Facilities**

18. Council also owns and operates six community facilities across the city. There are also close to a further 50 community based venues (such as churches, halls, sports clubs excluding educational institutions and commercially operated facilities) which are available for community use. The size, condition and functionality of these facilities are limited.

19. Further information on Community facilities (including an interactive map) can be found on the Council website - linked [here](#).

20. **Hamilton Gardens Venues**

21. The Hamilton Gardens feature a number of meeting and event facility rooms. The utilisation of these facilities is high and attracts roughly a 50/50 split between full commercial and community users. The community users benefit from a 66% discount on the published rate.

22. The community users at the Hamilton Gardens venues are heavily orientated to groups that have an enduring schedule i.e. a set annual event or a fixed monthly meeting on the same day of every month.

23. **Founders Theatre - pre closure**

24. Prior to its closure in March 2016, Founders Theatre provided a community discount of 33% on base venue hire rates. In the last year of operation, 26 eligible groups benefited from the discount. The estimated value of this was \$70,000. Under the scheme, Founders Theatre held a compensatory "discount expenditure" item in its budget of \$140,000 per annum for this purpose. Essentially the loss of revenue for the community discount was off-set via the accounting treatment for budgeting purposes.

25. Where possible, the Founders Theatre clients under this scheme now using Claudelands are benefiting from a similar form of assistance although budgets do not carry any provision for discounts.

26. **Benchmarking against other Cities**

27. In the case of Stadia, Conferencing, Exhibition and Entertainment Arenas commercially contestable rates apply (allowing for negotiated terms).

28. Most theatre venues on the other hand offer some level of community pricing by way of venue rental discounts to approved community or not for profit organisations ranging from 30-50%. Conditions may apply such as the right for a commercial event to take precedence.

29. Some venues may be funded for community access with budget allocation to apply; others will require formal application to Council for specific support.

H3 Venues – Current Approach to Community Clients

30. As noted earlier, H3 venues operate in a semi-commercial mode and seek to maximise the cost to Council of the facilities where it can, but at the same time meet the expectations of Council's original investments (paragraph 7-8). This requires a balanced approach between monetary and non-monetary returns and equally ensuring that our venues are deployed as fully as they can be.

31. All of the H3 venues have surplus capacity throughout the year although peak periods where there is no availability have emerged. The operation runs on a set pricing regime which is established annually. As a result, pricing performance over time has established what the market will bear. This has also been supported by extensive benchmarking of similar venues throughout New Zealand.

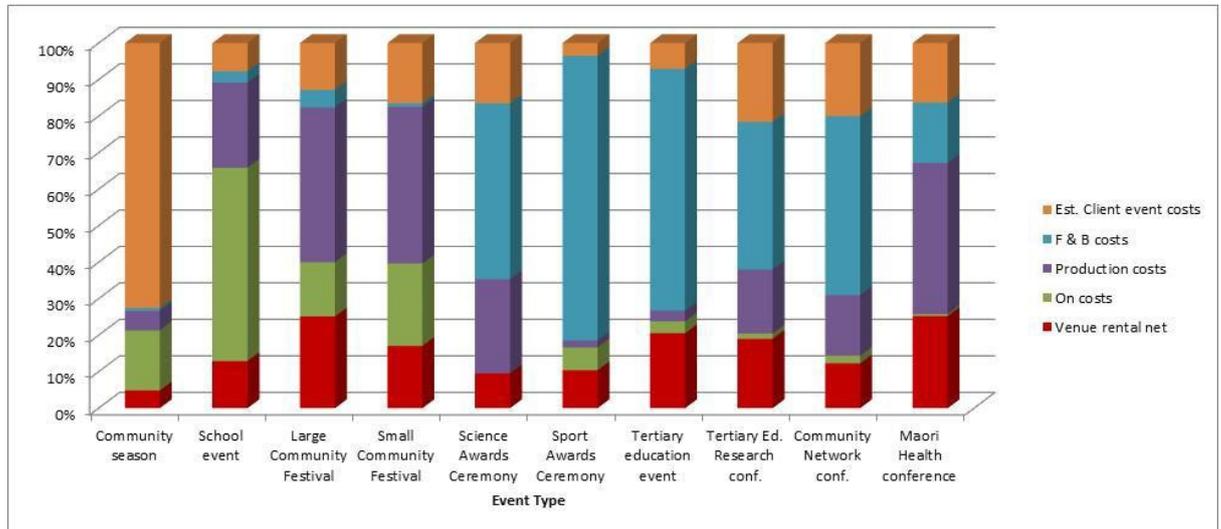
32. However in reality, most business is priced according to the needs of the client. When H3 is in a competitive pitch situation they price according to the venue availability and broader city benefits. In addition, H3 take into consideration the needs of the identifiable community groups as part of their broader delivery component of the benefit to residents subject to availability, time of year and the nature of the service provided.
33. Special pricing assistance offered by H3 does not extend to any additional costs that have to be met beyond the hire charge. Where possible, H3 venues operate on a variable cost model for many of its staff functions which are charged back to the client (not at the direct expense of council).
34. Examples of where special dispensations to community users are as follows:

Founders Theatre – pre closure and now at Claudelands	
<ul style="list-style-type: none"> • Hamilton Operatic Society • Kapa Haka Festivals and Competitions (various) • Dance Schools (various) 	
Seddon Park	
<ul style="list-style-type: none"> • Northern District Cricket – fixed long term contract 	
FMG Stadium Waikato	
<ul style="list-style-type: none"> • Waikato Rugby Union – fixed long term contract • Wanderers football 	
Claudelands	
<ul style="list-style-type: none"> • School graduations (various) • Stage Challenge • Chinese Moon Festival • Armistice Day Equine Event • Waikato Sports Awards • Waikato Chamber of Commerce Business Awards 	<ul style="list-style-type: none"> • Pasifika Festival • Kapa Haka festivals • Chinese Students Assoc. • Christmas Carols • Hospice Banquet • Kudos Awards

Venue Hire as a proportion of total event cost

35. The venue hire cost to stage an event or meeting of any type is in most cases a small portion of the total event costs. Event costs vary dramatically depending on the type of event but generally comprise of:
- Net venue hire rate (to H3) – see red below
 - On costs (utilities, specialist labour, security, cleaning, external equipment)
 - Production costs (sound and lighting)
 - Food and beverage (hospitality)
36. A quick analysis of the range of events where H3 provided discounted venue hire (paragraph 34) shows the proportion of the total event cost (income to H3) can vary from 3 to 18% of the total costs of staging an event at one of our venues. This is not the same for fully commercial hires.
37. Across this sample group, food and beverage is a very small cost for the exception of those staging the event as a major fundraiser which is heavily dependent on the hospitality offer – for example annual sports and business awards.

Item 10



H3 Venue Size and Composition

38. A major consideration of all aspects of the H3 business is its venues are large, operationally complex and often require additional services and costs that cannot be provided by volunteers or small scale contractors. Legislative and operational risks require that community users must comply with H3's conditions of use.
39. In combining the commercial client verses community client blend, some issues tend to arise. Community groups may not be able to meet our terms and conditions of use and delays in decision making can be at the expense of more lucrative customer activity. Some common issues are listed below:
 - No working capital – often rely on external funding approval before committing to contract
 - Care of facilities – voluntary inexperienced labour is not appropriate
 - Health & Safety Risks – safety planning experience may be lacking

Impact of Increasing Community access to H3 Venues

40. It is very difficult to estimate the impact of strengthening access (through pricing) to H3 venues for community groups. Management's advice is as follows:
41. The level of unsatisfied demand is unknown but expected to be very low.
42. The risk of community user over commercial user is a loss of higher yielding revenue and potentially a loss of the additional benefits intended to be achieved for the city.
43. The variable service costs of H3 are less likely to be recovered.
44. H3 and HCC could increasingly be seen to compete with other community and commercial venue providers (seeking to generate some revenue) and potentially cannibalise utilisation away from other HCC venues.
45. To offer an enhanced discount to community users beyond H3's current approach would place a noticeable drain on H3 revenue that will increase the cost of the venues to Council. While it is a highly debatable position to take, H3 see little upside of increased community utilisation due to the totality of costs of using venues of scales as noted earlier.
46. For example, a flat fee hire rate discount of 33% across all users would likely lose \$500,000 of revenue per annum. A budget provision to provide for an additional \$200,000 in discount hire rates (on a rolling demand or on application) could be applied. However, this is an increase in the cost to Council.

47. The challenge here is what the value of the benefit to the community is as a result of a discounted rate. As a part of that question, consideration must be given to “value” of council applying either an additional \$500,000 or \$200,000 through another channel such as community grants – playgrounds, enhancements to other community facilities etc.

Options to Consider

48. Management has undertaken some preliminary analysis of options and the following are provided for discussion:
49. **Option 1 – Status Quo**
50. Management continue to run H3 venues on a semi-commercial basis but provide inducements to secure business from community groups where;
- There is a strong fit between the venue and its intended use;
 - H3 is not disadvantaged through lost revenue and incremental costs.
 - Where the community group fits Council’s definition of an approved entity.
51. There is no financial impact and Management supports this option.
52. **Option 2: Community User Venue Hire Fund**
53. Council approves an annual “community user” reserve held by H3 to offset the cost of discounts to community users at H3 venues. Criteria will be developed.
54. Management suggests a reserve could be set at \$200,000 and also supports this as an option but stress that this comes at a material cost to Council. Arguably this would replace the former \$140,000 provision that had been in place at Founders Theatre.
55. **Option 3: Move to full Community Access and revise revenue and expenditure budgets**
56. Financial impact will need to be determined as a part of the upcoming 2018-2028 10-Year Plan.
57. The Revenue risk is likely to range from \$500,000 to \$1,000,000.
58. This option assumes that commercial users at commercial rates will still be serviced by the venues as they currently are. This comes at a very material cost to Council and is not supported by Management.

Attachments

There are no attachments for this report.

Council Report

Item 11

Committee: Council **Date:** 24 August 2017
Author: Riki Manarangi **Authoriser:** Sean Hickey
Position: Corporate Policy Specialist **Position:** General Manager Strategy and Communications

Report Name: Draft Significance and Engagement Policy - Review

Report Status	<i>Open</i>
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Purpose

1. To seek the adoption of the draft Significance and Engagement Policy or approve the draft Significance and Engagement Policy for public consultation.

Staff Recommendation

2. That the Council
 - a) Adopts the draft Significance and Engagement policy.OR
 - b) Approves the draft Significance and Engagement policy and proposal for public consultation from 26 August 2017 and 26 September 2017.

Executive Summary

3. The Local Government Act 2002 (the Act) requires the Council to have a Significance and Engagement Policy ([s76AA](#) of the Act).
4. A Significance and Engagement Policy (policy) provides transparent guidance to the public and the Council staff about how and when the community can expect to be engaged with or consulted on.
5. The Council adopted the existing policy on 27 November 2014 with a scheduled review date for the policy three (3) years from the date of adoption (i.e. November 2017).
6. The draft policy reflects the legislative requirements and has been developed utilising a combination of elements from other local authorities policies to ensure best practice.
7. The draft policy has been developed to make it easy for the Council, community and staff to understand how the Council will assess appropriate significance, and determine engagement approach.
8. The draft policy has been reviewed by staff across the organisation who commonly apply the policy.
9. Although the draft policy has been improved, the intent and purpose of the policy remains unchanged.
10. Staff consider the decision of this report has a medium significance and that the recommendation complies with the Council's legal requirements.

11. The Council have option to adopt the draft policy or approve the policy for consultation.

Background

12. General
13. A Significance and Engagement Policy (policy) provides transparent guidance to the public and the Council staff about:
 - How the Council determines if a decision or proposal is significant; and
 - When the community can expect to be engaged on a decision or proposal.
14. The Council adopted the existing policy on 27 November 2014 with a scheduled review date for the policy three (3) years from the date of adoption (i.e. November 2017).
15. The policy review is undertaken in advance of the 2018-2028 10 Year Plan (10-Year Plan) being adopted as a summary of the policy resides in the 10-Year Plan.

Discussion

16. **Review process**
17. The Council adopted the existing policy on 27 November 2014 with a scheduled review date for the policy three (3) years from the date of adoption (i.e. November 2017).
18. The aim of the current review was to make the existing policy more efficient for the Council, community and staff to understand the significance of a decision or proposal and (when required) determine an engagement approach.
19. The draft policy has been developed utilising a combination of elements from other local authorities policies to ensure best practice (including: Auckland, Christchurch, Palmerston North, Tauranga, Wellington).
20. The draft policy has incorporated guidance from the New Zealand Society of Local Government Managers (SOLGM) publication(s) on significance and engagement policy.
21. The draft policy has been reviewed by staff across the organisation who commonly apply the policy.
22. The draft policy was presented at an Elected Member Briefing on 12 July 2017 to gain Elected Member input. Elected Member input included the need for more plain English and further clarity in the policy including in the policy schedules. This input has been incorporated into the draft policy proposed and attached.
23. The Council's City Solicitor has undertaken a legal review of the draft policy and has confirmed that the draft policy is legally compliant.
24. **Application of the Policy**
25. The policy is applied in a two-step process:
 - Determine the level of significance; and then
 - Determine the level of engagement and approach.
26. The level of significance of a proposal/decision is determined on a case by case basis by the key considerations in schedule 1 of the draft policy.
27. The level of engagement for a proposal/decision is determined by the level of significance (i.e. a high level of significance will mean a high level of engagement).

28. The table sets out the engagement requirement based on the significance and engagement levels:

Significance Level	Engagement Level	Engagement Requirement
High	High	The Council will engage and a proposed engagement approach is considered.
Medium	Medium	The Council will determine whether it is appropriate to engage or not. A proposed engagement approach is considered when the Council determine it is appropriate to engage.
Low	Low	No engagement is required.

29. An engagement approach is made up of:
- one engagement method in schedule 2 of the draft policy (e.g. Consult); or
 - a combination of engagement methods in schedule 2 of the draft policy (e.g. Consult and Involve).
30. The engagement methods in schedule 2 of the draft policy provide examples the Council may use for engagement. The Council is however not restricted to only using these examples.

Options

31. In adopting the draft policy, the Council must comply with [s76AA\(5\)](#) of the Act (refer to Legal and Policy Considerations section below for further details). Accordingly, staff have assessed that there are two options for the Council to consider. The options are either to:
- Option A – Adopt the draft policy.
 - Option B – Consult on the draft policy.
32. **Option A**
33. To adopt the draft policy as attached, the Council needs to have sufficient information on the community interests and preferences to enable the purpose of the policy to be achieved (refer to Legal and Policy Considerations section below for the purpose of the policy as set out in the Act).
34. The draft policy is an amendment to an existing policy which has already been consulted on.
35. The proposed changes to the existing policy are to make it more efficient for the Council, community and staff to understand the significance of a decision or proposal and determine any engagement approach. The intent and core purpose of the policy remains unchanged.
36. The draft policy has incorporated input from staff that engage with the community and from Elected Members, who represent their constituents and the community views.
37. In view of the above, if the Council accepts that the community interests and preferences to enable the purpose of the policy to be achieved are known then it does not have to consult. The Council then have the option to adopt the draft policy as attached.
38. If the Council adopts the draft policy as attached, the estimated total costs will be \$14,700 including a forecasted spend of \$1000 for administration and communication expenses (see 'Option 1' table under Financial Considerations for costs).

39. **Option B**
40. Although it is an existing policy that has been revised, if the Council does not accept that the community interests and preferences to enable the purpose of the policy to be achieved are known then it must consult (refer to Legal and Policy Considerations section below for the purpose of the policy as set out in the Act).
41. The Council then have the option to approve the draft policy for public consultation as per the attached proposal.
42. The proposed timeline is:
- 24 August 17 - Statement of proposal adopted.
 - 26 August 17 - Notice of statement of proposal is advertised and consultation material available on the Council's website.
 - 26 September 17 Submissions period ends.
 - 19 October 17 Policy deliberation and adoption – Council meeting.
43. If the Council consults on the draft policy, the estimated total costs will be \$22,700 including a forecasted spend of \$8,500 for engagement, analysis, any further policy development, deliberations and adoption (see 'Option 2' table under Financial Considerations for costs).

Financial Considerations

44. This is a regular operating activity funded through the Long Term Plan. The tables outline the costs for each option:

Option 1 – Adopt the Draft Policy			
Type of Costs	2017-2018 Year		
Operating Expenditure	Approved budget	Costs Incurred	Forecast Spend
Policy Development (inc this report)	\$10,000	\$9,000	\$0
Legal Review	\$5,000	\$4,700	\$0
Adoption (inc Administration & Communications)	\$1,000	\$0	\$1,000
Total Opex	\$16,000	\$13,700	\$1,000
Total Cost (Incurred + Forecast)			\$14,700

Option 2 – Consult on the Draft Policy			
Type of Costs	2017-2018 Year		
Operating Expenditure	Approved budget	Costs Incurred	Forecast Spend
Policy Development (inc this report)	\$10,000	\$2,000	\$0
Legal Review	\$5,000	\$4,700	\$0
Engagement	\$5,000	\$500	\$4,500
Analysis/Deliberations/Adoption	\$5,000	\$0	\$4,000
Total Opex	\$25,000	\$14,200	\$8,500
Total Cost (Incurred + Forecast)			\$22,700

Legal and Policy Considerations

45. [Section 76AA](#) of the Act requires the Council to have a significance and engagement policy.
46. The purpose of the Significance and Engagement Policy as outlined in [s76AA\(2\)](#) of the LGA is:
- To enable the local authority and its communities to identify the degree of significance attached to particular issues, assets or other matters;
 - To provide clarity about how and when communities can expect to be engaged in decisions about different issues, assets or other matters; and
 - To inform the local authority from the beginning of a decision-making process about
 - (i) the extent of any public engagement that is expected before a particular decision is made
 - (ii) the form or type of engagement required.
47. Under [s76AA\(1\)](#) and [s76AA\(3\)](#) of the Act, the policy must set out:
- The Council's general approach to determining the significance of proposals and decisions in relation to issues, assets, and other matters;
 - Any criteria or procedures that are to be used by the Council in assessing the extent to which issues, proposals, assets, decisions, or activities are significant or may have significant consequences;
 - How the Council will respond to community preferences about engagement on decisions relating to specific issues, assets, or other matters, including the form of consultation that may be desirable;
 - How the Council will engage with communities on other matters and;
 - The list the assets considered by the local authority to be strategic assets.
48. The Council's City Solicitor has undertaken a legal review of the draft policy and has confirmed that the draft policy is compliant with the Act.
49. Council must comply with [s76AA\(5\)](#) of the Act when adopting the policy which states:
- *"When adopting or amending a policy under this section, the local authority must consult in accordance with [section 82](#) unless it considers on reasonable grounds that it has sufficient information about community interests and preferences to enable the purpose of the policy to be achieved."*

Cultural Considerations

50. The draft policy has been reviewed by the Aamorangi Maaori (the Council's Maaori Advisor) for cultural considerations and these considerations have been incorporated into the policy.

Risks

51. [Section 76AA\(1\)](#) of the Act requires The Council to have a significance and engagement policy. However, as there are no requirements to review the policy, the existing policy remains effective indefinitely (i.e. until revoked or superseded). Therefore, there are no known risks associated with the decisions required for this matter.

Significance & Engagement Policy

Significance

52. Staff considered the following factors under the Significance and Engagement Policy:
- The portion of the community affected by the proposal or decision.
53. Based on these factors, staff have assessed that the matters in this report have medium significance.

Engagement

54. Given the medium level of significance, staff recommend the level of engagement is medium.
55. Medium significance means that the Council will determine if engagement is appropriate. As above, the draft policy has been reviewed by staff across the organisation who commonly apply the policy. The Council's City Solicitor has also reviewed the policy to confirm its compliance with the Act.
56. If the policy is approved for consultation, the proposed engagement is a one month public consultation on the Council's engagement hub 'Have Your say' between 26 August 2017 and 26 September 2017.

Attachments

Attachment 1 - Draft Policy - Significance and Engagement Policy

Attachment 2 - Draft Policy Proposal - Significance and Engagement Policy

Attachment 3 - Existing Policy - Significance and Engagement Policy

First adopted:	27 November 2014
Revision dates/version:	October 2017 Version 2
Next review date:	October 2020
Engagement required:	Non SCP
Document number:	D-2417137
Associated documents:	n/a
Sponsor/Group:	General Manager – Strategy and Communications

Significance and Engagement Policy

Purpose and Scope

1. To clarify the degree of significance for proposals and decisions.
2. To clarify when and how communities can expect to be engaged.

Principles

3. The Council will be consistent and transparent in how it engages the public.
4. The Council will ensure Maaori views are considered when engaging.
5. The Council will consider language, accessibility and cultural needs in any engagement.
6. The Council will act honestly and openly when analysing and presenting any engagement results.
7. The Council will provide appropriate information to help people understand what is being proposed.
8. The Council will prominently outline a proposals or decisions cost in any engagement.

Definitions

Definition	Detail
Community	A group of people living in the same place or having a particular characteristic in common. Includes interested parties, affected people and key stakeholders.
Consultation	A subset of engagement; a formal process where the community can present their views to the Council on a specific decision that is proposed and made public.
Decision	A decision made by or on behalf of the Council, including those made by the Chief Executive or officers under delegated authority. Decision implies that a proposal has been considered.
Engagement	The process of seeking information from the community to inform and assist decision making.
LGA 2002	Local Government Act 2002 .
Maaori	Includes Maaori who have tribal links to kirikiriroa, Hamilton (i.e. Mana Whenua also known as iwi and hapuu) and Maaori with tribal affiliations outside Hamilton City but reside in Hamilton City or who own property in Hamilton City (i.e. Mataawaka).
Proposal	A suggestion presented to the Council resulting in a decision made by or on behalf of the Council at a Council or Committee meeting.

SCP	The Special Consultative Procedure, as outlined in s83 of the LGA 2002, which sets out minimum requirements for engagement including (but not limited to): <ul style="list-style-type: none"> • Making available a Statement of Proposal. • Allowing a minimum of 1 month to receive written views. • Allowing persons to present views in a spoken manner.
Significance	Defined in s5 of the LGA 2002, the degree of importance of the proposal or decision as assessed by the Council, in terms of its likely impact on, and likely consequences for,— <ol style="list-style-type: none"> a) the city b) any persons who are likely to be particularly affected by, or interested in, the proposal or decision. c) the capacity of the Council to perform its role, and the financial and other costs of doing so.
Significant	Defined in s5 of the LGA 2002, in relation to any proposal or decision means that the proposal has a high degree of significance. Decisions made by the Chief Executive or officers under delegated authority will not be deemed to be significant.
Significant Activity	An activity (or group of activities) meeting the definition of core service meeting the definition under s11A of the LGA 2002: <ol style="list-style-type: none"> a) network infrastructure b) public transport services c) solid waste collection and disposal d) the avoidance or mitigation of natural hazards e) libraries, museums, reserves, recreational facilities, and other community infrastructure.
Strategic asset	Defined in s5 of the LGA 2002, an asset or group of assets that the Council needs to retain if the Council is to maintain its capacity to achieve or promote any outcome that the Council determines to be important to the current or future well-being of the community; The following are the Council's strategic assets at the time of the adoption of this policy: <ol style="list-style-type: none"> a) Hamilton City Libraries network. b) Waterworld and Gallagher Pool. c) Waikato Museum and Collection. d) Hamilton Transport Centre. e) Hamilton Zoo. f) Hamilton Gardens. g) Waikato Stadium, Seddon Park, Claudelands Events Centre and Porritt Stadium. h) Cemeteries. i) Wastewater reticulation and treatment network. j) Stormwater reticulation network. k) Transportation network. l) Reservoirs and water reticulation and treatment network. m) Waikato Regional Airport Ltd.
Statement of Proposal	A document that provides the basis for consultation with the community under the SCP by setting out the Council's proposition with respect to a particular decision.
The Council	Hamilton City Council.

Policy

Application of the Significance and Engagement Policy

9. This policy applies to any proposal presented to the Council for a decision.
10. This policy is applied in two steps:
 - a. Step 1 – Determining the significance of the proposal/decision.
 - b. Step 2 – Determining the requirement to engage or not (guided by the level of significance). If there is a requirement to engage, the level of engagement is set out.
11. This policy does not affect any statutory requirement to undertake any specific consultation and decision-making processes (e.g. under the [Resource Management Act 1991](#)).
12. Where Council makes a decision that is significantly inconsistent with this policy, the steps identified in [s80](#) of the LGA 2002 will be applied.

Step 1 - Determining the level of significance

13. [Schedule 1 - Determining significance](#) outlines key considerations relative to a decision or proposal's impact on the:
 - a. Service provided by the Council.
 - b. Transfer of ownership or control of [strategic assets](#).
 - c. Level(s) of financial consequence.
 - d. Ability to reverse a decision.
 - e. Consistency with a prior decision.
 - f. Levels of public interest known.
 - g. Community (as a whole or in part).
14. The Council will assess the degree of significance of a proposal or decision on a case-by-case basis using [Schedule 1 - Determining significance](#) and determine the level of significance of a proposal or decision to be high, medium or low.
15. If the proposal or decision triggers four or more [key considerations](#) which are under the high significance level column, the level of significance will be deemed to be **high** (i.e. the proposal or decision will be deemed significant).
16. If the proposal or decision triggers five or more [key considerations](#) which are under the low significance level column, the level of significance will be deemed to be **low**.
17. If the level of significance of a proposal or decision is not deemed to be high (under clause 14) or low (under clause 15), the level of significance will be deemed to be **medium**.

Step 2 - Determining engagement

18. The level of engagement the Council will use is relative to the level of significance determined (i.e. a higher level of significance will entail a higher level of engagement).
19. The engagement approach the Council will take will be determined on a case-by-case basis using [Schedule 2 – Determining engagement](#) for guidance.
20. Where an engagement is not subject to the SCP ([s83](#) of the LGA 2002), the Council will apply the Principles of Consultation ([s82](#) of the LGA 2002).
21. The proposed engagement approach will be supported by rationale (irrespective of the level of significance and/or a recommendation not to engage) outlined in the Council or Committee reports as follows:
 - a. The level of significance (high, medium or low).
 - b. The proposed level of engagement and the proposed engagement method(s).
22. The Council will not undertake engagement with the community under this policy where the Council is:
 - a. Protecting the privacy and safety of individuals (for example under the [Privacy Act 1993](#); [Health and Safety at Work Act 2015](#); [Building Act 2004](#)).
 - b. Maintaining confidentiality and/or commercial sensitivity to enable the Council to carry out commercial activity or negotiations without prejudice (as provided for in the [Local Government Official Information and Meetings Act 1987](#)).
 - c. Acting with urgency in a crisis (for example under the [Civil Defence Emergency Management Act 2002](#)).

Monitoring and Implementation

23. Implementation of this policy will be monitored by the General Manager Strategy and Communications.
24. This policy will be reviewed, at the request of the Council, in response to any relevant legislative amendment, or every three years (whichever comes first).

Schedule 1 – Determining significance

Key considerations	Significance Level		
	High	Medium	Low
Alteration of a service which comes under the Council's significant activities (<i>see significant activities listed in the definitions table</i>). <i>How different will the service be?</i>	Ceasing or commencing a service. (e.g. the closure of a museum).	A more than nominal alteration of a service. (e.g. the digitisation of most hard copy books at public libraries).	A nominal or no alteration of a service. (e.g. the undertaking of a tender with a different contractor).
Involves the transfer of ownership or control of strategic assets to or from the Council. <i>How much ownership or control will be given to others?</i>	Majority transfer (i.e. more than 51%) or transfer in its entirety. (e.g. a full transfer of a theatre facility).	Minority transfer. (e.g. a 30% share transfer of the museum).	Nominal or no transfer. (e.g. the transfer of a council owned statue).
Level of financial consequences in relation to unbudgeted operating cost or capital cost in the 10 year plan. <i>How substantial is the cost of the proposal/decision?</i>	Unbudgeted operating cost(s) greater than 10% of total expenses in the financial year of the proposal / decision. (e.g. a \$25m unbudgeted increase in lease costs). AND/OR Unbudgeted capital cost(s) greater than 1% of total assets in the financial year of the proposal / decision. (e.g. the construction of a \$40m unbudgeted building).	Unbudgeted operating cost(s) greater than 5% but less than 10% of total expenses in the financial year of the proposal / decision. (e.g. a \$15m unbudgeted increase in lease costs). AND/OR Unbudgeted capital cost(s) greater than .5% but less than 1% of total assets in the financial year of the proposal / decision. (e.g. the construction of a \$25m unbudgeted building).	Unbudgeted operating cost(s) less than 5% of total expenses in the financial year of the proposal / decision. (e.g. a \$1m unbudgeted increase in lease costs). AND/OR Unbudgeted capital cost(s) less than .5% of total assets in the financial year of the proposal / decision. (e.g. the construction of a \$1m unbudgeted building).
Ability to reverse the decision. <i>How hard is it to change things back to</i>	Highly difficult. (e.g. constructing a purpose built	Moderately difficult. (e.g. adoption of the Speed Limit	Low difficulty. (e.g. a minor amendment to a policy).

<i>how they were?</i>	building).	Bylaw).	
Consistency with a prior decision or decisions (i.e. proposal or decision which is consistent with current policies and strategies). <i>How consistent is this proposal with earlier decisions?</i>	Decision or proposal is significantly inconsistent. (e.g. a decision or proposal that retires a Council adopted strategy).	Decision or proposal is consistent but with some notable variations. (e.g. a decision or proposal contrary to the public places policy allowing restaurants to use entire width of public footpaths for outdoor entertainment).	Decision or proposal is consistent. (e.g. adopting the public places bylaw to enforce the public places policy).
Levels of public interest known. <i>How interested might the public be in this proposal/decision?</i>	High levels of public interest known. (e.g. the adoption of the psychoactive substances policy).	Moderate levels of public interest known. (e.g. the adoption of the Event Sponsorship policy).	Low levels of public interest known. (e.g. the adoption of the elected member support policy).
Impact on proportion of the community. <i>How many people are impacted (i.e. Breadth)?</i>	Impacts a large proportion of the community. (e.g. a change in the rubbish collection timeframes).	Impacts a subgroup or groups within the community. (e.g. the creation of a neighbourhood playground).	Impacts an individual person or household. (e.g. the removal of a street tree).
Degree of impact on affected people in the community. <i>How impacted are relevant people (i.e. Depth)?</i>	High degree. (e.g. the change of a road name).	Moderate degree. (e.g. the investment in a small suburb library).	Low degree. (e.g. the changing the style of bus stop waiting areas).

Schedule 2 – Determining engagement

Engagement method examples	Engagement Level		
	High (i.e. High significance)	Medium (i.e. Medium significance)	Low (i.e. Low significance)
<p>Note:</p> <ul style="list-style-type: none"> The following are examples only of which the Council will consider using on a case-by-case basis taking into consideration clauses 17-21. Where possible, the Council will consider community preferences about engagement in implementing Schedule 2. 	<p>If a matter is determined to be of high significance, the Council must engage with the community.</p> <p>This will likely involve large scale publicity and promotion. There could be an informal engagement / discussion phase, plus a formal phase of consultation. There is likely a need for consideration of different cultural styles. Likely to include a range of events and a focus on online activities.</p>	<p>If a matter is of medium significance the Council will determine if it is appropriate to engage.</p> <p>If the Council does engage, it may involve a combination of informing and targeted engagement with the affected audience.</p>	<p>If a matter is of low significance the Council will not need to engage (unless required by legislation) but may choose to inform.</p>
<p>Inform – <i>To provide the public with balanced and objective information to assist them in understanding the problem, alternatives, opportunities and/or solutions.</i></p> <p><u>Examples</u> Newspapers A webpage on Hamilton.govt.nz. Flyers Social Media (e.g. Facebook)</p>	✓	✓	✓
<p>Consult – <i>To obtain public feedback on analysis, alternatives and/or decisions.</i></p> <p><u>Examples</u> Have your say (formal online consultation).</p>	✓	✓	
<p>Involve – <i>To work directly with the</i></p>	✓	✓	

<p><i>public throughout the process to ensure that public concerns and aspirations are consistently understood and considered.</i></p> <p><u>Examples</u> Focus groups. Point of service surveying.</p>			
<p>Collaborate – <i>To partner with the public in each aspect of the decision including the development of alternatives and the identification of the preferred solution.</i></p> <p><u>Examples</u> Co-design. External working groups (involving community experts).</p>	✓	✓	



PROPOSAL

Proposed Significance and Engagement Policy

WHAT'S BEING PROPOSED

Hamilton City Council (Council) is seeking feedback on the Significance and Engagement Policy (policy).

A Significance and Engagement Policy (SEP) provides transparent guidance to the public and Council staff about:

- How Council determines if a decision or proposal is significant.
- When the community can expect to be engaged on a decision or proposal.

BACKGROUND

The Local Government Act 2002 (the Act) requires Council to develop a Significance and Engagement Policy (Section 76AA).

A Significance and Engagement Policy (SEP) provides transparent guidance to the public and Council staff about how and when the community can expect to be engaged with or consulted on.

QUICK FACTS

Is a Significance and Engagement policy required?

Yes, [Section 76AA](#) of the Act requires the Council to have a significance and engagement policy.

What must the policy set out?

Under [section 76AA\(1\)](#) and section [76AA\(3\)](#) of the Act, the policy must set out:

- The Council's general approach to determining the significance of proposals and decisions in relation to issues, assets, and other matters
- Any criteria or procedures that are to be used by the Council in assessing the extent to which issues, proposals, assets, decisions, or activities

are significant or may have significant consequences

- How the Council will respond to community preferences about engagement on decisions relating to specific issues, assets, or other matters, including the form of consultation that may be desirable
- How the Council will engage with communities on other matters
- The list the assets considered by the local authority to be strategic assets.

How is the policy applied?

1. The policy is applied in a two-step process:
 - Determine the level of significance; and then
 - Determine the level of engagement and approach.
2. The level of significance of a proposal/decision is determined on a case by case basis by the key considerations in schedule 1 of the draft policy.
3. The level of engagement for a proposal/decision is determined by the level of significance (i.e. a high level of significance will mean a high level of engagement).
4. An engagement approach is made up of one engagement method (e.g. Consult) or a combination of engagement methods (e.g. Consult and Involve) as set out in schedule 2 of the draft policy.

TELL US YOUR THOUGHTS ON THE POLICY

Before making any final decisions, we'd like to have your input.

You can give us feedback from **26 August 2017** to **26 September 2017**.

How to give feedback

There are a number of ways you can give your feedback:

- Fill out a feedback form online at hamilton.govt.nz/consultation
- Fill out the feedback form included in this Statement of Proposal and send to Hamilton City Council, Strategy Unit, Private Bag 3010, Hamilton 3240.
- Fill out the feedback form and deliver it to the Municipal Building Reception Lounge or one of Council's libraries.

Feedback forms and the proposed policy are on our website and available from Council libraries and the ground floor reception of Council's Municipal Building in Garden Place.

For any queries please ring 07 838 6699.

FEEDBACK FORM

PROPOSED Significance and Engagement Policy



Hamilton City Council is proposing to adopt a Significance and Engagement Policy. Tell us what you think.

1. Do you think how Council determines significance is clear in the policy (please explain why/why not below)?

Yes

No

(Please print clearly) _____

2. Do you think how Council determines engagement is clear in the policy (please explain why/why not below)?

Yes

No

(Please print clearly) _____



SECTION 2 – Can you tell us about yourself: (Please print your details clearly)

1. Where do you live?

Street Name: _____ Suburb: _____

I live outside the Hamilton boundary, my town is: _____

2. Can you tell us your age group?

16-24 25-35 36-50 51-64 65-80 80+

3. Which best describes your household?

- Living Alone
- Family or couple with dependants (children or other family)
- Family or couple with no dependants
- Living with others that are not family

SECTION 3

Please ensure you give us your contact details below.

4. Contact Details: (Please print your details clearly)

Name: _____

Organisation (where applicable): _____

Postal Address: _____

City: _____ Post code: _____

Phone: (day) _____ (evening) _____

Email: _____

Are you responding as a: resident / business / other stakeholder interest? (please circle one)

Please note all submissions will be treated as public documents and will be loaded on to the Council's website with the names and contact details of submitters included.

Please get your feedback to us by 26 September 2017.

Feedback can be:

- Completed online at hamilton.govt.nz/haveyoursay
- Posted to: Freepost 172189, C/- Strategy Unit, Hamilton City Council, Private Bag 3010, Hamilton 3240
- Dropped off to a Council library or the main reception, ground floor of Council (Municipal) Building, Garden Place.

First adopted:	27 November 2014
Revision dates/version:	Updated for Governance Structure February 2017 Version 1
Next review date:	November 2017
Engagement required:	SCP not required
Document number:	D-1560593
Associated documents:	n/a
Sponsor/Group:	General Manager – Strategy and Communication

Significance and Engagement Policy

Purpose and Scope

1. To enable Council and its communities to identify the degree of significance attached to particular issues, proposals, assets, decisions and activities.
2. To provide clarity about how and when communities can expect to be engaged in decisions made by Council.
3. To inform Council from the beginning of a decision-making process about the extent, form and type of engagement required.

Definitions

Definition	Detail
Community	A group of people living in the same place or having a particular characteristic in common. Includes interested parties, affected people and key stakeholders.
Decisions	Refers to all the decisions made by or on behalf of Council including those made by officers under delegation. <i>(Management decisions made by officers under delegation during the implementation of council decisions will not be deemed to be significant).</i>
Engagement	Is a term used to describe the process of seeking information from the community to inform and assist decision making. There is a continuum of community involvement.
Significance	As defined in Section 5 of the LGA2002.
Significant Activity	Is an activity (or group of activities) meeting the definition of core service derived from s11A LGA2002: <ul style="list-style-type: none"> • network infrastructure; • public transport services; • solid waste collection and disposal; • the avoidance or mitigation of natural hazards; • libraries, museums, reserves, recreational facilities, and other community infrastructure.
Strategic asset	As defined in Section 5 of the LGA2002 and listed in Schedule 1.

Policy

4. An assessment of the degree of significance of proposals and decisions, and the appropriate level of engagement, will therefore be considered in the early stages of a proposal before decision making occurs and, if necessary, reconsidered as a proposal develops.
5. The Council will take into account the following matters when assessing the degree of significance of proposals and decisions, and the appropriate level of engagement:
 - a. There is a legal requirement to engage with the community.
 - b. The level of financial consequences of the proposal or decision .
 - c. The portion of the community affected by the proposal or decision.
 - d. The likely impact on the community, recognising Maaori cultural values and their relationship to land and water.
 - e. Whether the proposal affects the level of service of a significant activity (including commencing or ceasing an activity) or involves transfer the ownership or control of strategic assets, as listed in Schedule 1.
 - f. Whether community interest is high.
 - g. Whether community views are already known, including the community's preferences about the form of engagement.
 - h. The form of engagement used in the past for similar proposals and decisions.
6. In general, the more significant an issue, the greater the need for community engagement.
7. The Council will apply a consistent and transparent approach to engagement.
8. Council is required to undertake a special consultative procedure as set out in Section 83 of the Local Government Act 2002 regardless of whether they are considered significant as part of this Policy.
9. For all other issues requiring a decision, the Council will determine the appropriate level of engagement on a case-by-case basis. This will be guided by Schedule 2 (attached).
10. Joint Management Agreements, Memorandum of Understanding or any other similar high level agreements will be considered as a starting point when engaging with Maaori.
11. When Council makes a decision that is significantly inconsistent with this Policy, the steps identified in Section 80 of the Local Government Act 2002 will be undertaken.

Schedule 1– Strategic assets

Section 5 of the Local Government Act requires the following to be listed in this Policy:

- a. any asset or group of assets listed in accordance with section 76AA(3) by the local authority; and
- b. any land or building owned by the local authority and required to maintain the local authority's capacity to provide affordable housing as part of its social policy; and
- c. any equity securities held by the local authority in—
 - (i) a port company within the meaning of the Port Companies Act 1988
 - (ii) an airport company within the meaning of the Airport Authorities Act 1966

The following is a list of assets or group of assets that the Council needs to retain if it is to maintain its capacity to achieve or promote any outcome that it determines to be important to the current or future wellbeing of the community:

- Hamilton City Libraries network.
- Waterworld and Gallagher Pool.
- Founders Memorial Theatre .
- Waikato Museum and Collection.
- Pensioner housing.
- Hamilton Transport Centre.
- Hamilton Zoo.
- Hamilton Gardens.
- Waikato Stadium, Seddon Park, Claudelands Events Centre and Porritt Stadium.
- Cemeteries.
- Wastewater reticulation and treatment network.
- Stormwater reticulation network.
- Transportation network.
- Reservoirs and water reticulation and treatment network.
- Waikato Regional Airport Ltd.

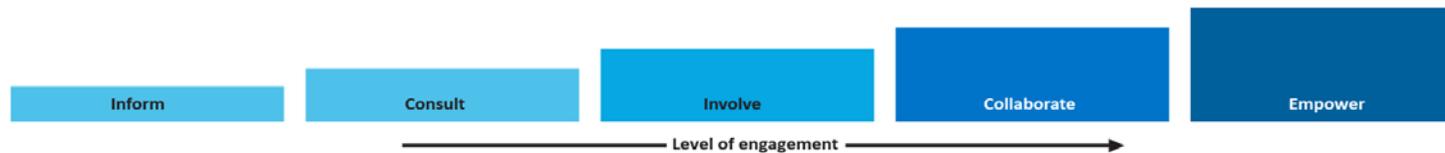
Schedule 2 – Community engagement guide

Community engagement is a process , involves all or some of the public and is focused on decision-making or problem-solving.

The International Association for Public Participation (IAP2) has developed a spectrum to demonstrate the possible types of engagement with the community. This shows the increasing level of public impact as you progress through the spectrum from left to right - 'inform' through to 'empower'. In simply 'informing' stakeholders there is no expectation of receiving feedback, and consequently there is a low level of public impact. At the other end of the spectrum, 'empowering' stakeholders to make decisions implies an increase in expectations and therefore an increased level of public impact.

Differing levels of engagement may be required during the varying phases of decision-making on an issue, and for different stakeholders. It will not always be appropriate or practicable to conduct processes at the 'collaborate' or 'empower' end of the spectrum.

In general, the more significant an issue, the greater the need for community engagement.



Forms of engagement

1. The Council will use the Special Consultative Procedure (as set out in section 83 of the LGA 2002) where required under the LGA or any other legislation
2. The Council will develop a proposal to fulfil the requirements of Section 82A of the LGA 2002, will make this available to the public, allow written submissions for a period of up to four weeks, and will consider all submissions prior to making decisions. Specific issues where Council will use this form of consultation as a minimum will include:
 - the adoption of an Annual Plan where it differs significantly from the content of the 10-Year Plan
 - the adoption of the Development Contributions Policy where it differs significantly from the content of the previous Policy.
3. The following table provides an example of the differing levels of engagement that might be considered appropriate for all other issues, the types of tools associated with each level and the timing generally associated with these types of decisions/levels of engagement. Council will need to ensure it complies with section 82 of the LGA 2002 when developing its approach to engagement.

Table 1: Examples of different levels of engagement

Level	Inform	Consult	Involve	Collaborate	Empower
What does it involve	One-way communication providing balanced and objective information to assist understanding about something that is going to happen or has happened.	Two-way communications designed to obtain public feedback about ideas on rationale, alternatives and proposals to inform decisionmaking.	Participatory process designed to help identify issues and views to ensure that concerns and aspirations are understood and considered prior to decision-making.	Working together to develop understanding of all issues and interests to work out alternatives and identify preferred solutions.	The final decision making is in the hands of the public. Under the LGA 2002, the Mayor and Councillors are elected to make decisions on behalf of their constituents.
Tools Council might use	Websites. Information flyer. Public notices.	Formal submissions and hearings, focus groups, phone surveys, surveys.	Workshops. Focus groups. Citizens' Panel.	External working groups (involving community experts).	Binding referendum. Local body elections.
When the community can expect to be involved	Council would generally advise the community once a decision is made.	Council would gather information before a draft decision is made and would then generally provide the community with up to four weeks to participate and respond.	Council would generally provide the community with a greater leadin time to allow them time to be involved in the process.	Council would generally involve the community at the start to scope the issue, again after information has been collected and again when options are being considered.	Council would generally provide the community with a greater leadin time to allow them time to be involved in the processe, e.g. typically a month or more.

Engagement tools and techniques

Over the time of decision-making, Council may use a variety of engagement techniques based on a range of other factors, including history and public awareness of the issue, stakeholder involvement, and timing related to other events and budgets. Council will also take into consideration that the community can feel 'over consulted'.

Each situation will be assessed on a case-by-case basis.

Page 5 of 5



Council Report

Item 12

Committee: Council **Date:** 24 August 2017
Author: Luke O'Dwyer **Authoriser:** Kelvyn Eglinton
Position: Economic Growth and Planning Unit Manager **Position:** General Manager City Growth
Report Name: Special Housing Areas Policy Deliberations Report

Report Status	<i>Open</i>
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Purpose

1. To inform Council on the outcomes of the consultation and submissions made on the draft Special Housing Areas Policy.
2. To seek Council approval of the revised Special Housing Areas Policy.

Staff Recommendation

3. That the Council:
 - a) approves the Special Housing Areas Revised Policy (Option 1);
 - OR
 - b) approves the Special Housing Areas Revised Policy (Option 2).

Executive Summary

4. Special Housing Area Policy
5. The purpose of the HCC SHA Policy is to give effect to the Housing Accords and Special Housing Areas Act 2013 (HASHAA) and Hamilton Housing Accord. The Policy should provide a clear purpose, transparent assessment criteria and certainty of process by which HCC will assesses all SHA applications.
6. Following submissions received, the revised Policy attached (option 1) has been further refined and condensed to better reflect the primary purpose of HASHAA and the Housing Accord which is **'to enhance housing affordability by facilitating an increase in land and housing supply'**. To this end, direct references to the provisions of the PODP have been removed, as have all references to affordability criteria and partnering with social housing providers.
7. The draft Policy reflects robust research and advice from other existing Accord Councils and current HASHAA case law.
8. Consultation and Hearings
9. Public consultation on the draft Special Housing Area (SHA) Policy was conducted over a period of three weeks (22 June to 14 July 2017). A total of 55 submissions were received. The substantial majority of submitters (84%) agreed that Council should have a Special Housing Areas Policy.

10. The wider submitter views broadly commented that the draft Policy was too prescriptive and/or held the view that the Policy should consider a wider range of social housing issues, including housing affordability.
11. A public hearing of the draft Special Housing Policy was held on 3 August 2017 at the Regulatory and Hearings Committee. The matters raised by the 17 submitters who spoke at the hearing were largely along the lines of the matters stated in the submissions.
12. The discussion section of the report below covers the key themes which emerged from the consultation and hearings.
13. Revised Policy
14. Following consideration of the range of submissions, this report provides a revised Policy for consideration by Council.
15. The revised Policy attached (Option 1) has been narrowed back to what is now considered the essential elements required for a robust Policy in which to recommend potential SHA sites to the Minister. Independent legal advice does not recommend reducing the content of the Policy any further.
16. Further Policy Options
17. As the revised SHA Policy represents a minimum position, this report also sets out options, as detailed in paragraphs (98-117) for the incorporation of other considerations into the Policy which Council may wish to consider.

Background

18. Housing Accord and Special Housing Areas Act 2013
19. The purpose of the [Housing Accord and Special Housing Areas Act 2013](#) (the Act) is to “enhance housing affordability by facilitating an increase in land and housing supply in certain regions and districts” listed in Schedule 1 of the Act.
20. Hamilton was added to the Schedule 1 of the Act in 2015.
21. The Act does not require Council to set affordability measures or address social housing needs. The Act, in section 14(1)(d), specifies that Council **may** also prescribe that any development within in Special Housing Areas (SHAs) must contain a percentage of affordable dwellings.
22. Hamilton Housing Accord
23. The [Hamilton Housing Accord](#) (the Accord) was signed by Mayor King and Building and Construction Minister Nick Smith on 22 December 2016 and approved by Council on [8 February 2017](#).
24. As outlined in the report to Council on the 8 February 2017, the Accord enables Hamilton City Council to utilise the provisions of the Act to advance housing supply in areas that HCC would consider suitable for housing, via Special Housing Areas (SHAs).
25. An SHA may be declared in areas of the city currently not zoned for residential activity and any ‘qualifying development’ within an identified SHA becomes eligible for a ‘fast track’ resource consent process.
26. The report also set out that staff would develop a draft SHA Policy, including selection criteria, for approval by Council later this year.
27. That same report further highlighted to Council that it was important that robust SHA selection criteria were developed to ensure delivery of housing supply that is not misaligned with Council’s Strategic Planning Framework.

28. Draft SHA Policy
29. On [20 June 2017](#) the Growth and Infrastructure Committee considered and approved the draft Special Housing Areas Policy for public consultation for a period of three weeks (22 June to 14 July 2017).
30. Council also noted that the consultation should also address stakeholder views as to whether Council should have a Hamilton Special Housing Area Policy at all.
31. Public Consultation on draft SHA Policy
32. During this period 55 submissions were received. Please see link for full submissions:
<http://www.hamilton.govt.nz/our-council/strategiesandplans/Pages/Hamilton-Housing-Accord.aspx>
33. A summary of the submission responses was reported to the Regulatory and Hearings Committee on [3 August 2017](#).
34. Public Hearing on draft SHA Policy
35. The public hearing of the draft Special Housing Policy was also held on [3 August 2017](#) at the Regulatory and Hearings Committee meeting.
36. A total of 17 submitters spoke at the hearing in support of their submission and a further two submitters, who had initially indicated that they wished to speak, lodged a letter in support of their respective submissions.
37. At the end of the meeting the Regulatory and Hearings Committee resolved that a deliberations report would be submitted to Council for the 24 August 2017 Council meeting.

Discussion on submission themes

38. Key submission themes
39. The key themes from the submissions are as follows:
 - The substantial majority of submitters (84%) agreed that Council should have a Special Housing Areas Policy.
 - The draft Policy would provide certainty and correct market failures to deliver affordable housing.
 - The Policy should support other models of land and housing tenure and also address wider social and environmental outcomes.
 - The draft Policy is too onerous and should be more enabling.
 - A wide range of mixed views on the actual outcomes achieved by the draft affordability requirements and the encouragement of collaborative efforts with social housing providers.
 - Proposals should be accepted by Council at any time.
40. As the list above suggests, the submitter views broadly supported that the draft Policy was too prescriptive and/or the view that the Policy should take into consideration a wider range of housing related issues, including housing affordability.
41. Key themes from Hearings
42. The matters raised by the 17 submitters who spoke at the hearing were aligned with the matters raised in their written submissions. Whilst most submitters stated their support for a Council SHA Policy, the majority response was that the draft Policy was too prescriptive and/or that the Policy should consider a wider range of housing-related issues, including housing affordability. Consideration of these two positions is provided in sections 45-56 below.

43. At the end of the hearing elected members posed a range of questions to staff, including requests for clarification and further information. Appendix 4 addresses these questions while key themes are discussed in more detail below. Appendix 7 provides a full summary of submissions and responses to individual submitter points received.
44. Theme: Policy should consider wider Housing Issues
45. A clear theme from submissions was that the SHA Policy should consider a broader range of housing-related issues. Citing concerns regarding growing housing affordability and a range of alternate models of housing tenure and designs, submitters encouraged Council to enable wider social and environmental outcomes through SHAs and make greater provision for affordable housing outcomes in the Policy.
46. Whilst submitters raise a number of interesting propositions and valid concerns, the outcomes sought by submitters can either be achieved under the current Partly Operative District Plan (PODP) or are not precluded from consideration should a site be gazetted by the Minister as an SHA in the future. The outcomes sought for delivery of various eco-villages or co-housing models within this Policy are beyond the scope of HASHAA and the Accord.
47. If Council wishes to consider the full scope of housing affordability issues and initiatives in the city, it may wish to convene a forum, composed of sector stakeholders and relevant submitters, to fully consider the full spectrum of issues and initiatives across the housing continuum and to develop a housing strategy and action plan where Council, Iwi, partners and Central Government can effect change and discussion on housing issues facing the city.
48. As suggested by submitters, this could be along the lines of the Mayoral- led initiative recently undertaken in Wellington where a Housing Task Force Forum was convened to examine the full scope of local issues. See the link to the recent report from the Wellington City Council Mayoral Housing Taskforce:
<http://wellington.govt.nz/~media/your-council/news/files/2017/mayors-housing-taskforce-report.pdf>
49. Whilst the proposed affordability criteria specific to section size and unit size requirements in the notified version did receive general support from the Property Council, there was also support for its removal from the Policy. This is discussed further in section 52 below.
50. Theme: Policy too prescriptive
51. A strong submission theme is that the draft Policy is too prescriptive and should be more enabling. Submitters were of the view that the Policy should be more aligned with the purpose of HASHAA and the Accord. Submitters also suggested that references to the PODP in the Policy should be reduced or removed.
52. Many submitters were of the view that the draft Policy was not clear on the nature of partnerships and collaboration with social housing providers and the draft Policy would not achieve the affordability outcomes sought. Others considered that the Policy should focus solely on housing supply as a means to achieve housing affordability rather than intervening directly in the market.
53. Staff have considered these view from submitters and have worked to refine and condense the Policy. Consequently the Policy has been revised to remove all references the PODP, compliance with performance standards and assessment criteria and affordability criteria.
54. In response to concern that the Policy was overly focused on enabling greenfield development, the revised Policy is clear that (other than those identified specifically in Clause 15c), all zones in the City are open for consideration as an SHA.
55. The Policy focus is now more explicitly on enabling housing land supply and maintaining a well-functioning private sector-led housing market while having regard to the city's strategic land use pattern as set out in the Hamilton Housing Accord.

56. Questions from the Regulatory and Hearing Committee
57. As referred to above, a full list of questions and answers from Councillors is attached in Appendix 4. However common themes on the need for a Policy in the first instance and what other Councils have done in their Policy is addressed below.
58. Why approve a SHA Policy?
59. The purpose of the HCC SHA Policy is to give effect to the Hamilton Housing Accord by providing clear and transparent assessment criteria and certainty of process by which HCC will assess all SHA applications.
60. Whilst a SHA Policy is not required by HASHAA or the Hamilton Housing Accord, it is the considered advice of staff and legal counsel that a SHA Policy is needed to express the purpose of HASHAA in the Hamilton context and provide guidance and evaluative criteria where the Act is otherwise silent.
61. Without a Policy providing an evaluative framework, the processing of SHAs may be at odds with the strategic growth direction of the City, LTP, infrastructure plan and could either individually or cumulatively erode commitments to pursue the HIF and other growth funding options.
62. A Policy would also ensure that Council has a level of control, and reserve Council's discretion when assessing SHAs and consequently mitigate any legal risk which Council may be exposed to in its consideration of SHA applications.
63. This view is informed by thorough comparative Policy analysis undertaken by staff which sought to draw learnings and advice from other existing Accord Councils, current HASHAA case law and the independent legal advice sought.
64. Acceptance of applications at any time
65. A common theme that arose via submissions was that Council should be more open to receiving SHA proposals, preferably at any time. In response, the Policy sets out in section 16, that Council will process and assess proposals on a quarterly basis.
66. This approach allows for greater flexibility for SHA applicants yet recognises the need to allocate dedicated internal resources to the processing of SHA applications. This also recognises the practical constraints of Council committee cycles in which proposals would be considered by elected members.
67. Advice received from MBIE suggests that depending on the number of proposals being considered there is efficiency in putting forward tranches of SHA applications for the Minister's consideration.
68. Council may wish to consider the option to receive SHA applications at any time however this will require additional staff resources.
69. What approaches have other Accord Councils taken?
70. Staff have assessed the Policy approaches of other Councils, examining the structure and content of existing SHA policies and engaged with several existing Accord Councils to solicit policy lessons and advice which they have developed in their experience of assessing and processing SHA applications.
71. As set out in Table 1. below all the major Accord Councils have:
- Either approved an SHA Policy or have set out SHA assessment criteria
 - Assess SHA applications for alignment against the local District Plan
 - Set some type of affordability criteria for all SHA applications

Table 1: Comparison of Accord Council's SHA policies

Accord Council	Does the Council have a SHA Policy?	Are there specified assessment criteria?	Is alignment with District Plan assessed?	Are there affordability criteria?
Auckland	NO	YES - Council endorsed criteria	YES	YES
Tauranga	YES	YES	YES	YES
Wellington	NO	YES	YES	NO - Seeking to introduce affordability requirements
Christchurch	NO – Accord did not set out to create SHAs	N/A	N/A	N/A
Selwyn District	YES	YES	YES	YES
Queenstown Lakes District	YES	YES	YES	YES

72. One clear theme which emerged from the engagement with other Councils is that SHA policies and Council guidance has been progressively refined and expanded over time and further criteria have been added in, rather than removed.
73. Proposed Policy Recommended (Option 1) Attachment 2
74. The proposed Policy recommended to Council in Attachment 2 has been consolidated to what staff and legal advice consider the minimum necessary in which to carry out a robust evaluative assessment of SHA proposals before Council recommend to the Minister.
75. Option 1 retains the background and legislative intent introductory section, it sets out clearly in the purpose that the Policy informs Councils performance of its functions under HASHAA and the gives effect to the Accord.
76. Section 14 a-c) consolidates those mandatory criteria which all SHA proposal shall demonstrate which relate directly to those matter identified under HASHAA in a manner consistent with the signed Accord.
77. Section 15 consolidates all those previous matters identified in the Schedules notified in the consultation version as per attachment 1. This section has been greatly reduced and simplified following feedback from submitters. Importantly this is an evaluative framework with flexibility on the extent to which such criteria are met.
78. There has been the removal of SHA assessment against PODP performance standards and criteria acknowledging those submissions that felt this is a matter to be left for assessment for qualifying development once SHAs have been approved by the Minister. In addition this section no longer has reference to affordability criteria.
79. The infrastructure criteria has been reduced but still retains what is considered necessary under HASHAA and permissible considerations for the city by ensuring there is no unnecessary financial burden upon Councils existing infrastructure.
80. Some submitters sought that urban design considerations should only reflect that referenced under HASHAA leaving the assessment of detailed matters to the qualifying development assessment stage. This has been accepted.

81. Section 15c) retains locational criteria for assessment in SHA consideration prior to recommending to the Minister. Locational and infrastructure considerations are considered highly relevant under HASHAA, which is otherwise silent at local level. The extent to which a proposed SHA is consistent with the city's strategic land use planning including the extent to which a proposal has considered the Council's ability to meet its statutory requirements under the National Policy Statement – Urban Development Capacity - is a material consideration.
82. Why is a degree of public feedback on SHA proposals considered necessary?
83. The draft Policy is relatively enabling compared to the level of control established by comparable "Growth Councils". This factor, in combination with the reduced participatory rights in the development process once an SHA is established, means it is important that Council fully understands the impacts of an SHA on all stakeholders, before making a recommendation.
84. In addition, all of Council's decision making under HASHAA must still meet the criteria for good decision making as set out in Part 6 of the LGA 2002. The LGA requires that when Council is making important decisions which affect the community, that it gives consideration to the views and preferences of persons likely to be affected by, or have an interest in the matter. On occasion, those views and preferences may also be known to Council, on other occasions, feedback will be required. This approach is also consistent with Council's Significance and Engagement Policy.
85. In response to submissions seeking to reduce the public feedback requirement, while wholesale removal of the requirement is not supported, some amendments are recommended. Both options in this report differ from the original Policy in that rather than set an absolute requirement for feedback, the Policy now simply requires that consideration be given to whether feedback is necessary and, if so, to what extent.
86. Why are strategic land use planning considerations valid Policy considerations?
87. The validity of strategic land use planning considerations being factored in to deciding on the appropriateness of SHA locations has recently been confirmed in a decision by the High Court in the matter of Aryburn Farm Developments Limited (AFDL) v Queenstown Lakes District Council (QLDC).
88. In this case the High Court found that *although the purpose of HASHAA is to enhance housing affordability by increasing land supply, the Act simply does not roll out a blank canvas for development.*
89. The Court also found that *the HASHAA does not set up a regime in which every area of land that meets the listed criteria (i.e. infrastructure availability and evidence of demand) must be declared an SHA. It was also found that some land in any region simply would not be suitable or appropriate for establishment as an SHA.*
90. In this sense, the decision confirms that it was not *Parliament's intention that every piece of land in a region on which a housing development could conceivably be put was required to be recommended to the Minister as a potential SHA. Consequently, it was also found that HASHAA gave both the Minister and a local authority a discretion and, clearly, the actual location of areas of land to be recommended (and to that extent what could be described as planning or RMA matters) were always appropriate considerations in any such recommendation.*
91. As such, based on Council's own legal advice and current practice from all other Accord Councils, strategic land use planning considerations are appropriate matters to be included in the SHA Policy as they have been held by the High Court to be appropriate considerations when determining whether to recommend an SHA to the Minister.

92. Such consideration includes assessment on the extent to which SHA proposals are assessed against Councils statutory obligations in meeting the National Policy Statement on Urban development Capacity for both residential and employment land (over the short, medium and long term). This is aligned with the Hamilton Housing Accord.
93. It is considered that locational considerations in the Policy are all the more important given the flexibility of the Policy for recommendation where other than those exclusions identified specifically in Section 15c) all zones in the City are available for consideration as an SHA.
94. Without a Policy providing an evaluative framework in place, the processing of SHA's may be at odds with the strategic direction of the City, LTP, Infrastructure Plan and could either individually or cumulatively erode commitments to pursue the HIF and other growth funding options.
95. Some submissions received questioned the blanket exclusion of SHAs from the Special Character Zone of the City. The rationale for this being that in some exceptional cases the very character of these zones may already be eroded or a development may be able to mitigate effects on the very qualities for which the zoning is recognised. One such example being the recent collaboration between Waikato-Tainui and Housing New Zealand at the Jebson Place development which is in the Special Residential zone.
96. This example has already been consented for more intensive residential development and has been assessed in detail as part of the RMA consent, taking into consideration the existing underlying zoning.
97. Many Special Character and Heritage zones however are well established and recognised for their special residential qualities, whether that be for their heritage values, built form, lower density, spaces between dwellings, setbacks or amenity. It is considered that providing unfettered discretion at the outset for SHA developments to be considered or mitigated in the Policy is not appropriate and that the existing RMA framework is sufficiently flexible to enable development where appropriate, Jebson Place is an example of this.
98. Draft Policy Option 2 with Affordability, minimum yield and Target 'opt ins'
99. Attachment 3 recommends an 'opt in' Policy (Option 2) for Council to consider which is in response to submissions seeking that the Policy goes further to somewhat address affordability by encouraging smaller houses and section sizes only. The Property Council were supportive of this approach which required a percentage of smaller dwellings as originally notified.
100. Whilst the proposed affordability criteria has been removed from the revised draft (option 1) to reflect a baseline Policy position, Council still has the option to include affordability criteria in the Policy.
101. The affordability criteria have been condensed to focussing solely on requiring a percentage of smaller section size and unit size as part of a SHA development with references to partnering with social housing providers removed. They are set out in Section 15 f) of the Option 2 Policy and reflect the submission of the Property Council.
102. Whilst the HASHAA does not prescribe set affordability criteria per se, the Act in section 14(1)(d), specifies that Council may prescribe that any development within in Special Housing Areas (SHAs) must contain a percentage of affordable dwellings. Section 15 (3) of the Act sets out that one of the criteria that may be prescribed is the percentage of affordable dwellings.
103. Rather than determine an affordable price point that requires SHA house sales at this price, the draft Policy as notified required that 20% of any SHA developments (2 in 10 dwellings for example) was to be built at a smaller scale, and consequently would sell at a comparatively more affordable price.

104. The rationale for requiring smaller section sizes and unit sizes rather than market price setting is based on learnings from the Independent Hearings Panel Commissioners in response to the Auckland Unitary Plan. This has been addressed in Appendix 4 - Councillor questions and answers.
105. Requiring smaller house and section size was also in recognition of the growing demographic trend in smaller households and the growing need for one and two bedroom dwellings. Appendix 4 provides a graph showing the relationship between floor area, sales price and affordability.
106. Minimum yield exclusion for Housing New Zealand and registered social housing providers
107. The notified version of the Policy sought to exclude both Housing New Zealand and registered social housing providers from having to deliver a minimum yield of 10 units to be considered as an SHA proposal.
108. In response to some submissions received this distinction has been removed from the revised Policy Option A.
109. In response to Policy conversations with these social housing providers and given the smaller scale and typical type of development these organisations bring forward in the city it was thought appropriate to encourage smaller social housing proposals (less than 10 units) to come forward for consideration as SHAs on the basis that cumulatively they all count towards enabling increased housing supply which is the primary purpose of the Act.
110. On this basis it is retained as an 'opt-in' criterion in Policy Option B for Council consideration.
111. Discussions on Cap limit in SHA proposal
112. The Housing Accord (Paragraph 24) makes clear reference to supporting small scale pockets of opportunity to bring forward potential housing developments within the city. The following Paragraph 25 refers to the Council's application to the HIF to support the provision of lead infrastructure to service land identified for residential development in both Peacocke and Rotokauri growth cells.
113. The Accord makes particular reference in Paragraph 16 that the Council faces major financial hurdles to fund lead infrastructure to open up zoned growth areas, a significant challenge is to fund orderly, efficient and affordable urban growth in a fiscally prudent manner. This reference is important in terms of making sure any future SHAs are about providing interim supply options that do not compromise Council strategic commitments.
114. It is considered appropriate for Council to consider therefore the extent to which the SHA Policy enables either individually or cumulatively the unintended consequences of consenting large scale developments across the City on all fronts which whilst enabling supply could undermine the strategic intention of the HIF.
115. Waikato Regional Council in their submission proposed that further consideration be given to identifying a maximum number of dwelling requirements to ensure SHAs are of an appropriate scale.
116. A response to this is a more conservative Policy setting which makes clear and unambiguous reference to the HIF in the Purpose as set out in Section 13 of Policy Option B and sets a maximum dwelling limit for SHA consideration at 100 dwellings (Section 15 e)). It is considered that this would still be enabling of the majority of opportunity pocket developments likely to be pursued under HASHAA while signalling that a moderated staging is more appropriate for larger developments that are outside the HIF growth scenarios currently being considered by Council.
117. Policy option B which includes both affordability, dwelling cap criteria and minimum dwelling numbers is therefore attached in Appendix 3 for consideration by Council.

118. Next Steps.

119. This Policy sets the evaluative framework for the consideration of SHAs, recommending SHA proposals to Council and then Council recommending to the Minister.

120. If the Minister gives approval to the SHA proposals, an order is made in Council for sites to be formerly gazetted. At this point the developer or applicant can then lodge a qualifying development consent application for consideration.

121. The **indicative** timelines for this process will vary depending on the nature and scale of the SHA proposal received, however assuming Council approve the SHA Policy at this meeting an indicative timeline is as follows:

- | | | |
|---|--|----------------------------|
| • | Council approval of final Policy | 24 August 2017 |
| • | First tranche SHA EOI proposals | Mid-September 2017 |
| • | First tranche assessment | September/October 2017 |
| • | First tranche SHA recommended to Council | November/December 2017 |
| • | Government approval of first tranche | December 2017/January 2018 |
| • | 'Qualifying development' applications received | February 2018 onwards* |

*(This is up to the applicant)

122. Applications to Council for qualifying developments can only be made once Special Housing Area status has been conferred. Qualifying developments must be predominantly residential and must meet the requirements set out in S.34 of the Act including regard to any height, locational, infrastructure or affordability criteria that the Council has outlined in its SHA Policy.

123. The Act provides for limited notification in the resource consenting process. Formal consultation is only possible with the owners of land adjacent the SHA site, and then only in certain circumstances as set out in S.29 of the Act.

124. If adjacent land owners are notified, they then have the opportunity to make submissions and be heard at a hearing. A SHA consent application would be processed by the consents team and would need to be processed within 20 working days if non-notified or within 50 working days if limited notified or 70 working days if a hearing was needed which is quicker than the standard 100 working days under normal RMA timeframes. The response to Councillor questions in section 10 of attachment 4 sets out a comparison of these timeframes.

125. A SHA consent application would be processed by the consents team and would need to be processed within 20 work days if non-notified or within 50 working days if limited notified, or 70 working days if a hearing was needed, which is quicker than the standard 100 working days under normal RMA timeframes. The response to Councillor questions in Section 10 of Attachment 4 sets out a comparison of these timeframes.

Options

126. Staff have assessed that there are two reasonable and viable options for the Council to consider:

127. Option 1 - Accept Recommended Policy Option 1 (Attachment 2); or

128. Option 2 - Accept 'Opt in' Policy Option 2 to include affordability, a dwelling cap and minimum dwelling exclusion for Housing New Zealand, registered social housing providers, (Attachment 3).

Financial Considerations

129. Policy development costs
130. The development of the SHA Policy, including public engagement, has been delivered within existing budgets.
131. Acceptance of applications at any time
132. Any additional resource required for the processing of any resulting resources consents or plan changes for qualifying SHA developments will be on a cost recovery basis.
133. The experience of other Accord Councils is that assessment of SHA proposals has always added significant resourcing requirements beyond the business as usual RMA consent processing.
134. The revised Policy sets out that Council will process and assess proposals on a quarterly basis. This will still require dedicated additional resource to ensure that SHA applications are processed in a timely manner.

Risks

135. It is important that where HASHAA is silent, robust SHA Policy criteria provide a robust evaluative framework to ensure the delivery of future housing land supply is not misaligned with the existing planning and investment framework of Council.
136. Without a Policy providing an evaluative framework, the processing of SHAs may be at odds with the strategic direction of the City, LTP, Infrastructure Plan and could either individually or cumulatively erode commitments to pursue the HIF and other growth funding options.
137. Without a cap on maximum yield for SHA developments as proposed under Policy Option 2 in Appendix 3 then there is a risk to the HIF growth options currently under consideration if Council leaves itself exposed to considering and entering into private developer agreements for significant scale SHAs on too many fronts.
138. Risk of not approving Policy
139. If the SHA Policy is not approved this would expose Council to the undue legal risk resulting from the absence of a clearly defined approach to assessing applications for SHAs.

Attachments

- Attachment 1 - Draft Special Housing Areas Policy (Consultation version)
- Attachment 2 - Policy Option 1
- Attachment 3 - Policy Option 2
- Attachment 4 - Councillor Questions and Answers
- Attachment 5 - Flowchart
- Attachment 6 - Housing Accord
- Attachment 7 - Summary of Submissions and Analysis

First adopted:	XX XXXX 2017
Revision dates/version:	Version 7
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Document Number	D-2377479 [v8.7]
Associated documents:	Hamilton Housing Accord
Sponsor/Group:	General Manager City Growth

DRAFT - Hamilton Special Housing Areas Policy

Background and Legislative Intent

1. The New Zealand government recognises housing affordability as a significant social and economic issue which impacts community well-being and productivity, particular in areas experiencing high population growth.
2. Housing affordability is affected by the rate and extent of land and housing supply.
3. In response to this issue the Housing Accords and Special Housing Areas Act 2013 ("HASHAA") came into force on 16 September 2013. The purpose of the HASHAA is to enhance housing affordability by facilitating an increase in land and housing supply in certain regions or districts, listed in Schedule 1 of that Act, identified as having housing supply and affordability issues.
4. Hamilton City is one of the areas listed in Schedule 1 of the HASHAA.
5. HASHAA achieves its purpose by providing an alternative and "fast track" means of creating zoned residential land, known as Special Housing Areas ('SHAs'), as compared to the standard track process under the Resource Management Act 1991 ("RMA").
6. HASHAA also requires any new development enabled under it to have adequate infrastructure provision and to ensure design quality (as articulated in the New Zealand Urban Design Protocol) is delivered. For HCC, this is achieved in the Policy by using the existing relevant urban design provisions in the Partly Operative District Plan as a policy consideration. The Partly Operative District Plan is also relied on to assist in appropriate residential zone selection for SHA sites not currently zoned for residential purposes.
7. The legislative intent of HASHAA is to speed up the process of bringing to market additional residential land beyond that currently zoned in the Partly Operative District Plan. Through this additional land supply, and in combination with other economic factors, the overall supply of affordable housing within Hamilton City will be enhanced.
8. The Ministry of Business Innovation and Employment (MBIE) calculates that the median house price for Hamilton is 6.8 times the value of median income and therefore deemed unaffordable. While this policy does not set a target price point for SHAs, it seeks to achieve comparative affordability outcomes by encouraging smaller section sizes and gross floor area standards.
9. The first step towards establishing an SHA is for Council to enter into a 'Housing Accord' with the Minister for Building and Construction ('Minister'). On 22nd December 2016 Council entered into the Hamilton Housing Accord with the Minister ('Accord').
10. The Accord includes agreed aims and targets related to land supply and dwelling consents. The Accord also acknowledges a number of other actions to improve housing affordability and sufficient land supply.
11. With the Accord in place, the next step is for Council to consider the options for proposed SHAs. Once Council has decided to support a proposed SHA, it must make a recommendation to the Minister for consideration and if appropriate, approval.
12. If the Minister accepts the Council recommendation the SHA will be established by way of order in Council.

Purpose

13. The purpose of this Policy is to establish the process and evaluation criteria that will guide Council in making decisions on whether to accept a proposal for an SHA and recommend to the Minister that a proposed SHA be established. For the avoidance of doubt the policy shall inform HCC's application of the Act. In the event of any conflict between the policy, the PODP and the Act, the Act shall prevail.

Principles

14. The principles that will be promoted by Council implementing this policy are:
- a. Council will openly engage with the community on the identification of the ~~identification of~~ potential areas in the City for consideration as SHAs.
 - b. Council will work with Waikato-Tainui to give effect to the co-management arrangements under the Joint Management Agreement in the context of SHAs and will consider effects on the unique tangata whenua relationships, values, aspirations, roles and responsibilities with respect to areas identified for consideration as an SHA.
 - c. Council will work collaboratively with private housing providers ('PHPs'), social housing providers ('SHPs') and the Government to increase housing supply and opportunities for affordable housing
 - d. Council will enable SHAs that achieve the purpose of HASHAA provided they do not compromise or undermine Council's existing or planned infrastructure, and is generally consistent with Council's strategic land use planning.
 - e. Council will enable land within SHAs to be used to deliver a range of housing types to the market at different price points in order to achieve the purpose of HASHAA.
 - f. SHAs must be serviced by and integrated with Council's strategic infrastructure networks.
 - g. Where Council's strategic infrastructure networks are unavailable to an SHA for any reason, including but not limited to lack of network capacity or connectivity, all necessary infrastructure will be provided and funded by the developer at no cost to Council.
 - h. Development within SHAs will be consistent with the evaluation criteria and objectives set out in the schedules to this Policy. Priority will be given to establishing SHAs that are consistent with the strategic direction set within the Partly Operative District Plan ('PODP').
 - i. Development within SHAs will occur as quickly as practicable.
 - j. Development of SHAs will achieve high quality urban design outcomes.

Intended Policy Outcomes

15. The intended outcomes from Council implementing the Policy are:
- a. Create certainty in respect of Councils approach to SHAs which assists the development community in making investment decisions;
 - b. In collaboration with the development community, give effect to the Hamilton Housing Accord and its targets for land supply and housing.
 - c. The creation of SHAs that achieve the purpose and principles of this Policy.
 - d. Ensure SHAs are generally consistent with and have regard to the relevant provisions of the PODP.

Policy implementation criteria

16. Council will, from time to time at its discretion, call for proposals from land owners and developers seeking to become a SHA. Proposals can be made by any party, including Council.

17. Council will process and assess all proposals for SHAs in the manner set out in this Policy.
18. The evaluation criteria which council will apply to its assessment of a proposal are set out in the Schedules to this Policy. Proposals will need to demonstrate how they satisfy all of the mandatory and discretionary criteria attached to this Policy.
19. In its assessment of a proposal Council staff will apply the evaluation criteria set out in the Schedules of this Policy, and have regard to the purpose and principles set out in sections 13 and 14 of this Policy.
20. While the evaluation criteria set out in the schedules of this Policy will guide Council's decision making, Council reserves itself the discretion to accept or reject a proposal for recommendation to the Minister.
21. Upon receipt of a proposal, Council staff will undertake an initial evaluation of the proposal to determine its level of consistency with this Policy. At this stage, full Council will determine, at its sole discretion, whether to continue with the evaluation or to reject the proposal.
22. If the evaluation proceeds to detailed stage beyond this point, Council will:
 - 22.3.1. Seek public feedback including from statutory agencies and relevant Iwi;
 - 22.3.2. Seek comment and evaluative input from relevant council departments;
 - 22.3.3. Fully assess the proposal in accordance with this Policy, and in particular the purpose and principles and Schedules of this Policy ;
 - 22.3.4. Receive staff recommendations; and
 - 22.3.5. Decide whether to reject the proposal, or accept the proposal in principle.
23. If a proposal is accepted in principle, Council will then enter into negotiations with the proponent to secure, through a development agreement, the delivery of the outcomes set out in the proposal and any other outcomes required by Council, including the provision of any necessary infrastructure required to service the proposal.
24. If negotiations lead to a legally binding development agreement, on terms acceptable to Council, Council will, at its discretion, then consider accepting the proposal for recommendation to the Minister.
25. If a proposal is accepted under section 23 of this Policy, Council will then collaborate with the proponent in making the recommendation to the Minister that the proposed SHA be established.

References and Relevant Legislation

- Housing Accord and Special Housing Areas Act (HASHA) 2013
- Hamilton Housing Accord dated 22 December 2016.
- Resource Management Act 1991
- National Policy Statement on Urban Development Capacity 2016
- Local Government Act 2002
- Hamilton Partly Operative District Plan
- Operative Development Contributions Policy
- Operative Annual Plan and Long Term Plan
- Operative Growth Funding Policy
- Waikato Regional Policy Statement (WRPS)
- Hamilton Urban Growth Strategy (HUGS)
- Future Proof Sub-Regional Growth Strategy
- Regional Land Transport Plan
- Operative Waikato-Tainui Environment Plan

Schedule 1 – Framework for Evaluating SHAs

The suitability of a proposal received from a private housing provider (PHP) or a social housing provider (SHP) to qualify as a Special Housing Area (SHA) will be assessed against the following performance standards and performance criteria, where relevant:

Framework for evaluating SHAs		PHP	SHP
A1	Demand for Qualifying Development	Yes	n/a
A2	Demand for Housing	Yes	n/a
A3	Predominantly residential	Yes	Yes
A4	Location	Yes	Yes
A5	Adequate infrastructure	Yes	Yes
A6	Affordability	Yes	N/A
A7	Building height	Yes	Yes
A8	Minimum number of dwellings	Yes	N/A
A9	Design quality	Yes	Yes
A10	Application of partly operative district plan	Yes	Yes
A11	Appropriate residential zone provisions	Yes	Yes
A12	Other Matters	Yes	Yes

A1 Demand for a Qualifying Development

The Council is satisfied that there is evidence that the proposed qualifying development/s in the SHA will deliver new residential housing that supports the aims and targets of the Accord within 1 year of being declaration of SHA status.

A2 Demand for Housing

The Council is satisfied that there is evidence of demand for a range of housing types that could be developed within a SHA.

The Council is satisfied that a variety of dwelling sizes and dwelling ownership or tenure arrangements are not ruled out by any proposed terms and conditions or covenants that would apply within the SHA.

A3 Predominantly Residential

A qualifying development within a proposed SHA will be predominantly residential and have the primary purpose of supplying dwellings to the market. Any non-residential activities should be ancillary to the residential development and negotiated with the Council including reserves and open space areas, and commercial or community activities before the recommendation for a SHA is made to the Minister for Building and Construction.

A4 Locational considerations

Proposals for SHAs will be considered for their suitability for development in all zones (other than those exceptions identified in Schedule 2) subject to the following locational criteria:

- a. In accordance with Principle 14(de) of this Policy, Council will enable SHAs that achieve the purpose of HASHAA provided they do not compromise or undermine Council's existing or planned infrastructure, nor materially alter or compromise Council's strategic land use planning. SHAs proposed for locations outside areas zoned residential in the PODP are more likely to conflict with Principle 14(c) than those SHAs proposed within a residential zone. Accordingly, Council will require a proportionate approach to the supply of supporting evaluative evidence addressing the matters set out in these schedules, depending on whether a proposal is located within or outside an existing residential zone. Less evidence will be required for a proposal within a residential zone than for one outside a residential zone.

- b. Consideration of proposals in non residential zoned areas under the PODP such as the industrial zone will be required to have provided evidence that they have consulted with, addressed reverse sensitivity and materiality of effect on established land uses in both existing and adjoining zones.
- c. A proposal should demonstrate that it is consistent with Council's strategic land use framework set out in the PODP and does not limit the Council's ability to meet its National Policy Statement on Urban Development Capacity (NPS-UDC) requirements for employment land. Council will evaluate all impacts on future employment land capacity both individually and cumulatively.
- d. For all proposals Council would also need to be satisfied that there is an immediacy to the development to meet proven demand and the proposal is of a suitable scale and able to be serviced in accordance with section A5 below.
- e. Schedule 2 identifies zoned land and land identified on the features legend to the planning maps to the PODP that have high environmental values and or constraints that make them not suitable for the development for SHAs.

A5 Adequate Infrastructure

The Council is satisfied that either:

- a. Adequate infrastructure exists to accommodate the likely additional individual and cumulative demand from a qualifying development in the area; or
- b. Infrastructure can and will be provided and funded by the landowner or developer at no cost to, and without unforeseen or adverse financial or environmental costs on the Council or other relevant infrastructure providers.

The Council will assess the infrastructure requirements of a proposed SHA against the matters listed in Schedule 3 to this Policy.

A6 Affordability

To achieve the targets in the Accord to deliver more dwellings, the Council will negotiate housing outcomes for each SHA and/or qualifying development on an individual basis.

The delivery of more affordable housing options within qualifying developments will be assessed against the need for development to remain profitable and commercially viable.

Council will require a certain proportion of qualifying developments to comprise small subdivision allotments and/or dwellings to deliver more affordable private housing.

The delivery of more community housing will be encouraged by promoting collaborative schemes with Housing New Zealand and Registered SHPs and partnerships between the public and the private housing sectors.

These housing outcomes will cover:

- a. The type and size of dwellings to be built by PHPs: in all SHAs at least 20% of dwellings will comprise two bedroom dwellings of 150m² gross floor area or less unit size.
- b. The size of sections created by PHPs: PHPs will be required to provide at least 20% of the allotments at smaller sizes of 350m² or less.
- c. The minimum 20% provided by PHPs shall apply to the total potential yield of the qualifying development or each stage of the qualifying development.
- d. The nature of any covenants (or similar restrictions) imposed on sections shall be agreed and recorded on titles;
- e. The potential for a development to target specific housing need e.g. first home buyers, the rental market or social housing;
- f. A requirement that the PHP engages with the Housing New Zealand or a Registered SHP to explore options to provide social housing, and where appropriate, to provide an acceptable legal

mechanism for dwellings to be retained as social housing (freehold or rental).

- g. The Council is open to proposals that address affordable housing through other mechanisms that are consistent with the principles set out in section 8 of this policy but retains preference for the registered SHP involvement as per A6 f. above.
- h. The potential for a PHP to spread or mix the type and size of sections and dwellings to be developed throughout the proposed SHA.

When a SHP partners with a PHP to develop a SHA and Council is satisfied that sufficient evidence has been provided of genuine partnership and intention to develop the land then the Proposal will be assessed solely against the applicable policy for SHPs.

A7 Building Height

The maximum calculated building height for a qualifying development in a proposed SHA will be determined as part of the declaration of that SHA. It will be determined by the Council in discussion with the landowner/ developer with reference to:

- a. The characteristics and the existing built environment of the land in the SHA and land directly adjoining;
- b. The maximum height provided for in the zone of under the PODP that applies to the land and the land directly adjoining in question;
- c. The maximum height provided for in the Act: 6 storeys (or any lesser number prescribed) and a maximum height of 27 meters (or any lower maximum calculated height prescribed).

A8 Minimum Number of Dwellings

The minimum number of dwellings required in a proposed SHA provided by a PHP to constitute a qualifying development is 10 units in residential, greenfield, future urban or appropriate non-residential zoned areas as determined under the PODP.

Dwellings described by housing typology shall be calculated at a minimum average net site density of at least 16 dwellings per hectare or otherwise as in accordance with the relevant zone rules of the PODP, whichever is the greater.

There is no minimum threshold if the SHA is a Housing New Zealand or Registered Social Housing Scheme.

A9 Design Quality

A SHA proposal shall have regard to the height, bulk and scale of development within the existing residential zone where appropriate and any relevant design criteria in the PODP.

A10 Application of PODP

For the purpose of clarifying the effect of sections 15(8) and 34(1)(d) of the Act, any reference to the PODP will be a reference to the objectives, policies and rules for the appropriate residential zone or other provisions including overlay Policy Areas that apply to the area.

A11 Determination of Appropriate Residential Zone Provisions

For sites zoned General Residential in the PODP, Council will support proposals for SHAs that seek medium density or intensified residential development where it can be demonstrated that the development can comply with the performance standards and can meet the assessment criteria for those respective operative zonings.

~~A SHA proposal shall have regard to the height, bulk and scale of development within the existing residential zone where appropriate and any relevant design criteria in the PODP.~~

For sites not currently zoned residential, the matters that will be considered when determining the appropriate residential zone provisions to be applied in the proposed SHA in regard to the PODP include:

- a. The characteristics and the existing built environment of the land in the SHA and land directly adjoining;

Page 6 of 10

- b. The development proposal and its overall site layout, building design and external appearance including connections to and integration with adjoining land uses and transport network, the extent to which over dominance is minimised and the extent to which reverse sensitivity effects can be avoided, remedied or mitigated;
- c. The appropriateness of the partly operative zoning for the delivery of a qualifying development/s;
- d. Whether another zone or other zone provisions in the PODP might be more appropriate for the delivery of a qualifying development/s;
- e. The purpose of the Act; and
- f. Delivery of the targets in the Accord.

For consideration of a-b above, information requirements commensurate with the scale of the SHA proposal for a Subdivision Concept Plan shall be provided as set out in Section 1.2.2.2 of the PODP.

A12 Other Matters

The Council's operative DC Policy and operative Growth Funding Policy is the default approach to all qualifying developments. However, alternative approaches to infrastructure funding may be considered and potentially applied during the life of the Accord.

All Council staff time and other costs of considering and processing proposals for SHA selection and resource consent applications including negotiating SHA developer agreements will be on-charged to the landowner or developer in accordance with the Resource Consent and Engineering Fees and Other Charges Schedule adopted by Council.

A13 Delegation

The General Manager City Growth and Economic Growth and Planning Manager and their successors are delegated to enter into negotiations with landowners/ developers interested in promoting a SHA in accordance with this Policy.

Schedule 2 – Areas not suitable for the establishment of SHAs

- All Special Character Zones (excluding Peacocke Terrace Area)
- All Recreational Zones
- Significant Archaeological, Historic and Cultural Sites
- Electricity Transmission Corridors
- Natural Hazard Areas
- Special Heritage Areas
- Special Natural Areas
- Large Lot Residential Zone

Schedule 3 – Infrastructure Requirements

The relevant infrastructure includes:

- Stormwater
- Wastewater
- Water
- Transport (including impact on state highways, impact on local roads, public transport, provision of public transport facilities, under passes, cycling and walking facilities, trails and tracks etc.)
- Parks and Reserves
- Social and Community Infrastructure
- Education
- Network utilities (electricity, gas and telecommunications).

For Council-related services of water supply, wastewater, transport, stormwater and reserves the Council is satisfied:

- a. That infrastructure exists and has sufficient ability to accommodate the likely additional individual and cumulative demand from qualifying development/s in the SHA or infrastructure is planned or programmed in the Council's LTP and DC Policy in timeframes that align with the qualifying development/s timing, and/or
- b. That infrastructure would be provided and funded by the private sector ahead of the LTP programmed time at no additional cost to Council, and/or
- c. Where not planned or programmed in the Council's LTP and DC Policy, infrastructure would be fully provided and funded by the private sector at no cost to Council and can connect to existing infrastructure that has sufficient ability to accommodate the likely additional individual and cumulative demand from- qualifying development/s in the SHA, and
- d. For stormwater, mitigation and offsetting will comply with the conditions of any relevant consent held by the Council or such other relevant engineering standards that are applicable as determined by Council, and
- e. That infrastructure will be designed and constructed in accordance with the relevant requirements of the Council's Infrastructure Technical Specifications, and any other specific design, specifications and plans for infrastructure works (including approved Integrated Catchment Management Plans) arising from any consent or infrastructure requirements set by Council and
- f. That all assessments of infrastructure (e.g. effects, funding, levels of service) are based on a whole of life assessment, and
- g. That the qualifying development/s does not adversely impact on minimum levels of service and existing or planned infrastructure investments, and does not result in poor safety outcomes, and
- h. Is in accordance with Council's Growth Funding Policy.

For non-Council infrastructure such as state highways, government facilities (e.g. schools), or network utilities (e.g. electricity, gas and telecommunications), evidence needs to be provided to Council that satisfies that the infrastructure exists or is planned by the relevant service provider with additional capacity to accommodate the likely individual and cumulative demand generated from a qualifying development/s in the SHA.

Schedule 4 – Residential Development Quality Expectations

Hamilton Partly Operative District Plan

The following provisions (objectives and accompanying policies) will be used as a guide to assess the consistency of proposals with the following planning provisions:

Volume 1

Chapter 2 Strategic Framework –

Towards a Sustainable City Objectives 2.2.1 and 2.2.2

Urban Design Approach Objective 2.2.3

Central City, Business and Industry Objective 2.2.4

Residential Development Objective 2.2.6

Tangata Whenua: Waikato Tainui Objective 2.2.8

Integrate Land Use, Transport and Infrastructure Objective 2.2.13

Chapter 4 Residential Zone Objectives 4.2.1 – 4.2.9

Chapter 25.15 Urban Design Objectives and Policies 25.1.2

Volume 2

Appendix 1 – Assessment Criteria 1.3.3

Appendix 1 – Relevant residential design guides in Appendix 1.4.1 – 1.4.9

Appendix 2 – Structure Plans (Peacocke, Ruakura, Rotokauri, Rototuna)

Note:

This is not an exhaustive list but key objectives, policies and assessment criteria relevant to the consideration of design quality for qualifying SHA sites.

First adopted:	N/A
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Next review date:	N/A
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Associated documents:	Hamilton Housing Accord
Sponsor/Group:	General Manager City Growth

DRAFT - Hamilton Special Housing Areas Policy

Background and Legislative Intent

1. The New Zealand Government recognizes housing affordability as a significant social and economic issue which impacts community well-being and productivity, particularly in areas experiencing high population growth.
2. Housing affordability is affected by a range of factors including the rate and extent of land and housing supply.
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4. Hamilton City is one of the areas listed in Schedule 1 of the HASHAA.
5. The HASHAA achieves its purpose by providing an alternative and 'fast track' means of creating zoned residential land, known as Special Housing Areas ('SHAs'), as compared to the standard track process under the Resource Management Act 1991 ('RMA').
6. The first step towards establishing an SHA is for Council to enter into a Housing Accord with the Minister for Building and Construction ('Minister'). On 22 December 2016 Council entered into the Hamilton Housing Accord with the Minister ('Accord').
7. The Accord includes agreed aims and targets related to land supply and dwelling consents. The Accord also acknowledges a number of other actions to improve housing affordability and sufficient land supply.
8. With the Accord in place, the next step is for Council to consider the options for proposed SHAs. Once Council has decided to support a proposed SHA, it must make a recommendation to the Minister for consideration and, if appropriate, approval.
9. If the Minister accepts the Council recommendation the SHA will be established by way of Order in Council. The process of securing development rights under the provisions of HASHAA can then commence.

Purpose

10. The purpose of this Policy is to establish the process and the evaluation criteria that will guide Council in making decisions on whether to accept a proposal for an SHA and recommend to the Minister that a proposed SHA be established.
11. This policy will inform Council's performance of its functions under HASHAA and will be applied in a manner which gives effect to the Accord. In the event of any conflict the HASHAA will prevail.

Policy

12. All proposals for an SHA will be processed and evaluated by Council in accordance with this policy.
13. In order that Council meets its statutory responsibilities under the HASHAA, Local Government

Act 2002 (LGA), Resource Management Act 1991 (RMA) and any other related legislation, Council reserves itself full discretion to accept or reject a proposal for recommendation to the Minister.

14. All proposals for an SHA shall demonstrate to Council's satisfaction that the following criteria will be met:
- a) Development within the proposed SHA will achieve the purpose of HASHAA in a manner consistent with the Accord;
 - b) Development within the proposed SHA will place no additional financial burden on Council compared to no development occurring, either now or in the future;
 - c) All infrastructure necessary to service the proposed SHA including but not limited to transport, waste water, potable water and storm water is available or will be made available by the developer at no cost to Council in advance of all identified infrastructure demand arising.
15. In its assessment of whether the criteria set out in clause 14 are met, Council will evaluate the proposed SHA against the following considerations:
- a) **Demand for the qualifying development:** The extent to which development of the proposed housing types will achieve the purpose of the HASHAA and the Accord which will include an assessment of proposed housing typology, dwelling and section sizes, and density;
 - b) **Predominantly residential:** The extent to which the proposed development is predominantly residential with the primary purpose of creating residential housing supply;
 - c) **Locational considerations:** The extent to which the proposed SHA is consistent with Council's strategic land use planning. If inconsistent, the extent to which it may materially compromise or alter Council's strategic land use planning and the effects of that inconsistency including effects on planned and existing infrastructure. The extent to which the proposed SHA affects Council's ability to meet its statutory requirements under the National Policy Statement on Urban Development Capacity. Proposals for SHAs will be considered in all areas except:
 - all Special Character Zones (excluding Peacocke Terrace Area and the Jebson Place development site at 5A Cassidy Street)
 - all Open Space Zones
 - significant archaeological, historic and cultural sites
 - electricity transmission corridors
 - Natural Hazard Areas (except where effects can be appropriately managed)
 - Significant Natural Areas
 - ~~the Large Lot Residential Zone;~~
 - d) **Infrastructure:** The extent to which the proposed SHA will absorb capacity within Council's existing infrastructure, including but not limited to parks and reserves, transport and three waters network infrastructure and how the developer will pay for that use of capacity. The extent to which the existing infrastructure is inadequate to service the development and the developer's ability and commitment to provide that necessary infrastructure and services at no cost to Council; either now or into the future.
 - e) **Scale:** The extent to which the proposed SHA will deliver beyond a prescribed minimum of 10 dwellings. ~~No minimum yield shall apply to a proposed SHA being developed by Housing New Zealand, a recognized social housing provider, or a Registered Social Housing Scheme;~~
 - f) **Design quality:** The extent to which the proposed SHA adheres to the key urban design qualities expressed in the Ministry for the Environment's *New Zealand Urban Design Protocol (2005)* and the effects of any non-adherence;

- g) **Development agreement:** The extent to which a satisfactory development agreement can be entered into between Council and the developer which secures HASHAAs intended outcomes in a manner that is consistent with Council's Growth Funding Policy ~~and which secures Council's intended outcomes,~~ including but not limited to recovery of development contributions for utilized infrastructure capacity and ~~the~~ delivery of all necessary infrastructure and services without placing a financial burden on Council.
16. Council will process and assess proposals quarterly, with applications which meet all the necessary information requirements upon receipt being subject to approval within that quarter. Proposals can be made by any party, including Council.
17. Upon receipt of a proposal, Council staff will undertake an initial evaluation of the proposal to determine its level of consistency with this policy. At this stage, based on this initial evaluation, full council will determine, at its sole discretion, whether to continue with the evaluation or to reject the proposal.
18. If the evaluation proceeds to detailed stage beyond this point, Council will:
- a) based on the nature of the proposal evaluate whether and to what extent it is necessary to seek public feedback including from statutory agencies and relevant lwi; ~~seek public feedback including from statutory agencies and relevant lwi;~~
 - b) seek comment and evaluative input from relevant Council departments;
 - c) fully assess the proposal in accordance with this policy, and in particular the criteria set out in clause 14 and the considerations set out in clause 15;
 - e)d) identify its key requirements for the draft development agreement;
 - d)e) receive staff recommendations;
 - e)f) decide whether to reject the proposal, or accept the proposal in principle.
19. If a proposal is accepted in principle, Council will then enter into negotiations with the proponent to secure, through a development agreement, the delivery of the outcomes set out in the proposal and any other outcomes required by Council, including the provision of any necessary infrastructure required to service the proposal.
20. If negotiations lead to a legally binding development agreement, on terms acceptable to Council, Council will, at its discretion, consider accepting the proposal for recommendation to the Minister.
21. If a proposal is accepted under clause 20 of this policy, Council will then collaborate with the proponent in making the recommendation to the Minister that the proposed SHA be established.
22. Once an SHA proposal is lodged with Council, all Council staff time and other costs of processing and evaluating the proposal, including negotiating any development agreement, will be on-charged to the developer or proponent of the SHA. Fees and charges will be set according to Council's then operative Resource Consent and Engineering Fees and Other Charges Schedule. Fees and charges relating to any consequent resource consent application or plan change application will be charged separately.

DRAFT - Hamilton Special Housing Areas Policy

Background and Legislative Intent

Attachment 3

1. The New Zealand Government recognizes housing affordability as a significant social and economic issue which impacts community well-being and productivity, particularly in areas experiencing high population growth.
2. Housing affordability is affected by a range of factors including the rate and extent of land and housing supply.
3. In response to this issue, the Housing Accords and Special Housing Areas Act 2013 ('HASHAA') came into force on 16 September 2013. The purpose of the HASHAA is to enhance housing affordability by facilitating an increase in land and housing supply in certain regions or districts, listed in Schedule 1 of that Act, identified as having housing supply and affordability issues.
4. Hamilton City is one of the areas listed in Schedule 1 of the HASHAA.
5. The HASHAA achieves its purpose by providing an alternative and 'fast track' means of creating zoned residential land, known as Special Housing Areas ('SHAs'), as compared to the standard track process under the Resource Management Act 1991 ('RMA').
6. **The Ministry of Business Innovation and Employment (MBIE) calculates that the median house price for Hamilton is 6.8 times the value of median income and therefore deemed unaffordable. While this policy does not set a target price point for SHAs, it seeks to achieve comparative affordability outcomes by encouraging smaller section sizes and gross floor area standards.**
7. The first step towards establishing an SHA is for Council to enter into a Housing Accord with the Minister for Building and Construction ('Minister'). On 22 December 2016 Council entered into the Hamilton Housing Accord with the Minister ('Accord').
8. The Accord includes agreed aims and targets related to land supply and dwelling consents. The Accord also acknowledges a number of other actions to improve housing affordability and sufficient land supply.
9. With the Accord in place, the next step is for Council to consider the options for proposed SHAs. Once Council has decided to support a proposed SHA, it must make a recommendation to the Minister for consideration and, if appropriate, approval.
10. If the Minister accepts the Council recommendation the SHA will be established by way of Order in Council. The process of securing development rights under the provisions of HASHAA can then commence.

Item 12

Purpose

11. The purpose of this Policy is to establish the process and the evaluation criteria that will guide Council in making decisions on whether to accept a proposal for an SHA and recommend to the Minister that a proposed SHA be established.
12. This policy will inform Council's performance of its functions under HASHAA and will be applied in a manner which gives effect to the Accord. In the event of any conflict the HASHAA will prevail.
13. **This policy will give effect to the Accord by enabling additional pockets of development opportunities, by bringing forward interim additional housing supply of a size and scale that will not compromise Council's existing Housing Infrastructure Fund (HIF) application.**

Policy

14. All proposals for an SHA will be processed and evaluated by Council in accordance with this policy.
15. In order that Council meets its statutory responsibilities under the HASHAA, Local Government Act 2002 (LGA), Resource Management Act 1991 (RMA) and any other related legislation,

Council reserves itself full discretion to accept or reject a proposal for recommendation to the Minister.

16. All proposals for an SHA shall demonstrate to Council's satisfaction that the following criteria will be met:
- a) Development within the proposed SHA will achieve the purpose of HASHAA in a manner consistent with the Accord;
 - b) Development within the proposed SHA will place no additional financial burden on Council compared to no development occurring;
 - c) All infrastructure necessary to service the proposed SHA including but not limited to transport, waste water, potable water and storm water is available or will be made available by the developer at no cost to Council.
17. In its assessment of whether the criteria set out in clause 14 are met, Council will evaluate the proposed SHA against the following considerations:
- a) **Demand for the qualifying development:** The extent to which development of the proposed housing types will achieve the purpose of the HASHAA and the Accord which will include an assessment of proposed housing typology, dwelling and section sizes, and density;
 - b) **Predominantly residential:** The extent to which the proposed development is predominantly residential with the primary purpose of creating residential housing supply;
 - c) **Locational considerations:** The extent to which the proposed SHA is consistent with Council's strategic land use planning. If inconsistent, the extent to which it may materially compromise or alter Council's strategic land use planning and the effects of that inconsistency including effects on planned and existing infrastructure. The extent to which the proposed SHA affects Council's ability to meet its statutory requirements under the National Policy Statement on Urban Development Capacity. Proposals for SHAs will be considered in all areas except:
 - all Special Character Zones (excluding Peacocke Terrace Area and the Jebson Place development site at 5A Cassidy Street)
 - all Open Space Zones
 - significant archaeological, historic and cultural sites
 - electricity transmission corridors
 - Natural Hazard Areas (except where effects can be appropriately managed)
 - Significant Natural Areas
 - the Large Lot Residential Zone;
 - d) **Infrastructure:** The extent to which the proposed SHA will absorb capacity within Council's existing infrastructure, including but not limited to parks and reserves, transport and three waters network infrastructure and how the developer will pay for that use of capacity. The extent to which the existing infrastructure is inadequate to service the development and the developer's ability and commitment to provide that necessary infrastructure and services at no cost to Council;
 - e) **Scale:** The extent to which the proposed SHA will deliver beyond a prescribed minimum of 10 dwellings and up to a maximum of 100 dwellings. No minimum yield shall apply to a proposed SHA being developed by Housing New Zealand, a recognized social housing provider, or a Registered Social Housing Scheme;
 - f) **Affordability:** The delivery of more affordable housing options within qualifying developments will be assessed against the need for development to remain profitable and commercially viable. Council will require a certain proportion of qualifying developments to comprise small subdivision allotments and/or dwellings to deliver more affordable private housing.

These housing outcomes will cover:

- i. The type and size of dwellings to be built in all SHAs: at least 20% of dwellings will be 150m² gross floor area or less unit size.
- ii. The size of sections created in all SHAs will be required to provide at least 20% of the allotments at smaller sizes of 350m² or less.
- iii. The minimum 20% provided shall apply to the total potential yield of the qualifying development or each stage of the qualifying development.
- iv. The nature of any covenants (or similar restrictions) imposed on sections by the developer shall be agreed and recorded on titles;
- v. The council is open to proposals that address affordable housing through other mechanisms.

- g) **Design quality:** The extent to which the proposed SHA adheres to the key urban design qualities expressed in the Ministry for the Environment's *New Zealand Urban Design Protocol (2005)* and the effects of any non-adherence;
- h) **Development agreement:** The extent to which a satisfactory development agreement can be entered into between Council and the developer that is consistent with Council's Growth Funding Policy and which secures Council's intended outcomes, including but not limited to the delivery of all necessary infrastructure and services without placing a financial burden on Council.

18. Council will process and assess proposals quarterly. Proposals can be made by any party, including Council.
19. Upon receipt of a proposal, Council staff will undertake an initial evaluation of the proposal to determine its level of consistency with this policy. At this stage, based on this initial evaluation, full council will determine, at its sole discretion, whether to continue with the evaluation or to reject the proposal.
20. If the evaluation proceeds to detailed stage beyond this point, Council will:
 - a) seek public feedback including from statutory agencies and relevant Iwi;
 - b) seek comment and evaluative input from relevant Council departments;
 - c) fully assess the proposal in accordance with this policy, and in particular the criteria set out in clause 14 and the considerations set out in clause 15;
 - d) receive staff recommendations;
 - e) decide whether to reject the proposal, or accept the proposal in principle.
21. If a proposal is accepted in principle, Council will then enter into negotiations with the proponent to secure, through a development agreement, the delivery of the outcomes set out in the proposal and any other outcomes required by Council, including the provision of any necessary infrastructure required to service the proposal.
22. If negotiations lead to a legally binding development agreement, on terms acceptable to Council, Council will, at its discretion, consider accepting the proposal for recommendation to the Minister.
23. If a proposal is accepted under clause 20 of this policy, Council will then collaborate with the proponent in making the recommendation to the Minister that the proposed SHA be established.

24. Once an SHA proposal is lodged with Council, all Council staff time and other costs of processing and evaluating the proposal, including negotiating any development agreement, will be on-charged to the developer or proponent of the SHA. Fees and charges will be set according to Council's then operative Resource Consent and Engineering Fees and Other Charges Schedule. Fees and charges relating to any consequent resource consent application or plan change application will be charged separately.

Attachment 4 - Questions from the Regulatory and Hearings Committee 3 August 2017

Councillors posed a number of questions at the hearing. These are addressed under the key themes set out below.

Theme: SHA Policy and process		
1.	Why do we need a policy and will it restrict innovative thinking?	The benefit of preparing a SHA policy is that it enables Council to establish a clear evaluative framework in which to consider suitably-located candidate SHA sites. Councils have the ability to exercise their discretion when applying s 17 of HASHAA (the Act) and prior to recommending a potential SHA site to the Minister. Matters such as whether the site can be serviced, the yield, location and what is required to 'make it happen' are considered permissible considerations to have set out in a policy. This is considered to be innovative, rather than ad hoc assessment of SHAs without any evaluative framework in place.
2.	Will Councillors see all SHA proposals received by Council and what is their role with regard to assessment of SHAs?	Yes, Councillors will see all SHA proposals received early on and they will again see them for final consideration to debate whether to recommend SHAs to the Minister. The attached process flow chart sets out the Council involvement at various stages.
3.	Why does the policy set out that staff screen SHA proposals?	Staff do not screen proposals; all proposals can go before Council but Council will need guidance from staff as to the suitability or otherwise of the SHA sites being put forward. For example are sites serviced, can they be serviced, is the site contaminated or in a flood zone? Can the site be accessed?
4.	What is Council's role in the SHA process? Is it an enabler or should it be an active partner?	The signed Housing Accord enables Hamilton City Council to use the provisions of the Act to advance housing supply via SHAs. Council is an enabler insofar as it recommends sites that it considers suitable for SHA status which comply with the Act and have been assessed against its own policy. If Council owns land and wishes to partner with a social housing provider to promote as an SHA that is their prerogative.
5.	Provide a process timeline for SHA consideration and is there a deadline in processing?	<p>There is no deadline for processing SHA proposals prior to Council recommending to the Minister. The policy proposes calling for sites on a quarterly basis. After each call for sites, there will be a period of assessment of approximately 2 months which includes a 4-week period in which to seek public feedback as the Local Government Act (LGA) requires Council to give consideration to the views and preferences of those parts of the community likely to be affected by the Policy. Some SHA proposals will be large scale and more complex, necessitating more information prior to Council recommending to the Minister.</p> <p>The indicative timeline for final approval of SHA Policy and the selection of the first tranche of SHAs was set out in the 20 June 2017 Growth and Infrastructure Report. The estimated timeframe is largely dependant on the number, scale and complexity of SHA proposals but in general it is as follows:</p> <ul style="list-style-type: none"> • Council approval of final policy – August • First Tranche SHA EOI proposals – Mid September

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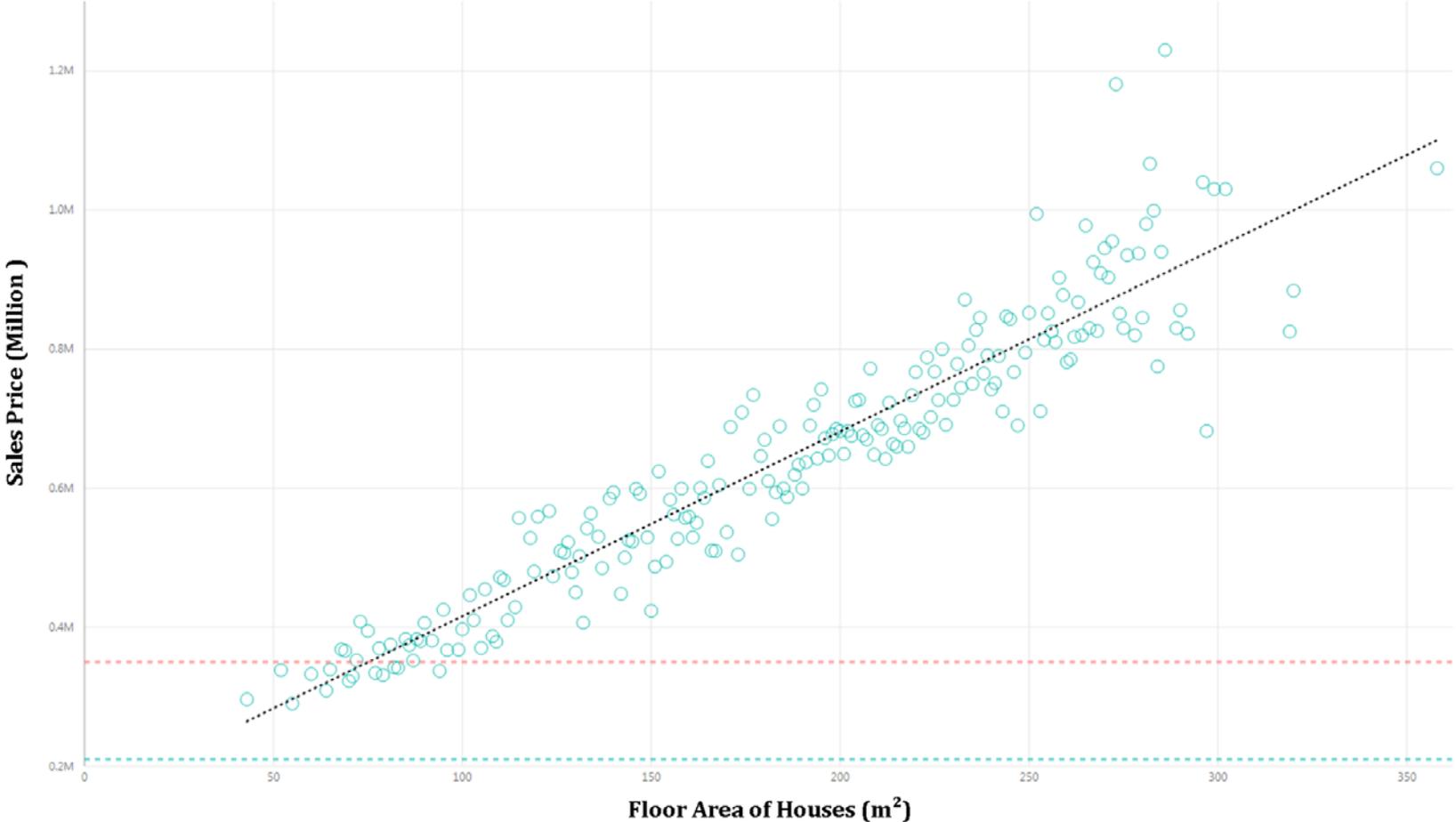
		<ul style="list-style-type: none"> • 1st Tranche Assessment & consultation – September/Oct • 1st Tranche SHA recommended to Council - Nov/Dec • Government approval of 1st Tranche – Dec/Jan • ‘Qualifying development’ applications received – Feb (This is up to the applicant) • First SHA consents issued - est April 2018
6.	How is urban design to be evaluated in the process given the Council now has no panel?	<p>The policy in section 15 f) refers to design quality and the requirement that consideration of key urban design qualities as expressed in the Ministry for Environment’s New Zealand Urban design Protocol in (2005) are taken into account for SHA selection. As a signatory to the Protocol, HCC has aligned its PODP to key urban design outcomes already and detailed matters of design would be considered at the ‘Qualifying Development’ consents stage of an SHA, much like resource consents are considered at present.</p> <p>In terms of the Urban Design Panel, Council have abolished all advisory panels so the Urban Design Panel will function as an advisory body reporting to the GM: City Growth. The role and function of this panel is currently under review, to be completed by early September 2017. The main component is the review of membership which closed on 14 August 2017; most other aspects of the panel are to remain, e.g. it provides voluntary, free, non-statutory, independent and confidential advice and evaluation on key developments.</p>
Theme: Future Proof		
7.	Provide a view on the Future Proof Strategy roles in industrial land allocation and the ability to ‘swap’ allocation between TAs.	<p>The Waikato Regional Policy Statement does not appear to anticipate situations where industrial land is essentially ‘given up’ and swapped to another location outside of that node or within a different TA. The RPS industrial tables were set up to enable industrial land development in different areas in the sub-region, to ensure that a wide variety of supply was provided across the three sub-regional TAs. Various industrial node locations have different attributes so it is not necessarily a ‘like-for-like’ scenario where a direct swap could occur.</p> <p>The Future Proof Strategy Phase Two review, informed by the NPS on Urban Development Capacity, will provide a mechanism to review the location and size of the various industrial land nodes across the three sub-regional TAs.</p>
Theme: Affordability		
8.	Does the proposed policy allow for co-housing?	Council will work with all parties wishing to convert land into SHAs without prejudice to any Policy, Accord or HASHAA requirement. Council does not have land available to develop/gift itself. The current PODP does not preclude co-housing from being considered under existing RMA processes.
9.	Provide information on the number of social housing complexes currently in Hamilton.	The last comprehensive count of social housing was completed in September 2016 by the social housing sector. This count, named “A Home for Everyone”, estimated that 15 of the 17 housing providers had approximately 3,200 dwellings. It is inherently hard to get comprehensive sector wide information from these providers who are predominantly volunteer run.

10.	Provide a process timeline and clarify if there is a deadline on processing. Is this 20 working days? – HASHA consenting timeframes etc.	<p>Timeframes for SHA proposals will vary due to differing complexities of applications. There is considerable risk that timeframes will be longer than anticipated due to applications being submitted without all required information. Assessing infrastructure requirements for proposed SHAs is a resource-intensive exercise. Professional technical evidence required by Council engineers may take considerable time for the applicant to gather. In accordance with the draft policy, HCC will strive to assess all SHA proposals against the policy within 20 working days. However, with this in mind, there is no statutory timeframe regarding the assessment of SHA proposals. Once gazetted, the consenting follows a fast-tracked, limited notified process as outlined in the HASHAA.</p> <table border="1" data-bbox="837 456 1883 647"> <thead> <tr> <th></th> <th>HASHA Timeframes</th> <th>RMA Timeframes</th> <th>Dif.</th> </tr> </thead> <tbody> <tr> <td>Non Notified</td> <td>20 working days</td> <td>20 working days</td> <td>0</td> </tr> <tr> <td>Limited</td> <td>50 w.ds (no hearing)</td> <td>60 w.ds (no hearing)</td> <td>10</td> </tr> <tr> <td>Notification</td> <td>70 w.ds (with hearing)</td> <td>100 w.ds (with hearing)</td> <td>30</td> </tr> <tr> <td>Notified</td> <td>Not applicable</td> <td>60 working days (no hearing) Up 130 w.ds with hearing</td> <td>N/A</td> </tr> </tbody> </table>		HASHA Timeframes	RMA Timeframes	Dif.	Non Notified	20 working days	20 working days	0	Limited	50 w.ds (no hearing)	60 w.ds (no hearing)	10	Notification	70 w.ds (with hearing)	100 w.ds (with hearing)	30	Notified	Not applicable	60 working days (no hearing) Up 130 w.ds with hearing	N/A
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11.	Provide information on the 'halo effect' from Auckland versus the need for locals to access the housing market. Will SHAs do more to accommodate 'Auckland's overflow on migration versus the level of local demand' for housing?	<p>Hamilton's housing stock for sale (including any developed within an SHA) will be owned by the highest bidder. Rates data indicates that 78% of the dwelling stock in Hamilton is owned by Hamiltonians (either owner-occupied or rental investment). Of the remaining 22%, half is owned by Aucklanders. Any dwelling built will be occupied by a Hamilton household regardless of if the dwelling is owner-occupied or if the owner is an Auckland investor. This will help to meet the purpose of the Hamilton Housing Accord to 'ensure adequate supply and market competition'. Any intervention mandating new dwellings sold must be sold to Hamiltonians would be contrary to market competition.</p>																				
12.	As a number of definitions exist, provide a 'baseline' definition of 'affordable'.	<p>Determining whether a region or district is experiencing significant housing affordability issues is defined in the HASHAA in section 9(3). For housing in a region to be considered affordable it would have the following criteria.</p> <ul style="list-style-type: none"> (i) The weekly mortgage payment on a median-priced house as a percentage of the median weekly take-home pay for an individual does not exceed 50%, based on a 20% deposit. (ii) The median multiple (that is, the median house price divided by the gross annual median household income) is 5 or under. <p>At the time of signing the Housing Accord, MBIE calculated Hamilton's median multiple as being 6.8.</p>																				
13.	Clarify if the affordability requirements, with reference to the requirement that 20% of the development be provided at the minimum unit and site size, is the right mechanism to achieve affordability.	<p>It is assumed private developers do not want to have prices dictated to them and the Auckland Unitary Plan hearings also provided a strong signal for councils to not directly influence price points. The independent hearings panel considered the Auckland Unitary Plan is best able to promote affordable housing by ensuring there is adequate feasible enabled residential capacity relative to demand and there is a range of housing types enabled in many locations.</p> <p>Housing affordability is a function of the ability of households to service a mortgage and other associated housing costs. As council has very little ability to affect income, interest rates, insurance and maintenance costs, and without</p>																				

		<p>directly influencing sales prices, a policy setting with strong correlation to house prices was sought to encourage better outcomes.</p> <p>Sales price is strongly correlated to building foot print as show in Appendix 1 following this document. The focus is on 'comparative affordability' based around reducing average section size and average dwelling size as a proxy for lower land and housing construction costs (and easier/more affordable entry to the home ownership market).</p> <p>Requiring smaller dwellings is seen as being feasible from a development profit perspective. Some developers are already starting to supply smaller dwellings on smaller sections. Developments of this nature include higher density developments in housing intensification zones, duplex building projects and comprehensive development plan zones (e.g. Resolution Village – Yeoman Homes, Springside Court Development, Rototuna).</p> <p>By requiring 20% smaller dwellings in all SHA developments, we are encouraging a spread of prices in alignment with the purpose of the Hamilton Housing Accord and section 15(3) of HASHAA. Having a spread of dwelling types within a development helps Hamilton meet its requirements under the National Policy Statement on Urban Development Capacity (NPS-UDC). The NPS-UDC requires demand for different types of dwelling over the short, medium and long term. The intention of the Accord is to increase housing supply in line with the NPS-UDC.</p>
14.	Clarify the nature of the retained affordability mechanism referenced to in the proposed.	Assuming this point is in reference to Schedule 1 A6 (f) of the hearings draft policy as notified (Attachment 1), this clause has been subsequently removed from the draft policy but the answer to the question is as follows: If a PHP choses to provide social housing in partnership with a SHP, an agreement between all parties will be in the form of a legally binding document. The details of this agreement have been left open to allow flexibility of options for all parties.
15.	How will we track and monitor any SHA affordability components?	The affordability criteria have specifically been formulated in a way to enable ease of implementation and monitoring. By requiring smaller dwelling and section sizes these will be confirmed through the subdivision and building consenting process.
16.	Provide information on the Council 'sell down' of social housing and could the proceeds be used for social housing purposes?	The Council resolved to use the net sale proceeds from the sale of the pensioner housing portfolio to repay debt.
17.	SHA site specific proposals and mitigation within noise buffer zones	A number of questions were raised on how amenity effects might be mitigated within existing noise buffer zones, building placements and what conditions could be imposed on residential developments that sought to become an SHA in an industrial zone. No formal proposals have been lodged at this stage. The PODP has relevant performance standards to consider development within amenity protection areas and noise buffer zones; detailed specifics of the proposal would be considered as part of the matters in SHA consent. It is not appropriate to consider site plans, siting and location of dwellings, typology, sound attenuation measures, landscape buffers and access among other matters (if deemed appropriate) at this policy-setting stage.

18.	<p>What is the Potential yield in other PODP zones eg; Business, in the City not currently zoned for residential?</p>	<p>This is to some extent a paper exercise given that the majority of the City's Business zones are well established commercial nodes serving their neighbourhood or wider catchment and unlikely to be redeveloped in their entirety for housing development. Apartment living above ground floor is envisaged in the Central City and suburban centres while stand alone dwellings are discouraged to retain commercial, office and retail and employment uses. Existing site constraints and feasibility of residential development in business centres are other key factors that will be dictated by the market.</p> <p>The attached map however is provided in answer to Councillor questions and assumes a maximum feasible potential for residential development at residential intensification and city living densities that would be appropriate for enabling SHA's in this location. This assumes a 'blank canvas' for redevelopment. The Central City is considered the most likely centre to attract residential development of any sizeable quantum as an SHA.</p>
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Appendix 1: Relationship between Floor Area, Sales Price and Affordability



This graph uses data from house sales in 2016 calendar year for houses built since 2010. We use houses built since 2010 as these houses should sell for a similar price to newly built dwellings compared with the entire Hamilton housing stock. The turquoise and red lines above respectively show three and five times the Hamilton household income, or the unaffordable and severely unaffordable sales prices using the median multiplier measure for housing affordability. The median multiplier methodology would usually be applied to the whole housing market. This would show a slightly less unaffordable situation. These lines have been included as a reference point to show where the proposed percentage of smaller dwellings requirement would fit within the affordability spectrum; that being severely unaffordable but not as expensive as the more commonly built larger dwellings.

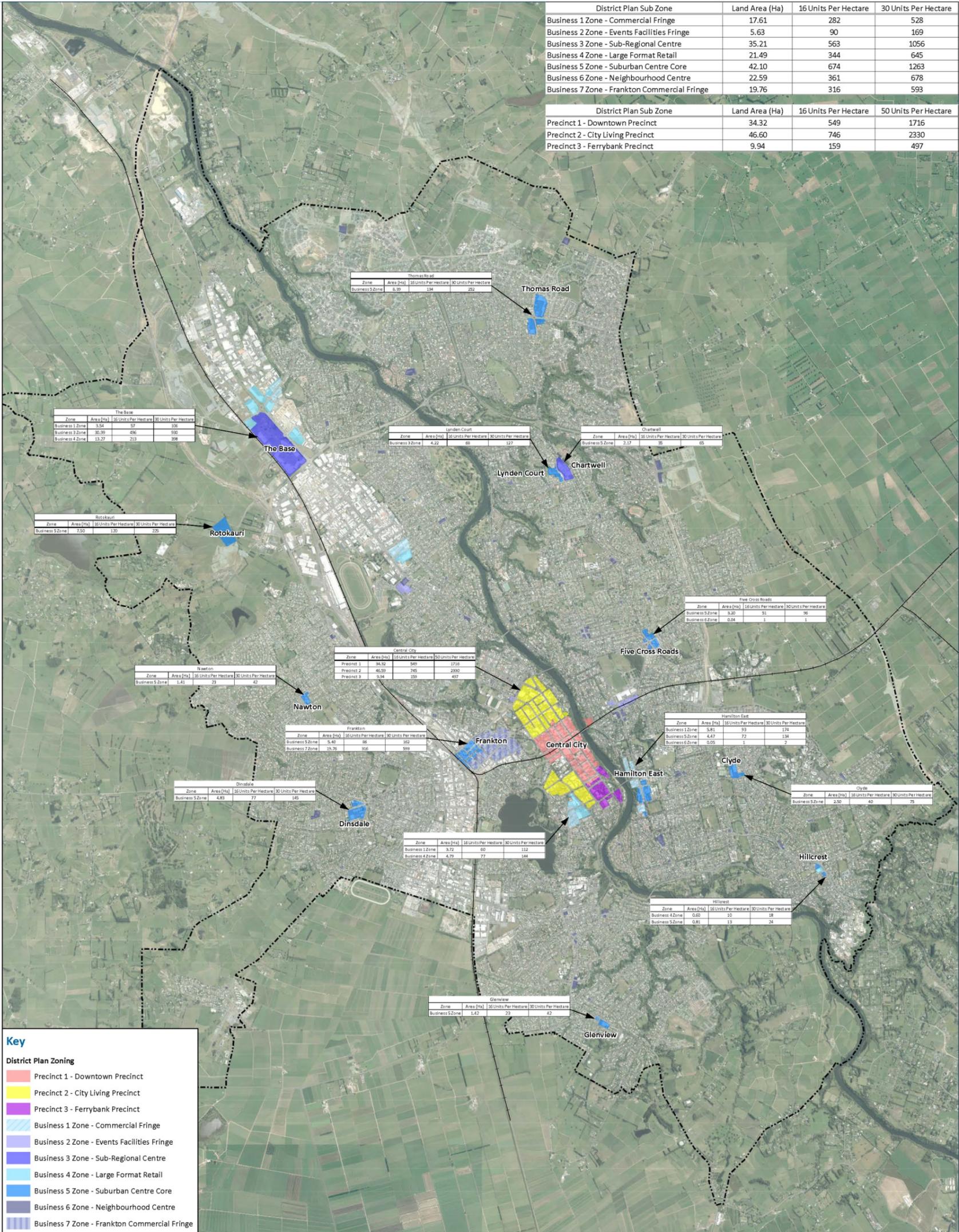
Appendix 2: Theoretical Residential Capacity

District Plan Sub Zone	Land Area (Ha)	16 Units Per Hectare	30 Units Per Hectare
Business 1 Zone - Commercial Fringe	17.61	282	528
Business 2 Zone - Events Facilities Fringe	5.63	90	169
Business 3 Zone - Sub-Regional Centre	35.21	563	1056
Business 4 Zone - Large Format Retail	21.49	344	645
Business 5 Zone - Suburban Centre Core	42.10	674	1263
Business 6 Zone - Neighbourhood Centre	22.59	361	678
Business 7 Zone - Frankton Commercial Fringe	19.76	316	593

District Plan Sub Zone	Land Area (Ha)	16 Units Per Hectare	50 Units Per Hectare
Precinct 1 - Downtown Precinct	34.32	549	1716
Precinct 2 - City Living Precinct	46.60	746	2330
Precinct 3 - Ferrybank Precinct	9.94	159	497

Item 12

Attachment 4



Note: All calculation based on sites being vacant and no commercial or office development



GIS & CAD Services

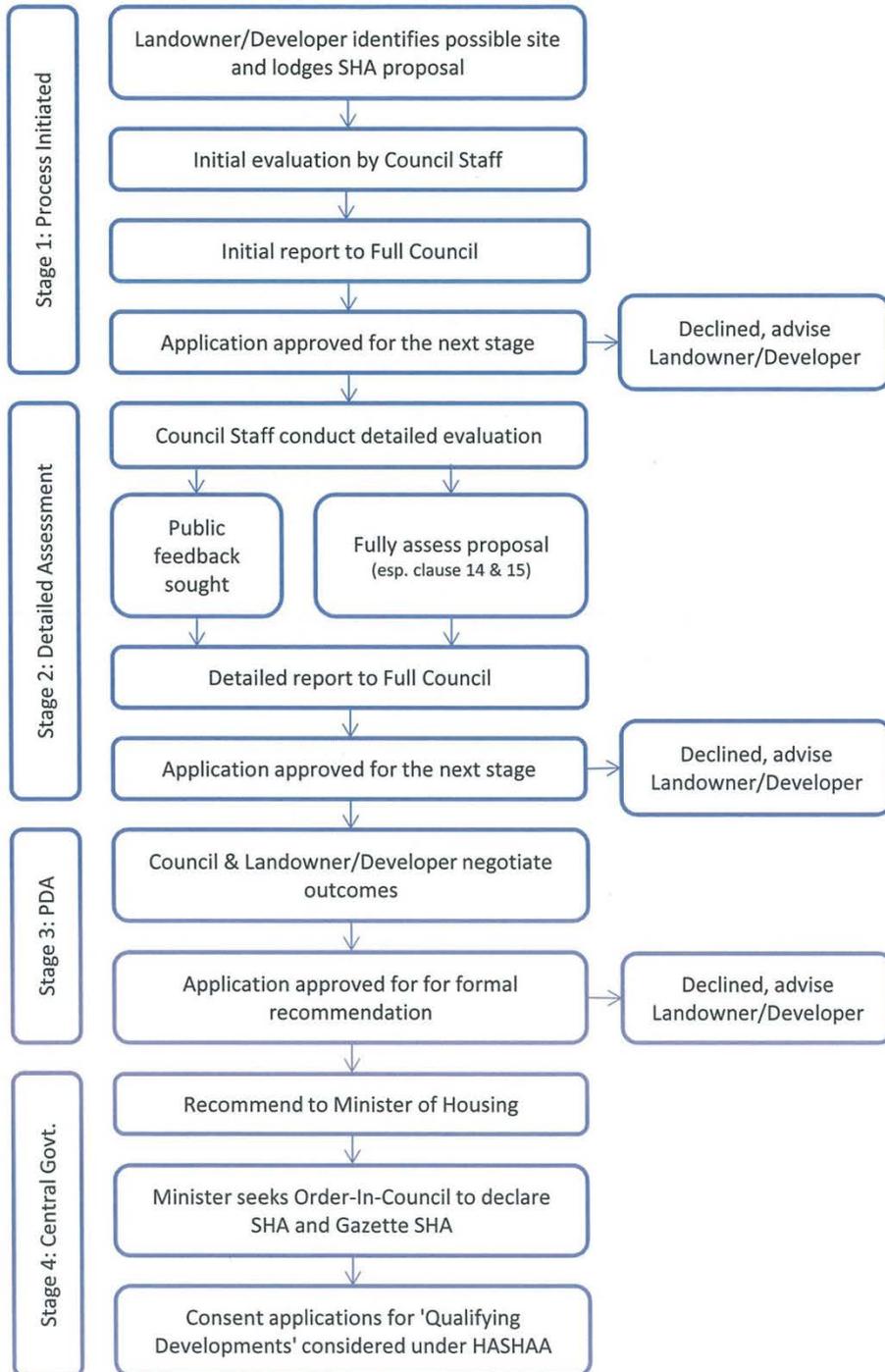
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Trim No. D- DRAFT **HAMILTON**
Residential Units Derived From Business Zones

version **1**

Date: 10/08/2017

Process to consider possible special housing areas





HAMILTON HOUSING ACCORD

Hamilton Housing Accord

Purpose

1. This agreement, between the Hamilton City Council (HCC) and the Government, is the Hamilton Housing Accord (the Accord).
2. The intention of the Accord is to increase housing supply in line with the National Policy Statement on Urban Development Capacity (NPS-UDC) and the Housing Accords and Special Housing Areas Act 2013 (the Act). The Accord aims to maintain a well-functioning, private sector-led housing market in Hamilton and ensure a spread of prices across the housing market by ensuring adequate supply and market competition.
3. Development progressed through this Accord will generally be consistent with the Hamilton Urban Growth Strategy (HUGS), the strategic directions contained within the Partly Operative District Plan, the Waikato Regional Policy Statement (RPS) and the FutureProof sub regional settlement pattern.

Benefit

4. A Housing Accord establishes an agreed approach between the Minister for Building and Construction and HCC to address housing supply issues in high growth areas. The Accord provides HCC with additional policy tools, which may include targets for housing. Targets may be supported through the use of Special Housing Areas (SHAs) in the city.
5. SHAs are areas suitable for new housing that HCC can recommend to the Minister to be established. Resource consenting powers under the Act can be used to fast track qualifying developments within SHAs.

Background

6. Hamilton has a robust employment base across a number of key sectors including high value manufacturing, logistics, information technology, research and development, health and science, logistics and agricultural technology. The city has a strong and diversified economy with GDP growth in 2015 at 4.3 percent.
7. Hamilton's population has grown strongly. Future projections see Hamilton growing from an estimate of 161,000 in 2016 to close to 177,000 in the next five years. Hamilton has a favourable age profile with the youngest and most highly skilled workforce in the country, with 39 percent employed in knowledge intensive sectors.
8. Hamilton is well positioned for future growth given its proximity to Auckland, geographic location within the economic 'Golden Triangle', proximity to over half of the country's population within 90 minutes' drive, availability and comparative affordability of residential and non-residential land for development within the city (approximately 30 years supply of zoned residential land). Whilst Hamilton has experienced strong growth in recent years the city has maintained availability and diversity of housing stock.

9. Hamilton has well progressed future urban development strategies, namely;
 - The HUGS which sets a clear pattern of future development within the city boundaries.
 - The FutureProof strategy, a sub-regional planning framework which establishes an integrated land use and transportation pattern for the next 50 years across Hamilton and its adjoining territorial authorities (Waipa and Waikato Districts).
 - A number of strategic boundary change agreements are also in place with the neighbouring territorial authorities to assume land within the boundary of the Waikato Expressway network once construction of this Road of National Significance is completed. These agreements will allow for the long term urban expansion of the city.
10. Under the recent NPS-UDC, Hamilton has been identified as falling within a High-Growth Urban area. Under the NPS-UDC, HCC is required to ensure that there is sufficient housing and business land development capacity for the short, medium and long term. Hamilton currently has sufficient land supply for four years of greenfield housing supply, with the current 10 year infrastructure plan providing for a further seven years of supply.

Challenges for Hamilton

11. The majority of Hamilton's population growth is from internal migration, including former residents of Auckland moving to Hamilton for lifestyle choice, and career and employment opportunities. Similarly significant increases in house price growth over the last two years has largely been driven by the Auckland 'halo effect' (the spill over of increased Auckland house prices on surrounding regions).
12. According to REINZ data for November 2016, Hamilton's average house price was \$527,000, up from a median of \$425,000 the year prior (an annual increase of 24 percent). The Ministry of Business, Innovation and Employment (MBIE) calculates that the median multiple for Hamilton is 6.8, meaning that the median house price was 6.8 times the value of the median income; and therefore deemed unaffordable.
13. Hamilton's housing market has seen marked increases in new home developments and house prices throughout the existing market stock. Since the Global Financial Crisis, development activity (subdivision and building consents) has increased rapidly in Hamilton. The forecast for 2016 building consents for new dwellings issued by HCC is 1271, up from a low of 481 in 2008.
14. HCC's challenge is to fund lead infrastructure capacity and ensure that the supply of sections to the market remains well ahead of the growth curve to ensure adequate land supply and market competition.
15. HCC has a capital works programme in place through its Long Term Plan, to provide services to the zoned greenfield areas for urban development over the next 10 years. This current level of zoned land supply compares favourably with the other metropolitan centres in New Zealand.
16. However, to ensure that the longer term supply of land for housing remains ahead of the growth curves and that supply of developer ready land is such that it promotes competition within the market, HCC faces major financial hurdles to fund lead infrastructure to open up zoned growth areas. The significant challenge that HCC faces is to fund orderly, efficient and affordable urban growth in a fiscally prudent manner. This includes the existing provision of zoned, serviced or structure planned land for residential development in a range of locations as well as areas identified for future residential land supply.

- 17. Whilst a number of strategic boundary change agreements are in place with the neighbouring territorial authorities to allow for the long term urban expansion of the city, the existing boundaries pose a constraint on the long term development of the city and present an ongoing requirement to negotiate the transfer of land to enable urban development.
- 18. Hamilton also faces challenges in maintaining a balance between infill and greenfield development in the city that does not unduly compromise effort to intensify the city and revitalise the city centre.
- 19. HCC and the Government acknowledge that improving the affordability of housing is a complex issue and requires extensive consideration of wider issues. Not all issues are able to be addressed under this Accord.

Principles to guide how HCC and the Government will work together

- 20. HCC and the Government agree that they will:
 - work collaboratively to facilitate an increase in housing supply in Hamilton
 - allocate appropriate resources
 - prioritise achievement of the targets in this Accord
 - adopt a no surprises approach
 - seek to resolve differences quickly, and
 - respect the obligations resulting from each party's statutory and legislative requirements.

Targets

- 21. HCC and the Government recognise the importance of agreed targets to give effect to this Housing Accord and to assist the delivery of land supply, dwellings, and market price necessary to meet Hamilton's housing needs.
- 22. HCC and the Government agree, within their respective areas of control, to endeavour in good faith to achieve the following agreed targets within the timeframe of this Housing Accord;

	Year 1 (2017)	Year 2 (2018)	Year 3 (2019)
Total number of sections and dwellings consented	1,300	1,400	1,500

Note: Sections measured at point of resource consent and dwellings measured at building consent.

Actions

- 23. The purpose of the Act is compatible with a number of existing HCC efforts to improve housing affordability and ensure sufficient land supply is available on an on-going basis for residential development in both greenfield and infill areas of the city.

24. Under this Accord HCC and the Government commit to aligning and working together on the following key areas of focus and action:
- HCC will investigate how SHAs could support pockets of opportunities to bring forward potential housing developments within Hamilton and recommend any suitable potential Special Housing Areas to the Minister for Building and Construction.
 - HCC will apply to the Housing Infrastructure Fund to support the provision of lead infrastructure to service land identified for residential development in the Peacockes and Rotokauri growth cells, which both play key roles in Hamilton's future housing supply strategy.
 - HCC will actively and regularly work with developers to address issues, ensure certainty and identify development trends.
 - HCC will undertake an Efficiency and Effectiveness assessment to streamline regulatory functions.
 - Support HCC's collaborative urban development strategies with the Waikato District Council and Waipa District Council.
 - Support HCC's existing efforts to ensure customer focused and streamlined resource consent and subdivision consent processes.
 - Support HCC's collaborative efforts with social housing providers in the city to improve the supply of affordable housing.

Other Matters

25. This Accord does not limit HCC, or the Government, coming from differing positions in respect of Government programmes of reforms of the Resource Management Act 1991, the Local Government Act 2002 or other legislation. The Government welcomes submissions from HCC at the appropriate stages in the process.
26. HCC welcomes input and submissions from the Government on how it may improve housing affordability, supply and other matters such as adequate infrastructure in the city
27. As part of this Accord, HCC and the Government additionally agree to coordinate their efforts on other issues impacting the provision of affordable housing.
28. For the purpose of clarifying the effect of sections 15(8) and 34(1)(d) of the Housing Accords and Special Housing Areas Act 2013, any reference to the Operative Hamilton District Plan will be a reference to the objectives, rules and policies for the appropriate Zone that supports residential development. The appropriate Zone may not be the Zone that the development is actually located in, particularly in instances where a SHA is located on land that does not have a residential zoning - for example land with an industrial or rural zoning.

Governance and Process

29. Governance of this Accord will rest with a Joint Housing Steering Group (Steering Group) comprising the Mayor of Hamilton, the Chairperson of the HCC Growth and Infrastructure Committee or their nominee, and the Minister for Building and Construction. The Steering Group will meet every six months.
30. The Steering Group may amend this Accord, including targets, upon agreement and subject to HCC endorsement. The targets shall be reviewed annually, subject to reports on progress and the state of the building/construction sector.

31. HCC and MBIE shall establish an Officials Working Group (Working Group) which will meet as often as required to advance implementation of this Accord.
32. The Working Group will report to the Steering Group and will prepare any progress or monitoring report as requested by the Steering Group.

Monitoring and Review

33. In order to ensure that the purposes of this Accord are achieved, the Steering Group will monitor and review the implementation and effectiveness of this Accord. Officials from MBIE and HCC will be present to advise and observe the Steering Group meetings.
34. In order to ensure the implementation and effectiveness of this Accord the Working Group will meet as required to:
 - Review progress in implementing the Accord.
 - Review progress towards the Accord targets and declaration / implementation of SHAs.
 - Review progress on the supply of affordable houses to the Hamilton market.
 - Review progress on the other areas of joint action or information sharing.
35. A full review of the effectiveness of the Accord will be carried out by the Working Group after its first 12 months of operation and be reported to the Steering Group.

Validity of the Accord

36. This Accord is invalid and ceases to have effect on the date:
 - the Accord is terminated;
 - Hamilton City Council is removed from Schedule 1 of the Act;
 - the Act is repealed in its entirety.

Termination of the Accord

37. This Accord may be terminated by either party, giving not less than six months' notice to the other party, subject to completing the dispute resolution process, on the following grounds:
 - Failure to reach the agreed targets as set out in the accord if the failure results from inaction or ineffective action;
 - Failure of either party to allocate adequate resources to support the purpose or the exercising of powers and functions under the Act;
 - Failure on the part of HCC to exercise the powers and functions of an accord territorial authority under the Act;
 - Failure to resolve a dispute or difference.
 - A significant economic downturn which would render the Accord targets and policy tools redundant.
38. Notwithstanding the above, this Accord may be terminated by either party, giving not less than six months' notice to the other party, and without completing the dispute resolution process, if both parties agree there is an irretrievable breakdown in the relationship.

39. The party intending to terminate the Accord must meet its obligations under section 13 of the Act.

Dispute Resolution Process

40. The parties will attempt to resolve any dispute or difference that may arise under or in connection with this Accord (including a party seeking to terminate the Accord) amicably and in good faith according to the following process:

- The initiating party must immediately refer the dispute to the other party in writing;
- The Steering Group must meet for the purpose of resolving the dispute within 20 business days of the dispute being referred by the initiating party to the other party (the first meeting);
- If, for any reason, the Steering Group is unable to resolve the dispute in the first meeting, the Steering Group must reconvene for the purpose of resolving the dispute within 20 business days of the first meeting (the second meeting);
- If the Steering Group remains unable to resolve the dispute at the second meeting, either party may terminate the Accord.

41. The parties must continue to perform their obligations pending final resolution of the dispute as if the dispute had not arisen.

Publicity

42. The Mayor and the Minister for Building and Construction agree that any communications or publicity relating to this Accord will be mutually agreed prior to release.

Ratification and Commencement of the Accord

43. The Accord commences from the date at which the latter of the following occurs:

- HCC ratifies the agreement by formal council resolution.
- The Accord is signed by the Minister for Building and Construction and the Mayor of HCC.

Signed on this 22nd day of December, 2016



Minister for Building and Construction



Mayor of Hamilton City Council

Submission summary and analysis

Index2	Policy Ref.	Sub #	Name	Organisation	Recommended Change	Staff Comments
1	2	1	Max Coyle	Hamilton Future Foundation	Background section does not mention whole range of measure that affect housing affordability	Not Accepted. Out of Scope of HASHAA and Accord
2	14 j	1	Max Coyle	Hamilton Future Foundation	No mention of urban design standards and how they will be measures	Accepted. HASHA gives weight to the New Zealand Urban Design Protocol (2005) 34(1(e))
3	A6	1	Max Coyle	Hamilton Future Foundation	Affordability triggers for first time buyers and SHP's should have a size threshold trigger to encourage multi-storey	Not Accepted. Policy can not stipulate first time buyers, Policy Option B aims to lower median house price by proxy of market sale of smaller house/ sections Policy sets no unit trigger to encourage smaller developments / typology typical of SHP's in Hamilton. It does not prevent higher density developments in proposals coming forward
4	A8	2	Adip Desai		Minimum size is not stated here and SHP's should also provide a min number of units.	Not Accepted. Policy Option B does not seek to set Total unit GFA thresholds, only as part of Affordability criteria is 20% size thresholds a requirements. Setting size thresholds for all SHA units is considered too restrictive.
5	A6	3	Not Answered		Policy should regulate price of SHA's	Not Accepted. Setting price points not advised by either MBIE or the Auckland Unitary Plan Hearings Panel which concluded that this was probative to housing supply and difficult to regulate.
6	14i	4	JOMI GREGORY		Please make sure and explain how we are going to make sure that development start as early?	Clarification. The HASHAA act aims to speed up the delivery of land consented for housing it does not control development. 2. The Act also provides the discretion for the Minister to disestablish an SHA where best efforts to progress development have not occurred (to discourage land banking- section 18). This is measured by the lodging of resource consents within one year of SHA gazettal, and the Minster would rely directly on the Accord authority for this information.
7		5	John Stevenson	Hamilton resident and ratepayer	The council already has a system for consents and permits. To add another does not make sense. Either the current consent process works or if not needs tuning, adding another is not the answer.	Not Accepted. Purpose of HASHAA is to 'enhance housing affordability by speeding up the process of bringing to market additional residential land.
8	14e	5	John Stevenson	Hamilton resident and ratepayer	The developer will still be looking to maximise return at lowest cost. The highest price the market will stand will be the price. The lowest value houses will be in the least desirable part of the development and will the last to be built.	Clarification. By increasing supply the market price should fall if other factors remain the same.
9	14i	5	John Stevenson	Hamilton resident and ratepayer	Act in haste, repent at leisure. Rushing through approvals for poorly planned projects delivers poor results for the end user. If the project was well planned there would be no need to use the provisions under a SHA.	Not Accepted. Housing shortage is of immediate concern and one major benefit of SHAs is to speed up delivery of housing.
10	14j	5	John Stevenson	Hamilton resident and ratepayer	Development within the current framework is more likely to achieve a high quality urban design outcome.	Accepted. HASHA gives weight to the New Zealand Urban Design Protocol (2005) 34(1(e))
11		5	John Stevenson	Hamilton resident and ratepayer	The consent is only valid to the original applicant and cannot be on sold.	Clarification. SHA's are granted by the Minister and any future qualifying development consent would go with the land as per a RMA consent.
12		5	John Stevenson	Hamilton resident and ratepayer	Strict time limits on how long the consent is active.	Accepted in part. The Act also provides the discretion for the Minister to disestablish an SHA where best efforts to progress development have not occurred (to discourage land banking- section 18).
13	A6 a b	5	John Stevenson	Hamilton resident and ratepayer	This is the type of development currently targeted at small investors to get into the property rental business. This does not target affordable houses nor young family first home buyers.	Not Accepted. Affordability criteria has been removed from the policy but is an option put to councillors for inclusion. Disagree that this is targeted at small investors but regardless affordable rentals can help with housing affordability.
14	A6	6	Graham Dwyer		Affordability is a misnomer. Interest rates and incomes have a massive impact and HCC has little impact on these	Accepted in part. Affordability has been removed from the policy but is an option put to councillors for inclusion. Agree that council cannot affect affordability through interest rates and income.

Index2	Policy Ref.	Sub #	Name	Organisation	Recommended Change	Staff Comments
15	A8	6	Graham Dwyer		One rule for all.	Accepted in part. Differential has been removed from the policy however still remains as an option put to councillors for inclusion. SHP's are different from market providers both in terms of scale and financing and should have different rules to encourage them to develop as many truly affordable dwellings as possible. The overall aim to increase housing supply and by setting a threshold too high for SHP's then this is not enabling.
16		7	Amanda	n/a	No more land should be bulldozed to build houses. it's disgusting and is ruining NZ & Hamilton.	Not Accepted. Contrary to purpose, principles and objectives of HASHAA, Hamilton Housing Accord and SHA Policy.
17		7	Amanda	n/a	they should be minimum 5 acre lots if anything	Not Accepted. This scale would be too restrictive. Councils GIS analysis reveals that there are many viable SHA sites below this scale.
18	A6	8	Len Halgryn	HBC Designs Ltd	A maximum house size of 150m ² GFA is excessive for two bedrooms. It is entirely feasible to construct a fully-featured two-bedroom dwelling at less than 100m ² . Further, the option should be available - especially if targeting first-time homeowners - to construct a dwelling that can be extended when the owners can afford this, or when their needs change. The starter home could be as small as 60m ² .	Accepted in part. Affordability criteria has been removed from the policy but is an option put to councillors for inclusion
19		8	Len Halgryn	HBC Designs Ltd	SHAs should be liberated from literal reference to existing policy documents such as the PODP as they are predicated on standards and outcomes that are at odds with the objective of affordability and, in fact, housing (as opposed to investing). A SHA proposal should be evaluated on its own merits, the primary one being the provision of truly affordable (not relatively less unaffordable) housing.	Accepted in part. Direct reference to the PODP has been removed from the Hamilton SHA policy.
20		9	Not Answered		District plan is out of date already. No reference should be made to this document in the SHA.	Accepted in part. Direct reference to the PODP has been removed from the Hamilton SHA policy.
21	A6	9	Not Answered		Housing product will be designed to meet the market so can't see a need to be prescriptive to require a variety of housing.	Clarification. Affordability criteria has been removed from the policy but is an option put to councillors for inclusion
22		9	Not Answered		Forget about the District Plan. This is partially what caused the problem in the first place.	Not Accepted. Direct reference to the PODP has been removed from the Hamilton SHA policy.
23		9	Not Answered		We need more amenity in our city. An outcome could be that more amenity is added rather than just intensified residential development.	Not Accepted. Urban design criteria go some way to ensuring amenity. Providing additional supply is a key factor to HASHA and the Hamilton Housing Accord.
24		9	Not Answered		This is not about social housing this is about affordable housing	Not Accepted. The issues are interrelated, SHAs can support social housing.
25		10	Delilah Fuertes		There is not much explanation on co-management arrangements, how this would work and the added value of this arrangements in terms of providing affordable housing to low-income families.	Clarification. HASHA does not require consultation however broader obligations under the LGA exist.
26		10	Delilah Fuertes		The Council will work with community groups to develop cohousing neighbourhood its principles and practices.	Clarification. Council will work will all parties wishing to submit an SHA application. Council does not have land available to develop/gift itself.
27		10	Delilah Fuertes		Recognise community groups	Clarification. Council will work will all parties wishing to submit an SHA application
28		11	David Robinson		Council should support community initiatives to develop co-housing schemes by making good quality, suitable land available to be owned by a Community Land Trust structure at an affordable cost, or preferably at no cost, as the land will continue to be held by the trust, and not sold on to the homeowners who will lease their portion of the land.	Not Accepted. This policy has no scope to provide land for community housing.
29	14j	12	Sue Lawrence	NA	Environmental, sustainable and affordable housing with allowance for Co Housing developments.	Not Accepted. Council will work will all parties wishing to submit an SHA application. Council does not have land available to develop/gift itself.
30		12	Sue Lawrence	NA	Please include allocation of urban land for Co Housing initiatives in Hamilton. Facility for Community Land Trusts is also important to increase affordability.	Not Accepted. This policy has no scope to provide land for community housing.

Index2	Policy Ref.	Sub #	Name	Organisation	Recommended Change	Staff Comments
31	A6	13	Brad White		Affordability of the housing in the SHA's should be at the forefront, however it is not enough to make the houses "affordable" for the first occupant but also subsequent ones. The idea of permanent affordability.	Not Accepted. Affordability criteria has been removed from the policy but is an option put to councillors for inclusion. Retained affordability very hard to achieve.
32		13	Brad White		Thought should be given to the assigning specific areas of the SHA's the status of a Community Land Trust or similar. This is a principle that has been used in numerous cities in the US and UK with great success.	Not Accepted. Council does not have land available to develop/gift itself. To require portions of private developments to be held in trust goes against the purpose of the Act "to maintain a well-functioning private sector-led market". If a developer wants to pursue this council would work with all parties.
33	14c	14	Samantha Rose	Shama	Council should also be willing to work with citizen groups who want to co-design their own neighbourhoods. These citizen groups could form themselves into trusts or other entities to be able to proceed with being citizen developers. Council should also convert some of the land into Community Land Trusts to offer true affordability.	Not Accepted. Council will work will all parties wishing to convert land in SHAs. Council does not have land available to develop/gift itself.
34	14d	14	Samantha Rose	Shama	We need to look at how ecologically built neighbourhoods can supply some of their own infrastructure such as rainwater catchment, biogas digesters, compost toilets, and that strategic land use can include community gardens and even light economic activity such as cottage industries. Land zoned for agriculture can be formed into ecological land cooperatives to allow for many homesteads on a piece of agricultural land.	Clarification. Policy does not preclude this from occurring. Council is happy to work collaboratively with land owners to identify the required infrastructure solutions (such as swales and lakes to attenuate storm water).
35	14f	14	Samantha Rose	Shama	We need to look at where roads are in a community. Houses should have land and foot paths going through the centre of the community--not roads and cars should be kept to the periphery. Again, alternative energy models can ease the need for Council's infrastructure.	Clarification. Policy does not preclude this from occurring. These are details best left for specific SHA applications.
36	14i	14	Samantha Rose	Shama	We are building things that will occupy space and land for centuries to come and how those structures are built and situated influences whether a community is cohesive or divisive. Permaculture and nature work on slow and steady. Community consultations cannot be rushed. We need houses but we don't want to end up with structures and neighbourhoods can cause more damage than good. We need to balance more housing with good design and wide community consultation.	No Accepted. Housing shortage is of immediate concern and one major benefit of SHAs is to speed up delivery of housing.
37	14j	14	Samantha Rose	Shama	I believe the urban design outcomes also needs to be expanded to include natural building materials, alternative energy, community gardens, north-facing, and other factors. We need to expand these urban design outcomes to be more holistic.	Not Accepted. Beyond scope of HASHAA. HASHA gives weight to the New Zealand Urban Design Protocol (2005) 34(1(e)) which includes the design quality of "Custodianship: ensuring design is environmentally sustainable, safe and healthy" as well as other qualities which address the submitters concerns.
38		14	Samantha Rose	Shama	Three pages of additional principles you think should be added.	Not Accepted. Various concerns most of which are outside of the scope of the SHA policy and even local government. Or have already been addressed.
39		14	Samantha Rose	Shama	Expand the definition of the "development" community to include all those professions that do community development.	Clarification. Not required. References to development community have been removed from policy.
40	A11	15	Peter H Bos		We need to reverse the trend of over-sizing the rule book. We need to reverse the trend of reducing the locations/availability/number of smaller allotment.	Not Accepted. Direct reference to the PODP has been removed from the Hamilton SHA policy. SHAs will increase the availability of land for residential development.
41		16	Camilla Carty-melis		Need to incorporate eco design, sustainability and self- sufficiency factors into any new build or development!!	Clarification. HASHA gives weight to the New Zealand Urban Design Protocol (2005) 34(1(e)) which includes the design quality of "Custodianship: ensuring design is environmentally sustainable, safe and healthy" as well as other qualities which address the submitters concerns.
42		16	Camilla Carty-melis		Please can environmental, social and social justice issues and options be considered in full.	Clarification. This is outside of the scope and purpose of the Accord and HASHA.

Index2	Policy Ref.	Sub #	Name	Organisation	Recommended Change	Staff Comments
43		17	Anna Casey-Cox	Poverty Action Waikato	We would like to see the 'development community' more specifically described in this policy. In this Housing Accord policy, the development community should include Social Housing Providers and the Social Service Sector who know the needs of lower income communities in Hamilton.	Not Accepted. The revised policy removes references to PHP's and SHP's.
44		17	Anna Casey-Cox	Poverty Action Waikato	It is not clear whether the Housing Accord in Auckland has delivered an increase in affordable housing. We request that the Special Housing Area policy includes the monitoring of SHA development by Council to assess the extent to which affordable housing is enabled.	Accepted in part. Monitoring will occur. As other factors outside of councils influence affect housing affordability we cannot tie SHA monitoring to actual affordability measures. If affordability is adopted we can monitor the size of the housing being built and comparative affordability of these compared to the rest of the Hamilton market.
45		17	Anna Casey-Cox	Poverty Action Waikato	We note that the number of building consent applications has levelled off over the past year. This has been noted to be likely affected by a shortage of skilled workers, increased land prices and the new Reserve Bank's loan to value ratio (LVR) rules. We request that Council considers how these barriers may affect the effectiveness of SHA's and the Housing Accord as an approach to addressing affordable housing.	Clarification. Council is considering skilled worker shortages with collaborative efforts such as UNISA. Land prices and shortages are being looked into with NPS:UDC. LVRs are outside the influence of local councils (as well as central government).
46		18	Kevin Ma	Radiance Holistic Health Limited	Three pages of additional principles you think should be added.	Not Accepted. Various concerns most of which are outside of the scope of the SHA policy and even local government. Or have already been addressed.
47	14c	18	Kevin Ma	Radiance Holistic Health Limited	Council should also be willing to work with citizen groups who want to co-design their own neighbourhoods. These citizen groups could form themselves into trusts or other entities to be able to proceed with being citizen developers. Council should also convert some of the land into Community Land Trusts to offer true affordability.	Clarification. Council does not have land available to develop/gift itself. To require portions of private developments to be held in trust goes against the purpose of the Act "to maintain a well-functioning private sector-led market". If a developer wants to pursue this council would work with all parties.
48	14d	18	Kevin Ma	Radiance Holistic Health Limited	We need to look at how ecologically built neighbourhoods can supply some of their own infrastructure such as rainwater catchment, biogas digesters, compost toilets, and that strategic land use can include community gardens and even light economic activity such as cottage industries. Land zoned for agriculture can be formed into ecological land cooperatives to allow for many homesteads on a piece of agricultural land.	Clarification. Policy does not preclude this from occurring. Council is happy to work collaboratively with land owners to identify the required infrastructure solutions (such as swales and lakes to attenuate stormwater).
49	14f	18	Kevin Ma	Radiance Holistic Health Limited	We need to look at where roads are in a community. Houses should have land and foot paths going through the centre of the community--not roads and cars should be kept to the periphery. Again, alternative energy models can ease the need for Council's infrastructure.	Clarification and/or not accepted. Policy does not preclude this from occurring. These are details best left for specific SHA applications.
50	14i	18	Kevin Ma	Radiance Holistic Health Limited	We are building things that will occupy space and land for centuries to come and how those structures are built and situated influences whether a community is cohesive or divisive. Permaculture and nature work on slow and steady. Community consultations cannot be rushed. We need houses but we don't want to end up with structures and neighbourhoods can cause more damage than good. We need to balance more housing with good design and wide community consultation.	Not Accepted. Housing shortage is of immediate concern and one major benefit of SHAs is to speed up delivery of housing.
51	14j	18	Kevin Ma	Radiance Holistic Health Limited	I believe the urban design outcomes also needs to be expanded to include natural building materials, alternative energy, community gardens, north-facing, and other factors. We need to expand these urban design outcomes to be more holistic.	Not Accepted. Beyond scope of HASHAA. HASHA gives weight to the New Zealand Urban Design Protocol (2005) 34(1(e)) which includes the design quality of "Custodianship: ensuring design is environmentally sustainable, safe and healthy" as well as other qualities which address the submitters concerns.
52	A6	19	Not Answered		Private enterprise should have the ability to find solutions	Clarification. Affordability criteria has been removed from the policy but is an option put to councillors for inclusion. Revised policy does not preclude this from occurring.

Index2	Policy Ref.	Sub #	Name	Organisation	Recommended Change	Staff Comments
53		20	Megan Smith		I think it is important to articulate the need to consider the cultural, social, and economic needs of the community (including wider Hamilton) in the design of any houses and neighbourhoods. This may be a principle in addition to the 'high quality urban design' outcomes - or included with it. We need to actively ensure alternative forms of housing are considered e.g. 'pocket neighbourhoods' or Community Land Trust based models. Along with requirements for active and public transport, and green spaces. These are very important if we are serious about housing affordability.	Not Accepted. Beyond scope of HASHAA. HASHA gives weight to the New Zealand Urban Design Protocol (2005) 34(1(e)) which includes the design quality of "Custodianship: ensuring design is environmentally sustainable, safe and healthy" as well as other qualities which address the submitters concerns. Some of the recommended changes made are outside the scope of this policy/council.
54	A8	20	Megan Smith		I am not too sure why volume should be not a requirement for social housing.	Clarification. Social housing providers where found to operate at a much smaller scale. References and requires removed form should be spread out through normal market development as best practice.
55	14d	22	Tony McLauchlan	Foster Develop Ltd	Place greater emphasis on the HASHA than the PODP	Accepted in part. Direct reference to the PODP has been removed from the Hamilton SHA policy.
56	16	22	Tony McLauchlan	Foster Develop Ltd	Allow submissions for proposed SHAs at any time.	Accepted in part. Council needs to properly resource for these applications which is why we are structuring for them. Council tentatively plans to open for application quarterly.
57	A4	22	Tony McLauchlan	Foster Develop Ltd	Council should recognise that some Industrial and business land is suitable for SHAs.	Accepted in part. Council does not preclude industrial/business land within the Policy.
58	A4	22	Tony McLauchlan	Foster Develop Ltd	Council should encourage the use of SHAs where business activities are no longer viable or supported by the catchment.	Clarification. Policy does not precluded the consideration of the context described.
59	A4	22	Tony McLauchlan	Foster Develop Ltd	The policy should look to unlock land in the short term.	Clarification. The HASHAA act aims to speed up the delivery of land consented for housing it does not control development. 2. The Act also provides the discretion for the Minister to disestablish an SHA where best efforts to progress development have not occurred (to discourage land banking- section 18). This is measured by the lodging of resource consents within one year of SHA gazettal, and the Minster would rely directly on the Accord authority for this information.
60	A6	22	Tony McLauchlan	Foster Develop Ltd	Remove A6 (a-c) as the market will dictate the typology of development. The primary purpose of SHAs should be to increase supply, not the provision of housing at particular price points.	Accepted. Affordability criteria has been removed from the policy but is an option put to councillors for inclusion
61	A8	22	Tony McLauchlan	Foster Develop Ltd	There is no good reason to prefer SHP over PHP.	Accepted. References and distinction between SHP and PHP has been removed from the policy.
62		22	Tony McLauchlan	Foster Develop Ltd	Replace PHP and SHP with developers	Accepted. References and distinction between SHP and PHP has been removed from the policy.
63		23	Andrew Duncan	Adare Company Limited	Adare supports the SHA Policy in general subject to Council prioritising the District Plan and LTCCP identified growth areas including the Peacocke Structure Plan area.	Accepted in part. Council seeks to fast track good applications for short to medium term housing supply irrespective of location. . No prioritisation will occur; all good applications will proceed. Direct reference to the PODP has been removed from the Hamilton SHA policy.
64		24	Lynda Jellyman		Policy should also include environmental/sustainability goals and community creation goals which the affore mentioned would help ensure.	Not Accepted. Beyond scope of HASHAA HASHA gives weight to the New Zealand Urban Design Protocol (2005) 34(1(e)) which includes the design quality of "Custodianship: ensuring design is environmentally sustainable, safe and healthy" as well as other qualities which address the submitters concerns.
65	14c	24	Lynda Jellyman		Social housing providers should include a group of like minded individuals who want to develop an alternative housing model such as co-housing, pocket neighbourhoods, community land trusts or eco villages.	Clarification. Policy does not preclude this type of design or tenure from occurring.
66		24	Lynda Jellyman		Make sure developments truly are affordable to low income people or have rent to buy or other schemes to enable home ownership.	Not Accepted. Outside of the scope of the SHA policy.
67		25	Hartmut Wendt		Not required under legislation and adds excessive complexities at a time when more land/housing/development is required.	Accepted in part. The revised policy removes references to the PODP.

Index2	Policy Ref.	Sub #	Name	Organisation	Recommended Change	Staff Comments
68	14a/b	25	Hartmut Wendt		Slow development down.	Not Accepted. HASHAA and the Accord seek to provide opportunities to enable housing development.
69	14h	25	Hartmut Wendt		SHA's could be hindered by the PODP, sidelining the governments attempts to bring our housing crisis under control.	Clarification. Direct reference to the PODP has been removed from the Hamilton SHA policy.
70	A11	25	Hartmut Wendt		Again, SHA's could be hindered by the PODP, side-lining the governments attempts to bring our housing crisis under control.	Clarification. Direct reference to the PODP has been removed from the Hamilton SHA policy.
71	16	25	Hartmut Wendt		It should be developers who promote SHA's, not the council.	Clarification. Council will not 'promote' SHA's. HASHAA requires that developers submit SHA applications to Council for recommendation to the Minister.
72	A6	25	Hartmut Wendt		I believe that it is up to the private market and developers to assess and deliver low cost sections and housing. If there is a demand, there will be a supply. And with the limiting of restrictions on SHA's, the supply will increase, reducing the cost naturally.	Accepted in part. Affordability criteria has been removed from the policy but is an option put to councillors for inclusion
73		26	Lindsay Cumberpatch	DV Bryant Trust	I was going to say that my only concern is that the Housing Accord Policy says nothing about social housing, but I'm assuming that's what is meant by the use of the term 'community housing' in the Draft - Hamilton Special Housing Areas Policy document p.5.	Clarification. References and distinction between social/community housing providers has been removed from the revised policy.
74	14a/b	27	Brian Goldman		Council should just get on and do it	Accepted. HASHAA and the Accord seek to provide opportunities to enable housing development.
75	14h	27	Brian Goldman		The District plan has too many rules, the SHA don't need anymore rules.	Accepted in part. Direct reference to the PODP has been removed from the Hamilton SHA policy.
76	A6	27	Brian Goldman		Developers should be allowed to find there own way to make housing cheaper	Accepted in part. Policy does not preclude this from occurring. Reference to the PODP has been removed from the Hamilton SHA policy.
77		28	Dean Marshall and Lynn Cheryl Hutchinson	Private Landowners	This questionnaire/form is titled 'Proposed Housing Accord Policy'. Consistency in terminology is very important, to avoid creating confusion.	Accepted. Constancy is required.
78		28	Dean Marshall and Lynn Cheryl Hutchinson	Private Landowners	The draft policy currently lacks a Definitions/Interpretation section. This is very much needed, particularly where Council policies are referenced. For clarity, a definition must be given for each acronym used in the policy.	Clarification. Revised policy removes need for this.
79	14c	28	Dean Marshall and Lynn Cheryl Hutchinson	Private Landowners	Amend 14 c to include land owners and developers.	Not Accepted. Revised policy does not make reference to this.
80	14d	28	Dean Marshall and Lynn Cheryl Hutchinson	Private Landowners	Amend 14d to "Council will enable SHAs that achieve the purpose of the HASHAA, by bringing to market additional land beyond that currently zoned residential and may enhance Council's existing or planned infrastructure."	Not Accepted. Revised policy does not make reference to this.
81	14h	28	Dean Marshall and Lynn Cheryl Hutchinson	Private Landowners	Development within SHAs will be consistent with the evaluation criteria and objectives set out in the schedules to this Policy and generally consistent with HCC Urban Design Approach.	Accepted in part. Direct reference to the PODP has been removed from the Hamilton SHA policy.
82	14j	28	Dean Marshall and Lynn Cheryl Hutchinson	Private Landowners	Delete. This point is too subjective. The intent is covered elsewhere in the Policy, in Schedule 1, Section A6: Affordability & Outcomes a. to e.	Accepted in part. HASHA gives weight to the New Zealand Urban Design Protocol (2005) 34(1(e))

Index2	Policy Ref.	Sub #	Name	Organisation	Recommended Change	Staff Comments
83		28	Dean Marshall and Lynn Cheryl Hutchinson	Private Landowners	Landowners, developers, private housing providers & social housing providers should be collectively known as 'the development community' throughout the Policy, as referred to in the draft Policy document, Point 15	Accepted in part. Distinctions between PHP and SHP have been removed in revised policy.
84	15c	28	Dean Marshall and Lynn Cheryl Hutchinson	Private Landowners	Amend to "The creation of SHAs which achieve the purpose and principles of the HASHAA."	Accepted in Part. Revised policy no longer includes outcomes section.
85	15d	28	Dean Marshall and Lynn Cheryl Hutchinson	Private Landowners	Should be removed. The PODP creates the risk of delaying the fast-track process supported by the HASHAA.	Accepted in Part. Revised policy no longer includes outcomes section. Direct reference to the PODP has been removed from the Hamilton SHA policy.
86	16	28	Dean Marshall and Lynn Cheryl Hutchinson	Private Landowners	Delete at its discretion	Accepted in part. Policy has been revised however the purpose of policy is in part to provide give clarify of criteria and process.
87	17	28	Dean Marshall and Lynn Cheryl Hutchinson	Private Landowners	Reword to "Council will process and assess all proposals for SHAs in the manner set out in the final version of Hamilton Special Housing Areas Policy."	Not Accepted. Statement of obvious.
88	18	28	Dean Marshall and Lynn Cheryl Hutchinson	Private Landowners	Reword to "The evaluation criteria which Council will apply to assessment of a proposal are set out in the Schedules to the Policy. Proposals will need to demonstrate how they satisfy all of the mandatory and discretionary criteria attached to the final version of Hamilton Special Housing Areas Policy."	Not Accepted. Statement of obvious.
89	A6e	28	Dean Marshall and Lynn Cheryl Hutchinson	Private Landowners	The examples should be expanded to include retirees, public sector workers (teachers, police, fire personnel) and refugee housing.	Not Accepted. Revised policy excluded affordability criteria however this remains an option for Council to consider.
90	A6f&g	28	Dean Marshall and Lynn Cheryl Hutchinson	Private Landowners	There is no reference or requirement in the HASHAA for Housing New Zealand or Social Housing Providers to be specifically engaged with or accommodated.	Accepted. References to SHPs have been removed from the policy.
91	A6	28	Dean Marshall and Lynn Cheryl Hutchinson	Private Landowners	There should not be any dispensation, under the Policy, for Social Housing Providers. Proposals from Social Housing Providers must be assessed according to the same criteria as the development community and not be given any preferential treatment.	Accepted. References to SHPs have been removed from the policy.
92	A6	28	Dean Marshall and Lynn Cheryl Hutchinson	Private Landowners	There must be a level playing field for all SHAs and therefore, if HCC wants to include Housing New Zealand and Social Housing Providers, HCC must ensure Housing New Zealand and Social Housing Providers are bound by the same rules as the development community.	Accepted. References to SHPs have been removed from the policy.
93	A11	28	Dean Marshall and Lynn Cheryl Hutchinson	Private Landowners	The spirit of the HASHAA was to cut through existing red tape and fast-track affordable housing on land not previously available. We therefore do not agree with the opening paragraph in A11. Nor do we agree with Sections A11c and A11d.	Accepted. Direct reference to the PODP has been removed from the Hamilton SHA policy and assessment criteria has been lightened.
94		29	Diana Wood	replying as individual, but am Chair of North East Community Hub	Recommend that SHAs are developed in such a way that there is diversity of family types and age groups in each area.	Not Accepted. Revised policy does not set any size criteria however affordability measures are adopted by Council, the policy requires some smaller dwellings (20%)

Index2	Policy Ref.	Sub #	Name	Organisation	Recommended Change	Staff Comments
95	14j	30	Alison Littler		I would like to see that J "high quality urban design outcomes" includes references to sustainability, green areas, ecological principles, aesthetics and community interaction.	Not Accepted. HASHA gives weight to the New Zealand Urban Design Protocol (2005) 34(1(e)) which includes the design quality of "Custodianship: ensuring design is environmentally sustainable, safe and healthy" as well as other qualities which address the submitters concerns.
96	14	31	Nic Greene	Habitat for Humanity (Central North Island) Ltd	B, D, H & J. Concur with Property Council. Policy needs to be more enabling and is not fast track enough. F & G, over emphasis on brownfield land	Accepted in part. Policy has been revised. Policy does not preclude brownfield SHAs.
97	15	31	Nic Greene	Habitat for Humanity (Central North Island) Ltd	SHA should be allowed to cut through restrictions of the PODP.	Accepted in part. Direct reference to the PODP has been removed from the Hamilton SHA policy.
98	16	31	Nic Greene	Habitat for Humanity (Central North Island) Ltd	Council call for SHA proposals, from time to time, too restrictive, needs to be more proactive mechanism whereby developers can approach council.	Accepted in part. Revised Policy outlines quarterly processing of proposals. Option to consider all applications on ad-hoc basis has significant resourcing implications.
99	Sch. 2	31	Nic Greene	Habitat for Humanity (Central North Island) Ltd	Remove reference to All Special Character Zones	Accepted in part. Site of concern has been excluded from the restriction on SCZ - General Residential exclusion
100	A1	31	Nic Greene	Habitat for Humanity (Central North Island) Ltd	One year timeframe within which to deliver housing is too tight – should be 24 months	Accepted. Revised policy includes extended timeframe.
101	A4	31	Nic Greene	Habitat for Humanity (Central North Island) Ltd	Too much of a burden placed on developer to establish impact of reduction in employment land.	Accepted in part. HCC is currently working on NPS analysis. If the developer is willing to wait HCC will be able to provide most of this information.
102	A5	31	Nic Greene	Habitat for Humanity (Central North Island) Ltd	Developers unable to carry full cost of infrastructure	Not accepted. Council reserves it right to negotiate share of infrastructure costs.
103	A6	31	Nic Greene	Habitat for Humanity (Central North Island) Ltd	Size and type limits are overly generous and will not achieve affordability. Reduce size limitation of 130m2	Accepted. Affordability criteria has been removed from the policy but is an option put to councillors for inclusion.
104	A6	31	Nic Greene	Habitat for Humanity (Central North Island) Ltd	In collaboration with an SHP, developers could require a retained affordability element Council could create a mechanism for zoning land within an SHA for affordable purposes.	Accepted. Affordability criteria has been removed from the policy but is an option put to councillors for inclusion.
105	A11	31	Nic Greene	Habitat for Humanity (Central North Island) Ltd	PODP rules should not take precedence in determining appropriate residential zone provisions.	Accepted. Direct reference to the PODP has been removed from the Hamilton SHA policy.
106		32	Bryan Bang	Harrowfield Community Ratepayers Association	Existing amenity values should be considered	Not Accepted. However amenity values may e a consideration at the qualifying development consent stage not in the Policy setting which is to give effect to HASHAA and the Housing Accord.
107		32	Bryan Bang	Harrowfield Community Ratepayers Association	Lot sizes should be appropriate for the development if complimentary housing in areas where SHAs are permitted	Not Accepted. This would be contrary to the purpose of HASHA and the Accord.
108		32	Bryan Bang	Harrowfield Community Ratepayers Association	Council needs to ensure that existing infrastructure has capacity to support extra [SHA] development	Clarification. HASHAA requires this.
109		32	Bryan Bang	Harrowfield Community Ratepayers Association	Council needs to ensure that SHA developments are consented though the resource consents process	Clarification. HASHAA requires this.

Index2	Policy Ref.	Sub #	Name	Organisation	Recommended Change	Staff Comments
110		32	Bryan Bang	Harrowfield Community Ratepayers Association	Council needs to ensure that appropriate conditions are attached to resource consents protect the integrity and amenity of existing areas.	Not Accepted. This would be contrary to the outcomes sought by the policy.
111		32	Bryan Bang	Harrowfield Community Ratepayers Association	Minimum site size should be about 250m2 to avoid development of 'slums' and preserve existing amenity values	Not Accepted. This would be contrary to the outcomes sought by the policy
112	14	33	Matt Horsfield		Principles: Provisions of PODP should not apply.	Direct reference to the PODP has been removed from the Hamilton SHA policy.
113	15D	33	Matt Horsfield		Outcomes: Provisions of PODP should not apply.	Accepted in Part. Revised policy no longer includes outcomes section. Direct reference to the PODP has been removed from the Hamilton SHA policy.
114	A6	33	Matt Horsfield		Affordability requirements will not provide affordable housing, free market will.	Accepted. Affordability criteria has been removed from the policy but is an option put to councillors for inclusion.
115	A11	33	Matt Horsfield		Council should have a more enabling plan that makes it easier for developers to meet their development objectives rather than requiring smaller dwellings/properties.	Accepted. Direct reference to the PODP has been removed from the Hamilton SHA policy.
116	14	34	Alison Ringer		Principles should expressly support alternatives such as ecovillages and cohousing	Clarification. Policy does not preclude this from occurring.
117	14	34	Alison Ringer		Principle of environmentally-sustainable housing needs to be added.	Not Accepted. Principles removed. Beyond scope of HASHAA and Hamilton Housing Accord
118	A6	34	Alison Ringer		Remove requirement for 2 bedroom minimum. This may impact affordability	Accepted. Affordability criteria has been removed from the policy but is an option put to councillors for inclusion.
119	13	35	Individual to be determined	Perry Group	Policy is inconsistent with other SHA policies and the purpose and requirements of HASHAA. Policy should be less prescriptive and more enabling.	Accepted in part. Policy reflects lessons of other Accord councils. Policy revised.
120		35	Individual to be determined	Perry Group	Policy to focused on existing residential land	Accepted in part. Revised policy does not preclude this.
121		35	Individual to be determined	Perry Group	Policy has elevated consideration of PODP beyond consideration required by HASHAA	Not Accepted. Consideration under HASHAA does not preclude consideration of PODP. Direct reference to the PODP has been removed from the Hamilton SHA policy.
122		35	Individual to be determined	Perry Group	Policy extends the infrastructure requirements beyond that defined in the HASHAA	Accepted in part. Revised policy not out of line with approaches by Accord councils.
123		35	Individual to be determined	Perry Group	Council should encourage any landowners and developers though a package if policy incentives.	Not Accepted. Revised policy reflects extent of does not make reference to this.
124	14	36	Jane Landman		Principles should expressly support alternatives such as ecovillages and cohousing	Policy does not preclude this from occurring.
125	15	36	Jane Landman		Council should not rush need to consult and look at options.	Accepted in part. Aligned with proposed approach
126	15	36	Jane Landman		Outcomes should include promotion of community and sustainable housing.	Not Accepted. Beyond scope of HASHAA and Hamilton Housing Accord
127	A6	36	Jane Landman		Against size requirements as the 'portioning off for the poor' does not lead to community	Accepted. Affordability criteria has been removed from the policy but is an option put to councillors for inclusion.
128	11	37	Jody Arnott		Council should not adopt a policy as not required by HASHAA which is 'prescriptive enough to allow sufficient protection through the resource consent processes	Clarification. Council resolved to consult on the draft policy.
129	14	37	Jody Arnott		Should not conduct consultation as consultation delays housing supply	Not Accepted. Undertaking evaluation of the extent necessary in which to seek public feedback is included.
130	14	37	Jody Arnott		PODP rules should not apply	Not Accepted. Direct reference to the PODP has been removed from the Hamilton SHA policy.
131	16-25	37	Jody Arnott		Developers should come to council with land, not councils proposing land.	Clarification. This aligns with both draft and revised process.

Index2	Policy Ref.	Sub #	Name	Organisation	Recommended Change	Staff Comments
132	A6	37	Jody Arnott		- Council should not regulate lower prices. Policy should be flexible for Market will deliver this Policy should allow developer to prove weather a proposed SHA will improve affordability	Accepted. Affordability criteria has been removed from the policy but is an option put to councillors for inclusion.
133	A11	37	Jody Arnott		Against the application of PODP development rules restricting supply of houses	Accepted. Direct reference to the PODP has been removed from the Hamilton SHA policy.
134	14	38	Sanjil Mistry	Pragma	Proposed principles do not identify solutions to affordable and social housing.	Not accepted. Policy focused on enabling supply of housing. Provision of social housing beyond the scope of HASHAA and Accord.
135	15	38	Sanjil Mistry	Pragma	Provisions of PODP should not apply.	Not Accepted. Direct reference to the PODP has been removed from the Hamilton SHA policy.
136	Sch. 2	38	Sanjil Mistry	Pragma	All land should be considered for SHAs.	Not accepted. Some land is wholly unsuitable for residential development or is reserved for another purpose.
137	A6	38	Sanjil Mistry	Pragma	Price point promise will not work	Clarification. Neither draft nor revised policy propose to set price points.
138	A8	38	Sanjil Mistry	Pragma	Submitter against encouraging collaborative schemes and partnerships between public and private housing providers, as this is 'to political' and will lead to delays.	Accepted. References to collaboration and partnerships has been removed in revised policy.
139	A11	38	Sanjil Mistry	Pragma	Against the application of PODP development rules	Accepted. Direct reference to the PODP has been removed from the Hamilton SHA policy.
140	8	39	Roderick Francis David Aldridge		SHAs need to be integrated developments with access to shared community facilities.	Not Accepted. Policy does not preclude this from occurring.
141	14	39	Roderick Francis David Aldridge		Principle of ecologically and environmentally sound design should be incorporated into developments.	Not Accepted. Policy does not preclude this from occurring.
142	15	39	Roderick Francis David Aldridge		Outcomes should be integrated, medium density, walkable cohousing developments.	Not Accepted. Policy does not preclude this from occurring.
143	A3	39	Roderick Francis David Aldridge		Primary purpose should be to supply cohousing housing that becomes part of a desirable, sustainable neighbourhood.	Not Accepted. Contrary to HASHAA and Accord. Policy does not preclude this from occurring.
144	A6	39	Roderick Francis David Aldridge		Criteria should include and encourage co-housing, particularly self-managing co-housing.	Not Accepted. Policy does not preclude this from occurring.
145	A7	39	Roderick Francis David Aldridge		Building height should be restricted to a maximum of 3 stories.	Not Accepted. HASHAA sets high limit of 6 stories, Policy does not restrict this.
146	A10	39	Roderick Francis David Aldridge		Min. of 10 dwelling requirement to restrictive.	Not accepted. Policy seeks to require SHAs of scale.
147	A11	39	Roderick Francis David Aldridge		Cohousing can meet these performance standards sought by zoning provisions	Not accepted. Cohousing does not negate the function of zoning.
148	14	40	Linda Weijers		Principles should include more ecological, social and cultural and economic criteria and outcomes.	Beyond scope of HASHAA and Hamilton Housing Accord
149	14C	40	Linda Weijers		Policy should also support collaboration with 'citizens groups' on co design and neighbourhood development.	Policy does not preclude this from occurring.
150	14D&F	40	Linda Weijers		Principles should also support use of alternative energy sources and infrastructure including wastewater and alternate forms of transport	Not Accepted. Beyond scope of HASHAA and Hamilton Housing Accord
151	14I	40	Linda Weijers		Principles should support 'extensive community wide' consultation	Not Accepted. Revised policy does not contemplate consultation
152	14 J	40	Linda Weijers		Urban Design outcomes should be expanded to include more holistic outcomes	Not Accepted. Beyond scope of HASHAA and Hamilton Housing Accord
153	15	40	Linda Weijers		Outcomes should include: Sustainable Development Goals Permaculture Principles Outcomes laid out by the community members themselves Economic stability and opportunities for economic activity	Not Accepted. Beyond scope of HASHAA and Hamilton Housing Accord
154	A6	40	Linda Weijers		Use of Community Land Trust will ensure affordability	Not Accepted. Policy does not preclude this from occurring.
155	A6	40	Linda Weijers		Criteria should include and encourage co-housing, particularly self-managing co-housing.	Not Accepted. Policy does not preclude this from occurring.

Index2	Policy Ref.	Sub #	Name	Organisation	Recommended Change	Staff Comments
156		41	Vanessa Williams	Hamilton Central Business Association	HCBA supports creation of SHA's in accordance with Housing Accord and HASSA. It does not support mixed use residential apartments in Garden Place – seeks exemption in this location. Washing drying facilities in full view is not positive image for CBD. It does support apartments over retail sites in wider CBD and hospitality precinct as defined in the CCTP subject to communal space being out of public view.	Not Accepted. Washing display and communal living areas is a matter of detail for the PODP stage upon submission of an SHA Qualifying Development. The SHA policy deals with the principle of enabling residential development in the Central City including the Downtown precinct. The existing PODP provides for mixed use apartment living above ground floor.
157	6	42	Thomas Gibbons	Property Council New Zealand	HASHAA also requires any new development enabled under it to have adequate infrastructure provision and to ensure design quality (as articulated in the New Zealand Urban Design Protocol) is delivered. For HCC, this is achieved in the Policy by using the existing relevant urban design provisions in the Partly Operative District Plan as a policy consideration. The Partly Operative District Plan is also relied on to assist in appropriate residential zone selection for SHA sites not currently zoned for residential purposes.	Accepted. Direct reference to the PODP has been removed from the Hamilton SHA policy.
158	7	42	Thomas Gibbons	Property Council New Zealand	The legislative intent of HASHAA is to <u>enhance housing affordability by speeding up the process of bringing to market additional residential land beyond that currently zoned in the Partly Operative District Plan (PODP).</u> Through this additional land supply, and in combination with other economic factors, the overall supply of affordable housing within Hamilton City will be enhanced.	Accepted in part. However revised policy no longer includes this paragraph.
159	13	42	Thomas Gibbons	Property Council New Zealand	The purpose of this Policy is to establish the process and evaluation criteria that will guide Council in making decisions on whether to accept a proposal for an SHA and recommend to the Minister that a proposed SHA be established. <u>This Policy remains subject to the HASHAA at all times.</u> For the avoidance of doubt the policy shall inform HCC's Council's application of the Act HASHAA . <u>The policy aims to describe the process and evaluation criteria that will guide Council in considering proposals for SHAs.</u> In the event of any conflict between the policy, the PODP and the Act HASHAA , the Act HASHAA shall prevail.	Accepted in part. Purpose statement in revised policy makes reference that HASHAA will prevail in the event of any conflict.
160	14	42	Thomas Gibbons	Property Council New Zealand	The principles that will be promoted by Council in implementing this policy are (in no particular order): a. Council will openly engage with the community on the identification of the identification of potential areas in the City for consideration as SHAs. The need to give effect to the HASHAA and the Hamilton Housing Accord (the Accord).	Not Accepted. Principles have been removed.
161	14	42	Thomas Gibbons	Property Council New Zealand	b. Council will work with Waikato-Tainui to give effect to the co-management arrangements under the Joint Management Agreement in the context of SHAs and will consider effects on the unique tangata whenua relationships, values, aspirations, roles and responsibilities with respect to areas identified for consideration as an SHA.	Accepted in Part. Revised policy excludes references to co-management arrangements.
162	14	42	Thomas Gibbons	Property Council New Zealand	d. Council will enable SHAs that achieve the purpose of HASHAA provided they do not compromise or undermine Council's existing or planned infrastructure, and is generally consistent with Council's strategic land use planning.	Accepted. Direct reference to the PODP has been removed from the Hamilton SHA policy.
163	14	42	Thomas Gibbons	Property Council New Zealand	e. Council will enable land within SHAs to be used to deliver a range of housing types to the market at different price points in order to achieve the purpose of HASHAA.	Accepted. Affordability has been removed from the policy but is an option for put to councillors for inclusion.
164	14	42	Thomas Gibbons	Property Council New Zealand	f. SHAs must be serviced by and integrated with Council's strategic infrastructure networks.	Accepted in part. Direct reference to the PODP has been removed from the Hamilton SHA policy. However HASHAA requires assessment of infrastructure.
165	14	42	Thomas Gibbons	Property Council New Zealand	g. Where Council's strategic infrastructure networks are unavailable to an SHA for any reason, including but not limited to lack of network capacity or connectivity, all necessary infrastructure will be provided and funded by the developer at no cost to Council.	No Accepted. Policy reserves Councils rights with regard to negotiating infrastructure costs.

Index2	Policy Ref.	Sub #	Name	Organisation	Recommended Change	Staff Comments
166	14	42	Thomas Gibbons	Property Council New Zealand	h. Development within SHAs will be consistent with the evaluation criteria and objectives set out in the schedules to this Policy. Priority will be given to establishing SHAs that are consistent with the strategic direction set within the Partly Operative District Plan ('PODP').	Accepted in part. Direct reference to the PODP has been removed from the Hamilton SHA policy.
167	14	42	Thomas Gibbons	Property Council New Zealand	i. Development within SHAs will occur as quickly as practicable.	Not Accepted. This is considered aligned with the legislative intent of HASHAA is to enhance housing affordability by speeding up the process of bringing to market (submitters suggested change).
168	14	42	Thomas Gibbons	Property Council New Zealand	j. Development of SHAs will achieve high quality urban design outcomes be in accordance with section 34 of the HASHAA.	Not Accepted. This is considered clear and consistent with HASHAA f) Design quality: The extent to which the proposed SHA adheres to the key urban design qualities expressed in the Ministry for the Environment's New Zealand Urban Design Protocol (2005) and the effects of any non-adherence.
169	15	42	Thomas Gibbons	Property Council New Zealand	The intended outcomes from Council implementing the Policy are (in no particular order): a. Create certainty in respect of Council's approach to SHAs which assists the development community in making investment decisions (and recognise that unnecessary Council discretion can impede certainty);	Not Accepted. This is not appropriate Policy wording but rather a statement. The SHA process is by its very nature discretionary, Council have discretion whether to approve or reject sites before recommending to the Minister.
170	15	42	Thomas Gibbons	Property Council New Zealand	b. In collaboration with the development community Give effect to the Hamilton Housing Accord and its targets for land supply and housing in close collaboration with the development community.	Not Accepted. Revised policy does not single out stakeholders.
171	15	42	Thomas Gibbons	Property Council New Zealand	c. Enable the creation of SHAs that achieve the purpose and principles of this Policy in line with the HASHAA.	Accepted in part. The policy has been amended.
172	15	42	Thomas Gibbons	Property Council New Zealand	d. Ensure SHAs are generally consistent with and have regard to the relevant provisions of the PODP.	Accepted in part. Direct reference to the PODP has been removed from the Hamilton SHA policy.
173	16	42	Thomas Gibbons	Property Council New Zealand	Council will, from time to time at its discretion, call for process and assess proposals received at any given time from land owners and developers seeking to become a SHA. Proposals can be made by any party, including Council.	Accepted in part. Revised Policy outlines quarterly processing of proposals. Option to consider all applications on ad-hoc basis has significant resourcing implications.
174	17	42	Thomas Gibbons	Property Council New Zealand	Council will process and assess all proposals for SHAs promptly in the manner set out in accordance with the HASHAA, the Accord, and (where applicable) this Policy (in that order).	Accepted in part. Revised policy reflects this hierarchy.
175	18	42	Thomas Gibbons	Property Council New Zealand	The evaluation criteria which council will apply to its assessment of a proposal are set out in the Schedules to this Policy. Proposals will need to demonstrate how they satisfy all of the mandatory and discretionary criteria attached to this Policy.	Accepted in part. Policy has been revised and refers to the evaluation of considerations.
176	19	42	Thomas Gibbons	Property Council New Zealand	In its assessment of a proposal Council staff will apply the evaluation criteria set out in the Schedules of this Policy, and have regard to the purpose and principles set out in sections 13 and 14 of this Policy.	Accepted. Revised policy not longer reflects this format.
177	20	42	Thomas Gibbons	Property Council New Zealand	While the evaluation criteria set out in the schedules of this Policy will guide Council's decision making, Council reserves itself the discretion to accept or reject a proposal for recommendation to the Minister. Council will enable SHAs that meet the requirements of HASHAA and the Housing Accord. Council will seek to give effect to all proposals unless there are very good reasons not to do so.	Not Accepted . Council should retain discretion in decision making.
178	21	42	Thomas Gibbons	Property Council New Zealand	Upon receipt of a proposal, Council staff will undertake an initial evaluation of the proposal to determine its level of consistency with this Policy. At this stage, full Council will determine, at its sole discretion, whether to continue with the evaluation or to reject the proposal.	Accepted in part. The policy has been amended but council retains discretion in decision making.

Index2	Policy Ref.	Sub #	Name	Organisation	Recommended Change	Staff Comments
179	22	42	Thomas Gibbons	Property Council New Zealand	If the evaluation proceeds to detailed stage beyond this point, Council will: 22.1 Seek public feedback including from statutory agencies and relevant Iwi; 22.2 Seek comment and evaluative input from relevant council departments; 22.3 Fully assess the proposal in accordance with this Policy, and in particular the purpose and principles and Schedules of this Policy; 22.4 Receive staff recommendations; and 22.5 Decide whether to reject the proposal, or accept the proposal in principle. Following that initial evaluation, Council staff will promptly liaise with the applicant as to any issues with the proposal and ask the applicant whether it wishes to: a. amend the proposal; b. withdraw the proposal; or c. send the application to a full Council as it stands (but with relevant staff comment). If a proposal is amended, it will then be promptly sent to full Council (with relevant staff comment). Council will then make a decision on whether to: a. recommend the proposal to the Minister; or b. recommend the proposal to the Minister, subject to a development agreement as below; or c. Decline the proposal, with reasons.	Accepted in part. Revised policy reflects this approach in part.
180	23	42	Thomas Gibbons	Property Council New Zealand	If a proposal is accepted in principle necessary, Council will then enter into negotiations with the proponent to secure, through a development agreement, the delivery of the outcomes set out in the proposal and any other outcomes required by Council, including the provision of any necessary infrastructure required to service the proposal. Council acknowledges that a development agreement is not an opportunity to revisit the proposal, and that any development agreement must be negotiated and prepared in a manner that gives effect to HASHAA and the Accord.	Accepted in part. Noted.
181	24	42	Thomas Gibbons	Property Council New Zealand	If negotiations lead to a legally binding development agreement, on terms acceptable to Council, Council will, at its discretion, then consider accepting the proposal for recommendation to the Minister. A proposal accepted by Council under 22 above will be recommended to the Minister either: a. Following a Council decision; or b. Following a development agreement being signed.	Accepted in part. Revised policy reflects this approach in part.
182	25	42	Thomas Gibbons	Property Council New Zealand	If a proposal is accepted under section 232 of this Policy, Council will then collaborate with the proponent in making the recommendation to the Minister that the proposed SHA be established.	Accepted in part. Revised policy reflects this approach in part.
183	Sched A1	42	Thomas Gibbons	Property Council New Zealand	The Council is satisfied that there is evidence that the proposed qualifying development/s in the SHA will deliver new residential housing that supports the aims and targets of the Accord within 1 year of being declaration of SHA status.	Accept. The 1 year lodgement clause is unnecessary in the Policy as it is already set out in the HASHAA.
184	A2	42	Thomas Gibbons	Property Council New Zealand	The Council is satisfied that there is evidence of demand for a range of housing types that could be developed within a SHA. The Council is satisfied that a variety of dwelling sizes and dwelling ownership or tenure arrangements are not ruled out by any proposed terms and conditions or covenants that would apply within the SHA.	Accepted in part. Revised policy excludes this criteria however the option still remains for council to include some of the affordability criteria.
185	A3	42	Thomas Gibbons	Property Council New Zealand	A qualifying development within a proposed SHA will be predominantly residential and have the primary purpose of supplying dwellings to the market. Any non-residential activities should be ancillary to the residential development and negotiated with the Council including reserves and open space areas, and commercial or community activities before the recommendation for a SHA is made to the Minister for Building and Construction.	Accepted in part. Consideration of this clarified in revised policy.

Index2	Policy Ref.	Sub #	Name	Organisation	Recommended Change	Staff Comments
186	A4	42	Thomas Gibbons	Property Council New Zealand	Proposals for SHAs will be considered for their suitability for development in all zones (other than those exceptions identified in Schedule 2) subject to the following locational criteria: a. In accordance with Principle 14(d) of this Policy, Council will enable SHAs that achieve the purpose of HASHAA provided they do not compromise or undermine Council's existing or planned infrastructure, nor materially alter or compromise Council's strategic land use planning. SHAs proposed for locations outside areas zoned residential in the PODP are more likely to conflict with Principle 14(c) than those SHAs proposed within a residential zone.	Accepted in part. Direct reference to the PODP has been removed from the Hamilton SHA policy.
187	A4	42	Thomas Gibbons	Property Council New Zealand	Accordingly, Council will require a proportionate approach to the supply of supporting evaluative evidence addressing the matters set out in these schedules, depending on whether a proposal is located within or outside an existing residential zone. Less evidence will be required for a proposal within a residential zone than for one outside a residential zone.	Accepted in part. A proportionate approach to supporting evidence for SHAs depending on their Location, Size and complexity is a considered helpful to the developer.
188	A4	42	Thomas Gibbons	Property Council New Zealand	b. Consideration of proposals in non residential zoned areas under the PODP such as the industrial zone will be required to have provided evidence that they have consulted with, addressed reverse sensitivity and materiality of effect on established land uses in both existing and adjoining zones.	Accepted. This level of consultation requirement would need to be demonstrated as part of limited notification of adjoining neighbours at qualifying developments consents stage.
189	A4	42	Thomas Gibbons	Property Council New Zealand	e. A proposal should demonstrate that it is consistent with Council's strategic land use framework set out in the PODP and does not limit the Council's ability to meet its National Policy Statement on Urban Development Capacity (NPS-UDC) requirements for employment land. Council will evaluate all impacts on future employment land capacity both individually and cumulatively.	Accept in part. The NPS-UDC is an overriding requirement of Council. It is considered appropriate under S.17 of HASHAA for Council to have regard to its obligations under the NPS-UDC when considering rezoning under the HASHA Act. Consideration of NPS-UDC is in accordance with para 2 and 10 of the Housing Accord. Direct reference to the PODP has been removed from the Hamilton SHA policy.
190	A4	42	Thomas Gibbons	Property Council New Zealand	d. For all proposals Council would also need to be satisfied that there is an immediacy to the development to meet proven demand and the proposal is of a suitable scale and able to be serviced in accordance with section A5 below.	Accepted in part. SHA applications will need to some way to demonstrating certainty
191	A4	42	Thomas Gibbons	Property Council New Zealand	e. Schedule 2 identifies zoned land and land identified on the features legend to the planning maps to the PODP that have high environmental values and or constraints that make them not suitable for the development for SHAs.	Not accepted. Some land is wholly unsuitable for residential development or is reserved for another purpose.
192	A5	42	Thomas Gibbons	Property Council New Zealand	The Council is satisfied that either: a. Adequate infrastructure exists to accommodate the likely additional individual and cumulative demand from a qualifying development in the area; or	Not accepted. HASHAA requires evidence of infrastructure.
193	A5	42	Thomas Gibbons	Property Council New Zealand	b. Infrastructure can and will be provided and funded by the landowner or developer at no cost to, and without unforeseen or adverse financial or environmental costs on the Council or other relevant infrastructure providers. The Council will assess the infrastructure requirements of a proposed SHA against the matters listed in Schedule 3 to this Policy.	Accepted in part. The policy has been revised.

Index2	Policy Ref.	Sub #	Name	Organisation	Recommended Change	Staff Comments
194	A6	42	Thomas Gibbons	Property Council New Zealand	<p>To achieve the targets in the Accord to deliver more dwellings, the Council will negotiate housing outcomes for each SHA and/or qualifying development on an individual basis. The delivery of more affordable housing options within qualifying developments will be assessed against the need for development to remain profitable and commercially viable. Council will require a certain proportion of qualifying developments to comprise small subdivision allotments and/or dwellings to deliver more affordable private housing. The delivery of more community housing will be encouraged by promoting collaborative schemes with Housing New Zealand and Registered SHPs and partnerships between the public and the private housing sectors. These housing outcomes will cover: a. The type and size of dwellings to be built by PHPs: in all SHAs at least 20% of dwellings will comprise two-bedroom dwellings of 150m² gross floor area or less unit size. b. The size of sections created by PHPs: PHPs will be required to provide at least 20% of the allotments at smaller sizes of 350m² or less. c. The minimum 20% provided by PHPs shall apply to the total potential yield of the qualifying development or each stage of the qualifying development. d. The nature of any covenants (or similar restrictions) imposed on sections by the developer shall be agreed and recorded on titles; e. The potential for a development to target specific housing need e.g. first home buyers, the rental market or social housing; f. A requirement that the PHP engages with the Housing New Zealand or a Registered SHP to explore options to provide social housing, and where appropriate, to provide an acceptable legal mechanism for dwellings to be retained as social housing (freehold or rental); g. The Council is open to proposals that address affordable housing through other mechanisms that are consistent with the principles set out in section 8 of this policy but retains preference for the registered SHP involvement as per A6 f. above. h. The potential for a PHP to spread or mix the type and size of sections and dwellings to be developed throughout the proposed SHA. When a SHP partners with a PHP to develop a SHA and Council is satisfied that sufficient evidence has been provided of genuine partnership and intention to develop the land then the Proposal will be assessed solely against the applicable policy for SHPs.</p>	Accept in Part. Affordability has been removed from the policy but is an option put to councillors for inclusion.
195	A7	42	Thomas Gibbons	Property Council New Zealand	<p>The maximum calculated building height for a qualifying development in a proposed SHA will be determined as part of the declaration of that SHA. It will be determined by the Council in discussion with the landowner/ developer with reference to: a. The characteristics and the existing built environment of the land in the SHA and land directly adjoining; b. The maximum height provided for in the zone of under the PODP that applies to the land and the land directly adjoining in question; c. The maximum height provided for in the Act HASHAA: 6 storeys (or any lesser number prescribed) and a maximum height of 27 meters (or any lower maximum calculated height prescribed).</p>	Accepted. Height has been removed from the revised policy.
196	A8	42	Thomas Gibbons	Property Council New Zealand	<p>The minimum number of dwellings required in a proposed SHA provided by a PHP to constitute a qualifying development is 10 units in residential, greenfield, future urban or appropriate non-residential zoned areas as determined under the PODP. Dwellings described by housing typology shall be calculated at a minimum average net site density of at least 16 dwellings per hectare or otherwise as in accordance with the relevant zone rules of the PODP, whichever is the greater. There is no minimum threshold if the SHA is a Housing New Zealand or Registered Social Housing Scheme.</p>	Accepted in part. Revised policy retains minimum number of dwelling requirement however references to social housing providers has been removed. The differentiation remains an option for elected members to adopt.
197	A9	42	Thomas Gibbons	Property Council New Zealand	<p>A SHA proposal shall have regard to the height, bulk and scale of development within the existing residential zone where appropriate and any relevant design criteria in the PODP. <u>New Zealand Urban Design Protocol and in the manner of weighting stipulated at section 34 of the HASHAA.</u></p>	Accepted in part. Direct reference to the PODP has been removed from the Hamilton SHA policy.

Index2	Policy Ref.	Sub #	Name	Organisation	Recommended Change	Staff Comments
198	A10	42	Thomas Gibbons	Property Council New Zealand	For the purpose of clarifying the effect of sections 15(8) and 34(1)(d) of the Act HASHAA, any reference to the <u>P/ODP</u> will be a reference to the objectives, policies and rules for the appropriate residential zone or other provisions including overlay Policy Areas that apply to the area that supports residential development. The appropriate zone may not be the zone that the development is actually located in, particularly in instances where a SHA is located on land that does not have residential zoning, for example, land with industrial or rural zoning.	Accepted. References to PODP have been removed from policy.
199	A11	42	Thomas Gibbons	Property Council New Zealand	Delete entirely	Accepted. Policy amended
200	A12	42	Thomas Gibbons	Property Council New Zealand	The Council's operative DC Policy and operative Growth Funding Policy is the default approach to all qualifying developments. However, alternative approaches to infrastructure funding may be considered and potentially applied during the life of the Accord. All Council staff time and other costs of considering and processing proposals for SHA selection and resource consent applications including negotiating SHA developer agreements will be on-charged to the landowner or developer in accordance with the Resource Consent and Engineering Fees and Other Charges Schedule adopted by Council. The Council will have regard to infrastructure requirements as set out in HASHAA.	Not Accepted. Hamilton City Councils expectations around its infrastructure and Growth Funding requirements are a permissible consideration under S17 of the Act at the selection stage. To leave such matters to consent stage whereby if it transpires that a SHA site is unfeasible or unsuitable due to inability to service, access or is contaminated would be contrary to the purpose of the Act and Housing Accord.
201	Sched 2	42	Thomas Gibbons	Property Council New Zealand	All Special Character Zones (excluding Peacocke Terrace Area) All Recreational Open Space Zones Significant Archaeological, Historic and Cultural Sites Electricity Transmission Corridors identified in the P/OPD maps Natural Hazard Areas except where the effects of natural hazards can be appropriately managed Special Heritage Areas Special Significant Natural Areas Large Lot Residential Zone	Accepted. Reflected in revised policy.
202	Sched 3	42	Thomas Gibbons	Property Council New Zealand	Delete	Accepted. Schedule three has been removed from the revised policy.
203	Sched 4	42	Thomas Gibbons	Property Council New Zealand	Delete	Accepted. Schedule 2 has been removed in in the revised Policy.
204	Sched 2	43	James McIvar	Tainui Group Holdings Ltd	Not ALL Special Character Areas should be excluded for consideration as SHA's as there may be developments which have unique benefits, single land ownership, landlocked or which display very little of the characteristics of say a special residential character and that meet all other criteria and can appropriately mitigate constraints.	Accepted in part. Site of concern has been excluded from the restriction on SCZ - General Residential exclusion
205	A11	43	James McIvar	Tainui Group Holdings Ltd	Areas not suitable for the establishment of SHAs, be amended to remove reference to All Special Character Zones and the requirements of section A11 in Schedule 1 be amended to ensure that the relevant performance standards and assessment criteria in any Special Character Area can be met by the SHA proposal. This could be achieved by inserting the words: "or Special Character Zones" after the words; "General Residential" in the first line of criteria A11 in Schedule 1 of the draft Policy.	Accepted in part. Site of concern has been excluded from the restriction on SCZ - General Residential exclusion
206	A6	44	Tim Manukau	Te Whakakitenga o Waikato Incorporated	Affordability not just about smaller homes by footprint should also provide for larger affordable family homes. Not all CHP's are house builders or developers, but developers can supply housing for CHP purposes. Should control those developers who abuse SHA designation to just intensify and maximise profit. Should link increased land value gained from SHA to investment in social place making community building over what developer would ordinarily provide.	Accepted. Affordability criteria has been removed from the policy but is an option put to councillors for inclusion.

Index2	Policy Ref.	Sub #	Name	Organisation	Recommended Change	Staff Comments
207	Sched 2	44	Tim Manukau	Te Whakakitenga o Waikato Incorporated	Not ALL Special Character Areas should be excluded for consideration as SHA's as there may be developments which have unique benefits, single land ownership, landlocked or which display very little of the characteristics of say a special residential character and that meet all other criteria and can appropriately mitigate constraints.	Accepted in part. Site of concern has been excluded from the restriction on SCZ - General Residential exclusion
208	A11	44	Tim Manukau	Te Whakakitenga o Waikato Incorporated	Areas not suitable for the establishment of SHAs, be amended to remove reference to All Special Character Zones and the requirements of section A11 in Schedule 1 be amended to ensure that the relevant performance standards and assessment criteria in any Special Character Area can be met by the SHA proposal. This could be achieved by inserting the words: "or Special Character Zones" after the words; "General Residential" in the first line of criteria A11 in Schedule 1 of the draft Policy.	Accepted in part. Site of concern has been excluded from the restriction on SCZ - General Residential exclusion
209	14c	45	c/- Ben Inger	Nga Rau Tatangi Ltd	Absence of definition of 'Social Housing Provider'	Not Accepted. All references to SHPS have been removed from revised policy.
210	15d	45	c/- Ben Inger	Nga Rau Tatangi Ltd	Concerns over prominence given to consistency with the PODP. Statement is not quantified or referenced to specific aspects of PODP. This could create uncertainty and negate advantages of SHASSA process which is not an RMA process	Accepted in Part. Revised policy no longer includes outcomes section. Direct reference to the PODP has been removed from the Hamilton SHA policy.
211	16	45	c/- Ben Inger	Nga Rau Tatangi Ltd	Council requirement to call for proposal from time to time should be replaced by 'at any time' to enable greater flexibility.	Accepted in part. Revised Policy outlines quarterly processing of proposals. Option to consider all applications on ad-hoc basis has significant resourcing implications.
212	22	45	c/- Ben Inger	Nga Rau Tatangi Ltd	Uncertainty around timeframes including public feedback sought. How will this be done? Timeframes, subsequent analysis through to acceptance. This is unclear and creates significant uncertainty for developers.	Not Accepted. Undertaking evaluation of the extent necessary in which to seek public feedback sought as part of SHA selection is not a formal RMA notification procedure. Community views will help inform Council's decisions whether or not to agree to the request from the developer and pass on these recommendations to the Minister of Housing. This is considered a reasonable approach where proposal are for either a higher density or in zones where residential is not currently anticipated.
213	23-24	45	c/- Ben Inger	Nga Rau Tatangi Ltd	Requirements for development agreements should be removed from policy or amended to clarify that they we be considered on a case by case basis	No accepted. Developer agreements will provide certainty to all parties.
214	Sched 1	45	c/- Ben Inger	Nga Rau Tatangi Ltd	The evaluation framework is too extensive and requires time intensive and expensive preparation which would be incurred without certainty that of a SHA Council recommendation. This is concerning given the applicant must meet costs. There is no guidance to quantify what Council costs might be.	Accepted. The policy has been amended but council retains cost recovery.
215	A11	45	c/- Ben Inger	Nga Rau Tatangi Ltd	Request that Council reconsider the level of information required at proposal stage at that best left until consent stage. A11 requires a more intensive form of development complies with performance standards and can meet assessment criteria in the PODP based on the new zone that would apply. It is unlikely compliance with performance standards will be met given the case for most SHA developments.	Accepted in part. Direct reference to the PODP has been removed from the Hamilton SHA policy. Application evaluated against considerations.
216	A12	45	c/- Ben Inger	Nga Rau Tatangi Ltd	Consideration of setting a processing fee or liaise with developers to estimate costs.	Accepted in part. SHA proposal will be on charged to the landowner or developer in accordance with Resource Consenting and Engineering Fees and other charges adopted by Council. These charges are no different to what exists currently for RMA consenting.
217	Sched 4	45	c/- Ben Inger	Nga Rau Tatangi Ltd	This Schedule places significant emphasis on the PODP and affords too much weight in determining SHA's which undermines the effectiveness of the Policy	Accepted in part. Direct reference to the PODP has been removed from the Hamilton SHA policy.
218	14h	46	Keith Brown	Brown Construction	Policy could be more enabling rather than relying on strategic direction set within PODP. It should rely on HASHAA and weighting in accordance with S.34 (1)	Direct reference to the PODP has been removed from the Hamilton SHA policy.

Index2	Policy Ref.	Sub #	Name	Organisation	Recommended Change	Staff Comments
219	16	46	Keith Brown	Brown Construction	Policy should enable ability to consider SHA applications at any given time otherwise too restrictive to developers.	Accepted in part. Revised Policy outlines quarterly processing of proposals. Option to consider all applications on ad-hoc basis has significant resourcing implications.
220	Sched 1	46	Keith Brown	Brown Construction	Policy should encourage use of lower order Business Centres (eg; Business 6 zoned land) especially where business activities are no longer viable or supported by catchment.	Accepted in part. The Policy does not preclude Business Land from being considered for SHA development.
221	Sched 1	46	Keith Brown	Brown Construction	Policy should encourage unlocking and conversion of landholdings that can be utilised for residential in short term for supply over the next 1-5 years.	Accepted in part. The HASHAA act aims to speed up the delivery of land consented for housing. 2. The Act also provides the discretion for the Minister to disestablish an SHA where best efforts to progress development have not occurred (to discourage land banking- section 18). This is measured by the lodging of resource consents within one year of SHA gazettal, and the Minister would rely directly on the Accord authority for this information.
222	A6	46	Keith Brown	Brown Construction	Do not support requirement to provide smaller sections and dwelling sizes. Policy should focus increase land supply only not provision of housing at certain price points. Remove criteria A6 a) – C)	Accepted. Affordability criteria has been removed from the policy but is an option put to councillors for inclusion.
223	A6	46	Keith Brown	Brown Construction	There is not good reason to prefer Social Housing Sector over Private Sector. The accord refers to a well functioning private sector led housing market. Unsure of the distinction between PHP and SHP in the context of achieving the purpose of HASHA.	Accepted. References to SHPs have been removed from the policy.
224	A6	46	Keith Brown	Brown Construction	The policy uses the term developers in some places, PHP's and SHP's in other places. Propose replace PHP and SHP's with developers. This will benefit Council if it seeks to convert its own land to housing for SHA's.	Accepted. References to SHPs have been removed from the policy.
225		47	c/- Ian Johnson, Mitchell Daysh	Fonterra Limited	Fonterra considers it essential that such development achieves the outcomes embodied within the strategic planning framework. (2.11.)	Accepted. The Policy recommends Section 15 c) Locational considerations: The extent to which the proposed SHA is consistent with Council's strategic land use planning. If inconsistent, the extent to which it may materially compromise or alter Councils strategic land use planning, and the effects of that inconsistency including effects on planned and existing infrastructure.
226	A4	47	c/- Ian Johnson, Mitchell Daysh	Fonterra Limited	Increase the range and detail of locational criterion against which a proposal will be considered. (2.12.)	Not Accepted. Revised policy narrows locational considerations included in policy.
227		47	c/- Ian Johnson, Mitchell Daysh	Fonterra Limited	The Draft SHA Policy's criteria need to be expanded to provide clear expectations as to the circumstances required to achieve the development of a sustainable residential community. (2.13.)	Not Accepted. The policy is focused on the infrastructure portion of development. Reference to Urban Design Protocol has been included.
228		47	c/- Ian Johnson, Mitchell Daysh	Fonterra Limited	SHAs in industrial areas that are not related to established residential communities and well served by infrastructure, facilities and amenities should be avoided. (2.14.)	Accepted in part. Revised policy retains some locational consideration - 15c.
229		47	c/- Ian Johnson, Mitchell Daysh	Fonterra Limited	Although the Draft SHA Policy requires proposals to demonstrate consistency with the 'strategic planning framework', it provides no guidance on what this means. (2.15.)	Not accepted. Councils 'strategic planning framework' is defined in the Accord. 'Direct reference to the PODP has been removed from the Hamilton SHA policy.
230	Schedule 2	47	c/- Ian Johnson, Mitchell Daysh	Fonterra Limited	Fonterra considers that Schedule 2 should be amended to include the area contained within the Noise Control Boundary. The strategic planning framework is clear that this is an unsuitable area for residential development based on the need to avoid reverse sensitivity effects on Fonterra's regionally significant site. (2.16.) Schedule 2 of the Draft SHA Policy requires amendment to list the following as 'Areas that are not suitable for the establishment of SHAs': • Land within the identified Noise Control Boundary relating to the Fonterra Manufacturing Site; and • Land within 250m of an activity operating under an air discharge consent. (2.26.)	Not accepted. Site specific mitigation or details around noise control areas are matters of for qualifying development consent stage rather than policy setting. There may be some instances where affects can be mitigated but no specific development proposals are being considered at this stage.
231		47	c/- Ian Johnson, Mitchell Daysh	Fonterra Limited	In terms of identifying appropriate locations clearly identify matters that would be regarded as essential prerequisites of any proposal for new residential development. (2.17.)	Not accepted. Revised policy retains some locational consideration - 15c.

Index2	Policy Ref.	Sub #	Name	Organisation	Recommended Change	Staff Comments
232		47	c/- Ian Johnson, Mitchell Daysh	Fonterra Limited	Proposed additional requirement for an SHA include that a proposed SHA is located within a 1km radius of an existing school, neighbourhood centre (Business Zone 6) and public transport route. (2.18.) Criterion A4a is followed by a new criterion to read: aa. Proposals for SHAs shall meet the following requirements in respect of the proximity of key community facilities: – Residential dwellings shall be within 1km radius of an existing school, neighbourhood centre (Business Zone 6) and public transport route. (2.25.)	Not Accepted. Revised policy retains some locational consideration - 15c.
233	A4b	47	c/- Ian Johnson, Mitchell Daysh	Fonterra Limited	Fonterra considers that the scope of criterion A4b should therefore be expanded to include assessment of implications for zoned industrial land, in addition to existing industrial activities. (2.21.) Criterion A4b is amended to read: Consideration of proposals in non-residential zoned areas under the PODP such as the industrial zone will be required to have provided evidence that they have consulted with, addressed reverse sensitivity and materiality of effect on established land uses in both existing and adjoining zones (including consulting with all landowners that may be affected, beyond adjacent or adjoining land). The proposals are also required to provide evidence that they have addressed the implications for the future development of non-residential zoned land for its intended purpose. (2.25.)	Not Accepted. These matters are will be considered when assessing applications for qualifying developments.
234	A4c	47	c/- Ian Johnson, Mitchell Daysh	Fonterra Limited	The Draft SHA Policy is likely to be adopted well in advance of any review of the available land supply under the terms of the NPSUDC. It is therefore necessary to ensure that a conservative approach is taken in advance of the conclusion of the review. (2.22.)	Accepted in part. The NPS-UDC is an overriding requirement of Council. It is considered appropriate under S.17 of HASHAA for Council to have regard to its obligations under the NPS-UDC when considering rezoning under the HASHA Act. Consideration of NPS-UDC is in accordance with para 2 and 10 of the Housing Accord. Direct reference to the PODP has been removed from the Hamilton SHA policy.
235	A4b	47	c/- Ian Johnson, Mitchell Daysh	Fonterra Limited	Fonterra supports that criterion A4b requires consultation with established land uses in existing and adjoining zones. However, Fonterra considers that additional clarity could be provided as to the extent of consultation required, to ensure that all potentially affected land uses are appropriately consulted with. (2.23.) Given the potential for significant effects on existing landowners in an industrial zone from the establishment of SHAs, it is necessary to cast the consultation obligations broadly, so that all affected landowners are consulted with. (2.24.)	Not Accepted. Council will undertake an evaluation to the extent to which it is necessary to seek public feedback
236	Schedule 3	47	c/- Ian Johnson, Mitchell Daysh	Fonterra Limited	Schedule 3 of the Draft SHA Policy requires amendment to read: In respect of transportation impacts, Council will need to be satisfied that, in addition to the availability of capacity within the road network, the proposed use of the network by residential traffic (including walking, cycling and vehicular traffic) is compatible with its use in association with other activities in the locality, with particular reference to potential conflict with heavy vehicles.	Not Accepted. Schedule three has been removed from revised policy.
237	14g	48	c/- Mark Tollemache	Ma Development Enterprises Ltd and Green Seed Consultants Ltd	Principle of providing Infrastructure, to the extent defined in Schedule 3, will be inconsistent with Council's obligations under the LGA.) Propose that definition of strategic infrastructure networks focused on reticulated networks and roads could resolve this.	Accept in part as it is acknowledged a differentiation should be made when Council is referring 'No Cost' to reticulated and three waters infrastructure and parks, reserves and schools.
238	18	48	c/- Mark Tollemache	Ma Development Enterprises Ltd and Green Seed Consultants Ltd	Wording requires all mandatory and discretionary criteria to be satisfied. Seeks acknowledgement in the policy that an overall judgement will be necessary for the discretionary criteria that in some circumstances meeting all of them will not be possible.	Accepted in part. Policy makes reference to evaluation against considerations.

Index2	Policy Ref.	Sub #	Name	Organisation	Recommended Change	Staff Comments
239	A1	48	c/- Mark Tollemache	Ma Development Enterprises Ltd and Green Seed Consultants Ltd	Delivery time criteria needs to reflect the scale of the proposal	Accepted in part. Some adjustment to timeframes reflected in revised policy.
240	Sch 1.	48	c/- Mark Tollemache	Ma Development Enterprises Ltd and Green Seed Consultants Ltd	The policy should state clearly that only parties that are willing to make the required commitments will have; and identified as an SHA, and third parties should be excluded.	Not accepted. The policy provides for enabling development across a spectrum of scale and developer sizes and provides for the use of private developer agreements where appropriate.
241	A6	48	c/- Mark Tollemache	Ma Development Enterprises Ltd and Green Seed Consultants Ltd	For SHAs involving private plan change requests criteria a and b should become rules which govern subsequent resource consents applications	Not Accepted. Affordability criteria has been removed from the policy but is an option put to councillors for inclusion.
242	A6a	48	c/- Mark Tollemache	Ma Development Enterprises Ltd and Green Seed Consultants Ltd	2 bedroom requirement does not match the 150m2 requirement. Better to require 3 bedrooms or less	Accepted in part. Affordability criteria has been removed from the policy but is an option put to councillors for inclusion.
243	A6d	48	c/- Mark Tollemache	Ma Development Enterprises Ltd and Green Seed Consultants Ltd	Any covenants used should not be so restrictive that houses are locked into a size of 150m2 in perpetuity and not allow future flexibility/expansion.	Accepted in part. However affordability criteria has been removed from the policy but is an option put to councillors for inclusion.
244	A9	48	c/- Mark Tollemache	Ma Development Enterprises Ltd and Green Seed Consultants Ltd	Requiring fully developed proposal upfront for design assessment is not efficient as Council can consider design at qualifying development assessment stage	Accepted in part. Design quality will remains a consideration in the policy.
245	A11	48	c/- Mark Tollemache	Ma Development Enterprises Ltd and Green Seed Consultants Ltd	The requirement to demonstrate compliance with the rules prior to being considered as an SHA puts the cart before the horse. The detail of the design and potential infringements is a matter for the assessment of the qualifying development.	Accepted in part. Applications to be evaluated against considerations.
246	Sch. 3	48	c/- Mark Tollemache	Ma Development Enterprises Ltd and Green Seed Consultants Ltd	The infrastructure requirements criteria do not have discretion to address the normal practices associated with land development i/e. LGA obligations, up size agreements.	Accept in part. Differentiation will be made when considering obligations under the LGA.
247	Sch. 1 A8	49	Greg Morton	Waikato Regional Council	Request that further consideration be given to identifying a maximum number of dwelling requirement(s).	Not accepted. Policy seeks to enable developments of scale.
248	16	50	John De Luca	Porter Developments Limited	Too restrictive. Council should be open to applications from developers at any time	Accepted in part. Revised Policy outlines quarterly processing of proposals. Option to consider all applications on ad-hoc basis has significant resourcing implications.
249	A4	50	John De Luca	Porter Developments Limited	Policy should recognise that some Industrial and Business zoned land is suitable for SHAs.	Not accepted. Policy does not preclude this.
250	A6	50	John De Luca	Porter Developments Limited	Remove affordability criteria A6 (a)-(c) size and proportion of affordable dwelling requirements	Accepted. Affordability criteria has been removed from the policy but is an option put to councillors for inclusion.
251	A8	50	John De Luca	Porter Developments Limited	Different requirements for public and private housing providers – clarify distinction and justification. Replace the words 'private housing providers' and 'social housing providers' with 'developers'.	Not accepted. Distinction needed to enable different support difference in operating scale and model.
252	Sch. 3	51	Karleen Broughton	WEL Networks Limited	Propose following statement be inserted into Schedule 3 to ensure developer completes all infrastructure obligations related to a subdivision. Clearance from all non-Council infrastructure providers is required to accompany an application for 224(c).	Not Accepted. Schedule three has been removed from revised policy. These details will be dealt with in the developer agreement.

Index2	Policy Ref.	Sub #	Name	Organisation	Recommended Change	Staff Comments
253	16	52	John Gallagher and Keith Gallagher	Gallagher Charitable Trust	Too restrictive. Council should be open to applications from developers at any time	Accepted in part. Revised Policy outlines quarterly processing of proposals. Option to consider all applications on ad-hoc basis has significant resourcing implications.
254	A4	52	John Gallagher and Keith Gallagher	Gallagher Charitable Trust	Policy should recognise that some Industrial and Business zoned land is suitable for SHAs.	Not accepted. Policy does not preclude this.
255	A8	52	John Gallagher and Keith Gallagher	Gallagher Charitable Trust	Different requirements for public and private housing providers – clarify distinction and justification. Replace the words ‘private housing providers’ and ‘social housing providers’ with ‘developers’.	Not accepted. Distinction needed to enable different support difference in operating scale and model.
256	7	53	Robert Dol	Golden Valley Farms	The legislative intent of HASHAA is to enhance housing affordability by speeding up the process of bringing to market additional residential land beyond that currently zoned in the Partly Operative District Plan (PODP). Through this additional land supply, and in combination with other economic factors, the overall supply of affordable housing within Hamilton City will be enhanced.	Accepted in part. – change reflects purpose of HASHA
257		53	Robert Dol	Golden Valley Farms	Policy places excessive emphasis on POPD	Accepted in part. Direct reference to the PODP has been removed from the Hamilton SHA policy.
258		53	Robert Dol	Golden Valley Farms	Policy adverse to greenfield development	Not accepted. All zones with the exception of those identified Section 15c of the revised policy are available to be considered for SHA proposals including greenfield or structure plan areas.
259		53	Robert Dol	Golden Valley Farms	Different requirements for public and private housing providers – clarify distinction and justification	Clarification. Revised Policy no longer makes reference to SHP. Distinction no longer required.
260	14j	53	Robert Dol	Golden Valley Farms	j. Development of SHAs will achieve high quality urban design outcomes be in accordance with section 34 of the HASHAA.	Accepted in part. Policy revised to reflect alignment with HASHAA requirements. HASHA gives weight to the New Zealand Urban Design Protocol (2005) 34(1(e))
261	16	53	Robert Dol	Golden Valley Farms	Council will, from time to time at its discretion, call for process and assess proposals received at any given time from land owners and developers seeking to become a SHA. Proposals can be made by any party, including Council.	Accepted in part. Revised Policy outlines quarterly processing of proposals. Option to consider all applications on ad-hoc basis has significant resourcing implications.
262	-	53	Robert Dol	Golden Valley Farms	Policy should recognise that some land holdings that are proposed through the draft Future proof Strategy update to ultimately come into HCC boundaries in the short term will be suitable for SHAs.	Not Accepted. Explicit reference to land outside boundary not required. This land would automatically be considered once subsumed into HCC.
263		54	Andrew Hill, Beca	on behalf of Ministry of Education	Requests that the Ministry of Education is consulted on SHA proposals.	Clarification. HASHAA requires applicant will need to demonstrate the sufficiency of infrastructure.
264		55	Jenni Fitzgerald	New Zealand Transport Agency	Request that NZTA is consulted on all SHA applications that have the potential to impact on the state highway network.	Clarification. HASHAA requires applicant demonstrate the sufficiency of infrastructure.

Council Report

Item 13

Committee: Council **Date:** 24 August 2017
Author: Stephen Halliwell **Authoriser:** David Bryant
Position: Accounting Manager **Position:** General Manager Corporate
Report Name: Report Back for Financial Strategy and Revenue Taskforce

Report Status	<i>Open</i>
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Purpose

1. To inform the Council on the outcomes of the Financial Strategy and Revenue Taskforce review of the Financial Strategy and potential revenue options.
2. To recommend to the Council working Financial Strategy measures and potential revenue options to be modelled and considered in developing the 10-year Plan 2018-28.

Financial Strategy and Revenue Taskforce Chairperson's Recommendations

3. That the Council:
 - a) approves the following working Financial Strategy Measures:
 - (i) Debt to Revenue (LGFA calculation).
 - (ii) Balancing the Books (new calculation).
 - (iii) Rates increase limit (expressed as the percentage increase to existing ratepayers).
 - (iv) Rates limit (expressed as a maximum portion of the rateable capital value of the city).
 - b) notes that the limits and targets associated with the Financial Strategy measures will be determined through the 10 Year plan Process; and
 - c) requests the Chief Executive to obtain detailed financial modelling of the following potential revenue options for consideration to include in the 10-year Plan:
 - (i) Moving to full capital value rating sooner.
 - (ii) Introducing a targeted rate to fund community infrastructure.
 - (iii) Introducing a targeted rate on developer ready land.
 - (iv) Removing CBD remissions in the Development Contribution Policy.
 - (v) Removing Caps in the Development Contributions Policy.
 - (vi) Adding projects beyond the 10-year Plan to the Development Contributions Policy.
 - (vii) Introducing an entry fee for non-residents at the Enclosed Gardens at Hamilton Gardens.

Executive Summary

4. The taskforce has met 6 times to consider and recommend:
 - The guiding financial principles to be used for the 10-year Plan.
 - The financial strategy measures to be used to guide decision-making.
 - Potential revenue options which could create an appropriate level of funding for the 10-Year Plan.
5. The taskforce has no decision-making powers and has not voted on any of these matters. As Chairperson of the Taskforce, I present this report as my interpretation of the consensus from the taskforce discussions and elected member briefings.
6. The Financial Strategy measures proposed are working measures that will be refined as the budget is developed. Limits on these measures will also be determined by Council as the budget develops.
7. Potential revenue options have been considered individually with staff advising likely impacts. No detailed modelling has been done to prove the impacts. Furthermore, there has been no assessment of the impact of the sum of the potential revenue options on ratepayers. The recommendation identifies the best potential revenue options considered and the Taskforce is recommending detailed analysis of the impact of each option and the sum of the impact be modelled for Council consideration.
8. Staff have assisted me in the preparation of this report.
9. Staff consider the recommendations to be of low significance and that the recommendations comply with the Council's legal requirements.

Work of the Taskforce

10. At the 7th of March Council meeting it was resolved:

That:

- a) the report be received;*
- b) Council review the current Council approved Financial Strategy in preparation for the 2018-28 10 Year Plan and report back with recommendations for changes, if any, to this Financial Strategy; and*
- c) the review is to include looking at revenue stream options including changes to the present rating structure and/or calculation of rates, targeted rates being suggested, and give consideration to all and any other options for rating and revenue gathering; and*
- d) a report come back to the 24 August 2017 Council Meeting*

11. Subsequently the Financial Strategy and Revenue Taskforce was established with the Terms of Reference attached.
12. The Taskforce has met six times and reported back to Council at two briefings.
13. The Taskforce meetings considered the following topics:
 - Introduction
 - Guiding Financial Principles
 - PWC investigation into current Financial Strategy and Balancing the Books
 - Revenue options (including those from the Mayor's report dated 7 March 2017)
 - Financial Strategy options
 - Development Contributions (DC) revenue options and Gardens entry fee options.

14. Presentations from the Taskforce to Council briefings on this work are available on Council's website.
15. The Taskforce has now completed its responsibilities as described in the Purpose of the Terms of Reference.

Background and Conclusions

16. The Taskforce received a presentation from PWC that advised that Council's Financial Strategies used in the development of Council's 2012-22 and 2015-25 10-year Plan were appropriate for their time. In that time Council reduced debt and reduced deficits.
17. PWC reported that Council had a \$12m deficit using an adjusted balancing the books measure at 1 July 2017 based on the 2015-25 10-year Plan, modified for subsequent Council decisions.
18. PWC also reported that actual growth is higher than was projected during the development of the 2015-25 10-year Plan and that forecast capital works would need to be bought forward to meet growth. This, combined with high capex in years 11, 12 and 13 of the Infrastructure Strategy 2015-45 and unfunded strategies and plans, results in a significant funding gap.
19. The Taskforce were advised that revenue increases could contribute significantly to bridging the funding gap. This is due to the compounding effect of potential rates revenue options and the additional debt capacity generated from an improved debt to revenue ratio.
20. The Taskforce considered all the matters in Mayor Andrew's 7 March 2017 report to Council.
21. The Taskforce has considered the Guiding Financial Principles at each meeting with the principle of financial prudence being an overriding consideration.
22. Staff presented options (to be tested in the modelling as recommended) indicating the following possible benefits:
 - 2018/19 rates uplift \$20m (1 year)
 - 10 Year rates uplift of \$250m
 - 10 Year debt capacity of \$58m
23. **Proposed Working Financial Strategy**
24. The Taskforce reconsidered the existing financial strategy measures and some potential new measures. The focus for selecting the preferred options was to select options that would assist decision-making or meet legal requirements.
25. The Taskforce concluded on three measures that were best to assist decision-making and one measure required for compliance. They are:
 - Debt to Revenue
 - Balancing the books
 - Rates Increase limit (total rates percentage increases to existing ratepayers)
 - Rates Limit (expressed as a maximum portion of the rateable capital value of the city)
26. **Debt to Revenue**
27. The debt to revenue measure has been a core part of the Financial Strategy for 6 years and is an important guide used in decision-making. The measure was developed before the Local Government Funding Agency (LGFA) was operating. It is proposed to change the debt to revenue calculation to the LGFA method as this is the measure that governs what Council's financiers will lend us.
28. The new measure is different from the current measure in that it nets cash off actual debt which provides for increased debt headroom. This means the spending of cash backed reserves must be budgeted for as spending this cash has the effect of increasing the debt to revenue ratio.

29. The guiding financial principle “Council will adopt a prudent Financial Strategy which supports its current credit rating” links strongly to using the LGFA measure.
30. **Balance the Books**
31. The balancing the books measure has been part of the Financial Strategy for 6 years and is an important guide used in decision-making. The measure was developed before the Local Government (Financial Reporting and Prudence) Regulations 2014 were introduced.
32. The guiding financial principle “The everyday costs of the city will be met from everyday revenues” has provided direction for the calculation methodology for the balancing the books measure. Following the PWC review it was identified that the current measure included types of revenue that cannot be described as “everyday revenue”.
33. PWC have presented a new calculation that removes capital revenue and other items that cannot be described as everyday revenue or everyday expenditure from the Government measure. The Taskforce propose adopting this new measure.
34. **Rates Increases Limit**
35. The rates increases to existing rate payers measure has been in place for 6 years but was modified in 2015 to include the Hamilton Gardens Rate. This measure in both previous forms was used to guide decision-making.
36. As part of the development of the 2018-28 10-year Plan Council must increase revenue to maintain service levels and respond to growth. A number of new rates options are being considered. It is the Taskforce’s view that the rates increase limit for existing ratepayers is expected to be an important measure to guide decision-making. The detail of the calculation will need defining once Council has settled on a rating proposal.
37. **Rates Limit**
38. The total rates measured as a percentage of the total rateable capital value of the city was introduced in 2012-22. It is a measure that satisfies legal compliance and no better alternative measure has been identified. The Taskforce recommends Council retains this measure.
39. **Revenue Opportunities**
40. The Taskforce considered the new revenue options presented in Mayor Andrew’s 7 March 2017 report and advice from staff on some variations to those.
41. The Taskforce identified seven new potential revenue options that could assist in bridging the funding gap. They are:
- Moving to full capital value rating sooner.
 - Introducing a targeted rate to fund community infrastructure.
 - Introducing a targeted rate on developer ready land.
 - Removing CBD remissions in the Development Contribution Policy.
 - Removing Caps in the Development Contributions Policy.
 - Adding projects beyond the 10-year Plan to the Development Contributions Policy.
 - Introducing an entry fee for non-residents at the Enclosed Gardens at Hamilton Gardens.
42. **Moving to Full Capital Value Rating Sooner**
43. The Taskforce looked at the general rate, the transition rate and the appropriateness of the current policy. With the guiding financial principle “Growth pays for Growth” in mind the Taskforce considered whether there was advantage to transition to full capital value rating sooner than currently planned. This would mean all new properties built would pay higher rates and therefore contribute more to pay for the infrastructure costs associated with new housing developments.
44. Staff advised that their initial assessment showed full capital value rating and a changed methodology for calculating rates would create more appropriate rates uplift from new

- ratepayers. With the changes existing rate payers would continue to have rates certainty (as expressed in the working financial strategy measure).
45. The Taskforce considered the rates uplift to be significant and requested that the options for moving to full capital value rating sooner are modelled to assess the impact on individual ratepayers.
 46. **New Community Infrastructure Rate**
 47. Investment in new community infrastructure has been challenging for Council and is likely to be more challenging in a high growth investment period. A targeted rate was suggested by Mayor Andrew.
 48. Staff advised that the cost of community parks, playgrounds and toilets are funded from DC's if budgeted. Council have a long list of community infrastructure plans, strategies and projects for consideration.
 49. No firm rules have been proposed but many have been discussed. The rate could fund project costs only and not debt or consequential operating expenditure. A community infrastructure rate could be set across all ratepayers to fund any value of projects. It has been suggested that for some projects the rate would represent Council's share of funding.
 50. The Taskforce consider that a new targeted rate for community infrastructure is an appropriate and transparent option to fund an amount of investment acceptable to the community. Staff should model the impact of a rate using different rating methods such as capital value or fixed value targeted rates.
 51. **New Targeted Rate for Developer Ready Land**
 52. It requires considerable upfront investment from councils to enable a housing development however once enabled it is up to the land owner to undertake the development. Council has identified up to 3,000 sections that are developer ready now and a further 5,000 that will be developer ready in between two and ten years.
 53. Developer ready land is land that has core infrastructure available to it.
 54. When considering the "Growth pays for Growth" guiding financial principle it was identified that Council spends considerable effort in its planning, growth, development, policy and governance areas enabling the opportunity for land development. Council then invests significant amounts of money building infrastructure to enable land development. The Development Contribution (DC) policy ensures that growth infrastructure is paid for when development occurs from DC charges.
 55. Council could consider it is appropriate to set a targeted rate that recovers the costs associated with the effort in planning for growth from those that benefit most from that growth. In doing so Council recognises that it is inappropriate for existing ratepayers to be paying the same contribution (or more) than those who benefit the most.
 56. The Taskforce consider that it is appropriate to further investigate this revenue opportunity and model the potential impacts of such a charge.
 57. **Removing the CBD Remission and Removing Caps from the DC Policy**
 58. The Taskforce heard that the DC Policy contains remissions and caps that resulted in lower DC charges in certain circumstances. These were past policy decisions of Council intended to encourage development mostly in the Commercial sector and partly for High Density Housing.
 59. Council is forecasting strong sustained growth and the Taskforce considered that these caps may be unnecessary for encouraging development. If this is the case Council is missing out on lawfully collectable revenue.
 60. The Taskforce considers that it is appropriate to review these policies and model the implications of removing these caps and remissions.

61. **Adding Projects Beyond the 10-year Plan to the DC Policy**
62. During the 2015-25 10-Year Plan process Council prepared its first 30-year Infrastructure Strategy. The development of this strategy provided Council and the community an insight into future capital expenditure.
63. Since 2014 DC legislation has been explicit in allowing councils to fund infrastructure projects beyond 10 years where it can establish a benefit to today's developments. (Note that in 2017/18 DC's are only looking to fund future projects 7 years forward as the 10-year Plan is now in year 3).
64. The Taskforce consider that Council should model the impact of future projects beyond the 10-year Plan that have a benefit to current developments.
65. **Introducing Hamilton Gardens Entry Fees**
66. The Taskforce received a presentation from Howarth HTL on some potential revenue options as a result of Mayor Andrew's request on 7 March 2017. The presentation indicated that there were a number of options which will generate revenue and reduce visitor numbers.
67. From the presentation the Taskforce preferred options for charging non-residents to enter the enclosed gardens and consider it appropriate that this opportunity is further developed.

Financial Considerations

The financial considerations from these options will be considered as part of the 10-year Plan deliberations. **Legal and Policy Considerations**

69. The legal implications of changing rates and development contributions are significant. Advice will be sought on the options as they are developed and specifically on those options that become Council's preferred options for inclusion in the 2018-28 10-year Plan.

Risks

70. There are no known risks associated with the decisions required for this matter.

Significance & Engagement Policy

Significance

71. Based on these factors, staff have assessed that decisions recommended in this report have a low significance. The decisions are part of the process to develop options for the 10-Year Plan.

Engagement

72. Staff recommend that no engagement on this matter is required at this time. Proposals arising from the recommendations in this report would be consulted on as part of the 10-year Plan process.

Attachments

Attachment 1 - Guiding Financial Principals

Attachment 2 - Terms of Reference

Guiding Financial Principles

Growth

1. Growth cells will be completed to an approved level of service.
2. Growth will pay for growth.

Levels of Service

3. Asset sale proceeds will be used to pay down debt.
4. Council will fund maintenance and renewals as per approved Asset Management Plans.
5. Council should explore external funding options for new discretionary projects whenever possible.

Financial Strategy

6. The everyday costs of running the city will be met from everyday revenues.
7. The main source of our everyday revenue will be general rates.
8. Targeted rates could be used to fund the council portion of new projects where the costs of these activities can be easily identified.
9. When a private benefit can be identified and it is efficient to collect the revenue user charges will be considered.
10. Rates certainty will be a key consideration.
11. Affordability of rates will be considered.
12. Council will adopt a prudent Financial Strategy which supports its current credit rating.

TERMS OF REFERENCE
10 Year Plan Financial Strategy/Revenue Taskforce

1. **Background**
2. Council's financial strategy has been in place since 2012. It was premised around achieving financial sustainability over time through efficiency savings, cutting capital expenditure and increasing rates. Financial sustainability was communicated as increased surpluses and reduced debt over time through decreased spending (capital and operating) and increasing rates. A further aspect of the financial strategy was increased transparency which was achieved through rates certainty (the 3.8% rates increase) and clear measures of performance.
3. There are two main measures of performance of this strategy:
 - Balancing the Books
 - Debt to Revenue
4. On the 7th of March 2017 the Chief Executive (CE) reported that early analysis indicated that the costs of running the city were not being covered by operating revenue (i.e. revenue excluding growth related revenue such as development contributions). The CE acknowledged the financial strategy in place since 2012 was fit for purpose, noting that with increasing growth pressures development contributions were now starting to mask the underlying performance of the Council.
5. The key message was that the financial strategy needed to be reviewed to ensure it is fit for purpose going forward.
6. In addition, the CE acknowledged that all councils are required to report on the legislative Balanced Budget measure, a measure that excludes development contributions and that in the case of Hamilton City Council reports larger deficits than Council's Balancing the Books measure.
7. The financial strategy is a key aspect of the Council's approach to its obligation under the Local Government Act 2002 (LGA). The LGA requires Council to have in place a Revenue and Financing Policy, a policy that outlines the choices Council has made to determine the appropriate funding of operating expenditure and capital expenditure from the sources of funds listed in the LGA.
8. Any review of the financial strategy requires consideration of the Revenue and Financing Policy – including how revenue sources are considered and also alternative sources of revenue. Changes in revenue sources may require specific public consultation in addition to the consultation required around approval of the 10 Year Plan and Revenue and Financing Policy.
9. At the 7th of March Council meeting it was resolved:

That:

a) the report be received;

- b) *Council review the current Council approved Financial Strategy in preparation for the 2018-28 10 Year Plan and report back with recommendations for changes, if any, to this Financial Strategy; and*
- c) *the review is to include looking at revenue stream options including changes to the present rating structure and/or calculation of rates, targeted rates being suggested, and give consideration to all and any other options for rating and revenue gathering; and*

d) a report come back to the 24 August 2017 Council Meeting.

10. It should be noted that it is the Mayor's legislative responsibility to lead Council's plans however the Council will approve the Financial Strategy and Revenue and Financing Policy.
11. **Purpose of the Taskforce**
12. Reporting to Council the taskforce will support the Council in meeting the requirements of the Local Government Act and the 7th of March resolution by providing governance oversight of the review/update of the:
 - Financial Strategy
 - Council's Revenue and Financing Strategy
 - The identification of alternative funding opportunities
13. **Role of the Taskforce**
14. The role of the taskforce is to:
 - Provide governance and oversight.
 - Provide direction to staff.
 - Provide a point of engagement for other elected members and the community.
 - Support management at Council meetings and Elected Member briefings.
 - Support management during any public consultation.
15. **Scope and Objective**
16. The taskforce will provide governance oversight over the following:
 - The review of the financial strategy, including:
 - Underlying financial principles
 - Financial levers
 - Targets
 - Measurement
 - Key risks and mitigations
 - Review of Revenue and Financing policy, including:
 - Consideration of impacts of the financing strategy
 - Review of Council's funding for existing and future costs (operating, including depreciation, and capital) – this includes rates, user fees

- and development contributions as well as the incidence of rates and the funding benefit assessment
- Consideration of alternative funding options (including sources, e.g. revenue, and structure).
 - Any public consultation, including any consultation documentation, either legislatively required or at the discretion of council.
 - Pre-engagement with the Local Government Funding Agency, PWC Treasury and Audit New Zealand.
17. The taskforce will support the Council in adopting a robust financial strategy that ensures the city finances are managed sustainably and effectively meet the funding challenges of a growing city as well as adequately considering the funding mechanisms available, both existing and new, to meet these growth pressures as well as the cost of future plans.
- 18. Reporting to Council**
19. There will be engagement meetings with Council. These engagements will ensure full Council remains heavily involved in this programme of work, is kept up to date and as needed makes decisions.
20. The engagement with the Council will be via Elected Member Briefings and Council meetings.
21. The 7th of March resolution required a report back by the 24th of August 2017. It is expected that this will one of many milestone reports as the scope of this Taskforce will not be completed until the 10 Year Plan is adopted.
- 22. Membership or the Taskforce**
- Chair: Councillor Rob Pascoe
- Membership: Mayor Andrew King
Councillor Garry Mallett
Councillor Angela O’Leary
Councillor Paula Southgate
Councillor Dave Macpherson
Chief Executive Richard Briggs
Independent Member x 2 (to be appointed by the Taskforce)
- Officers Supporting: General Manager Corporate David Bryant
Financial Controller Tracey Musty
Contractor David Foster
- 23. Budget**
24. There is no specific budget allocated to the taskforce however the taskforce will be a critical governance forum during the 10 Year Plan which does have a specific budget.

25. **Meeting Frequency and Duration**
26. The taskforce will meet as required and at least once a month. The taskforce will stay in place until the 2018/28 10 Year Plan is adopted.

Council Report

Committee: Council **Date:** 24 August 2017
Author: David Bryant **Authoriser:** Richard Briggs
Position: General Manager Corporate **Position:** Chief Executive
Report Name: Audit and Risk Committee - External Appointments Update

Report Status	<i>Open</i>
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Purpose

1. To inform the Council on the outcome of the contract negotiations for the external members of the Audit and Risk Committee ('the Committee').

Staff Recommendation

2. That the Council:
 - a) receives the report.
 - b) notes that remuneration payable to:
 - i. the Chairperson of the Audit and Risk Committee (under Contract 11079) is amended to \$7,400 (excluding GST) per quarter for all his Council attendances and responsibilities, plus reasonable travel and accommodation costs; and
 - ii. Kieran Horne, as an external member of the Audit and Risk Committee, is \$3,750 (excluding GST) per quarter for all her Council attendances and responsibilities, plus reasonable travel and accommodation costs.

Background

3. At its meeting on 29 June 2017, the Council appointed Kieran Horne as an external member of the Committee for a three-year term. The Council also authorised the Chief Executive to:
 - a. complete contract negotiations with Ms Horne in line with the Strategic Pay benchmark assessment for Audit and Risk directors/board members' remuneration; and
 - b. amend the existing contract with the Committee's Chairperson (Paul Connell), if the noted benchmark assessment indicated his remuneration should be increased,and requested that the Chief Executive report back to the Council on the outcome of the contract negotiations.
4. Paul Connell was appointed as the Committee's Chairperson on 11 April 2012; his contract with the Council was extended on 27 February 2014 (for three years until 30 April 2017) and again on 13 December 2016 (for a further 18 months, to expire on 31 October 2018).
5. The remuneration for the Chairperson of the Committee, as set on 27 February 2014, was \$5,665 (excluding GST) per quarter plus \$4,000 contingency for travel and accommodation costs, if necessary.

Discussion

6. The General Manager Corporate was tasked, on behalf of the Chief Executive, to obtain direction and guidance from Strategic Pay in order to complete those matters noted in paragraph 3(a) and (b) above.
7. Strategic Pay's recommendation was based on the median annual rate paid for non-executive chairs and non-executive directors in the local government sector.
8. On the basis of the advice from Strategic Pay, and in accordance with the Council's resolution of 29 June 2017:
 - the existing contract with the Committee's Chairperson, Paul Connell, has been amended to increase his remuneration to \$7,400 excluding GST per quarter, plus reasonable travel and accommodation expenses. This change took effect from 1 July 2017; and
 - the new contract with Miss Horne took effect from 1 July 2017, including remuneration payable of \$3,750 excluding GST per quarter, plus reasonable travel and accommodation expenses.
9. For both external members, the quarterly fixed payments cover all attendances and participation at meetings and workshops as are required by the Council. All travel and accommodation expenses' claims will be reviewed and, if appropriate, authorised by the General Manager Corporate.

Financial Considerations

10. The noted remuneration payable to the Committee's external members is funded by the Governance budget in the 2017/18 Annual Plan.

Attachments

There are no attachments for this report.

Council Report

Item 15

Committee: Council **Date:** 24 August 2017
Author: Helen Paki **Authoriser:** Lance Vervoort
Position: Business Manager Community **Position:** General Manager Community
Report Name: Recommendation to Council concerning amendments to the External Funding Application Policy, from 8 August 2017 Community and Services Committee Meeting.

Report Status	<i>Open</i>
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Purpose

1. To seek approval of the amended External Funding Applications Policy.
2. To clarify the intention the Community and Services Committee's resolution.

Recommendation

3. That Council approves the amended External Funding Applications Policy (attachment 1).

Executive Summary

4. At the 8 August 2017 Community and Services Committee Meeting the following recommendation was made to Council concerning an amendment to the External Funding Application Policy.

"That Council inserts a new Clause (Clause 10) to the External Funding Application Policy to read "Council will exclude from external funding sources Gaming Trust Funds and will not apply to Gaming Trusts Funds for external funding" and includes in Clause 1 a definition of Gaming Trust Funds to read "Any incorporated trust or organisation that derives revenue from gambling machines".

5. Council is required to adopt the amended policy under the Councils Terms of Reference.
6. Following the Community and Services Committee Meeting, it was noted that there were a couple of matters that needed to be clarified in relation to the Committees resolution:
 - Partnership arrangements/co-funding; and
 - Gaming machine definitions (whether gaming machines included all machines or just class 4 machines).
7. The attached tracked change policy reflects staffs understanding of the Committee's intent.

8. If it is Council's intention for the restriction on gaming machine funding to apply to Class 4 venue gaming machines only, then the definition "Gaming Trust funds" needs to be amended as follows:

Item 15

"Funds from a corporate society as defined in the Gambling Act 2003 (including reference to Section 33), which has an operator's licence for a Class 4 venue or the holder of a casino venue licence and a casino operators licence."

Attachments

Attachment 1 - External Funding Applications Policy - Tracked Changes - August 2017

First adopted:	June 2014
Revision dates/version:	Updated for Governance Structure February 2017 August 2017
Next review date:	8 August 2020
Engagement required:	Not deemed significant
Document number:	D-1412824
Associated documents:	
Sponsor/Group:	Community and Services Group

External Funding Applications Policy

Purpose and scope

1. This Policy sets out the process and provides guidelines for funding Hamilton City Council projects where external funders are involved.

Definitions

Definition	Detail
Revenue Generation Plan	means a plan about how the project will be funded.
External funder	means any individual or organisation, including government, which provides grants, services, sponsorship or in kind support for projects.
Gaming Trust Funds	Funds from a corporate society as defined in the Gambling Act 2003 (including reference to Section 33), which has an operator's licence for a Class 4 venue or the holder of a casino venue licence and a casino operator's licence.
Gaming Machines	As defined in the Gambling Act 2003 which excludes any device operated by the Lotteries Commission. (Interpretation)

2. To ensure local, national or international external funding for Council endorsed projects is obtained.
3. The process for applications for external funding is clear and applications are:
 - a. planned, prioritised, coordinated and pursued
 - b. of a high professional standard and avoid duplication.
4. Funding applications align with Council priorities.
5. Elected members have oversight and provide direction about external funding applications.

Policy

6. The process for applications that are for \$10,000 and over is set out in Schedule 1.
7. The General Manager Community has delegated authority to approve external funding applications for less than \$10,000, but must take into account this Policy's objectives when making those decisions.
8. A Revenue Generation Plan must be prepared for every project seeking external funding and must include the following information:
 - a. A project outline, including the total cost of the project and the Council's financial contribution.
 - b. The names of the Hamilton City Council staff members who are the project sponsor and who are responsible for the project delivery.
 - c. How the project aligns with the Council's priorities.

- d. There are no application duplications from within the Council or with affiliated entities such as Friends groups.
- e. The amount sought from external funders.
- f. The plan for successfully obtaining external funding.

9. Revenue Generation Plans must be reviewed by the Community Resource Advisor and approved by the General Manager Community before they are submitted to the Community and Services Committee.

9.10. [Council will exclude Gaming Trust Funds derived from gaming machines from its list of external funding sources and will not directly apply to Gaming Trust Funds for external funding.](#)

Monitoring and implementation

10.11. The roles and responsibilities are set out in Schedule 2.

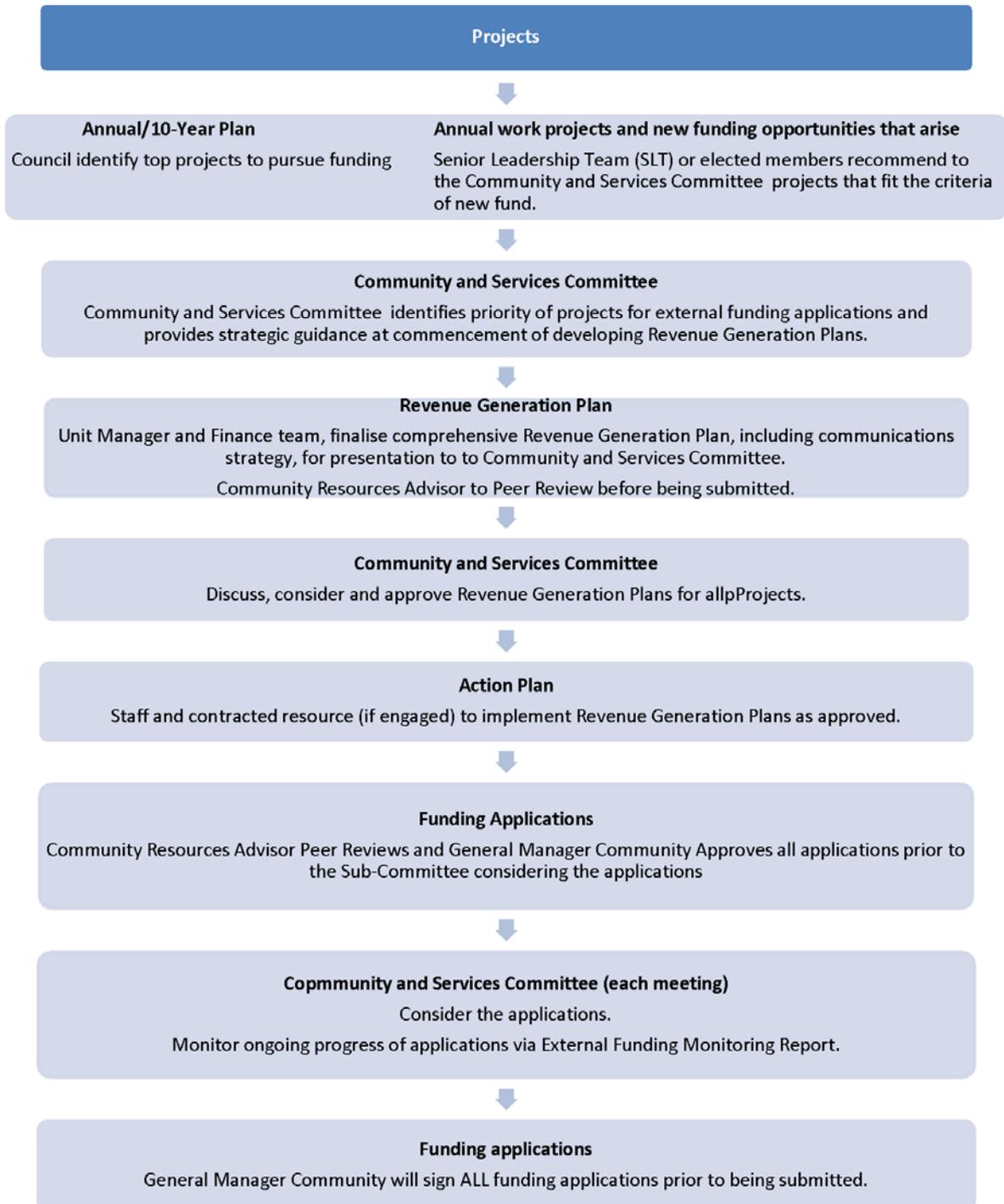
11.12. The Community and Services Committee is responsible for monitoring and implementing this Policy.

12.13. This Policy may be reviewed anytime.

References

- 10-Year Plan
- Annual Plan
- Hamilton Plan

Schedule 1 - Process for projects



Schedule 2 - roles and responsibilities

Community and Services Committee role

- Set priorities within the projects seeking external funding.
- Strategic input into external funding.
- Decision-makers regarding Revenue Generation Plans and applications.
- Ensure applications are in line with Council priorities, are of a high quality, there are no duplicated or conflicting applications.
- Monitor implementation of Revenue Generation Plans through External Funding Monitoring Report.
- Support funding applications through relationship building and targeted networking.

Senior Leadership team

- Oversight of Revenue Generation Plans and applications.
- Responsible to educate staff and ensure process is followed.
- Implement Revenue Generation Plans.
- General Manager Community, approve Revenue Generation Plans before they are submitted to the Community and Services Committee.
- General Manager Community, responsible as approver and signature of all applications submitted.

Specific business units' role

- Complete Revenue Generation Plans.
- Fill in External Funding Monitoring Report as applications are made and advised on.
- Generate/develop/fill in funding applications.
- Liaise with Community Resources Advisor to ensure process is followed, templates used and quality applications formulated.
- Ensure applications are in line with Council priorities, are of high quality, and are no duplicated or conflicting applications.
- Ensure requirements are met in relation to any funding received.

Community Resources Advisor role

- Develop Revenue Generation Plan templates.
- Support Unit Manager's in completing Revenue Generation Plans.
- Review all Revenue Generation Plans before they are submitted to the Community and Services Committee.
- Develop and manage External Funding Monitoring Report to track progress of applications.
- Peer review funding applications for quality control.
- Ensure applications are in line with Council priorities, are of high quality, there are no duplicated or conflicting applications.
- Monitoring requirements are met in relation to any funding received.

Additional staff resource role

- Relationship management with key sponsors and funders.
- Engage external funding consultants.
- Oversight of funding applications and implementation of Revenue Generation Plans.
- Investigate new funding opportunities and bring these to the Community and Services Committee attention.
- Manage relationships where there are competing applications that could result in duplication of applications for the same project.
- Maintain a list of potential external funders and their contributions.

Resolution to Exclude the Public

Section 48, Local Government Official Information and Meetings Act 1987

The following motion is submitted for consideration:

That the public be excluded from the following parts of the proceedings of this meeting, namely consideration of the public excluded agenda.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution follows.

General subject of each matter to be considered	Reasons for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
C1. Council Meeting Public Excluded Minutes - 27 July 2017) Good reason to withhold information exists under Section 7 Local Government Official Information and Meetings Act 1987	Section 48(1)(a)
C1. Elected Member Briefing Noted Closed - 10 August 2017)	

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:

Item C1.	to protect the privacy of natural persons	Section 7 (2) (a)
Item C1.	to protect the privacy of natural persons	Section 7 (2) (a)