

Notice of Meeting:

I hereby give notice that an ordinary Meeting of the Strategic Growth Committee will be held on:

Date: RESCHEDULED to Tuesday, 3 August 2021
Time: 1.00pm
Meeting Room: Council Chamber and Audio Visual link
Venue: Municipal Building, Garden Place, Hamilton

Richard Briggs
Chief Executive

Strategic Growth Committee *Komiti Rautaki* OPEN AGENDA

Membership

Chairperson Cr D Macpherson
Heamana

Deputy Chairperson Cr R Hamilton
Heamana Tuarua

Members	Mayor P Southgate	Cr S Thomson
	Deputy Mayor G Taylor	Cr M van Oosten
	Cr M Bunting	Cr E Wilson
	Cr M Gallagher	Maangai J Whetu
	Cr K Naidoo-Rauf	Maangai O Te Ua
	Cr A O'Leary	Vacancy
	Cr R Pascoe	

Quorum: A majority of members (including vacancies)

Meeting Frequency: Six weekly

Becca Brooke
Governance Manager
Menetia Mana Whakahaere

22 July 2021

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Purpose

The Strategic Growth Committee is responsible for:

1. Guiding sustainable physical development and growth of Hamilton to meet current and future needs, including oversight of strategic land-use planning, boundary alignment, and existing and alternative planning, funding and financing models for growth-related projects.
2. Driving collaboration with neighboring Councils, Iwi, private sector and central government to meet Hamilton's growth ambitions.

In addition to the common delegations, the Strategic Growth Committee is delegated the following Terms of Reference and powers:

Terms of Reference:

1. To monitor and provide advice on the overall development and implementation of urban growth and development strategies, strategic land use, and spatial plans (e.g. Hamilton to Auckland Corridor and Hamilton-Waikato Metropolitan Spatial Plan), and long-term network infrastructure planning in line with national policy requirements.
2. To provide direction and monitor Council's approach to the levying and use of rates for growth, as well as development contributions.
3. To develop, and monitor the implementation of the infrastructure Activity Management Plans to inform the 2021-31 Long Term Plan to ensure that Council looks after its existing assets and provides agreed levels of service.
4. To provide direction on and assess proposals for seeking alternative funding models, such as special purpose vehicles and infrastructure funding and financing.
5. To provide direction on strategic priorities for network infrastructure aligned to city development, and oversight of strategic projects associated with those activities.
6. To provide advice on the development and implementation of the Long Term Infrastructure Strategy.
7. To assess proposals for Private Developer Agreements that exceed the Chief Executive's delegations for Unfunded Growth Projectsⁱ and, if appropriate for Unfunded Growth Projectsⁱ to recommend such agreements to the Council for approval.
8. To provide direction regarding Council's involvement in and with Urban Development Authorities, regional alliances, plans, initiatives and forums for spatial planning (for example, Future Proof, strategic boundary land use agreements and joint council growth related discussions).
9. To consider the impacts of land use and urban development on the environment.
10. To provide clear direction on Council's strategic priorities to organisations and groups, for which Council facilitates funding, aligned with these Terms of Reference, and to oversee those funding arrangements and receive their strategic and business plans and annual performance reports.
11. To monitor and oversee the delivery of Council's non-financial performance and non-financial key projects, against the Long Term Plan, excluding key performance indicator reporting which is the responsibility of the Finance Committee.
12. To oversee the development of the City's Smart City Strategy.

The Committee is delegated the following powers to act:

- Approval of purchase or disposal of land for network infrastructure, or parks and reserves for works and other purposes within this Committee's area of responsibility that exceeds the Chief Executive's delegation and is in accordance with the Annual plan or Long Term Plan.

The Committee is delegated the following recommendatory powers:

- Adoption of the Long Term Infrastructure Strategy to the Council.
- Approval of additional borrowing to the Finance Committee.
- Approval of city boundary changes to the Council, including in respect of Strategic Boundary Land Use Agreements.
- Approval of infrastructure Activity Management Plans to inform the 2021-31 Long Term Plan to the Council.
- The Committee may make recommendations to Council and other Committees

Recommendatory Oversight of Policies and Bylaws:

- *Development Contributions Policy*
- *Growth Funding Policy*
- *Hamilton Gateways Policy*
- *Sale and Disposal of Council Land Policy*

ⁱ Unfunded Growth Projects are defined in the Growth Funding Policy as:

- a) Not funded projects
- b) Funded projects but which are proposed to commence earlier than the sequencing and timing established in the long term plan; and/or
- c) Funded projects but which are now proposed to occur beyond the scale, scope and cost prescribed or anticipated for those projects in the long term plan.

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1 Apologies – *Tono aroha*

2 Confirmation of Agenda – *Whakatau raarangi take*

The Committee to confirm the agenda.

3 Declaration of Interest – *Tauaakii whaipanga*

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 – *Aatea koorero*

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 five minutes or longer at the discretion of the Chair.

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 Committee Room prior to the start of the Meeting. A member of the Council 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 6727.

Council Report

Item 5

Committee: Strategic Growth Committee **Date:** 29 July 2021
Author: Tyler Gaukrodger **Authoriser:** Becca Brooke
Position: Governance Advisor **Position:** Governance Manager
Report Name: Confirmation of the Strategic Growth Committee Open Minutes of 20 May 2021

Report Status	<i>Open</i>
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Staff Recommendation - *Tuutohu-aa-kaimahi*

That the Strategic Growth Committee confirm the Open Minutes of the Strategic Growth Committee Meeting held on 20 May 2021 as a true and correct record.

Attachments - *Ngaa taapirihanga*

Attachment 1 - Strategic Growth Committee Unconfirmed Open Minutes - 20 May 2021

Strategic Growth Committee

Komiti Rautaki

OPEN MINUTES

Minutes of a meeting of the Strategic Growth Committee held in Council Chamber, Municipal Building, Garden Place, Hamilton and via Audio Visual link on Thursday 20 May 2021 at 9.31am.

PRESENT

Chairperson	Cr D Macpherson
<i>Heamana</i>	
Deputy Chairperson	Cr R Hamilton
<i>Heamana Tuarua</i>	
Members	Mayor P Southgate Deputy Mayor G Taylor Cr M Bunting Cr M Gallagher Cr K Naidoo-Rauf (via Audio Visual link) Cr A O'Leary Cr R Pascoe Cr S Thomson Cr M van Oosten Cr E Wilson Maangai O Te Ua (via Audio Visual link)

In Attendance	Jen Baird – General Manager City Growth Chris Allen – General Manager Development Blair Bowcott – Executive Director Special Projects Luke O'Dwyer – City Planning Manager Tilly Murcott – Programme Manager Hannah Windle – Programme Manager - Special Projects Nathan Dalgety – Programme Manager - Analytics Mark Roberts - Senior Planner Greg Carstens - Growth, Funding and Analytics Unit Manager Karen Saunders - Growth Programmes Manager Stafford Hodgson - Programme Manager; Economics and Policy
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Governance Staff	Amy Viggers – Governance Team Leader Carmen Fortin and Tyler Gaukrodger – Governance Advisors
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1. Apologies – *Tono aroha*

Resolved: (Cr Macpherson/Cr Hamilton)

That apologies for absence from Maangai Whetu, for lateness from Cr O'Leary and for partial attendance from Cr Thomson and Cr Pascoe are accepted.

2. **Confirmation of Agenda – *Whakatau raarangi take***

Resolved: (Cr Macpherson/Cr Hamilton)

That the agenda is confirmed noting the following:

- a) that the late attachment for item 6 (Chair's Report) is accepted. This was circulated as a late item to enable staff the time needed provide additional information;
- b) that the item 10 (Open Information only reports) Peacocke Programme Update Attachment 3 - Peacocke Bikes on Pipes was updated after the agenda was circulated to remove information that was included in error by staff; and
- c) that item 9 (NIDEA 2021 Growth projections and peer review) is to be taken after item 6 (Chair's Report) to accommodate member availability.

3. **Declarations of Interest – *Tauaakii whaipanga***

No members of the Council declared a Conflict of Interest.

4. **Public Forum – *Aatea koorero***

Roger Stratford provided a written submission to item 8 (Hamilton Urban Growth Strategy Review - Proposed Principles for Out-of-Boundary Growth). This was circulated to Members prior to the meeting and is attached to the minutes as **appendix 1**.

5. **Confirmation of the Strategic Growth Committee Open Minutes of 30 March 2021**

Resolved: (Cr Wilson/Cr van Oosten)

That the Strategic Growth Committee confirm the Open Minutes of the Strategic Growth Committee Meeting held on 30 March 2021 as a true and correct record.

6. **Chair's Report**

The Chair took the report as read. He acknowledged that this was the final meeting with the General Manager City Growth prior to her starting a new role with REINZ and thanked her for her work over the last 18 months. Along with staff, the Chair responded to questions from Members concerning strategic boundary agreements, the Hamilton Urban Growth Strategy, the opportunity to prioritize currently sequenced growth, the proposed new southern growth cell, Long Term Plan funding for Rotokauri growth, the Committee ability to determine growth areas, Kainga Ora land ownership and intensification opportunities, and the Housing Acceleration Fund.

Resolved: (Cr Macpherson/Cr Gallagher)

That the Strategic Growth Committee:

- a) receives the report;
- b) requests the Chief Executive to report to the July meeting of the Strategic Growth Committee on the UNISA work plan for the Whangarei – Tauranga transport links project;
- c) requests the Waikato Connections Committee via Hamilton City Council Elected Members to consider the Tauranga free school student bus project, and its applicability to Hamilton;
- d) requests a staff report to the July meeting of the Strategic Growth Committee on the proposed new southern growth cell and the implications for Hamilton city; and
- e) requests a staff report to the July meeting of the Strategic Growth Committee on the Housing Acceleration Fund with outline proposals for HCC's application to the fund, noting that a workshop with Members will be required prior to the report coming to the Committee.

Cr Naidoo-Rauf joined the meeting via Audio Visual link (9.38am) during the above item. She was present when the matter was voted on.

Cr O'Leary joined the meeting (10.27am) at the conclusion of the above item. She was not present when the matter was voted on.

Resolved: (Cr Macpherson/Cr Gallagher)

That the Strategic Growth Committee delegates the Chair and Deputy Chair of the Strategic Growth Committee and Cr Bunting, Cr O'Leary and Cr Thomson to work with key staff to develop a submission to the New Zealand Infrastructure Commission's consultation document 'Infrastructure for a Better Future: Aotearoa New Zealand Infrastructure Strategy' by the 24 June 2021 submission closing date noting:

- i. that the draft submission and a link to the Strategy document, will be circulated to Members for feedback prior to the submission closing date; and
- ii. that the final submission uploaded to the Hamilton City Council website.

Item 9 (NIDEA 2021 Growth projections and peer review) was taken after item 6 (Chair's Report) to accommodate availability.

9. NIDEA 2021 Growth projections and peer review

The Programme Manager, Analytics, introduced the report noting that a dwellings projections model would be created by staff in the future in response to the review. He responded to questions from Members concerning the potential impact on future Annual Plans, rates and development plans, neighbouring district development, growth projection peer review, accuracy of results, timeline of dwelling projection model and ability for the Council to amend plans based on projection results.

Resolved: (Cr Macpherson/Cr Hamilton)

That the Strategic Growth Committee:

- a) receives the report;
- b) approves the use of the NIDEA High 2021 demographic projections for the purposes of planning and development of the 2022-23 Annual Plan;
- c) requests staff investigate and develop a 'dwelling' projection model (as described in paragraphs 55-59 of the staff report) to support the planning and development of the 2022-23 Annual Plan and 2023-24 Annual Plan, with the results to be presented to Members at a briefing in November 2021; and
- d) notes that NIDEA Low 2020 remains as the Council's 2021-31 Long Term Plan growth projections, as adopted at the 12 November 2020 Strategic Growth Committee and subsequent Council Long Term Plan meetings.

The meeting was adjourned from 11.06am to 11.31am.

Deputy Mayor Taylor left the meeting during the above adjournment.

7. Ruakura and East Programme Update

The City Planning Manager and Programme Manager took the report as read, noting that the Waikato Metro Spatial plan and a collaborative approach with the community will be fundamental to this programme. They responded to questions from Members concerning the timeline of infrastructure development, the Waikato Metro Spatial plan, infrastructure requirements, eastern transport corridor development, natural habitat biodiversity, land use, industrial zoning, the Hamilton Urban Growth Strategy, scope of the programme, and Enderley housing strategies.

Staff Action: Staff undertook to work with Waka Kotahi to align the Eastern Transport Corridor work programme with the Waikato Expressway development.

Staff Action: Staff undertook to provide a regular update to Members on progress on biodiversity objectives within the Ruakura and East Programme.

Resolved: (Cr Macpherson/Cr Hamilton)

That the Strategic Growth Committee receives the report.

Cr Pascoe retired from the meeting (11.47am) during the discussion of the above item. He was not present when the matter was voted on.

Deputy Mayor Taylor re-joined the meeting (12.10pm) during the discussion of the above item. He was present when the matter was voted on.

8. **Hamilton Urban Growth Strategy Review - Proposed Principles for Out-of-Boundary Growth**

The Growth Programmes Manager and the Programme Manager, Special Projects, introduced the report noting the principles of the strategy. They responded to questions from Members concerning developer collaboration, timeline of principle development, strategy review funding, scope of the review, staff capacity to complete review, community development, cross boundary collaboration, out of boundary development, and District plan provisions.

Resolved: (Cr Macpherson/Cr Hamilton)

That the Strategic Growth Committee:

- a) receives the report;
- b) notes the growth principles HCC Council has in place for out of sequence development in its existing Growth Funding Policy;
- c) approves the process for finalising the growth principles as part of the full Hamilton Urban Growth Strategy review; and
- d) approves the draft principles for out-of-boundary development (subject to changes raised at the Committee meeting) to be used to communicate expectations to landowners, noting the principles may be refined through the duration of the Hamilton Urban Growth Strategy review; and
- e) notes the Hamilton Urban Growth Strategy review project budget detail as outlined in the staff report.

Mayor Southgate retired from the meeting (12.51pm) at the conclusion of the above item. She was present when the matter was voted on.

10. **Open Information only reports**

The Chair took the report as read.

Resolved: (Cr Macpherson/Cr Hamilton)

That the Strategic Growth Committee receives the following information only reports:

- a) General Manager's Report;
- b) Future Proof Update Report;
- c) Peacocke Programme Update;
- d) Hamilton-Waikato Wastewater Detailed Business Case Project Update; and

e) Development contributions Remissions Quarter 3.

11. **Resolution to Exclude the Public**

Resolved: (Cr Macpherson/Deputy Mayor Taylor)

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. Confirmation of the Strategic Growth Committee Public Excluded Minutes of 30 March 2021) Good reason to withhold information exists under Section 7 Local Government Official Information and Meetings Act 1987	Section 48(1)(a)
C2. Plan Change 5 - Peacocke Structure Plan)	
C3. Public Excluded Information only reports		

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 maintain legal professional privilege	Section 7 (2) (g)
	to enable Council to carry out commercial activities without disadvantage	Section 7 (2) (h)
	to enable Council to carry out negotiations	Section 7 (2) (i)
	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)

Cr Wilson left the meeting (12.54pm) at the conclusion of the above item. He was present when the matter was voted on.

The meeting went into a public excluded session at 12.55pm.

The meeting was declared closed at 12.58pm.

Roger Stratford Written Public Forum Submission:

Strategic Growth Committee;

Re: #8.: HUGS - out of boundary conditions review.

My directive to council relates to the proposed draft guide outlaying conditions for landowners seeking permission to develop in out-of-boundary areas.

Further to the given list guide, include: 'RESTORE the family to it's pre-woke preeminence by providing for Christian worship venues and ironically favouring 'pale, male and stale'; instill an entrepreneurial spirit, by fostering private ownership based on accumulated capital, rather than on affirmative action to overindulged minorities'.

The developmental impact on family values will determine whether any proposed new housing areas on Hamilton's boundary yield desirable human communities.

Roger Stratford

Attachment 1

Item 5

Council Report

Committee: Strategic Growth Committee

Date: 29 July 2021

Author: Tyler Gaukrodger

Authoriser: Becca Brooke

Position: Governance Advisor

Position: Governance Manager

Report Name: Chair's Report

Report Status	<i>Open</i>
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Recommendation - *Tuutohu*

That the Strategic Growth Committee receives the report.

Attachments - *Ngaa taapirihanga*

Attachment 1 - Chair's Report

Item 6



Chair's Report

With Jen now gone to the dark side, the continuity team of Blair & Chris has stepped up and will be the GM's we work with through this Committee, joined now by Andrew Parsons in his new role. I note Jen has been appearing in the media frequently of late, highlighting the housing price jumps around the country – I fully expect her to soon be submitting to this Council on our too conservative preparation for growth 😊

Three Waters

Looking at the negative responses in the media to the Government's announcements about the Three waters reforms from many of our sister Councils brought home to me the great job Andrew and his team have done in keeping us abreast of all the developments in this area. It was clear from those responses, and from the recent LGNZ forum on 3 Waters in Rotorua, that most Councils have not been paying much attention to what is evolving, and haven't bothered to look very far ahead into the problems all Councils will face in delivering quality 3 waters services with robust infrastructure.

I was pleased to see video on the TVNZ News of Mayor Paula being one of the few Mayors in the large group at the LGNZ Conference who put her hand up when the media asked 'hands up those who support the 3 Waters Reforms' – I suspect that many of those who didn't raise their hands will certainly be putting out their hands to get some of the \$2.5B on offer from the Government to support the reform moves. I nearly choked on my coffee at one point of the news coverage when Auckland's Mayor Phil Goff expressed scepticism about the Reform plans grouping Auckland in with the North, saying that Auckland was 'doing quite well on the 3 waters by itself' – he seemed to have forgotten their lack of planning for future water supply, and effluent spills closing the city's beaches, etc. While he was worried about having to subsidise the northern Councils' water services – ironically the Whangarei Mayor was opposing the Reform Plan as her Council didn't want to have to pay for Auckland's upgrade needs!

The area that Hamilton is grouped in – Waikato, Bay of Plenty, Taranaki & the northern part of Manawatu/Whanganui (Taumarunui & the Central Plateau?) seems to make sense, and is in line with what we have already discussed, and with what staff are already working towards. One test of the reforms will be how well the transition period goes, and how accountability for the work in this space links back to the Councils – I will be asking Andrew to brief us on the latest intelligence on this aspect.

Infrastructure Acceleration Fund

As part of the Housing Acceleration Fund, the IAF will be at least \$1B, of the \$3.8B HAF, and will focus on *(taken from Govt release)*

- opening up more land for housing development, particularly in locations close to jobs and amenities.
- helping to fund the critical infrastructure needed for that development,
- allowing for a wider mix of housing that is affordable for low- to moderate-income households to own or rent.

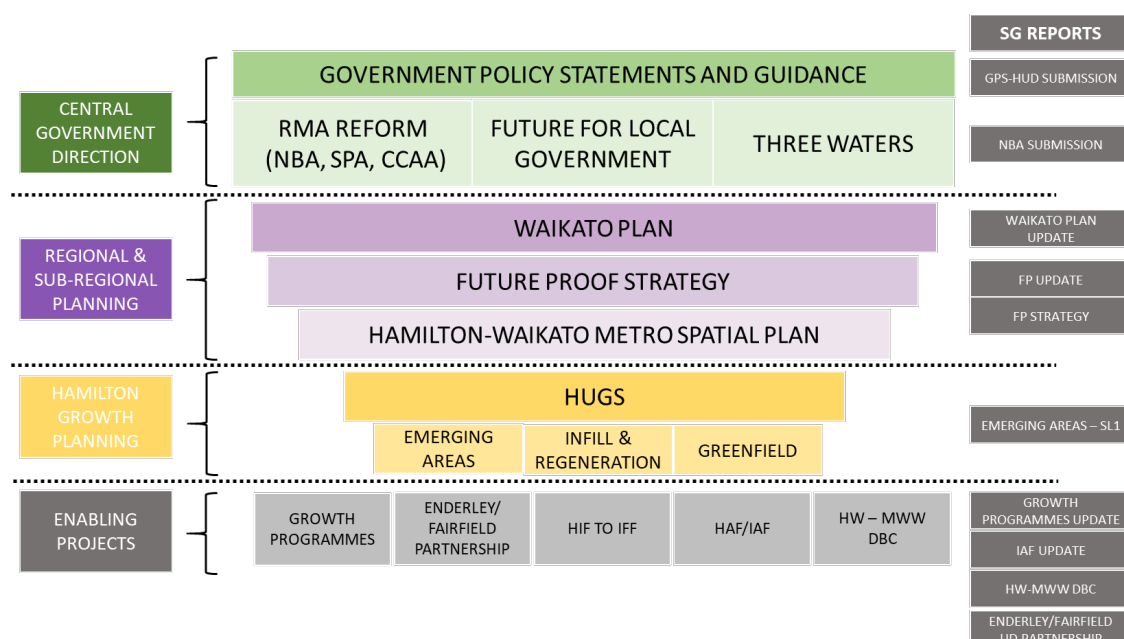
- freeing up development-ready land and accelerating housing development to moderate growth in house and land prices.
- Hamilton's involvement in this will be further discussed, but the lead has already been given in our earlier discussions on what to focus on when applying to the HAF.

Future Reporting to the Committee

The Growth Programmes Team are trying out a new format of reporting to the Committee on the growth programmes areas. Rather than producing five separate formal committee reports for each of the growth programme areas (like the Peacocke report), staff are testing a new report format that provides an update across five growth areas as well as an update on the HUGS review. The report covers Central City, Peacocke, Ruakura, Rotokauri-Northwest and 'Emerging Areas'. Emerging Areas include unplanned, out of sequence or out of boundary development proposals.

There will no doubt be special individual reports on growth areas or issues as the need arises, but this format should help us organise our discussions within the Committee meetings, and enable Councillors and Maangai to clearly get a picture of what is happening in the city's growth space. We will make sure that relevant staff are present to support these Committee discussions, although it's likely that some/much of this will already have been discussed in workshops and drop-in sessions – which I urge you to participate in, and management can also be contacted directly with queries about any issues you are concerned about.

Also included below is a chart Blair has prepared showing what the overall growth planning environment looks like, and where each of the policies and plans fits within the overall scheme of things:



Chair Recommendation

That the Strategic Growth Committee receives the report.

Ngaa Mihi

Cr Dave Macpherson

Chair Strategic Growth

Council Report

Committee: Strategic Growth Committee **Date:** 29 July 2021
Author: Hannah Windle **Authoriser:** Blair Bowcott
Position: Programme Manager - Special Projects **Position:** General Manager Growth
Report Name: Waikato Plan Update

Report Status	<i>Open</i>
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Purpose - *Take*

1. To inform the Strategic Growth Committee on Waikato Plan progress on the four priority workstreams:
 - i. Waikato Housing Initiative
 - ii. Youth, Training, and Employment
 - iii. Climate Change
 - iv. Community Connectivity

Staff Recommendation - *Tuutohu-aa-kaimahi*

2. That the Strategic Growth Committee:
 - a) receives the report;
 - b) notes Waikato Plan progress on the following four priority workstreams:
 - i. the Waikato Housing Initiative;
 - ii. Youth, Training and Employment;
 - iii. Climate Change; and
 - iv. Community Connectivity.

Executive Summary - *Whakaraapopototanga matua*

3. The Waikato Plan was an initiative of the Waikato Mayoral Forum and is currently housed and supported by Waikato Regional Council as a Committee of Council. Currently the Waikato Plan has four priority workstreams:
 - i. Waikato Housing Initiative
 - ii. Youth, Training, and Employment
 - iii. Climate Change
 - iv. Community Connectivity
4. Updates on these four workstreams are included in the attached memo and presentation, and Deserae Frisk, Waikato Plan Project Manager, will be present at the meeting to provide a further update.

5. Staff consider the matters/recommendations in this report have low significance and that the recommendations comply with the Council's legal requirements.

Discussion – *Matapaki*

6. The Waikato Plan is the vehicle for the Waikato region to collaborate on regional issues, to advocate for the Waikato region, and to harness the resources and opportunities of the Waikato as a collective.
7. The Waikato Plan involves strategic partners in the region including iwi, local and central government, business, and the community. The four wellbeings of the Local Government Act provide strong foundation for the Plan's focus on advocacy for social impact and community wellbeing.
8. The Waikato Plan was an initiative of the Waikato Mayoral Forum and is currently housed and supported by Waikato Regional Council as a Committee of Council. Currently the Waikato Plan has four priority workstreams.
 - i. Waikato Housing Initiative
 - ii. Youth, Training, and Employment
 - iii. Climate Change
 - iv. Community Connectivity
9. Updates on these four workstreams are included in the attached memo and presentation.

Financial Considerations - *Whaiwhakaaro Puutea*

10. There are no financial implications in relation to the information provided in this report.

Legal and Policy Considerations - *Whaiwhakaaro-aa-ture*

11. This report is for information purposes only.

Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga*

12. The purpose of Local Government changed on the 14 May 2019 to include promotion of the social, economic, environmental and cultural wellbeing of communities in the present and for the future ('the 4 wellbeings').
13. The subject matter of this report has been evaluated in terms of the 4 wellbeings during the process of developing this report.
14. The recommendations set out in this report are consistent with that purpose.
15. There are no known social, economic, environmental or cultural considerations associated with this matter.

Risks - *Tuuraru*

16. There are no known risks associated with this matter.

Significance & Engagement Policy - *Kaupapa here whakahira/anganui*

17. Having considered the Significance and Engagement Policy, staff have assessed that the report has a low significance and no engagement is required.

Attachments - *Ngaa taapirihanga*

Attachment 1 - Waikato Plan Update Memo for Strategic Growth Committee - 29th July 2021

Attachment 2 - Waikato Plan Presentation for Strategic Growth Committee - 29th July 2021



Date: 30.04.2021

To: Strategic Growth Committee

From: Waikato Plan Project Manager, Deserae Frisk

Subject: Updates for Strategic Growth Committee

Regional Collaboration – The Waikato Plan

The Waikato Plan is the vehicle for the Waikato region to collaborate on regional issues, to advocate for the Waikato region, and to harness the resources and opportunities of the Waikato as a collective.

The Waikato Plan involves strategic partners in the region including iwi, local and central government, business, and the community (current membership list included with this letter). The four wellbeings of the Local Government Act provide strong foundation for our focus on advocacy for social impact and community wellbeing.

The Waikato Plan was an initiative of the Waikato Mayoral Forum and is currently housed and supported by Waikato Regional Council as a Committee of Council. Currently the Waikato Plan has four priority workstreams.

- Waikato Housing Initiative
- Youth, Training, and Employment
- Climate Change
- Community Connectivity

The Waikato Plan Leadership Committee meet formally four times per year. These are open meetings and we welcome your attendance at the new Waikato Regional Council building in the Hamilton City Centre.

Friday 14, May 2021, 10am-1230pm (current Waikato Regional Council Building at 401 Grey Street)

Monday 16, August 2021, 10am-1230pm

Monday 22, November 2021, 2pm-430pm

Below we have provided the regularly occurring reports from our four workstreams which will give you some insight to our priority areas and their activities. These reports are from the February 2021 WPLC meeting. You can find further information on our website at www.Waikatoplan.co.nz.

For regular updates we are sending out a quarterly newsletter which we would be happy to add you to the newsletter list by emailing waikatoplan@waikatoregion.govt.nz, and just let us know you would like to be on the newsletter mailing.

We appreciate your continued support in the Waikato Plan and are happy to answer any inquiries.

Ngaa mihi,
Deserae Frisk

2021 Waikato Plan Leadership Committee Membership

Member Name	Representing
Deputy Mayor Aksel Bech	Waikato District Council and Future Proof Sub-region
Mayor Ash Tanner	Matamata Piako District Council and Eastern Sub-region
Charlotte Muggeridge	Community
Derek Wooster	Maniapoto (iwi)
Eugene Berryman-Kamp	Te Arawa (iwi)
Hamish Bell	Te Waka, Business
Katie Mayes	Waka Kotahi
Kelvyn Eglinton	Chair of Strategic Partners Forum
Lale Ieremia	Community
Manaaki Nepia	Waikato Tainui (iwi)
Professor Margaret Wilson	Waikato DHB and Co-Chair Waikato Plan
Maria Nepia	Tūwharetoa (iwi)
Councillor Martin Gallagher	Hamilton City Council
Mayor Max Baxter	Otorohanga District Council and Southern Sub-Region
Michelle Paki	Ministry of Business, Innovation, and Employment
Paul Majurey	Pare Hauraki (iwi)
Peter Nation	Community
Rachel Jones	Te Puni Kokiri
Chairman Russ Rimmington	Waikato Regional Council
Shane Ngātai	Ministry of Education
Te Rehia Papesch	Ministry of Social Development

Workstream Leads

Lale Ieremia	Waikato Housing Initiative
Max Baxter and Shane Ngātai	Youth, Training, and Employment
Eugene Berryman-Kamp	Climate Change
Hamish Bell and Kelvyn Eglinton	Community Connectivity

Waikato Housing Initiative

Status from last update	The focus of the WHI for the last quarter of 2020 was the finalisation of the Action Plan for all six work-stream areas. The majority of the work-streams have been progressing as expected with working groups established and action plans confirmed. The only work-stream to not progress as planned is the 'Enable the affordable housing pipeline' where we have identified a need for technical resource to lead and inform this work-stream. We're currently working with Momentum Waikato and the Wellbeing Project to identify how we might resource, to address this.
What has been achieved	<ul style="list-style-type: none"> • Our members participated in a workshop to further contribute and define the overall action plan for each area as well as identify areas of opportunity to support in the delivery of the WHI goals. • A <i>WHI Action Plan</i> has been confirmed that includes all six workstreams. • Conversations have progressed with Ministry of Housing and Urban Development and Kainga Ora to establish a relevant and direct link to central government. • Communications Identity - the WHI has a independent website that provides information on the initiative and how others can become involved. This is particularly important as a point of validation for Central Government. • Toolkit has been developed on the website to include tools that enable our local providers to navigate the housing system, such as funding information, housing models etc. We have also identified, from our wider membership, a number of other tools that can enable and educate our membership group. • Housing Quality have developed a robust action plan to define an area of focus and delivery, The New Zealand Greens Council have also joined the membership group to support this work. • Policy, Regulation and Planning have identified key areas of focus and action to advocate. Communication support will be provided to craft an advocate positioning statement.
What is coming up	<p>Our focus for the first quarter of 2021 will be to build on the workstream momentum to solidify the action plans, identify and secure resources, confirm our engagement plan and as a priority, progress discussions with central government to understand level of support, establish a co-ordinated response and contacts.</p> <ul style="list-style-type: none"> • Completion of the Engagement and Stakeholder Plan. • Develop 'positioning statements'/fact sheets for use by stakeholders that outlines the WHI position in addressing the regional housing challenge. • Resourcing: Tania Jones will be transitioning out of the PM role - January 2021. • Meeting to be scheduled with Harvey Brookes (WWP), Kelvyn, Esmae and co-chairs to review resourcing needs, in January. (underway)
What is needed from WPLC	Identification of potential opportunities and connections for enabling delivery of workstream projects.

How to utilize knowledge and networks to inform connections with central government and protocols to continue collaboration with central government.

Youth, Training and Employment

Status from last update	<p>At the WPLC meeting held on 16 November, the committee agreed with the following recommendations from this workstream:</p> <ol style="list-style-type: none"> 1. Re-title the workstream and define priority populations within the overall intent to focus on youth, training and employment. 2. Continue the existing work programme where activities are in progress and merge future work under this workstream with the efforts happening under the Waikato Wellbeing Project target around NEETs. 3. Engage with the community connectivity workstream. 4. Explore a 'data home' within the existing Waikato Plan website to host and make available the wealth of information about providers and key players for this workstream.
What has been achieved	<p>Since the last report, the workstream group have:</p> <ul style="list-style-type: none"> • Concluded workplace/employment trials with two groups of rangatahi at risk of disengaging from education. • Attended hui around the NEETs target with stakeholders and leaders from the Waikato Wellbeing Project, offering resources to help digest the learnings from the hui and create an action plan. • Shared the matrix of youth and employment providers with key stakeholders, pending the revision of the Waikato Plan website. <p>A significant achievement before the end of 2020 was the successful conclusion of two workplace trials with students from Ngaa Taiatea Wharekura and Paeroa College Alternative Education Unit.</p> <p>Both schools reported positive outcomes for the rangatahi who were chosen to take part in the trial. The relationships established by Ngaa Taiatea with the employers from this experience will be kept and utilised by the kura in the future as well - also benefiting other rangatahi. The kura might not otherwise have connected with these employers - any undertaking like this has potential long term positive impacts.</p> <p>Feedback from rangatahi and whaanau was also gathered and reflected increases in motivation and engagement in the way young people viewed their futures and the role of education. In some cases, rangatahi have secured employment as a result of this trial, or are actively exploring further study to lead them into employment. Whaanau appreciated the contribution towards transport costs and the recognition of their role in supporting young people to take up this opportunity.</p> <p>Learnings at a programme level are yet to be fully understood, but early indications suggest that the level of funding was appropriate and the autonomy to determine how it was spent was hugely important for these kura. A sum of</p>

	\$6,000 was granted to each school, to support three COVID impacted, disengaged rangatahi to experience a barrier-less taste of employment over two weeks.
What is coming up	<p>In 2021 the workstream will look to implement a more structured project framework and involve more streamlined reference groups.</p> <p>Of the work that is already underway, the following activities are planned:</p> <ul style="list-style-type: none"> • Workplace trials with at least four more groups of rangatahi will be progressed around the region in term one with a continued COVID response priority, the focus will remain with youth populations who are most affected by economic downturns: Maaori, pacific, differently abled, ethnic and marginalised young people. • A weekend noho marae will be held in February for representatives from local youth providers to connect, revive and support one another's wellbeing. This continues the work of the region's Youth Collab group. • Revised plans will be agreed with Zeal Hamilton to design and launch a story-sharing platform for youth voice to be heard and celebrated online. <p>The workstream steering group will guide the engagement with the Waikato Wellbeing Project and further work that can progress objectives under both our visions.</p> <p>Meeting with the Strategic Partners Forum in April will be key, as the link to the community connectivity workstream develops.</p> <p>In conjunction with the Waikato Plan Project Manager, the pressing need for data-sharing will be scoped as a potential website project.</p>
What is needed from WPLC	<p>The workstream vision is that everyone can access opportunities for employment, education, or training in our diverse Waikato. The way we see this being achieved is by connecting the players, listening to communities and clearing the path in the right way. The leadership committee can influence and lead in this space.</p> <p>Partnerships between key players and support for community ambitions will make this work programme a success.</p> <p>Predicted drops in new job opportunities are not forecast to hit New Zealand and our region until this year and 2022. This will likely be the most important time for new and collective action in the youth, training and employment space. We have an opportunity to support the region now, for the challenges ahead.</p>

Climate Change

Status from last update	<ul style="list-style-type: none"> • At its meeting on 16 November 2020, the committee was briefed on the 2018/19 Waikato Region Greenhouse Gas Emissions inventory and plans to conduct a stakeholder survey. • The inventory is a key part of the evidence base to guide the climate change workstream. It provides an understanding of regional greenhouse gas emissions and CO₂ sequestration performance at sector and territorial authority level and identifies the sectors upon which to focus climate change
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	<p>mitigation actions within each territorial boundary. It also refers to the national context and makes suggestions to assist future reporting and areas to concentrate mitigation activity.</p> <ul style="list-style-type: none"> To identify current climate change activities and opportunities for collaborative responses, a stakeholder survey was undertaken in November/December 2020 on behalf of the Waikato Plan and the Waikato Regional Council Climate Action Committee.
What has been achieved	<ul style="list-style-type: none"> The results of the survey have been analysed and will be considered by the climate change workstream to help inform recommendations for action to the next committee meeting. A high level summary of the survey findings are included in this update. See attachment 1.
What is coming up	<ul style="list-style-type: none"> The climate change workstream will consider the findings from the survey and opportunities to help inform recommendations to the next committee meeting. Reviewing the Climate Change Commissions Report. Attending Dr. Paul Winton's presentation on February 23rd on reducing transportation emissions.
What is needed from WPLC	<p>The workstream seeks feedback back from the committee on the 3 key areas identified in the regional climate change survey completed as priorities of focus for the workstream.</p> <ul style="list-style-type: none"> Planning Engagement Sharing of information

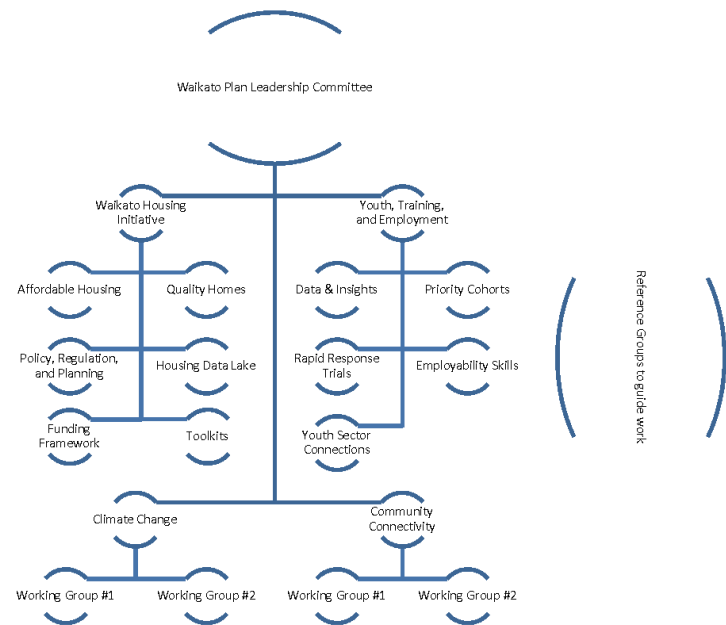
Community Connectivity

Status from last update	Community connectivity has yet had a chance to meet at the time of this report, although have been working towards goals set. Verbal updates will be provided to the committee from the 16 February 2021 Community Connectivity Workstream meeting in addition to this written report.
What has been achieved	<ul style="list-style-type: none"> Meetings scheduled with each workstream, following SPF meetings, for 2021. Identification of new members has begun (older people, emergency services, police).
What is coming up	<ul style="list-style-type: none"> Filling in gaps in membership. Working with each workstream to identify enablers.
What is needed from WPLC	Continued collaboration, broker and advocacy role from the Waikato Plan members.

Strategic Partners Forum

We also house the Strategic Partners Forum under the Waikato plan which Kevyn Eglinton chairs. They act as a steering committee for the Waikato Plan leadership committee.

Draft Structure





THE WAIKATO PLAN



Item 7

Attachment 2

DESERAE FRISK WAIKATO PLAN PROJECT MANAGER

Previously at Waikato Rugby Union as Sponsorship Executive

Originally from Colorado, USA

Masters in Public Administration from University of Colorado

Higher Education 7 years

Private Consulting Business 6 years

Firefighter/EMT and Recruitment Officer 5 years

Bicycles, dogs, a good dram, street art, nature

WAIKATO PLAN LEADERS 2021

Margaret Wilson - Co-Chair (Waikato Department of Health Board)
Mayor Max Baxter - Deputy Co-Chair (Southern Sub-region)
Mayor Ash Tanner (Eastern Sub-region)
Cr Russ Rimmington (Waikato Regional Council)
Deputy Mayor Aksel Bech (Future Proof Sub-region)
Cr Martin Gallagher (Hamilton City Council)
Manaaki Nepia (Tangata Whenua Representative - Waikato-Tainui)
Derek Wooster (Tangata Whenua Representative - Maniapoto)
Eugene Berryman-Kamp (Tangata Whenua Representative - Te Arawa)
Paul Majurey (Tangata Whenua Representative - Pare Hauraki)
Maria Nepia (Tangata Whenua Representative - Tuwharetoa)
Hamish Bell (Te Waka)
Lale Ieremia (Community Representative)
Peter Nation (Community Representative)
Charlotte Muggeridge (Community Representative)
Katie Mayes (Waka Kotahi NZ Transport Agency)
Te Rehia Papesch (Ministry of Social Development)
Shane Ngātai (Ministry of Education)
Michelle Paki (Ministry of Business, Innovation and Employment)
Rachel Jones (Te Puni Kokiri)
Kelvyn Eglinton (Strategic Partners Forum) – Steering Group

Item 7

Attachment 2

PRIORITY WORKSTREAMS 2021

Youth, Training and Employment

Climate Action

Community Connectivity

Waikato Housing Initiative

YOUTH, TRAINING AND EMPLOYMENT

Supported impactful SEED Waikato Collab for a retreat weekend for Youth Sector workers and Zeal's youth-led digital project

Employment trials underway/planned: SHAMA Ethnic Women's Trust, Anglican Action Youth Justice team, South Waikato Pacific Islands Community Services (SWIPCS) in Tokoroa, and Raglan Area School

Planning Youth Sector Voices hui and collaboration with Rangatahi Voices Crew to be enabler for youth priorities



Item 7

Attachment 2

CLIMATE CHANGE

Submitted letter of offer to collaborate to Climate Change Commission

5 Priority areas identified utilising Regional Climate Action survey that workstream commissioned

EECA contestable fund submission planned

Supporting Climathon

COMMUNITY CONNECTIVITY

Focusing on cross-collaboration within Waikato Plan and Strategic Partners Forum for this year

First hui identified opportunities for collaboration across members in driver licensing space with Youth, Training, and Employment workstream

Item 7

Attachment 2

WAIKATO HOUSING INITIATIVE

Active engagements with Central Government & Ministers

Minister Megan Woods visiting end of July, original visit rescheduled due to COVID

Data Lake project underway via Deloitte

An aerial photograph of a city and a river, with a bridge crossing the river. The image is partially obscured by large, overlapping geometric shapes in shades of teal, grey, and lime green. The background of the slide is a dark grey-blue.

CONTACT US

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waikatoplan@waikatoregion.govt.nz

Council Report

Committee: Strategic Growth Committee **Date:** 29 July 2021
Author: Luke O'Dwyer **Authoriser:** Blair Bowcott
Position: City Planning Manager **Position:** General Manager Growth
Report Name: Hamilton City Council's Draft 1 Submission to the June 2021 Discussion Document: Government Policy Statement - Housing and Urban Development (GPS-HUD)

Report Status	<i>Open</i>
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Purpose - *Take*

1. To seek approval from the Strategic Growth Committee of Hamilton City Council's **Draft 1** submission to the Ministry of Housing and Urban Development's June 2021 Discussion Document: Government Policy Statement - Housing and Urban Development (GPS-HUD).

Staff Recommendation - *Tuutohu-aa-kaimahi*

2. That the Strategic Growth Committee:
 - a) receives the report;
 - b) approves Hamilton City Council's **Draft 1** submission to the Ministry of Housing and Urban Development's June 2021 Discussion Document: Government Policy Statement - Housing and Urban Development (GPS-HUD); and
 - c) notes that the approved submission will be sent to the Ministry of Housing and Urban Development to meet the 30 July 2021 closing date.

Executive Summary - *Whakaraapopototanga matua*

3. The Ministry of Housing and Urban Development is currently consulting on its June 2021 Discussion Document on the Government Policy Statement - Housing and Urban Development (GPS-HUD).
4. The GPS-HUD is likely to have a considerable impact on various key Hamilton and Waikato Strategic documents e.g., Future Proof; Hamilton-Waikato Metropolitan Spatial Plan; Hamilton Urban Growth Strategy; Access Hamilton; Upper North Island Strategic Alliance.
5. Staff have developed a draft Hamilton City Council's submission (**Draft 1 - Attachment 1**) to the Discussion Document for consideration and approval. Once approved, the Hamilton City Council submission will need to be sent to the Ministry of Housing and Development by the 30 July 2021 closing date.
6. The Ministry of Housing and Urban Development will consider all feedback received when developing the GPS-HUD. This will be the only opportunity available for Council to provide feedback i.e., the Ministry do not intend releasing a draft GPS-HUD for public feedback - a final version only will be developed.

7. Staff consider the decisions in this report have low significance and that the recommendations comply with Council's legal requirements.

Background - *Koorero whaimaarama*

8. The Ministry of Housing and Urban Development is currently consulting on its June 2021 Discussion Document on the Government Policy Statement - Housing and Urban Development (GPS-HUD).
9. The consultation period for public submissions opened on 14 June and closes on 30 July 2021.
10. The GPS-HUD is intended to provide a shared vision and direction across housing and urban development, to guide and inform the actions of all those who contribute. It will set out how Government and other parts of the housing and urban development system will work together to realise this vision.
11. The GPS-HUD will shape future Government policy, investment, and programmes of work.
12. Following the June 2021 Discussion Document's consultation phase and public submissions, the first GPS-HUD will be published by 1 October 2021 and then be reviewed at least every three years.
13. The GPS-HUD is likely to have a considerable impact on various key Hamilton and Waikato Strategic documents e.g., Future Proof; Hamilton-Waikato Metropolitan Spatial Plan; Hamilton Urban Growth Strategy; Access Hamilton; Upper North Island Strategic Alliance.
14. The Ministry of Housing and Urban Development will consider all feedback received when developing the GPS-HUD. This will be the only opportunity available for Council to provide feedback i.e., the Ministry do not intend releasing a draft GPS-HUD for public feedback - a final version only will be developed.
15. Staff are therefore of the view that Council make a submission to outline any key concerns it has about the Discussion Document.
16. Staff consider the decision has low significance and that the recommendations comply with the Council's legal requirements.

Discussion - *Matapaki*

17. Hamilton City Council takes a considerable interest in urban planning issues and has made several submissions in this space, for example:
 - i. Hamilton City Council's 17 October 2019 [submission to the Proposed National Policy Statement for Urban Development \(NPS-UD\)](#)
 - ii. Hamilton City Council's 3 February 2020 [submission to the Urban Development Bill](#) -
18. All submissions made by Hamilton City Council can be accessed [here](#)
19. A draft Hamilton City Council's submission (**Draft 1 - Attachment 1**) was circulated to Elected Members and Maangai Maaori for feedback on 6 July 2021.
20. As no feedback was received, **Draft 1** remains unchanged to the version circulated.
21. **Draft 1** supports the content, overall direction and intent of the Ministry of Housing and Urban Development's Discussion Document.

22. The recommendations outlined in **Draft 1** are:
- i. *The creation of enduring sustained and coordinated funding mechanisms for high growth councils through existing or new urban growth partnerships to ensure that the outcomes sought in the GPS-HUD and through proposed Regional Spatial Strategies can be achieved.*
 - ii. *Proposed Actions are reviewed to take into consideration the need for supporting infrastructure (including Three Waters infrastructure) and how this can be integrated into planning, decision-making and the final GPS-HUD.*
 - iii. *Policy direction considers how to integrate development with allocation at Spatial Regional Plan level and prioritises projects and initiatives that will support Three Waters infrastructure.*
 - iv. *The use of Inclusionary Zoning should be provided for, requiring a portion of new housing to be retained as affordable in return for greater density.*
 - v. *The final GPS-HUD will need to ensure full alignment with recommendations made by the Climate Change Commission.*
 - vi. *Tools and guidance from Central Government on how shadow carbon pricing, embodied emissions and future climates should be considered would support a quicker implementation and uptake in local government.*
23. Staff recommend that the Strategic Growth Committee approves Hamilton City Council's **Draft 1** submission and that it be sent to the Ministry of Housing and Urban Development to meet the 30 July 2021 submission closing date.
24. **Draft 1** was also sent to LGNZ on 6 July 2021 to assist them in developing their sector submission.

Options

25. Although Council has no obligation to make a submission, staff recommend making a submission to the Ministry of Housing and Urban Development's June 2021 Discussion Document GPS-HUD to ensure the Council's views are considered and taken into account by the Ministry.
26. **Note:** The Ministry of Housing and Urban Development will consider all feedback received when developing the GPS-HUD. This will be the only opportunity available for Council to provide feedback i.e., the Ministry **do not** intend consulting on a draft GPS-HUD. A final version only will be developed.

Financial Considerations - *Whaiwhakaaro Puutea*

27. The staff cost to develop the draft submission was met within existing budgets.

Legal and Policy Considerations - *Whaiwhakaaro-aa-ture*

28. Staff confirm that the recommendations in this report comply with Council's legal and policy requirements.

Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga*

29. The purpose of Local Government changed on 14 May 2019 to include promotion of the social, economic, environmental and cultural wellbeing of communities in the present and for the future ('the 4 wellbeings').
30. The subject matter of this report has been evaluated in terms of the 4 wellbeings during the process of developing this report as outlined below.

31. The recommendations set out in this report are consistent with that purpose.
32. The Ministry of Housing and Urban Development's Discussion Document notes that: *"The GPS-HUD is intended to take a multi-decade outlook, with outcomes for people, communities, the economy, and our built and natural environments at its centre. It lays out how government agencies and entities will support the Government's focus for housing and urban development in Aotearoa New Zealand"*.
33. The Discussion Document's Vision encapsulates the 4 wellbeings i.e.: *"That everyone in Aotearoa New Zealand lives in a healthy, secure and affordable home that meets their needs, within a thriving, inclusive and sustainable community"*.

Social

34. Social wellbeing is defined as the capacity of individuals, their families, whaanau, iwi, haapu and a range of communities to set goals and achieve them. The Discussion Document has a strong emphasis on social wellbeing, as evidenced by the following four outcomes:

Thriving communities: *Everyone is living in homes and communities that meet their employment, education, social and cultural wellbeing needs and aspirations - places that are affordable, connected, environmentally sustainable, safe and inclusive.*

Partnering for Māori housing and urban solutions: *Māori are determining their housing needs and aspirations, supporting whānau prosperity and inter-generational wellbeing, and deciding the means to achieve those aspirations.*

Wellbeing through housing: *All New Zealanders own or rent a home that is affordable, healthy, accessible, secure, and which meets their needs and aspirations.*

An adaptive and responsive system: *The housing and urban development system is integrated, self-adjusting, and responsive to emerging challenges and opportunities.*

35. Hamilton City Council's **Draft 1** submission supports the Discussion Document and is intended to assist in improving the Ministry of Housing and Urban Development's ability to deliver on the Vision and Outcomes of the finalised GPS-HUD.
36. Feedback on the Discussion Document will be built into the GPS-HUD to ensure Government priorities are addressed including tackling housing affordability and homelessness, responding to climate change and alleviating child poverty.

Economic

37. The GPS-HUD Discussion Document notes that *"Our communities are well equipped to meet long-term climate, social, environmental, cultural and economic challenges and opportunities"*.
38. The Discussion Document goes on to say that *"Housing and urban development also has a critical effect on a number of other priorities and outcomes Government is seeking to improve for all of Aotearoa New Zealand. Building and construction is critical to accelerating Aotearoa New Zealand's economic rebuild and recovery plan to deal with the impacts of COVID-19. Increasing the supply of affordable homes will reduce household expenditure on housing and provide economic stimulus to the productive parts of the economy that create jobs and help grow incomes, in a way that trading in existing houses does not"*.
39. Hamilton City Council's **Draft 1** submission supports the Discussion Document and is intended to assist in improving the Ministry of Housing and Urban Development's ability to deliver on the Vision and Outcomes of the finalised GPS-HUD.

Environmental

40. Factors that make our cities more liveable (e.g., accessible public transport, great walking and cycling opportunities, ample green spaces and housing with access to services and amenities) can also help reduce our carbon footprint, increase resilience to the effects of climate change and protect ecosystems.
41. Members recently agreed the Vision to shape Hamilton as a green city.
42. The Discussion Document notes that the GPS-HUD will lay out *“how government agencies and entities will support the Government’s focus for housing and urban development in Aotearoa New Zealand by leading by example, including via Kāinga Ora - Homes and Communities (Kāinga Ora), in reducing emissions and building climate resilience in our homes and all our communities”*.
43. Hamilton City Council’s **Draft 1** submission supports the Discussion Document and is intended to assist in improving the Ministry of Housing and Urban Development’s ability to deliver on the Vision and Outcomes of the finalised GPS-HUD.

Cultural

44. The Ministry of Housing and Urban Development propose to implement four new ways of working to achieve the vision and outcomes of the GPS-HUD:
 - i. *Te Maihi o te Whare Māori: Government, iwi and Māori work collaboratively to drive tailored and enduring solutions to meet Māori housing and urban development aspirations.*
 - ii. *Place-based approaches: Communities need tailored solutions that are targeted and developed collaboratively.*
 - iii. *Genuine and enduring partnerships: Effective relationships, coordinated planning, investment and decision-making will deliver outcomes and support capability and capacity across the system.*
 - iv. *Sustainable and reliable funding: The system needs long-term, sustainable sources of funding and financing (both private and public) to support and incentivise housing and urban development outcomes.*
45. Hamilton City Council’s **Draft 1** submission supports the Discussion Document and is intended to assist in improving the Ministry of Housing and Urban Development’s ability to deliver on the Vision and Outcomes of the finalised GPS-HUD.

Risks - *Tuuraru*

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

Significance & Engagement Policy - *Kaupapa here whakahira/anganui*

Significance

47. Staff have considered the key considerations under the Significance and Engagement Policy and have assessed that the matter(s) in this report has/have a low level of significance.

Engagement

48. Given the low level of significance determined, the engagement level is low. No engagement is required.

Attachments - *Ngaa taapirihanga*

Attachment 1 - Hamilton City Council's Draft 1 Submission to the Government Policy Statement on Housing and Urban Development (GPS-HUD) - June 2021 Discussion Document (30 July 2021)

Item 8

DRAFT 1**Submission by****Hamilton City Council**

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GOVERNMENT POLICY STATEMENT ON HOUSING AND URBAN DEVELOPMENT (GPS-HUD) - JUNE 2021 DISCUSSION DOCUMENT

30 July 2021

1.0 EXECUTIVE SUMMARY AND RECOMMENDATIONS

- 1.1 Hamilton City Council supports the overall direction, intent, focus areas and proposed actions outlined in the Ministry of Housing and Urban Development's June 2021 Discussion Document: Government Policy Statement - Housing and Urban Development (GPS-HUD).
- 1.2 Hamilton City Council is a key partner of Government and a founding member of the Future Proof Urban Growth partnership.
- 1.3 Hamilton City Council has a proven track record of commitment to, and implementation of, Government reforms initiatives.
- 1.4 This has been recently demonstrated through the work Hamilton City Council undertook on developing the first Iwi/Crown/Local Government Spatial Plan for the Hamilton-Waikato Metropolitan Area, our participation in the Three Waters Reforms, and our work to implement the National Policy Statement on Urban Development.
- 1.5 Hamilton City Council is acutely aware of the need for Government alignment and coordination of its activities to shape the urban system in ways that improve the wellbeing of New Zealanders and its environment.
- 1.6 Hamilton City Council's specific recommendations include:
 - The creation of enduring sustained and coordinated funding mechanisms for high growth councils through existing or new urban growth partnerships to ensure that the outcomes sought in the GPS-HUD and through proposed Regional Spatial Strategies can be achieved.
 - Proposed Actions are reviewed to take into consideration the need for supporting infrastructure (including Three Waters infrastructure) and how this can be integrated into planning, decision-making and the final GPS-HUD.
 - Policy direction considers how to integrate development with allocation at Spatial Regional Plan level and prioritises projects and initiatives that will support Three Waters infrastructure.
 - The use of Inclusionary Zoning should be provided for, requiring a portion of new housing to be retained as affordable in return for greater density.
 - The final GPS-HUD will need to ensure full alignment with recommendations made by the Climate Change Commission.
 - Tools and guidance from Central Government on how shadow carbon pricing, embodied emissions and future climates should be considered would support a quicker implementation and uptake in local government.

2.0 INTRODUCTION

- 2.1 Hamilton City Council would like to thank the Ministry of Housing and Urban Development for the opportunity to make a submission to its June 2021 Discussion Document: Government Policy Statement - Housing and Urban Development (GPS-HUD).
- 2.2 Hamilton City Council supports the overall direction, intent, focus areas and proposed actions outlined in the Ministry's Discussion Document.
- 2.3 The current system that informs and directs housing and urban development is complex and spans many pieces of legislation and government policy. The creation of the GPS-HUD and its role to bring everything together and provide clarity is welcomed.
- 2.4 Hamilton City Council takes a considerable interest in urban planning issues and has made a number of submissions in this space in recent years - for example:
 - Hamilton City Council's 17 October 2019 submission to the **Proposed National Policy Statement for Urban Development (NPS-UD)** - refer [here](#)
 - Hamilton City Council's 3 February 2020 submission to the **Urban Development Bill** - refer [here](#)
- 2.5 Hamilton City Council has also made a number of submissions related to infrastructure provision to service urban growth - for example:
 - Hamilton City Council staff feedback made on 21 May 2021 to the Ministry for the Environment's **Early Engagement on Resource Management Reform - Opportunities to Improve System Efficiency** - refer [here](#)
 - Hamilton City Council's 2 July 2021 submission to the New Zealand Infrastructure Commission's May 2021 Discussion Document **Infrastructure for a Better Future Aotearoa New Zealand Infrastructure Strategy** - refer [here](#)
- 2.6 All submissions made by Hamilton City Council can be accessed [here](#)

3.0 ENDURING PARTNERSHIPS AND FUNDING IS THE KEY TO SUCCESS

- 3.1 Enduring, coordinated funding across the urban system is critical to ensuring urban development achieves the outcomes sought in the proposed GPS-HUD. The Discussion Document highlights the importance of spatial planning and coordination across agencies. However, the Discussion Document lacks detail on how funding proposals or interventions will be developed to achieve this.
- 3.2 Central Government needs to be a funder of first resort for critical, city-shaping enabling infrastructure to help solve the housing crisis. Hamilton City Council is a partner with the Crown and Iwi and Urban Growth Partnership. This has been a successful model for collaboration, but it lacks an enduring, aligned commitment to fund ongoing initiatives to deliver housing. The GPS-HUD should consider including the role of City Deal/Partnership arrangements which have proven to be very beneficial for high growth areas in the United Kingdom and in Australia.
- 3.3 While Hamilton City Council supports initiatives like the Housing Infrastructure Fund and the Housing Acceleration Fund, there needs to be enduring and ongoing investments made directly to Local Government beyond these temporary measures if the housing outcomes sought by Government are to be achieved.

4.0 GENERAL COMMENTS

- 4.1 At a high level, there appears to be a good alignment between the vision, outcomes and focus areas in the GPS-HUD Discussion Document and those in the Hamilton-Waikato Metropolitan

Spatial Plan (refer [here](#)) and Hamilton City Council's recently adopted Housing Strategy (refer [here](#)).

- 4.2 The GPS-HUD is an opportunity for Central Government and Hamilton City Council to work together on the longer-term future of housing and urban development in Hamilton and the broader Future Proof area, particularly to set out our joint aspirations for housing supply and affordability, the funding and financing of infrastructure, and progress on emission reduction targets.
- 4.3 To ensure the GPS-HUD is effective and delivers on its intended outcomes, it is critically important that it aligns with other Government reform programmes, including Resource Management Reform, the Future for Local Government Review, the Three Waters Reform Programme, and climate change policy.
- 4.4 Hamilton City Council has noted that delivering on all of the Government's aspirations and new policy is becoming challenging, especially as a high-growth urban council, and seeks that potential solutions are made available to high-growth areas to deliver on housing aspirations. This may be through offering tools such as environmental offsetting (or similar). This is needed as Government positions on environmental outcomes (e.g., through the NPS Freshwater Management) often conflict with the outcomes sought for housing and urban development (e.g., NPS-UD), making delivery unachievable.
- 4.5 Notwithstanding the above, the GPS-HUD is relatively high level, and so continued engagement with Hamilton City Council on the detail of the specific Implementation Plans underpinning the GPS-HUD will be key.
- 4.6 **Hamilton City Council as a Partner with Government**
- 4.7 Hamilton City Council is a key partner of Central Government and a founding member of the Future Proof Urban Growth partnership.
- 4.8 Hamilton City Council has a proven track record of commitment to, and implementation of, Government reform initiatives.
- 4.9 This has been recently demonstrated through the work Hamilton City Council undertook on developing the first Iwi/Crown/Local Government Spatial Plan for the Hamilton-Waikato Metropolitan Area (HW-MSP), our participation in the Three Waters Reforms, and our work to implement the NPS-UD.
- 4.10 We are currently partnering with Central Government on the review of the Future Proof Growth Management Strategy, the development of a comprehensive Programme Business Case to outline a how a rapid and frequent transport network can support the HW-MSP and are actively collaborating with Kainga Ora on implementing the NPS-UD to support their investment aspirations.
- 4.11 Hamilton City Council is also a key part of the Waikato Regional Housing Forum (RHF), which has developed a programme of housing data and interventions supported by agencies like the Ministry for Social Development, Kainga Ora and the Ministry for Housing and Urban Development.
- 4.12 **Hamilton City Council is committed to doing everything it can to support housing in Kirikiriroa /Hamilton.**
- 4.13 In addition to our work with Government, Hamilton City Council is committed to housing through the development of its own Housing Strategy and has made significant investments to support housing through the Waikato Community Lands Trust.
- 4.14 We note the request for organisations outside of Central Government to identify actions they could take to support the direction of the GPS-HUD for inclusion in the final GPS-HUD, and we

have provided a number of these at the end of each section, along with detail on the support needed.

5.0 SECTION 1: HOUSING AND URBAN DEVELOPMENT IN AOTEAROA NEW ZEALAND

5.1 Alignment with the Climate Change Commission and Hamilton City Council's Climate Change Programme

- 5.2 The Climate Change Commission has made it clear that urban form has an important role in reducing emissions from many aspects of our lives, including transport, buildings, energy, and waste. In addition, the way we design our cities now will impact on future emissions - we have the opportunity to establish low carbon, low-cost living for our communities rather than locking them into high carbon, high-cost living.
- 5.3 In Recommendation 16 of the Climate Change Commission's advice, they state that a policy approach to planning for urban form must be developed in partnership with Iwi/Māori and with local councils and communities. We support this recommendation and note that by collaborating it will help to address the challenges around the need for rapid growth and reducing emissions. The implementation approach outlined in the GPS-HUD Discussion Document appears to meet many of the elements of the Commission's advice in relation to emissions reduction and climate resilience.
- 5.4 We are supportive of Central Government supporting the implementation of climate change considerations through better data, evidence, and tools. Consistent information and data will make it easier to assess the options against climate related impacts and emissions scenarios.
- 5.5 In 2020, Hamilton City Council commenced a Climate Change Programme. As part of this programme, we developed a Climate Change Action Plan and have raised climate change as a strategic risk for the organisation. We have now commenced work on a long-term Climate Change Strategy for Hamilton.
- 5.6 We are currently in the process of establishing a Climate Change and Environment Policy. The intent of the policy is to support decision-makers to consider climate change in a consistent way across Hamilton City Council.
- 5.7 Hamilton City Council notes the intent of the GPS-HUD is to influence activity, and includes a focus area of supporting resilient, sustainable, inclusive, and prosperous communities. Tools and guidance from Central Government on how shadow carbon pricing, embodied emissions and future climates should be considered would support a quicker implementation and uptake in local government.

6.0 SECTION 2: VISION AND DIRECTION

- 6.1 Hamilton City Council supports the **four outcomes** identified of:
- **Thriving communities** that meet people's wellbeing needs and aspirations.
 - **Wellbeing through housing** where all New Zealanders own or rent a home which meets their needs and aspirations.
 - **Partnering for Māori housing and urban solutions.**
 - **An adaptive and responsive system** to effectively provide for constant growth and change.
- 6.2 Of critical importance is better connection and alignment between central and local government planning and decision-making, and government processes. We have recently submitted on this point to the New Zealand Infrastructure Commission on its May 2021 Consultation Document **Infrastructure for a Better Future - Aotearoa New Zealand**

Infrastructure Strategy.

- 6.3 The GPS-HUD Discussion Document expects to see *“regulatory and institutional settings that support and facilitate urban change, and an increase in the productivity, capacity and capability of the system and sectors to deliver homes and communities that meet people’s needs”* (page 37); and that the aim of the GPS-HUD is to direct, and support calls for planning and decision-making to be better aligned between central and local government (page 19).
- 6.4 Hamilton City Council supports a GPS-HUD that recognises regulatory settings in other systems and is directive for Local Government legislation, Resource Management reform (including Spatial Planning), and Water Reform legislation.
- 6.5 However, Hamilton City Council notes that discussion in the Discussion Document does not give due consideration to the importance of Three Waters infrastructure required for urban development. It does not appear to be part of the Focus Areas and there are no proposed supporting Proposed Actions relating to infrastructure as part of urban development.
- 6.6 In its recent submission to the New Zealand Infrastructure Commission, Hamilton City Council also asked for clarity on how the entire infrastructure provision process functions could be delivered i.e., from long-term planning of urban form, protection of corridors, delivery of lead infrastructure, funding mechanisms, housing development and resource requirements.
- 6.7 Hamilton City Council commented that this needed to be done in the context of the current systems in place under the Local Government Act that councils must adhere to. We similarly recommend that a Government Policy enhances the use of the Local Government Act (where possible) to provide for infrastructure that will meet the requirements of GPS-HUD.
- 6.8 As previously discussed, infrastructure is needed to support urban development, and this in turn requires resource allocation and consents for the likes of water takes and discharges. It is fundamental that territorial authorities have certainty for consents and an appropriate allocation to meet their obligations under legislation.
- 6.9 Further to this, growth activity is usually at a macro (or regional) level. The process to get consents to support growth is often done across regions in a ‘siloed’ way which is resource intensive, costly, lacks certainty and does not take a ‘best for region’ approach.
- 6.10 Policy direction could be provided on how to integrate development with allocation at spatial regional plan level and prioritise projects and initiatives that will support Three Waters infrastructure.
- 6.11 Recognising Te Mana o te Wai, local mataauranga maori principles, such as Te Mana o Te Awa, Mana Whakahaere and Mana Whanake and local aspirations will also be imperative in any direction given by a Government Policy.
- 6.12 **FOCUS AREAS**
- 6.13 Overall, Hamilton City Council supports the **six focus areas for action** and has a particular interest in the focus area **‘ensure that more affordable houses are being built’** through quality land-use planning and investment in infrastructure.
- 6.14 Ensuring that legislative reform is effective and workable is critical to ensure we have a responsive planning system that coordinates the delivery of housing and infrastructure.
- 6.15 The intended reforms to the resource management, Three Waters and local government system are timely. However, it is critical that they are integrated and complementary, especially with regards to the detail affecting local government planning, funding, and delivery processes. Urban development and the delivery of housing will be pointless if the infrastructure and resources required to service housing are not available.

- 6.16 Aligned planning and funding cycles between local and central government, and all organisations involved in infrastructure planning, funding and delivery are required to enable certainty and coordination. In addition to the significant reform underway, looking to align cycles across different levels of government would also be beneficial.
- 6.17 For example, councils develop a Long-Term Plan and Infrastructure Strategy every 3 years with a 10 year and 30-year horizon respectively, however central government departments are not required to do the same. The Ministry of Education plan for 3 years and Waka Kotahi generally commit funding for 3-year blocks. To effectively deliver on the outcomes of spatial plans, all partners need to be able to provide the same level of certainty for investment.
- 6.18 In addition, competing issues need to be resolved across central government departments as they result in significant time and cost for local government to address and have impacts on the efficient planning and delivery of housing and infrastructure.
- 6.19 **Focus Area - Support Resilient, Sustainable, Inclusive and Prosperous Communities**
- 6.20 Hamilton City Council is a high growth city and is prioritising areas for higher density housing. With higher densities, challenges emerge for Three Waters network capacity and management of stormwater as a consequence of decreased pervious surfaces.
- 6.21 Hamilton City Council supports the proposed action to develop a National Adaption Plan to support climate resilience in the housing and urban development system. However, further consideration needs to be given to supporting management of network capacity and levels of service.
- 6.22 **PROPOSED ACTIONS**
- 6.23 Hamilton City Council considers that the following actions be considered when finalising the GPS-HUD:
- Establish enduring, partnership-based funding arrangements to supplement existing Urban Growth Partnerships modelled on the United Kingdom and Australian City Deals Framework.
 - Undertake joint strategic planning at a regional level, involving all relevant agencies prioritising key housing, infrastructure provision and urban outcomes, as well as taking the appropriate steps to reduce emissions, preserve or improve the natural environment, and protect highly productive rural land.
 - Clearly identify the responsibilities and process for how joint strategic planning will be effectively carried out at a regional level and identify how both urban and rural issues will effectively be represented and balanced across regions.
 - Align funding and investment across Central and Local Government which is critical to ensuring the effectiveness of the proposed Resource Management reforms can be realised.
 - Provide options for high-growth councils to deliver on Government housing and urban development aspirations that may conflict with other Government policy or guidance.
 - The use of Inclusionary Zoning should be provided for as a key outcome in the final GPS-HUD and in the emerging National Planning Framework, requiring a portion of new housing to be retained as affordable in return for a greater density allowance.
 - Initiate consistent, enduring front-end funding for infrastructure for housing development through the development of city deal or partnership frameworks. These types of arrangements have proven successful in overseas jurisdictions and members of the Future Proof partnership investigated the possibility of implementing such arrangements in the Future Proof area.

- Invest in skills and training across industries and the infrastructure sector to improve capability and capacity for development and delivery, including through apprenticeships.

6.24 Hamilton City Council recommends that the Proposed Actions are reviewed to take into consideration the need for supporting infrastructure and how this can be integrated into the final GPS-HUD.

7.0 SECTION 3: IMPLEMENTATION

7.1 Hamilton City Council supports the proposed approach in the Discussion Document on making it clear that a detailed Implementation Plan be a part of the GPS-HUD.

7.2 Hamilton City Council supports the proposition outlined on page 66 of the Discussion Document to ensure Government creates certain and durable and ongoing funding schemes beyond existing mechanisms to support urban development. The current system is not efficient and while initiatives like Housing Infrastructure fund (HIF) and the Housing Acceleration Fund (HAF) are welcome, they are transient in nature.

7.3 Hamilton City Council would like to reinforce the need for Government to partner with Local Government as a key implementation partner with specific responsibilities in the housing systems.

7.4 Finally, Government funding needs to be aligned to Spatial Plans in a place-based approach.

8.0 PLACE-BASED FOCUS

8.1 Hamilton City Council supports the role and function of Kainga Ora as the lead investor for Government in the housing and urban development system.

8.2 Hamilton City Council has been collaborating with Kainga Ora for some time on implementing the NPS-UD and on the comprehensive community renewal and regeneration of the Enderley-Fairfield area as a Kainga Ora regeneration area that is similar in status to those mentioned in the Discussion Document.

9.0 FURTHER INFORMATION AND OPPORTUNITY TO DISCUSS OUR SUBMISSION

9.1 Should the Ministry of Housing and Urban Development require clarification of Hamilton City Council's submission, or additional information, please contact **Luke O'Dwyer** (City Planning Manager) on 07 838 6418 or email luke.o'dwyer@hcc.govt.nz in the first instance.

9.2 Hamilton City Council would like to continue working with the Ministry of Housing and Urban Development on the finalisation of the GPS-HUD and any subsequent plans, strategies or actions.

9.3 Hamilton City Council would also welcome the opportunity to meet with representatives from the Ministry of Housing and Urban Development to discuss the content of our submission in more detail.

Yours faithfully

Richard Briggs
CHIEF EXECUTIVE

Council Report

Item 9

Committee: Strategic Growth Committee **Date:** 29 July 2021
Author: Luke O'Dwyer **Authoriser:** Blair Bowcott
Position: City Planning Manager **Position:** General Manager Growth
Report Name: Hamilton City Council's Draft 1 Submission to the Natural and Built Environments Bill - Parliamentary Paper on the Exposure Draft

Report Status	<i>Open</i>
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Purpose - *Take*

1. To seek approval from the Strategic Growth Committee of Hamilton City Council's **Draft 1** submission to the Natural and Built Environments Bill - Parliamentary Paper on the Exposure Draft.

Staff Recommendation - *Tuutohu-aa-kaimahi*

2. That the Strategic Growth Committee:
 - a) receives the report;
 - b) approves Hamilton City Council's **Draft 1** submission to the Natural and Built Environments Bill - Parliamentary Paper on the Exposure Draft;
 - c) notes that request for Elected Member representation to speak in support of Council's written submission at the hearings of Parliament's Environment Select Committee; and
 - d) notes that the approved submission will be uploaded to Parliament's website by 4 August 2021 and subsequently uploaded to Hamilton City Council's website.

Executive Summary - *Whakaraapopototanga matua*

3. The Government is currently consulting on the Natural and Built Environments Bill - Parliamentary Paper on the Exposure Draft (referred to as the Exposure Draft).
4. The Exposure Draft has been released for stakeholder and public feedback before it is introduced to Parliament; this is to "test and improve" the content of the Bill, which is expected to be introduced to Parliament in early 2022 i.e., there will be further opportunity for stakeholder/public submissions at that stage.
5. The consultation period for public submissions opened on 2 July and closes on 4 August 2021.
6. The Inquiry is the first part of reforming the resource management system and replacing the Resource Management Act 1991 (RMA) with three pieces of legislation. The Natural and Built Environments Act (NBA) will be the primary replacement for the RMA.
7. The content and direction of the Exposure Draft will ultimately impact on Hamilton's District Plan as well as other key strategic documents e.g., Future Proof; Hamilton-Waikato Metropolitan Spatial Plan; Hamilton Urban Growth Strategy; Access Hamilton; Upper North Island Strategic Alliance.

8. Staff have developed a draft Council submission (**Draft 1 - Attachment 1**) to the Exposure Draft for the Strategic Growth Committee's consideration and approval.
9. On 21 July, **Draft 1** was circulated to Elected Members and Maangai Maaori for feedback by Tuesday 27 July. **Draft 2** will be circulated prior to this meeting on 29 July.
10. Staff consider the decision has low significance and that the recommendations comply with the Council's legal requirements.

Background - *Koorero whaimaarama*

11. The Government is currently consulting on the Natural and Built Environments Bill - Parliamentary Paper on the Exposure Draft (referred to as the Exposure Draft).
12. The Inquiry is the first part of reforming the resource management system and replacing the Resource Management Act 1991 (RMA) with three pieces of legislation.
13. The Natural and Built Environments Act (NBA) will be the primary replacement for the RMA.
14. The Exposure Draft has been released for stakeholder and public feedback before it is introduced to Parliament; this is to "test and improve" the content of the Bill, which is expected to be introduced to Parliament in early 2022 i.e., there will be further opportunity for stakeholder/public submissions at that stage.
15. The Exposure Draft does not cover the contents of the full Bill - other parts will be released later on.

Discussion - *Matapaki*

The Inquiry's Terms of Reference

16. Parliament's website notes that - *The purpose of the Inquiry is to provide feedback to the government on the extent to which the provisions in the exposure draft of the Natural and Built Environments Bill will support the **resource management reform objectives to:***
 - A) *Protect, and where necessary, restore the natural environment, including its capacity to provide for the well-being of present and future generations.*
 - B) *Better enable development within environmental biophysical limits including a significant improvement in housing supply, affordability and choice, and timely provision of appropriate infrastructure, including social infrastructure.*
 - C) *Give effect to the principles of Te Tiriti o Waitangi and provide greater recognition of te ao Māori, including mātauranga Māori.*
 - D) *Better prepare for adapting to climate change and risks from natural hazards, and better mitigate emissions contributing to climate change.*
 - E) *Improve system efficiency and effectiveness, and reduce complexity, while retaining appropriate local democratic input.*
17. The Environment Select Committee has been asked to pay particular attention to objective (E) when providing their feedback on the Inquiry's purpose.
18. The Government considers that the RMA has failed to accomplish its dual remit as a town planning and environmental management regime and so is proposing to detangle the legislative settings. Accordingly, the NBA is one of the three core pieces of legislation - along with Strategic Planning Act (SPA) and a new Climate Adaptation Act (CAA) - that will replace the RMA.
19. The SPA and CAA are intended to be released by the end of the year alongside the final draft NBA. The intention is for the NBA to provide for land use and set environmental limits and outcomes which then guide the development of Regional Spatial Strategies under the SPA. The

CAA is proposed as specific climate change adaptation legislation, to address the complex issues associated with managed retreat and funding of adaptation.

20. Following the close of public submissions on 4 August 2021, the Inquiry is then expected to take around three months in examining the draft legislation.
21. The Select Committee will then report its findings to Parliament, which will inform further policy development on the reform. Other components of the Bill that are not included in the Exposure Draft will be considered by the Ministerial Oversight Group in the second half of 2021, before being included in the full Bill.
22. It is anticipated that by early 2022, complete Bills for the NBA and SPA will be introduced to Parliament. At this point, there will be a second opportunity for public feedback before the Bills are passed into law by December 2022.
23. The content and direction of the Exposure Draft will ultimately impact on Hamilton's District Plan as well as other strategic documents e.g., Future Proof; Hamilton-Waikato Metropolitan Spatial Plan; Hamilton Urban Growth Strategy; Access Hamilton; Upper North Island Strategic Alliance.

Hamilton City Council's Draft 1 Submission

24. Staff are of the view that Council needed to make a submission to outline key concerns it has about the Exposure Draft.
25. Staff have developed a draft Council submission (**Draft 1 - Attachment 1**) to the Exposure Draft for the Strategic Growth Committee's consideration and approval.
26. The approved final submission will need to be uploaded to Parliament's website by the 4 August 2021 closing date.
27. While **Draft 1** supports the overall direction and content of the Exposure Draft, a number of specific concerns are outlined.
28. **Draft 1** focuses on the following key points:
 - i. Hamilton City Council supports the intent of the Natural and Built Environments Bill, in particular the focus on developing an outcomes-based planning system, nationally consistent frameworks, environment bottom lines, and by creating a greater role for the Treaty of Waitangi in environmental decision making.
 - ii. Hamilton City Council supports the broad objectives of the Bill but notes that further drafting and clarification of how those objectives work in practice is required.
 - iii. Notwithstanding this support, Hamilton City Council does have wider concerns with the Bill in its current state.
 - iv. The Natural and Built Environments Bill, combined with the broader reform agenda, represents a system change for the planning and investment framework for New Zealand. Those changes have been promulgated prior to any comprehensive review of the purpose, role and function of local government which will not be completed until after the Natural and Built Environments Bill is complete.
 - v. The Natural and Built Environments Bill also significantly removes the role of local government expertise in plan making, and has diluted local government representation in decision making when formulating plans as outlined in the draft Bill.
 - vi. This is a concern for Hamilton City Council as local government has developed deep technical planning expertise and community knowledge which is critical for effective resource management. connections necessary for local planning. Further, removing local government expertise from developing planning frameworks.

- vii. Hamilton City Council notes the lack of detail in some key areas in the Bill, much of which is critical for the implementation of the system.
 - viii. Given the far-reaching extent and financial/resource implications that the Resource Management reforms will have on all sectors throughout New Zealand, these changes will result in significant transaction costs. As such, a comprehensive and critical analysis of the impact versus benefit of these changes across all of the reforms needs to be completed and made available as soon as possible.
 - ix. We look forward to viewing/analysing the content and cost-benefit analysis of the final Regulatory Impact Statement when the full NBA Bill is introduced and subsequently made available for public submissions.
29. **Draft 1** notes that Council would like to speak in support of its submission at the hearings of Parliament's Environment Select Committee (noting that the Environment Select Committee has stated that it intends to begin hearing oral submissions before the closing date for written submissions).

Options

30. Although the Council has no obligation to make a submission, staff recommend making a submission to the Exposure Draft to ensure the Council's views are considered and taken into account by Government.

Financial Considerations - *Whaiwhakaaro Puutea*

31. The staff cost to develop the draft submission was met within existing budgets.

Legal and Policy Considerations - *Whaiwhakaaro-aa-ture*

32. Staff confirm that the recommendations in this report comply with the Council's legal and policy requirements.

Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga*

33. The purpose of Local Government changed on 14 May 2019 to include promotion of the social, economic, environmental and cultural wellbeing of communities in the present and for the future ('the 4 wellbeings').
34. The subject matter of this report has been evaluated in terms of the 4 wellbeings during the process of developing this report as outlined below.
35. The recommendations set out in this report are consistent with that purpose.

Social

36. Social wellbeing is defined as the capacity of individuals, their families, whaanau, iwi, haapu and a range of communities to set goals and achieve them.
37. The Exposure Draft has a strong emphasis on social wellbeing, as evidenced by Clause 5 (b) (Purpose of this Act) of the Act in the Exposure Draft: *People and communities to use the environment in a way that supports the well-being of present generations without compromising the well-being of future generations. (Well-being is defined in clause 3 as the social, economic, environmental, and cultural well-being of people and communities, and includes their health and safety).*
38. Hamilton City Council's **Draft 1** submission is intended to assist Parliament's Environment Select Committee and the Ministry for the Environment in refining the NBA Bill for further public consultation.

Economic

39. Economic wellbeing is defined as the capacity of the economy to generate employment and wealth necessary for present and future financial security.
40. The NBA's purpose is two-fold: to uphold Te Oranga o te Taiao, including by protecting and enhancing the natural environment; and enabling people and communities to use the environment in a way that supports present and future generations. The NBA represents a shift from the RMA's 'sustainable management' focus towards an outcomes-based approach, with an emphasis on ensuring that positive outcomes for the environment are identified and promoted rather than just enabling development where adverse effects can be avoided, remedied, or mitigated.
41. Hamilton City Council's **Draft 1** submission is intended to assist Parliament's Environment Select Committee and the Ministry for the Environment in refining the NBA Bill for further public consultation.

Environmental

42. Factors that make our cities more liveable (e.g., accessible public transport, great walking and cycling opportunities, ample green spaces and housing with access to services and amenities) can also help reduce our carbon footprint, increase resilience to the effects of climate change and protect ecosystems.
43. Elected Members recently agreed the Vision to shape Hamilton as a green city.
44. The NBA Exposure Draft builds on the paradigm shift proposed under the Report of the Resource Management Review Panel.
45. The Panel recommended a new system for environmental protection and resource management which focuses on delivery of outcomes through setting targets and non-negotiable limits to enhance, protect, restore and improve the natural and built environment.
46. Hamilton City Council's **Draft 1** submission is intended to assist Parliament's Environment Select Committee and the Ministry for the Environment in refining the NBA Bill for further public consultation.

Cultural

47. **A central role for iwi/Māori and improved recognition of Te Tiriti o Waitangi.** The RMA currently requires persons exercising functions and powers under the Act to take the principles of Te Tiriti o Waitangi into account. The NBA elevates recognition of Te Tiriti o Waitangi and iwi/Māori interests, with the Exposure Draft including a requirement for decision-makers to 'give effect to' the principles of Te Tiriti to ensure decisions reflect the Treaty partnership. The NBA also promotes the active management of cultural landscapes (which also links with Te Oranga o te Taiao).
48. The NBA recognises that tikanga Māori and te ao Māori concepts may not be capable of direct translation into English, and so the concept of Te Oranga o te Taiao is not defined but an inclusive list of the key elements of that concept is provided. In particular, Te Oranga o te Taiao incorporates the health of the natural environment, the intrinsic relationship between iwi and hapū and te taiao, the interconnectedness of the natural environment, and the essential relationship between the health of the natural environment and its capacity to sustain all life.
49. The NBA also provides for mana whenua representatives to be appointed as members of regional planning committees.
50. Hamilton City Council's **Draft 1** submission is intended to assist Parliament's Environment Select Committee and the Ministry for the Environment in refining the NBA Bill for further public consultation.

Risks - *Tuuraru*

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

Significance & Engagement Policy - *Kaupapa here whakahira/anganui*

Significance

52. Staff have considered the key considerations under the Significance and Engagement Policy and have assessed that the matter(s) in this report has/have a low level of significance.

Engagement

53. Given the low level of significance determined, the engagement level is low. No engagement is required.

Attachments - *Ngaa taapirihanga*

Attachment 1 - Hamilton City Councils Draft 1 Submission - Inquiry on the Parliamentary Paper on the Exposure Draft - Natural and Built Environments Bill (4 August 2021)

DRAFT 1**Submission by****Hamilton City Council****REFORMING OUR RESOURCE MANAGEMENT SYSTEM: NATURAL
AND BUILT ENVIRONMENTS BILL - PARLIAMENTARY PAPER ON THE
EXPOSURE DRAFT****4 August 2021****1.0 EXECUTIVE SUMMARY**

- 1.1 Hamilton City Council supports the intent of the Natural and Built Environments Bill - in particular the focus on developing an outcomes-based planning system, nationally consistent frameworks, environmental bottom lines, and by creating a greater role for the Treaty of Waitangi in environmental decision-making.
- 1.2 We support the broad objectives of the Bill but note that further drafting and clarification of how those objectives work in practice is required.
- 1.3 Notwithstanding this support, Hamilton City Council does have wider concerns with the Bill in its current state - those concerns primarily relate to the reduced role and function of local government in plan making, the diluted voice of metropolitan authorities in proposed regional planning committees, and creation of a new organisation called a Planning Secretariat to prepare and produce plans in the absence of effective local representation.
- 1.4 The Bill, combined with the broader reform agenda, represents a system change for the planning and investment framework for New Zealand.
- 1.5 These changes have been promulgated prior to any comprehensive review of the purpose, role and function of local government which will not be completed until after the Natural and Built Environments Bill is complete.
- 1.6 The Natural and Built Environments Bill also significantly reduces the role of local government expertise in plan making and has diluted local government representation in decision-making when formulating plans as outlined in the draft Bill.
- 1.7 This is a concern for Hamilton City Council as local government has developed deep technical planning expertise and community knowledge which is critical for effective resource management and connections necessary for local planning, further removing local government expertise from developing planning frameworks.
- 1.8 We note the lack of detail in some key areas in the Bill, much of which is critical for the implementation of the system.
- 1.9 As a metropolitan urban authority experiencing high growth, Hamilton city Council notes the risk posed by the draft Bill is that it will reduce the effective representation of specific, urban interests and representation in the proposed plan making functions outlined in the Bill.

- 1.10 Hamilton City Council also notes there is substantive, important detail to come and is concerned at the pace and engagement with of the reform process.
- 1.11 Given the far-reaching extent and financial/resource implications that the Resource Management reforms will have on all sectors throughout New Zealand, these changes will result in significant transaction costs. As such, a comprehensive and critical analysis of the impact versus benefit of these changes across all of the reforms needs to be completed and made available as soon as possible.
- 1.12 We look forward to viewing/analysing the content and cost-benefit analysis of the final Regulatory Impact Statement when the full NBA Bill is introduced and subsequently made available for public submissions.
- 1.13 **Hamilton City Council's Overall Points, Concerns and Recommendations Include:**
- 1.14 Create greater certainty in the draft Bill of how to reconcile competing objectives/outcomes that the national planning framework and all plans must promote when creating new plans or when assessing a consent application.
- 1.15 Provide greater detail on the interpretation section in the draft Bill. For example, there is a definition of "Environment", a definition of "Natural Environment", but no definition of "Built Environment".
- 1.16 Consider specific improvements in overall drafting of the text as some of the language seems open to interpretation. For example, references that refer *"to the extent that it is important to good governance and proportionate to the significant of the matters at issue"* are problematic for local authorities to determine and implement. Who determines that? Will it be legally challengeable?
- 1.17 Provide greater clarity and certainty around plan making under the Bill. For example, once the new plans have been created, who is responsible for administering them? Without knowing the role of local government in relation to the new Acts it is difficult to understand how implementation would work.
- 1.18 Create greater certainty around the transitional provisions and some form of staging for implementation - at the moment it is not clear as to how and when the transition to the new system will occur. Early understanding of this will be critical to ensure local government can effectively resource and implement the new system.
- 1.19 Create greater ability for specific combined plans for Tier 1 Metropolitan Authorities that are aligned to existing spatial plan areas.
- 1.20 Alternatively, consider providing for greater representation of Tier 1 elected officials on regional planning committee. In the Waikato Region, Hamilton City Council faces significantly different growth and resource management issues when compared to many of the smaller rural based authorities in the region. It makes little sense for Hamilton city Council, representing more than 50 percent of the Waikato's population, to be represented on a planning committee by one elected representative from the region's only city.
- 1.21 **Hamilton City Council's Specific Points, Concerns and Recommendations Include:**
- 1.22 Central government should, as part of its resourcing of the implementation of the new system, commit funding to participating in early litigation as an interested party.
- 1.23 We suggest amending Section 13(3) to make it clear that the NPF should include guidance on how to resolve conflicts between environmental limits and outcomes (although this will depend in part on the view that is reached around whether a hardline position should be adopted with environmental limits or not).
- 1.24 There is a need to clarify whether the provisions for resolving conflicts referred to in Section

- 13(3) are about the NPF providing direction around how to resolve conflicts or setting out a process to work through for resolving conflicts in plans, or both.
- 1.25 What is not yet clear is what role local government will play in developing the NPF. There needs to be proper/meaningful engagement with and input from local government on the creation of new national direction and evaluation and alignment of existing national direction, given local government's role in giving effect to national direction. What is not clear is what roles and functions will still sit with constituent local authorities versus Planning Committees i.e., policy functions, compliance/monitoring/enforcement functions, etc.
 - 1.26 The NPF needs to be reflective of/consistent with other significant plans in development that will impact on local government and communities, including the Climate Change Emissions Reduction Plan and the Climate Change National Adaptation Plan.
 - 1.27 To address this, the NPF should be a single, consolidated document/portal/tool containing all national direction.
 - 1.28 Guidance around the process for the setting of environmental limits is important, given that a significant amount of power to set environmental limits sits with the Minister for the Environment. We assume that this guidance will be set out in Schedule 1 of the NBA.
 - 1.29 The process for a Planning Committee setting an environmental limit needs to be clear and workable. This should be developed in conjunction with local government/planning committees (this process would sit in the NPF - yet to be drafted).
 - 1.30 Guidance around how to resolve conflicts will be important and should be 'road-tested' with local government/Planning Committees so as to be workable.
 - 1.31 There is a need to think through how NBA Plans will integrate with other parts of local government work programmes and related central government work programmes e.g., Long Term Plans, the New Zealand Infrastructure Strategy etc.
 - 1.32 We note that the transition from over 100 planning documents to 14 NBA Plans is not an insignificant undertaking. The transition needs to be carefully considered and properly resourced (noting that Government should not lose sight of the significant time and money that has been spent on developing existing plans).
 - 1.33 There is also a need to clarify whether a territorial authority can submit on a Combined Plan once it has been referred to the Independent Hearings Panel.
 - 1.34 In regard to Section 24(2)(d), guidance in the NPF around where it is appropriate for conflicts to be resolved by plans or on a case-by-case basis through consents or designations would help and provide consistency.
 - 1.35 If central government is going to play a more active role in regional planning, work needs to be undertaken to improve central and local government relationships. It is important that central government representatives that participate in regional planning exercises have a very good understanding of local/regional circumstances.
 - 1.36 It is not clear how the Planning Committees working on NBA Plans will link with committees working on Regional Spatial Strategies. Will there be an overlap of membership and will both committees have the same secretariat?
 - 1.37 In regard to Section 22(2), we suggest that it probably makes more sense for this section to state that a plan "must" instead of "may" include specified matters as currently drafted. This will help ensure consistency and avoid arguments about plan content.

2.0 INTRODUCTION

- 2.1 Hamilton City Council would like to thank Parliament's Environment Committee for the opportunity to make a submission to the Inquiry on the Parliamentary Paper on the Exposure Draft - Natural and Built Environments Bill (referred to as the Exposure Draft).
- 2.2 Hamilton City Council supports the overall direction and content of the Exposure Draft, but notes that there are significant issues that still need resolution before it has confidence that the proposal are workable and will deliver the benefits that are expected from the proposed reforms.
- 2.3 We note that a full Regulatory Impact Statement (RIS) by Treasury for the NBA Exposure Draft is not yet available, although a Summary of Initial Impact Analysis has been undertaken by the Ministry for the Environment. This states that *"A final RIS for the NBA will be prepared prior to the complete Bill being introduced, with updated analysis incorporating the results of further consultation and providing an assessment of the remaining policy areas. Separate RISs will be prepared for the SPA and for the CAA. Interdependencies between the proposals will be discussed within each final RIS"*.
- 2.4 Given the far-reaching extent and financial/resource implications that the Resource Management reforms will have on all sectors throughout New Zealand, these changes will result in significant transaction costs. As such, a comprehensive and critical analysis of the impact versus benefit of these changes across all of the reforms needs to be completed and made available as soon as possible. We look forward to viewing the content and cost-benefit analysis of the final Regulatory Impact Statement when the full NBA Bill is introduced and subsequently made available for public submissions.

3.0 PREVIOUS SUBMISSIONS MADE ON RESOURCE MANAGEMENT REFORM

- 3.1 Hamilton City Council takes a considerable interest in matters regarding Resource Management reform and has made a number of submissions in this space in recent years - for example:
 - Hamilton City Council staff feedback made on 21 May 2021 to the Ministry for the Environment's **Early Engagement on Resource Management Reform - Opportunities to Improve System Efficiency** - refer [here](#)
 - Hamilton City Council's 2 July 2021 submission to the New Zealand Infrastructure Commission's May 2021 Discussion Document **Infrastructure for a Better Future Aotearoa New Zealand Infrastructure Strategy** - refer [here](#)
 - Hamilton City Council's 17 October 2019 submission to the **June 2021 Discussion Document Proposed National Policy Statement for Urban Development (NPS-UD)** - refer [here](#)
 - Hamilton City Council's 3 February 2020 submission to the **Urban Development Bill** - refer [here](#)
- 3.2 All submissions made by Hamilton City Council can be accessed [here](#)

4.0 HAMILTON CITY COUNCIL AS A METROPOLITAN AUTHORITY AND EFFECTIVE PARTNER OF GOVERNMENT

- 4.1 Hamilton City Council is a trusted partner of Government and is effectively collaborating across a range of reform initiatives.
- 4.2 As a Tier 1 Metropolitan Authority, Hamilton City Council is a founding member of the current Future Proof Urban Growth Partnership and experiences growth and resource management issues that are fundamentally different in scale and nature to other territorial authorities in

the Waikato Region.

- 4.3 As such, the proposed combined plans as outlined in the draft Bill pose a risk that the focus on solving these urban issues (such as implementing the Hamilton-Waikato Metropolitan Spatial Plan and the National Policy Statement - Urban Development (NPS-UD) could be diluted by having Hamilton City Council being lumped in a broader planning document potentially covering the entirety of the Waikato Region.
- 4.4 As an alternative, Hamilton City Council would like amendments made to the Bill which provide for combined plans to be created for metropolitan Tier 1 areas. For Hamilton, that could include a combined plan for the same spatial area as that which has been used to develop the Hamilton-Waikato Metropolitan Spatial Plan and the Housing and Business Capacity Assessments under the NPS-UD.

5.0 ROLE AND PURPOSE OF LOCAL GOVERNMENT IN RESOURCE MANAGEMENT

- 5.1 Local Government plays a unique role in the resource management system. Hamilton City Council has developed significant capacity, capability and expertise in these areas. That is now at risk through the proposed Bill, especially in relation to the plan making provisions outlined in Schedule 3 of the draft Bill.
- 5.2 The Bill proposes fundamental changes to how planning frameworks are prepared with the introduction of combined plans being prepared in a collaborative manner. While this is a laudable goal, the complexity, scope, cost and expertise in being able to achieve this under the current Bill is unclear, especially in the content where local government technical expertise will not be relied upon to prepare and administer plans.
- 5.3 The creation of a planning secretariat introduces a new structure and entity in New Zealand's plan making system, along with other new stakeholders (such as the proposed Three Waters entities).
- 5.4 Further, the creation of Planning Committees dilutes local representation during the plan making process. Local councils are an effective conduit to understanding, reaching and reflecting community aspirations and desires in resource management. Under the proposed Bill, these connections are potentially lost.
- 5.5 Hamilton City Council views it as critically important that the Resource Management reform programme aligns closely with the other key reforms taking place (e.g., Three Waters; the Future for Local Government) and that it also aligns with other work programmes that have relevance to local government e.g., Climate Adaptation Plan; Emissions Reduction Plan; New Zealand Infrastructure Strategy etc.
- 5.6 Taken together, the combined effect of these reforms will result in a diminished role for local government.

6.0 SPECIFIC COMMENTS ON THE DRAFT BILL

6.1 SECTION 5: PURPOSE OF THE NEW ACT

- 6.2 Hamilton City Council supports an integrated approach to environmental management and land use planning. Broadly speaking, the purpose appears to reflect the Government's objectives for the Resource Management reform programme.
- 6.3 We support officials continuing to work with Iwi, hapū and Māori groups on the concept of Te Oranga o te Taiao (a concept intended to express the intergenerational importance to Māori of environmental wellbeing). This should include consideration of how the concept will work in practice and whether the provisions of the Natural and Built Environments Act (NBA) will sufficiently ensure that Te Oranga o te Taiao is upheld.
- 6.4 We broadly agree that introducing environmental limits is likely to improve outcomes for the

natural environment and support the intent behind shifting from managing adverse effects to promoting outcomes for the benefit of the environment.

- 6.5 The requirements to meet environmental limits and promote outcomes for the benefit of the environment and to manage adverse effects on the environment raise some concerns around whether the NBA will ultimately satisfy the Government's reform objective of improving system efficiency and effectiveness and reducing complexity.
- 6.6 A new purpose provision does mean that the suite of case law developed under the Resource Management Act in relation to its purpose and supporting provisions will be lost. We anticipate that there is potential for a number of costly, lengthy and time-consuming arguments to test the meaning of the purpose of the NBA, which will likely involve and impact on local government. Central government should, as part of its resourcing of the implementation of the new system, commit funding to participating in early litigation as an interested party.
- 6.7 The shift from managing adverse effects to complying with environmental limits and promoting outcomes for the benefit of the environment will require a change in culture. Resourcing of capability building within local government will be needed i.e., guidance, training etc.
- 6.8 There will be a need to educate consent applicants of the changes to the system. Local government will likely play a significant role in that, so should therefore be supported and resourced by Central Government to carry out that role.
- 6.9 **SECTIONS 9 - 17: NATIONAL PLANNING FRAMEWORK**
- 6.10 Hamilton City Council is of the view that a consolidated national direction will be useful, as well as resolving conflicts between existing and new forms of national direction, via the National Planning Framework (NPF).
- 6.11 We suggest amending Section 13(3) to make it clear that the NPF should include guidance on how to resolve conflicts between environmental limits and outcomes (although this will depend on part on the view that is reached around whether a hardline position should be adopted with environmental limits or not).
- 6.12 There is a need to clarify whether the provisions for resolving conflicts referred to in Section 13(3) are about the NPF providing direction around how to resolve conflicts or setting out a process to work through for resolving conflicts in plans, or both.
- 6.13 It remains to be seen whether the NPF actually adequately addresses the issue of how to resolve conflicts between outcomes (and conflicts between environmental limits and outcomes - if the view is that this position should be adopted). However, we agree that it should include guidance of this kind.
- 6.14 **What is not yet clear is what role local government will play in developing the NPF.** There needs to be proper/meaningful engagement with and input from local government on the creation of new national direction and evaluation and alignment of existing national direction, given local government's role in giving effect to national direction. What is not clear is what roles and functions will still sit with constituent local authorities versus Planning Committees i.e., policy functions, compliance/monitoring/enforcement functions, etc.
- 6.15 Working with local government on the development of the NPF will also assist the Minister for the Environment to understand the new national direction that should be prioritised on the basis that it will most assist/support with preparing NBA Plans (and Regional Spatial Strategies).
- 6.16 When developing the NPF, there is an opportunity to work with local government to identify what national direction will and will not work well across New Zealand. For example, Simpson

Grierson's opinion for LGNZ suggests that national direction on natural hazards would be useful across the country, but that national direction on biodiversity may not work well for all local communities.

- 6.17 Questions around timing and sequencing need to be addressed. For example, when is work on the NPF likely to commence? What is the intention around sequencing of having the NPF in place prior to undertaking work on developing NBA plans and Regional Spatial Strategies?
- 6.18 Consequently, any early signals of any existing national direction that the Minister for the Environment intends to change would be helpful.
- 6.19 The process for developing and amending the NPF needs to be made clear, particularly given the significant amount of power that the Minister for the Environment has to set the direction. It is important that there are not constant changes to the NPF that necessitate changes to NBA Plans (and Regional Spatial Strategies).
- 6.20 We have concerns around the Ministry for the Environment's capacity to review and align existing national direction and to develop a significant amount of new national direction, particularly given that the history of the Resource Management Act is such that national direction has not been particularly well utilised, or consistent where it has been created.
- 6.21 The NPF needs to be reflective of/consistent with other significant plans in development that will impact on local government and communities, including the Climate Change Emissions Reduction Plan and the Climate Change National Adaptation Plan.
- 6.22 To address this, the NPF should be a single, consolidated document/portal/tool containing all national direction.
- 6.23 We support the NPF being made as Regulations, as this provides some scope for scrutiny, which does seem important given the significant amount of power the Minister for the Environment has to set national direction.
- 6.24 We question what arrangements will be put in place to ensure that national direction is given effect to on the ground. Will the monitoring system cover all of the broad areas referenced in Section 8?

7.0 ASPECTS HAMILTON CITY COUNCIL SUPPORTS

7.1 SECTION 6: TE TIRITI O WAITANGI

- 7.2 Hamilton City Council supports the approach of 'giving effect' to the principles of Te Tiriti, and the greater, more strategic role that is envisaged for Māori in the new system.
- 7.3 The shift from 'take into account' under the Resource Management Act to 'give effect to' will require a change in culture/approach. This needs to be supported and resourced through the likes of training, guidance etc. by Central Government.
- 7.4 We support the Resource Management Review Panel's recommendation that direction should be provided on how to give effect to the principles of Te Tiriti. This guidance will need to acknowledge the time it takes to ensure meaningful participation by mana whenua in decision-making processes and should not lose sight of the varied practices across the country in terms of what works for engagement with mana whenua.
- 7.5 We support the Minister for the Environment's view (in a Cabinet paper dated 14 December 2020) that this guidance should be included in the NBA itself (and not national direction, as recommended by the Review Panel). Inclusion of the guidance in the NBA gives it greater legal status and protection.
- 7.6 Resourcing to support Māori to engage meaningfully in the new system will be critical. Local government will also need resourcing/support to build its capability and capacity to effectively

engage with Māori.

- 7.7 The requirement to 'give effect' to the principles of Te Tiriti must be reflected in the balance of the drafting of the Bill. A role for mana whenua in Planning Committees/developing NBA Plans is an important first step. However, the important part will be in the detail in terms of what the governance and decision-making arrangements are and how these get supported and resourced.
- 7.8 **SECTION 7: ENVIRONMENTAL LIMITS**
- 7.9 Hamilton City Council broadly agrees that environmental limits have the potential to improve outcomes for the natural environment.
- 7.10 However, how effective and workable environmental limits will be remains to be seen. Again, the critical aspects will be in the detail that is still to be developed.
- 7.11 The need to comply with environmental limits needs to be balanced against the need for development. It still remains to be seen through the NPF whether there is any scope to 'budge' on environmental limits, particularly where doing so would promote other outcomes.
- 7.12 However, it does seem reasonably clear from Section 7(6) that the intent is that there must be compliance with environmental limits. Guidance around the process for the setting of environmental limits is important, given that a significant amount of power to set environmental limits sits with the Minister for the Environment. We assume that this guidance will be set out in Schedule 1 of the NBA.
- 7.13 Environmental limits will need to be workable. This goes to the point of it being important that central government partners with local government on the development of the NPF.
- 7.14 Limits should be flexible enough to provide different levels of environmental protection for different circumstances and locations.
- 7.15 Urban growth issues and development requirements, specifically those required in the National Policy Statement - Urban Development, set ambitious outcomes for cities to deliver on catering for growth. These requirements need to be considered when developing environmental limits, noting that any contradictions between these and the Government's ambitions for growth may provide confusion and complexity to the planning and development process.
- 7.16 The Exposure Draft references the need to draw on a range of sources, including science and Mātauranga Māori to set environmental limits. We agree with this and note that local government knowledge as the implementer of national direction should be drawn upon.
- 7.17 We have concerns around the ability for qualitative limits to be set. These will be more difficult to demonstrate compliance with than quantitative limits.
- 7.18 There are a number of unresolved questions that will need to be addressed in the balance of the drafting of the NBA and the NPF: how the limits integrate with one another; whether there can be any exceptions to complying with limits; which limits are prioritised; and what happens where there are conflicts between limits.
- 7.19 The process for a Planning Committee setting an environmental limit needs to be clear and workable. This should be developed in conjunction with local government/planning committees (this process would sit in the NPF - yet to be drafted).
- 7.20 There is a definite question around whether there is sufficient science/data available (and/or investment in this) to set environmental limits that will be workable, and to assess whether consent applications will meet environmental limits and monitor compliance with them.

7.21 **SECTION 8: ENVIRONMENTAL OUTCOMES**

- 7.22 Hamilton City Council notes that the requirement to promote outcomes for the benefit of the environment will require a shift from current approach/culture of managing adverse effects under the Resource Management Act.
- 7.23 The list of 16 outcomes includes a balanced mix of outcomes focused on environmental protection and enabling use and development. However, the list of outcomes is not prioritised. Spelling out a raft of outcomes does not make them compatible or deliverable.
- 7.24 Sections 6 and 7 of the Resource Management Act have been criticised for being a long 'shopping list' of matters to consider. Section 8, as currently drafted, is likely to be seen as 'much the same'.
- 7.25 Although it is envisaged that the NPF and NBA Plans will help to resolve conflicts between outcomes, it is inevitable that there will be lengthy, costly and time-consuming arguments about how to resolve conflicts. Not all conflicts will be able to be anticipated and resolved in advance.
- 7.26 Guidance around how to resolve conflicts will be important and should be 'road-tested' with local government/Planning Committees so as to be workable.
- 7.27 We note that only 9 of the 16 outcomes are currently required to be set out in the National Direction (Section 13(1)).
- 7.28 It is good to see specific outcomes around climate change. It is important that there are links in the NPF with the Climate Change Emissions Reduction Plan and the National Adaptation Plan to support the promotion of these outcomes.
- 7.29 On the outcome around greenhouse gas emissions, tools to support the measuring and monitoring of emissions associated with resource consent applications, and nationally consistent frameworks for assessing emissions as part of consenting decisions, will be important.

8.0 ISSUES AROUND INTERPRETATION

- 8.1 Hamilton City Council notes that how well the NBA meets the objectives of the Resource Management Reform Programme will depend in large part on the drafting of the balance of the Bill and what the arrangements are for transition and implementation (including how this is resourced).
- 8.2 Based on what is included in the Exposure Draft, we are not yet convinced that we are going to end up with a system that is more efficient and less complex than what we have now.
- 8.3 The key to whether the objective of retaining appropriate local democratic input is achieved is ensuring that the new system appropriately takes account of the significant local variation that exists within regions (especially in NBA Plans) and the further work that is still to be done around membership and roles/functions of Planning Committees (plus the roles and functions of constituent local authorities).
- 8.4 **SECTION 18: IMPLEMENTATION PRINCIPLES**
- 8.5 Hamilton City Council notes that Section 18(c) is somewhat vague. For example, what does public participation that is "*important to good governance*" and "*proportionate to the significance of the matters at issue*" actually mean?
- 8.6 Section 18(d) is very contingent on what gets worked out around governance arrangements and how mana whenua is supported to meaningfully engage with the new system. There is a need to think through the mechanisms available for mana whenua input beyond just having representation on Planning Committees, and how their input is facilitated/supported.

- 8.7 There appears to be a lack in the Implementation Principles around timely, efficient and proportionate processes (something akin to Section 18A of the RMA). We suggest that this be included.
- 8.8 Resourcing to support implementation (and transition) is going to be vital. Local government needs to be closely engaged on not just legislative design, but also implementation and transition arrangements. The change in culture that will be needed is going to be a big factor in the success of implementation.
- 8.9 Timing and sequencing will be key to implementation - this needs to be worked through carefully.
- 8.10 There is a need to think through how NBA Plans will integrate with other parts of local government work programmes and related central government work programmes e.g., Long Term Plans, the New Zealand Infrastructure Strategy etc.
- 8.11 There needs to be clear messaging to local government around how it should be managing existing District Plan review processes now in light of the eventual shift to the new system.
- 8.12 **SECTIONS 19 - 21: REQUIREMENT FOR NATURAL AND BUILT ENVIRONMENT PLANS**
- 8.13 Hamilton City Council notes that the transition from over 100 planning documents to 14 NBA Plans is not an insignificant undertaking. The transition needs to be carefully considered and properly resourced (noting that Government should not lose sight of the significant time and money that has been spent on developing existing plans).
- 8.14 We agree that in principle a single Regional Plan will likely be easier for users of plans, but the complexity of developing (and potentially navigating/using) Regional Plans should not be underestimated.
- 8.15 Consistency across regions on some matters may be desirable, although it is likely that there will be plenty of matters on which local variation needs to be properly reflected.
- 8.16 Sequencing and resourcing need to be worked through with local government. The relationship between NBA Plans and Regional Spatial Strategies will be important and needs to be clarified.
- 8.17 Consideration of the fact that specialised expertise currently sits across both regional, city and district councils needs to be taken into account. A process to utilise these resources in the development of regional plans is critical, noting that essentially combining Regional Policy Statements, Regional Plans, and District Plans requires comprehensive understanding of the areas to which they will apply.
- 8.18 Thinking about the entity or people that will actually carry out the work of writing these plans is critical. Do these experts sit at Central or Local Government Level, do they get moved to a new entity, and do they need to be co-located?
- 8.19 There is a need to consider what happens to existing plan making processes and when e.g., at what point do we transition from existing plans that are in various stages of development to new plans?
- 8.20 There is also a need to consider how existing consents/designations and consent/designation applications get dealt with in terms of timing and transition to the new system.

9.0 PROCESS ISSUES

- 9.1 **SECTIONS 23 - 25: PLANNING COMMITTEES**
- 9.2 Hamilton City Council notes that there is still a considerable amount to be worked out in terms of membership of Planning Committees and governance arrangements. This needs to be done in close partnership with local government. The same goes for working on how Planning

Committees get resourced, and what the roles and functions of Planning Committee secretariats are (versus what roles remain within constituent councils).

- 9.3 The process for Planning Committees setting environmental limits will need to be clearly set out and should be 'road-tested' with a Planning Committee.
- 9.4 Clarity is required around what role the Joint Committee plays in terms of consulting with the public before developing plans/prior to the plans being referred to an independent hearings panel. The drafting of plans will need to have some level of public input if local priorities are to be properly reflected, but the roles the Planning Committees play in that regard versus constituent local authorities needs to be worked through.
- 9.5 We support the inclusion of Section 24(4) for the sake of clarity and certainty. What is not yet clear, and remains to be seen, is whether the Planning Committee approach will result in more agile and efficient plan-making processes.
- 9.6 There is a need to clarify the mechanisms through which constituent local authorities will be able to have input into the drafting of NBA Plans prior to their referral to an Independent Hearings Panel, and the extent of that input.
- 9.7 There is also a need to clarify whether a territorial authority can submit on a Combined Plan once it has been referred to the Independent Hearings Panel.
- 9.8 We would like clarification as to whether Independent Hearings Panels will be resourced and supported by Planning Committee secretariats.
- 9.9 It would appear that the Exposure Draft has not included the Resource Management Review Panel's recommendation of the Ministry for the Environment carrying out an audit of NBA Plans prior to their referral to an Independent Hearings Panel. If there is intent to include this in the balance of the drafting, Hamilton City Council would encourage officials not to do so.
- 9.10 We have concerns about the Ministry for the Environment's capacity to audit Regional Plans, and question what value that would add if plans are being audited on a national basis by people that don't necessarily have understanding of local circumstances. We do not think that the Ministry for the Environment's audit is consistent with the objective of a system that is more efficient and less complex.
- 9.11 There is likely to be issues of where legal challenges are brought that relate to NBA Plans. Should such challenges be brought against Planning Committees or constituent local authorities? How would this work in terms of liability? And what happens where a constituent local authority wants to challenge a Planning Committee's decision, but is represented on that Planning Committee?
- 9.12 In regard to Section 24(2)(d), guidance in the NPF around where it is appropriate for conflicts to be resolved by plans or on a case-by-case basis through consents or designations would help and provide consistency.
- 9.13 Can a Planning Committee direct a constituent local authority to undertake work on its behalf? If so, there may need to be some mechanisms to manage workflows/some boundaries around what work a Planning Committee can direct a local authority to do.
- 9.14 Members of Planning Committees will need governance support from their constituent local authority, but it clearly remains to be seen what this support will look like.
- 9.15 **SCHEDULE 3 - PLANNING COMMITTEES**
- 9.16 Hamilton City Council notes that considerable detail around Planning Committees is still to be worked through, which needs to happen in close partnership with local government.
- 9.17 We support the local government representatives on Planning Committees being elected

members, given they are democratically accountable to their communities. However, it needs to be clear on what the mechanisms are for ensuring that those members are supported by their constituent local authority, and what the mechanisms for broader input from councils are.

- 9.18 One of the key issues is what functions sit with Planning Committees versus constituent local authorities. For example, it is still not clear what role individual councils would play in terms of policy making and engagement with their constituent communities to inform the development of NBA Plans by Planning Committees.
- 9.19 It is not yet clear what funding central government and/or mana whenua would contribute towards the resourcing of Planning Committee secretariats (if any). This requires clarification.
- 9.20 If central government is going to play a more active role in regional planning, work needs to be undertaken to improve central and local government relationships. It is important that central government representatives that participate in regional planning exercises have a very good understanding of local/regional circumstances.
- 9.21 It is not clear how the Planning Committees working on NBA Plans will link with committees working on Regional Spatial Strategies. Will there be an overlap of membership and will both committees have the same secretariat?
- 9.22 Councils will likely need new delegations to give their representative(s) the necessary authority to participate in Planning Committees.
- 9.23 Arrangements for consultation with affected communities are still unclear, so it is difficult to say to what extent the objective of retaining appropriate local democratic input will be met.
- 9.24 While accepting that the larger a Planning Committee is the more unwieldy it may be/more likely it is that planning will become inefficient and complex, there will not be appropriate local democratic input if there isn't representation of each constituent local authority on the Planning Committee.

10.0 IMPLEMENTATION

- 10.1 Hamilton City Council notes that transition and implementation are key issues for local government, which needs to be closely engaged on what the transition and implementation arrangements look like. Transition and implementation need to be properly resourced.
- 10.2 Transitioning to the new system is going to require a change in ways of working for local government. Central government has a role to play in resourcing and supporting some of this, including guidance, training etc.
- 10.3 Timing and sequencing of the various component parts of the new system (and what happens with the existing system) will be key to a successful transition.
- 10.4 Hamilton City Council notes that significant detail is yet to be delivered on resource consents, designations, enforcement and other implementation matters and that these are critical matters to be resolved to ensure the Bill can be effectively delivered.

11.0 NEXT STEPS

- 11.1 Hamilton City Council notes that engagement with local government on the Resource Management reform package needs to improve, given the significant role local government will play in the new system. To date, engagement has been limited and ad hoc.
- 11.2 **OPPORTUNITIES FOR IMPROVING SYSTEM EFFICIENCIES AND REDUCING COMPLEXITY**
- 11.3 On the basis of what is currently set out in the Exposure Draft, Hamilton City Council is not convinced that the reform objective of improving system efficiency and effectiveness and reduce complexity will be met. However, judgements on efficiency, effectiveness and

complexity will be easier to make once the balance of drafting of the actual Bill is available and once there is more clarity around arrangements and resourcing for transition and implementation.

- 11.4 We agree in principle that consistent use of digital tools will likely be helpful for achieving system efficiencies, but it will be important that these systems integrate - across e-planning, consenting, property systems, monitoring etc. Such systems will need to be properly resourced.

12.0 OVERALL REVIEW OF FIRST DRAFT AND FURTHER COMMENTS

12.1 SECTION 22: CONTENTS OF PLANS

- 12.2 In regard to Section 22(2), Hamilton City Council suggests that it probably makes more sense for this section to state that a plan “must” instead of “may” include specified matters as currently drafted. This will help ensure consistency and avoid arguments about plan content.
- 12.3 There appears to be recognition of the need for matters of significance to each district to be provided for, given the differences of individual districts. However, what is key is what the governance arrangements look like, what opportunities there are for public input into plan making, and what role each constituent local authority continues to play in terms of policy making.
- 12.4 There is a lot to be resolved in terms of what the roles and functions of constituent local authorities, particularly around policy-making and public consultation to inform the development of NBA Plans.
- 12.5 The Exposure Draft sets out an expectation that Iwi Management Plans will be used in the preparation of NBA Plans, but that is not yet clear from the drafting of Section 22.
- 12.6 On the issue of plan agility, we note that plan making that removes or restricts de novo Environment Court appeals/merit-based challenges would be a step in the right direction; removing recourse to the Environment Court on policy matters would help to speed up the process.
- 12.7 One substantive matter to be determined is whether or not there will be an ability to carry through any provisions that have been developed through existing plan making processes without reopening them up for debate, or is the intention that development of NBA Plans is to begin with a 100 percent ‘blank canvas’? The significant amount of time and money that has been spent on making and reviewing existing plans should not be overlooked.
- 12.8 There appears to be an intent that regions can promote outcomes in addition to Section 8 outcomes, provided that Section 8 outcomes are satisfied in the plans. However, this will potentially create further conflicts between outcomes.
- 12.9 We support the intention to develop a model NBA Plan with one or two regions.

13.0 FURTHER INFORMATION AND HEARINGS

- 13.1 Should the Parliament’s Environment Committee require clarification of Hamilton City Council’s submission, or additional information, please contact **Luke O’Dwyer** (City Planning Manager) on 07 838 6418 or email luke.o’dwyer@hcc.govt.nz in the first instance.
- 13.2 Hamilton City Council **does wish to speak** in support of this submission at the Environment Committee hearings.

Yours faithfully

Richard Briggs
CHIEF EXECUTIVE

Council Report

Committee: Strategic Growth Committee **Date:** 29 July 2021
Author: Ben Scott **Authoriser:** Blair Bowcott
Position: Programme Manager - Housing **Position:** General Manager Growth
Report Name: Fairfield-Enderley Urban Development Partnership

Report Status	<i>Open</i>
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Purpose - *Take*

1. To inform the Strategic Growth Committee on the proposed Fairfield-Enderley Urban Development Partnership.
2. To seek approval from the Strategic Growth Committee on the proposed scope of works and partnership approach to deliver the Fairfield-Enderley Urban Development Partnership.
3. To seek approval from the Strategic Growth Committee to include the initiative as a work stream reporting to the District Plan Committee.

Staff Recommendation - *Tuutohu-aa-kaimahi*

4. That the Strategic Growth Committee:
 - a) receives the report;
 - b) approves the scope of work for the Fairfield-Enderley Urban Development Partnership; and
 - c) notes the Fairfield-Enderley Urban Development Partnership is aligned with the area plan being developed through the District Plan Committee and regular updates will be reported via that Committee.

Executive Summary - *Whakaraapopototanga matua*

5. Kāinga Ora and Council staff are currently working to establish a Fairfield-Enderley Urban Development Partnership (the Partnership) consisting of iwi and mana whenua, community, local and central government, and other stakeholders, to develop a programme that aims to achieve outcomes that meet the aspirations of the community.
6. The Fairfield and Enderley area provides significant opportunity for an urban development programme; it has a passionate and well-connected community, is well situated – being in close proximity to the central city, close to local services and transport links – and provides significant opportunity to benefit from the neighbouring Ruakura development.
7. Kāinga Ora owns many homes in the area which presents an opportunity to significantly increase the number of warm, dry, public and affordable homes, to help meet the demand across the public and affordable housing continuum in Hamilton.

8. The scope of works detailed in the attached Project Plan (**Attachment 1**) is focused on a six-month establishment phase of the partnership, concluding with the delivery of the Fairfield-Enderley Urban Development Plan. This plan will provide the framework for a long-term programme of housing and urban development initiatives to be launched in February 2022 with the ongoing commitment from the partnership and stakeholders.
9. The Partnership will also support the establishment of an over-arching, community-led programme of sustainable development initiatives which align with the [Waikato Wellbeing Project](#). This is considered critical to the enduring wellbeing of our Fairfield and Enderley communities and will drive the culturally responsive systemic changes these communities need to thrive.
10. Staff recommend that the Strategic Growth Committee approve the scope of works and partnership approach to deliver the Fairfield-Enderley Urban Development Partnership, and note the initiative aligned with the area plan being developed through the District Plan Committee as a work stream reporting to the District Plan Committee.
11. The Strategic Growth Committee will receive regular updates via the General Manager's Report, and other reports when appropriate.
12. The Fairfield and Enderley areas are included in one of the expressions of interest to be submitted to the Government's Infrastructure Acceleration Fund (IAF). A separate Infrastructure Acceleration Fund report which summarises the application is included in the 29 July 2021 Strategic Growth Committee agenda.
13. Staff consider the decisions in this matter have low significance and that the recommendations comply with the Council's legal requirements.

Background - *Koorero whaimaarama*

14. The Strategic Growth Committee resolved to approve the [Housing Strategy and Action Plan](#) (the Housing Strategy) at its [30 March 2021](#) meeting. The Housing Strategy sets our vision that every person in Hamilton Kirikiriroa is well-housed, living in sustainable, flourishing, and connected communities. This is about making sure all Hamiltonians can live in good quality homes that they can afford.
15. Being 'well-housed' in a decent home reflects the agreed global status of adequate housing as a human right. It emphasises that a home is more than a house and that values such as whanaungatanga (kinship), kaitiakitanga (stewardship), manaakitanga (respect), dignity, decency, fairness, equality, freedom, wellbeing, safety, participation, partnership, community and responsibility are embodied in the right to a decent home. These values are consistent with Te Ao Māori and the Māori and Iwi Housing Innovations Framework for Action (MAIHI).
16. Four goals provide a high-level focus for working towards the vision:
 - i. Hamilton Kirikiriroa has a well-functioning housing system.
 - ii. Our homes are good quality and protect the health and wellbeing of our people.
 - iii. Our homes meet the diverse needs of our communities.
 - iv. Our housing system and urban form supports sustainable, resilient, and connected communities.
17. The Strategy also provides a framework for our Housing Action Plan. It acknowledges the important role Council plays in the housing eco-system in the drive towards ensuring all Hamiltonians are well-housed.

18. There are three key actions that pertain to the purpose of this report:

- Action 3:** Undertake changes to the District Plan in parallel with National Policy Statement – Urban Development (NPS-UD) intensification changes. Changes will include investigating how the District Plan can best achieve the outcomes identified in this Strategy.
- Action 10:** Develop a precinct plan for Enderley in partnership with Kāinga Ora and the community.
- Action 11:** Collaborate with the Ministry of Housing and Urban Development and Kāinga Ora to assist with the delivery and implementation of central Government's [Public Housing Plan 2021-2024](#).

Kāinga Ora

19. The vision of Kāinga Ora – Homes and Communities (Kāinga Ora) is to build better, brighter homes, communities and lives. To best meet the aspirations of the communities it serves, Kāinga Ora's place-based approach brings together functions dedicated to service delivery, customer and community engagement and regional planning in Hamilton and Waikato.
20. The Government's Public Housing Plan sets out the public housing supply intentions for 2021-2024 with a build target of an additional 540-640 public homes and 70-320 transitional homes in the Waikato region, to be completed by June 2024. To achieve these targets, Hamilton has been identified as a priority area for development.
21. Kāinga Ora owns approximately 800 homes in the Fairfield and Enderley area, most of which are older houses, on large sites that do not meet the area's demand profile. The significant land holdings in the area provide a significant opportunity to increase the number and quality of homes across the public and affordable housing continuum, as well as contribute to the building of sustainable and thriving communities.
22. Demand for public housing in Hamilton continues to grow, with an MSD Housing Register of 1568 households in Hamilton as at April 2021. As at June 2021, there were 611 adults and 677 children living in emergency housing. There is also a significant shortfall of affordable homes in Hamilton, as identified in the [Waikato Regional Housing Initiative 2018 Housing Stocktake](#).

Fairfield and Enderley

23. Fairfield and Enderley are mostly residential suburbs, but they also include a significant sports facility at Porritt's Stadium and a wide variety of retail at Five Cross Roads, Davies Corner, Heaphy Terrace, and nearby Chartwell Shopping Centre.
24. Situated less than 3km from the Central City, with frequent bus services and local amenity, Fairfield and Enderley offers a fantastic opportunity to reimagine brownfield and infill developments at scale, increasing community connectedness and improving the wellbeing of some of most vulnerable communities in Aotearoa.
25. With an estimated 14,000 residents, (8% of Hamilton's population), the Fairfield and Enderley communities have a much higher proportion of Māori (42%) and Pasifika peoples (12%) living in the area compared to the Hamilton city averages (23.7% and 6.1% respectively). The median household income is approximately \$20,000 less than the Hamilton city median (\$74,000) and 34% of residents own their own home, compared to 44% across the city (source: 2018 Census).
26. Given its close proximity, the Ruakura priority development area will provide significant employment and economic development opportunities for the Fairfield and Enderley communities. Waikato-Tainui and Tainui Group Holdings (TGH) are key partners for the developments of Ruakura and the 490ha Superhub precinct, anchored by a 30ha inland port.

Discussion - *Matapaki*

Fairfield-Enderley Urban Development Partnership

27. The purpose of the attached project plan (**Attachment 1**) is to outline the approach to developing a place-based housing and urban development programme within the Fairfield and Enderley communities, that will be led by a partnership between community, iwi, mana whenua and local and central government.
28. The project plan details the proposed geographical scope of the Partnership, community and housing and urban form outcomes, the partnership structure, delivery responsibilities and resources required.
29. The Partnership will also support the establishment of an over-arching, community-led programme of sustainable development initiatives which align with the [Waikato Wellbeing Project](#). This is considered critical to the enduring wellbeing of our Fairfield and Enderley communities and will drive the culturally responsive systemic changes these communities need to thrive.

Geographical area

30. The Partnership area boundaries are mostly defined by Comries Road to the north and the Claudelands rail line to the south, Wairere Drive to the east and Heaphy Terrace to the west (see Appendix 1 of the Project Plan).

Partnership Structure and Delivery

31. The Project will be led by a Kaitiaki Group and co-ordinated by a project team, managed collaboratively by Kāinga Ora and Council staff (membership to be determined).
32. The Kaitiaki Group will be made up of executive and senior staff representatives. The group will be responsible for providing governance to the Partnership and has overall responsibility for delivery of the Partnership Plan.
33. Kāinga Ora and Council will have the following responsibilities:

Kāinga Ora

- i. Provide project management and co-leadership of the Partnership in collaboration with HCC, iwi and mana whenua, community and other stakeholders that will develop a plan to deliver on the above outcomes.
- ii. Facilitate, where possible, an all-of-government response to the development and delivery of the plan.
- iii. Provide communications and engagement resources, including financial resources (TBD what level), and the provision of key insights and data to support and inform the Partnership.
- iv. Develop an Area Plan within the Fairfield-Enderley geographical area which can then inform, where possible, plan provision drafting in line with the National Policy Statement – Urban Development. The provision of planning and urban design specialists is also required.
- v. Lead the development of an Investment Plan which details the design, financing and staging of the Fairfield-Enderley Urban Development Partnership. (It is expected that the majority of investments in the plan will be funded by Kāinga Ora).
- vi. Implement the parts of the plan in its scope, and that it has agreed to fund; this will likely be related to engagement around housing and placemaking infrastructure; Kāinga Ora will also facilitate implementation commitments from other government departments where possible.

Hamilton City Council

- i. Provide project management and co-leadership of the Partnership in collaboration with Kāinga Ora, iwi and mana whenua, community and other stakeholders that will develop a plan to deliver on the above outcomes.
 - ii. Provide communications and engagement resources, and the provision of key insights and data to support and inform the Partnership.
 - iii. Collaborate with Kāinga Ora on the development of an Area Plan, ensuring mutually beneficial recommendations, and consistency with the wider NPS-UD District Plan Change Programme.
 - iv. Lead the development of an appropriate planning and regulatory framework through changes to the District Plan and streamlining the Council consenting processes.
 - v. Implementation of the parts of the plan in its scope, and that it has agreed to fund.
34. Staff are currently conducting high level infrastructure assessments including transport, three waters, and social and community infrastructure. The outcomes of these assessments will support Kāinga Ora in the development of the Investment Plan.
 35. It is anticipated that a significant investment in infrastructure will be required to enable greater urban density and improved community outcomes. The 2021-31 Long Term Plan does not include this likely level of investment in this area.
 36. The Government's recently announced Infrastructure Acceleration Fund (IAF) is designed to allocate funding (in the form of a grant) to deliver infrastructure that unlocks housing development in the short to medium term, targeting specific housing outcomes which are consistent with the outcomes of this report.
 37. A separate Infrastructure Acceleration Fund report is included in the 29 July 2021 Strategic Growth Committee agenda. Within this report, one of the expressions of interest to be submitted to the IAF will be for the wider Ruakura-Enderley/Fairfield area, to fund qualifying infrastructure to support accelerated delivery of more housing in this area.
 38. The recommendations support the Council's Housing Strategy and Action Plan.

Financial Considerations - *Whaiwhakaaro Puutea*

39. Council's responsibilities, as outlined in **Attachment 1**, are funded by existing operational budgets.

Legal and Policy Considerations - *Whaiwhakaaro-aa-ture*

40. Staff confirm that the staff recommendations comply with the Council's legal and policy requirements.

Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga*

41. The purpose of Local Government changed on 14 May 2019 to include promotion of the social, economic, environmental and cultural wellbeing of communities in the present and for the future ('the 4 wellbeings').
42. The subject matter of this report has been evaluated in terms of the 4 wellbeings during the process of developing this report as outlined below.
43. The recommendations set out in this report are consistent with that purpose.

Social

44. Housing is both an important determinant of the standard of living and a significant portion of household budgets. Individuals and families experiencing housing stress spend significant time addressing immediate needs, rather than investing their time and energy into the local community.
45. As well as being important for individuals, housing is an important component of communities and directly affects key aspects such as education, health, the strength of community networks, safety and connectedness.
46. Social wellbeing will be improved overall by reducing household stress, and specifically through the delivery of housing that supports connected communities and better placemaking across Fairfield and Enderley.

Economic

47. Housing affordability is a significant issue in the Waikato, with Hamilton being the third least affordable housing market in New Zealand, behind Auckland and Tauranga. Housing costs are often a significant portion of household spending, with 30% of income spent on housing viewed as one threshold for affordability.
48. Addressing housing affordability through an urban development partnership will improve the Council's ability to target this issue. Increasing the affordability of housing in Fairfield and Enderley will have a significant positive effect on housing costs, which are a significant portion of household's budgets.
49. Enabling a greater range of housing in urban areas through changes to the District Plan, as well as providing greater support for the community housing sector are ways that the Housing Strategy supports an increase in affordable housing.

Environmental

50. The Partnership will encourage and facilitate an increase in sustainable housing in Hamilton, for example a specific focus on healthy sustainable homes. Intensification also typically enables walkability and encourages public transport use. Enhancing the biodiversity of our urban environments, where possible, is also a key outcome for the Partnership.

Cultural

51. The Partnership supports the outcomes and aspirations of the He Pou Manawa Ora – Pillars of Wellbeing strategy and Te Maihi o te Whare Māori – the Māori and Iwi Housing Innovation Framework for Action (MAIHI).
52. It is acknowledged that Māori are over-represented in negative social statistics. An example of this is that Māori represent approximately 20% of the Waikato population, but 46% of MSD's social housing waiting list and approximately 60% of Hamilton Christian Night Shelter guests. Further, Māori and Pacific peoples have lower household ownership relative to the general population.
53. Regarding the link between housing and health, the Waikato DHB notes in its [2019 Housing Position Statement](#):

"The high cost of housing is leading to household crowding, increased risk of infectious disease transmission, and increased rates of homelessness... In particular, we acknowledge the effects that pressures on housing can have on Māori and other groups at higher risk of poor and inequitable health outcomes. These groups are likely to have higher negative health impacts related to housing e.g. higher rates of rheumatic fever. This could be in part due to Māori being more commonly affected by issues related to housing insecurity and overcrowding."

54. A focus on enabling housing that is culturally appropriate is incorporated into the Housing Strategy, as well as better understanding the demand for housing by Maaori. Increasing support for iwi / Maaori housing providers and supporting central government with its Public Housing Plan will also support better housing outcomes for Maaori.

Risks - *Tuuraru*

55. Significant investment in infrastructure which has not been planned for is required to achieve the outcomes of the Fairfield-Enderley Urban Development Partnership.
56. If the recommendations are not approved, Council will delay the delivery of housing outcomes and will not give effect to a key action in its recently adopted Housing Strategy.
57. There is a degree of reputational risk for Council given the national profile of the housing sector. There is some community expectation that Council will increase its work programme to further address housing need.
58. There is likely to be a level of public interest with the direction of the urban development plan as it is developed through a community-led approach. The Partnership will facilitate a significant level of participation and engagement with the community and key stakeholders to ensure the best possible outcomes are realised.

Significance & Engagement Policy - *Kaupapa here whakahira/anganui*

Significance

59. Staff have considered the key considerations under the Significance and Engagement Policy and have assessed that the matter(s) in this report has/have a low level of significance.

Engagement

60. Community views and preferences are already known to the Council through a range of avenues including the Housing Strategy and the 2021-31 Long Term Plan.
61. Given the low level of significance determined, the engagement level is low. No engagement is required.

Attachments - *Ngaa taapirihanga*

Attachment 1 - Fairfield-Enderley Urban Development Project Plan - 21 July 2021

PROJECT PLAN

Fairfield-Enderley Urban Development Partnership

The purpose of this project plan is to outline the approach to develop a place-based housing and urban development programme within the Fairfield and Enderley communities, that will be led by a partnership between community, iwi, mana whenua and local and central government.

Context/Background

Area

- For the Fairfield-Enderley Urban Development Partnership (The Partnership), the area boundaries are mostly defined by Comries Road to the north and the Claudelands rail line to the south, Wairere Drive to the east and Heaphy Terrace to the west (see Appendix 1).
- Fairfield and Enderley are mostly residential suburbs, but they also include a significant sports facility at Porritt's Stadium and a wide variety of retail at Five Cross Roads, Davies Corner, Heaphy Terrace, and nearby Chartwell Shopping Centre.
- Situated less than 3km from the Central City, with frequent bus services and local amenity, Fairfield and Enderley offers a fantastic opportunity to reimagine brownfield and infill developments at scale, increasing community connectedness and improving the wellbeing of some of most vulnerable communities in Aotearoa.
- With an estimated 14,000 residents, (8% of Hamilton's population), the Fairfield and Enderley communities have a much higher proportion of Maaori (42%) and Pasifika peoples (12%) living in the area compared to the Hamilton City averages (23.7% and 6.1% respectively). The median household income is approximately \$20,000 less than the Hamilton City median (\$74,000) and 34% of residents own their own home, compared to 44% across the city (source: 2018 Census).
- Given its close proximity, the Ruakura priority development area will provide significant employment and economic development opportunities for the Fairfield and Enderley communities. Waikato-Tainui and Tainui Group Holdings (TGH) are key partners for the developments of Ruakura and the 490ha Superhub precinct, anchored by a 30ha inland port. Ruakura is Waikato-Tainui's top economic priority to achieve tribal aspirations for their people from the 1995 Raupatu Settlement.
- While the inland port and related industrial and logistics activities remain the key thrust of the development, an updated master plan proposes to develop land known as the 'Tramway Block' immediately adjacent to Enderley and Hamilton's eastern edge, for mixed-use and residential activities at higher densities in a transit-oriented urban form.

Hamilton City Council

- Hamilton City Council's (HCC) [Housing Strategy](#) sets a vision that every person in Hamilton Kirikiriroa is well-housed*, living in sustainable, flourishing, and connected communities. This is about making sure all Hamiltonians can live in good quality homes that they can afford.
- The Housing Strategy provides a framework for HCC's Housing Action Plan, which includes *Action 10: Develop a precinct plan for Enderley in partnership with Kāinga Ora and the community.*
- There are a number of community, infrastructure and operations, and other initiatives identified in HCC's Long-Term Plan (LTP) in the Enderley and Fairfield area (see Appendix 3).

* Definitions of terms can be found in Appendix 2

- The National Policy Statement on Urban Development (NPS-UD) directs local authorities to enable greater supply and ensure that planning is responsive to changes in demand through a statutory plan change process.

Kāinga Ora

- Kāinga Ora – Homes and Communities' (Kāinga Ora) vision is to build better, brighter homes, communities and lives. In order to best meet the aspirations of the communities it serves, Kāinga Ora's place-based approach brings together functions dedicated to service delivery, customer and community engagement and regional planning in Hamilton and Waikato.
- The Government's [Public Housing Plan](#) sets out the public housing supply intentions for 2021-2024 with a build target of an additional 540-640 public homes and 70-320 transitional homes in the Waikato region, to be completed by June 2024. To achieve these targets, Hamilton has been identified as a priority area for development.
- Kāinga Ora owns approximately 800 homes in The Partnership area, most of which are older houses, on large sites that do not meet the area's demand profile. The significant land holdings in the area provides a significant opportunity to increase the number and quality of homes across the public and affordable housing continuum, as well as contribute to the building of sustainable and thriving communities.
- Demand for public housing in Hamilton continues to grow, with an MSD Housing Register of 1568 households in Hamilton as at April 2021. As at June 2021, there were 611 adults and 677 children living in emergency housing. There is also a significant shortfall of affordable homes in Hamilton, as identified in the [Waikato Regional Housing Initiative 2018 Housing Stocktake](#).

Project Outcomes

Below are the *proposed* outcomes of the project, which would be agreed to by the Kaitiaki Group.

Community

- Communities and stakeholders of Fairfield and Enderley are empowered to engage and contribute to the ongoing design and delivery of a community-led, place-based housing and urban development programme.
- Mana whenua aspirations and the right to self-determine better housing and urban development solutions for iwi and Māori are reflected and, where appropriate, enabled.
- Enabling enhanced housing and community outcomes, amenity and assets which support sustainable, resilient and connected communities.
- Alignment with the desired outcomes of HCC's Housing Strategy, Future Proof, Metro Spatial Plan, Hamilton Urban Growth Strategy, Waikato Housing Initiative and other relevant strategic plans and key government partners are reflected, and where appropriate, enabled.
- Enabling a proactive approach to the placement of public housing customers within the additional stock designed to support customers to live well in their homes, while contributing to improved community outcomes, including an improvement in community safety through the management of public housing concentrations in specific areas.
- Enabling improved multi-modal transport connectivity, with a specific focus on the employment, health and education zones within the city, Ruakura, the hospital and the University (including the Eastern Pathways project).

- Contributing to the employment, economic and/or educational outcomes of the people of the area through the development and delivery of the project (including social procurement).
- Improving the engagement, trust and confidence of Kāinga Ora and HCC with the key community stakeholders involved in the project, including improving the understanding of community expectations.
- Establishment of an over-arching, community-led programme of sustainable development initiatives which align with the [Waikato Wellbeing Project](#)*.

Housing and Urban Form

- Enhanced community housing outcomes are enabled through a significant increase in the number and quality of housing stock within the area, across the public and affordable housing continuum.
- A range of environmental enhancements are enabled that will contribute to the longer-term environmental regeneration of the area.
- Enabling a more intensive urban redevelopment plan for the Kāinga Ora-owned land across the public and affordable housing continuum.
- Targeting a substantial increase in the number of Kāinga Ora-owned homes split across the public and affordable portfolio to assist in easing the current unprecedented pressure on the supply of this type of housing. The scale of the increase will be identified as part of the urban development plan.
- A staged redevelopment work programme that maximises community engagement, certainty and outcomes, while minimising community impact during development. Also maximising the efficiency of scale in capital and resource utilisation (including the impact of social procurement).
- Enabling a number of initial smaller-scale, visible improvements with immediate benefit, to demonstrate commitment and positive community outcomes.
- A planning and regulatory environment which accelerates housing delivery and benefit realisation.

Partnership Structure and Delivery

The Project will be led by a Kaitiaki Group and co-ordinated by a Project Team, managed collaboratively by Kāinga Ora and HCC (membership to be determined).

- The Kaitiaki Group will be responsible for providing governance to The Partnership and has overall responsibility for delivery of the Partnership Plan.

Kāinga Ora and HCC will have the following responsibilities:

Kāinga Ora

- Provide project management and co-leadership of The Partnership in collaboration with HCC, iwi and mana whenua, community and other stakeholders that will develop a plan to deliver on the above outcomes.
- Facilitate, where possible, an all-of-government response to the development and delivery of the plan.
- Provide communications and engagement resources, including financial resources (TBD what level), and the provision of key insights and data to support and inform The Partnership.

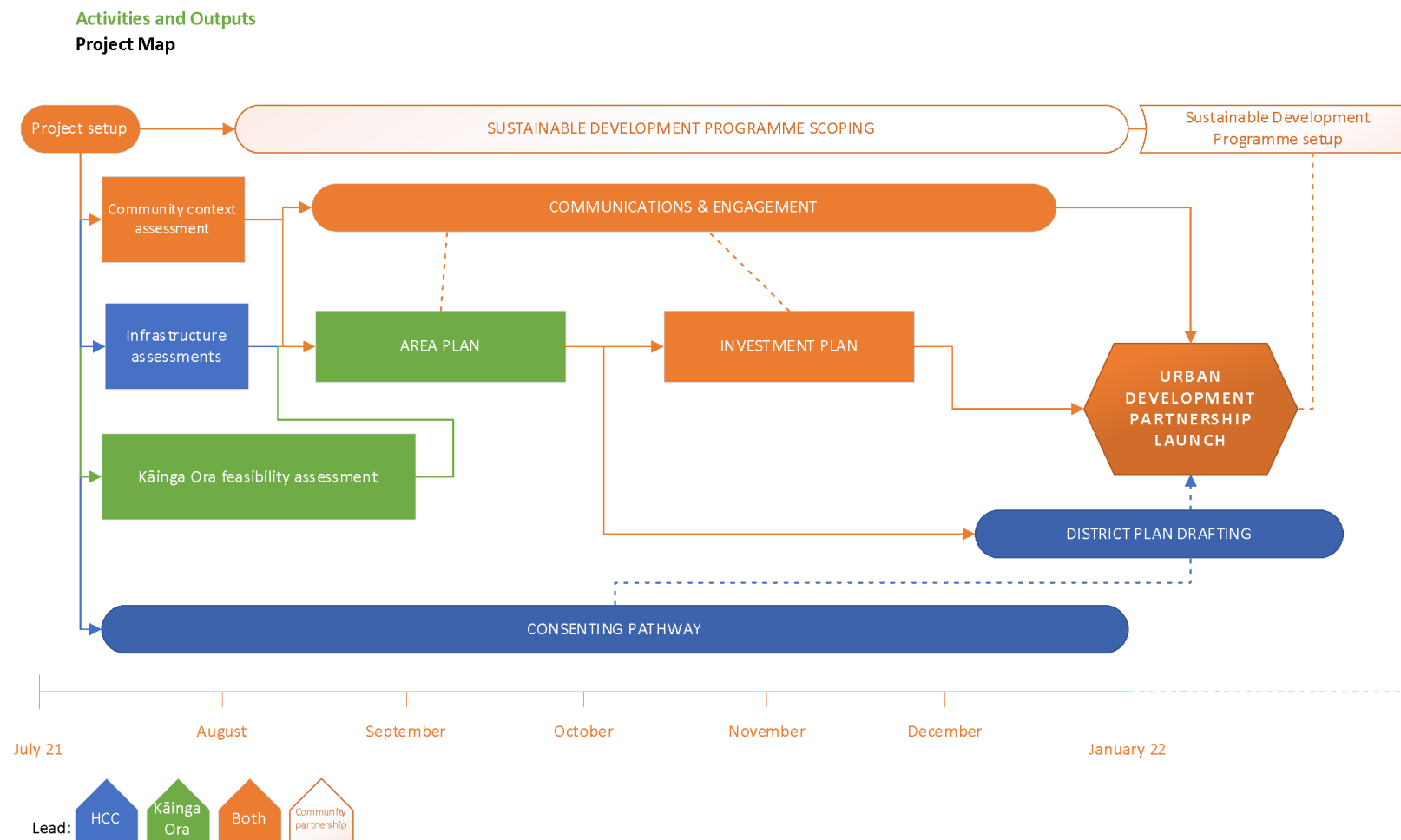
* Definitions of terms can be found in Appendix 2

- Develop an Area Plan* within the Fairfield-Enderley geographical area which can then inform, where possible, plan provision drafting in line with the National Policy Statement – Urban Development. The provision of planning and urban design specialists is also required.
- Lead the development of an Investment Plan which details the design, financing and staging of the Fairfield-Enderley Urban Development Partnership.
- Implement the parts of the plan in its scope, and that it has agreed to fund; this will likely be related to engagement around housing and placemaking infrastructure; Kāinga Ora will also facilitate implementation commitments from other government departments where possible.
- Additional external resources to be determined. It is envisaged that third-party consultants will be required to co-ordinate the various partnership activities, undertake assessments as needed, and assist in the development of the final plan.

HCC

- Provide project management and co-leadership of The Partnership in collaboration with Kāinga Ora, iwi and mana whenua, community and other stakeholders that will develop a plan to deliver on the above outcomes.
- Provide communications and engagement resources, and the provision of key insights and data to support and inform The Partnership.
- Collaborate with Kāinga Ora on the development of an Area Plan, ensuring mutually beneficial recommendations, and consistency with the wider NPS-UD District Plan Change Programme.
- Lead the development of an appropriate planning and regulatory framework through changes to the District Plan and streamlining the Council consenting processes.
- Implementation of the parts of the plan in its scope, and that it has agreed to fund.

* Definitions of terms can be found in Appendix 2



Timeline of key activities

Start/Finish	Activities	Outputs	Who
July 2021	Project setup: finalise the Project Plan, confirm the Kaitiaki group, project team, and reporting processes	Project Plan Kaitiaki Group Project Team	Kāinga Ora HCC
July 2021	Kāinga Ora internal opportunity memo drafted to confirm next steps and funding	Opportunity Memo	Kāinga Ora
TBC	Opportunity memo presented to Kāinga Ora Nga Pae Tataki for consideration		Kāinga Ora
July 2021	First Project Team meeting		Kāinga Ora/HCC
TBC	First Kaitiaki Group meeting		Kāinga Ora/HCC
TBC	Engagement of consultant(s)		Kāinga Ora/HCC
29 July 2021	Report to HCC Strategic Growth Committee	Council resolution to approve the proposed scope of works and partnership approach	HCC Kāinga Ora
July – August 2021	Community context assessment: consolidate previous consultations and engagement reports, planned works and activities, wellbeing reports	Community context assessment	Project Team
July – August 2021	Stakeholder mapping completed	Stakeholder map	Project Team
July – August 2021	Engagement plan drafted	Communications and engagement plan	Project Team
End of July 2021	Work with HCC staff and consultants for high level infrastructure assessments	High level assessments: Social and Community Infrastructure Transport Three Waters Indigenous Biodiversity	HCC
August 2021	Further workshop on Area Development Strategy data to help inform evidence base		Kāinga Ora HCC
September 2021	Market economics report completed	Market economics report	Consultant
September 2021	Updating of planning feasibility assessment of Kāinga Ora properties (if needed)	Updated feasibility assessment	Consultant
October 2021	Area Plan completed	Fairfield-Enderley Area Plan	Kāinga Ora, supported by HCC

October – December 2021	Investment Plan developed	Investment Plan	Kāinga Ora
January 2022	District Plan change drafting begins		HCC
February 2022	Fairfield-Enderley Urban Development Plan completed	Fairfield-Enderley Urban Development Partnership launch	Kaitiaki Group and Project Team
February 2022 onwards	Implementation of plan and ongoing community engagement		Project Team

Key messages

- Kāinga Ora and Hamilton City Council are currently working to establish a Fairfield-Enderley Urban Development Partnership consisting of iwi and mana whenua, community, local and central government, and other stakeholders, to develop a programme that aims to achieve outcomes that meet the aspirations of the community.
- The Fairfield and Enderley area provides significant opportunity for an urban development programme; it has a passionate and well-connected community, is well situated – being in close proximity to the central city, close to local services and transport links, and provides significant opportunity to benefit from the neighbouring Ruakura development.
- Kāinga Ora owns a large number of homes in the area which presents an opportunity to significantly increase the number of warm, dry public and affordable homes, to help meet the demand across the public and affordable housing continuum in Hamilton.

Further messaging will be developed as part of an engagement and communications plan.

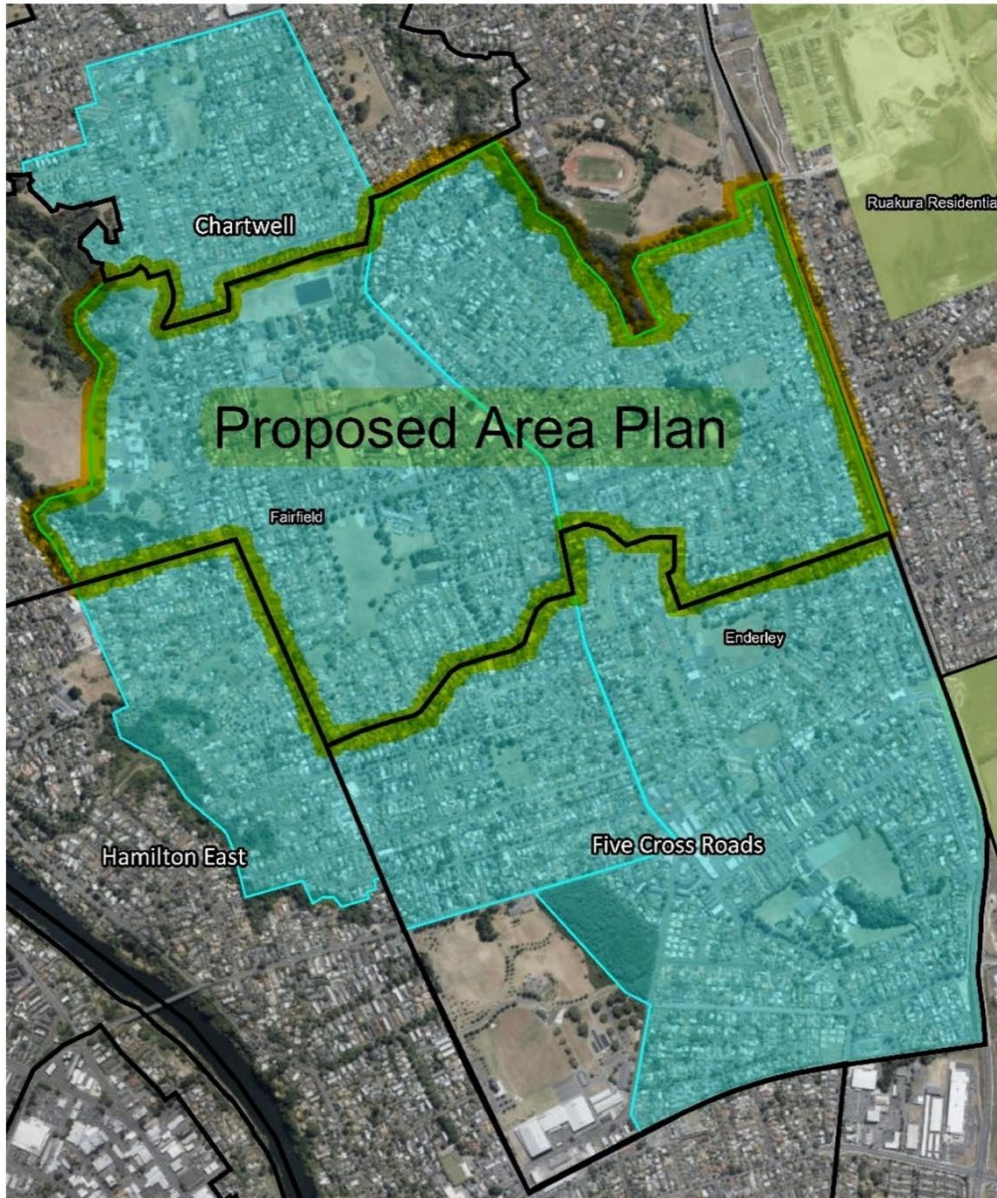
Appendices

1. Geographical Area
2. Definition of Terms
3. Enderley Projects – HCC 2021-31 Long Term Plan

APPENDIX 1: GEOGRAPHICAL AREA

Blue highlight: Fairfield-Enderley Urban Development Partnership geographical area

Yellow highlight: Proposed Area Plan boundary



APPENDIX 2: DEFINITION OF TERMS

Well-housed

Being 'well-housed' in a decent home reflects the agreed global status of adequate housing as a human right. It emphasises that a home is more than a house and that values such as whanaungatanga (kinship), kaitiakitanga (stewardship), manaakitanga (respect), dignity, decency, fairness, equality, freedom, wellbeing, safety, participation, partnership, community and responsibility are embodied in the right to a decent home. These values are consistent with Te Ao Maaori and the Maaori and Iwi Housing Innovations Framework for Action (MAIHI).

Area Plan

An Area Plan is a non-statutory spatial planning tool that is forward-looking, but considers the existing context, opportunities and constraints. They identify the locations of the city where particular planning will be required to ensure the effects of rezoning for intensification will not be detrimental, and to promote well-functioning urban environments.

Waikato Wellbeing Project

The Waikato Wellbeing Project is a regional initiative to achieve a more environmentally sustainable, prosperous and inclusive Waikato region by 2030. Ten regional targets have been developed in alignment with the United Nations Sustainable Development Goals (SDGs). The intersecting nature of the SDG targets, particularly across Fairfield and Enderley, positions these communities as high priority opportunities for radical transformation and sustainable development initiatives.

DRAFT

Council Report

Item 11

Committee: Strategic Growth Committee **Date:** 29 July 2021
Author: Greg Carstens **Authoriser:** Blair Bowcott
Position: Growth, Funding & Analytics Unit Manager **Position:** General Manager Growth
Report Name: Infrastructure Acceleration Fund

Report Status	<i>Open</i>
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Purpose - *Take*

1. To inform the Strategic Growth Committee on the progress and next steps regarding) the Infrastructure Acceleration Fund (IAF) application process.
2. To seek approval and delegated authority from the Strategic Growth Committee for the following expressions of interest to be prepared and submitted to Kaianga Ora for the Infrastructure Acceleration Fund.

Ruakura-Enderley/Fairfield;
Rotokauri Stages 1;
Rotokauri Stages 2;
Central City; and
North East Rototuna;

Staff Recommendation - *Tuutohu-aa-kaimahi*

3. That the Strategic Growth Committee:
 - a) receives the report;
 - b) approves expressions of interest be prepared for housing development in the following areas, noting that all Expressions of Interest are non-binding;
 - i. Ruakura-Enderley/Fairfield;
 - ii. Rotokauri Stages 1;
 - iii. Rotokauri Stages 2;
 - iv. Central City; and
 - v. North East Rototuna;
 - c) delegates authority to the General Manager Growth Group, in consultation with the Chair and Deputy Chair of the Strategic Growth Committee, to complete and submit the above (b) Expressions of Interest to the Kaianga Ora Infrastructure Acceleration Fund via Future Proof by 18 August 2021;
 - d) requests staff provide regular updates to the Strategic Growth Committee on

Infrastructure Acceleration Fund, including a report to the 7 September 2021 Strategic Growth Committee meeting with on the submitted Infrastructure Acceleration Fund Expressions of Interest; and

- e) notes that Perry Group (Te Awa Lakes) and Jones Land Limited (South Peacocke) are expected to submit developer led Expressions of Interest directly to Kaainga Ora.

Executive Summary - *Whakaraapopototanga matua*

4. The Housing Minister, Hon. Dr Megan Woods announced an Infrastructure Acceleration Fund (IAF) on 22 June 2021 which is part of the wider Housing Acceleration Fund (HAF).
5. At a 16 June 2021 Elected Member Briefing, staff discussed the potential areas of the city to apply for IAF funding. These areas were broadly Rotokauri-Northwest growth cells, Central City, selected infill-regeneration areas, and Ruakura-Enderley.
6. With the benefit of the detailed Eol Invitation Documents, staff suggest some changes to the areas to develop Expressions of Interest's (Eol's) for from those discussed at the 16 June briefing.
7. These are that Ruakura-Enderley be extended to include Fairfield, that Te Awa lakes be a developer led application, that infill-regeneration areas be only the Central City, Rotokauri Stages 1 and 2 remain, and that a new smaller proposal in North East Rototuna be included. To summarise, the suggested areas to develop HCC Eol's for are:
 - i. Ruakura-Enderley/Fairfield
 - ii. Central City
 - iii. Rotokauri Stage 1
 - iv. Rotokauri Stage 2
 - v. Rototuna North East
8. Summaries of each area's Eol content, at the time of writing this report, are attached. These documents will inform the 27 July Future Proof Implementation Committee (FPIC) meeting as bids are 'strongly encouraged' to come from growth partnerships – in Hamilton's case Future Proof. Staff are working closely with Future Proof partners to this end.
9. Eol applications close on 18 August 2021 at 5pm.
10. Known developer led Eol's who will seek HCC support are:
 - i. Te Awa Lakes
 - ii. Jones Land Limited – South Peacocke
11. Staff consider the matters/recommendations in this report have low significance and that the recommendations comply with the Council's legal requirements.

Background - *Koorero whaimaarama*

12. The Housing Minister, Hon. Dr Megan Woods [announced](#) an Infrastructure Acceleration Fund (IAF) on 22 June 2021 which is part of the wider Housing Acceleration Fund (HAF) designed to allocate funding (in the form of a grant) to deliver infrastructure that unlocks housing development in the short to medium term targeting specific housing outcomes, with the expectation that territorial authorities, developers and landowners will contribute their fair share to the costs of the funded projects and not be subsidised by any IAF grant.
13. The Minister also provided information about the objectives, eligibility and evaluation criteria for the IAF.

14. The IAF is designed to allocate funding to new or upgraded infrastructure that unlocks housing development in the short to medium term and enables a meaningful contribution to housing outcomes in areas of need.
15. Funding will typically be in the form of a grant to the relevant Territorial Authority, which will own and operate the infrastructure. Developers and landowners are expected to contribute their fair share to the costs of the projects.
16. The Infrastructure Acceleration Fund Invitation for Expressions of Interest documents ("EoI Invitation Documents") were released by Kaainga Ora on 30 June 2021 and state that Cabinet has agreed that at least \$1 billion will be invested through the IAF.
17. Housing outcomes are clearly a strong focus for Kaainga Ora through the IAF criteria. HCC will need to obtain commitments from developers for typology, yield and timing that delivers housing product of the type to meet the affordable need (as opposed to product the market may normally provide). Consideration will be given to seeking inclusionary zoning or land for Waikato Housing Trust, in addition to exploring value capture as part of any deal.

Discussion – *Matapaki*

18. At a 16 June Elected Member Briefing staff discussed the potential areas of the city where an expression of interest for IAF funding was applicable and most likely to be successful. These areas were broadly Rotokauri-Northwest, central city, selected infill-regeneration areas, and Ruakura-Enderley.
19. Since the Elected Member Briefing, Central Government has provided more detailed information on the objectives, eligibility and evaluation criteria for the IAF. Central Government also announced that at least \$1 billion of grant funding is available under the IAF.
20. The Central Government has put a strong emphasis on the importance of regional collaboration across all the criteria provided. Staff have discussed the criteria with its Future Proof partners through the Future Proof Priority Development Areas workstream.
21. EoI's are being progressed for all of the areas identified at Elected Member Briefing (Northwest, central city, Enderley-Fairfield-Ruakura) and based on a better understanding of the criteria an additional, a smaller proposal in Rototuna North East to deliver 200 plus houses on the northside of the expressway.
22. Summaries of each area's EoI content, at the time of writing this report, are attached. These documents will inform the 27 July Future Proof Implementation Committee (FPIC) meeting.
23. EoI applications close on 18 August 2021 at 5pm.
24. The three stages of the process are: stage 1 EoI, then if that is successful stage 2 a Request for Proposal (RFP) will be extended, and if a proposal is successful through that process the negotiation stage, stage 3, is to establish terms and housing outcomes. These three stages are outlined below along with the detailed criteria provided by Kaainga Ora.
25. Territorial Authorities, Maaori applicants and developers are eligible to submit expressions of interest and proposals. Developers and Maaori applicants are encouraged to work with the relevant Territorial Authority in the first instance.
26. Input into the evaluation of each stage of the process will be provided from a number of government agencies, including the Ministry of Housing and Urban Development, Waka Kotahi NZTA, Ministry of Transport, Department of Internal Affairs, Crown Infrastructure Partners, the Infrastructure Commission and the Treasury.
27. A limited number of proposals will be progressed through a fast-track process. These proposals will be identified through the Expression of Interest stage and are likely be ones that are:

- a) already well validated for example through a previous feasibility analysis by Government agencies; or
- b) the proposal is straightforward with evaluation and due diligence able to be completed quickly; and
- c) the proposals score highly against evaluation criteria.

Invitation for Expressions of Interest (EOI Stage) > July -August 2021

- 28. Kāinga Ora have issued an invitation for expressions of interest as the first stage of the process. Expressions of interest must be submitted on time (by 5pm 18 August 2021).
- 29. A separate EOI is required for each specific housing development and must provide high level information on the development and its associated infrastructure requirements, as well as responses to the Eligibility Criteria, Evaluation Criteria (see **Table 1**) and a set of broader considerations.

The Eligibility Criteria

- 30. Eligible Infrastructure Projects (EIPs) must meet the following requirements:
 - a) infrastructure is new or upgraded enabling infrastructure in the form of transport (including roading, state highways, public transport infrastructure, footpaths and cycleways), three waters (water, wastewater and stormwater) and flood management; and
 - b) the infrastructure is wholly or primarily for the purpose of enabling the building of new or additional dwellings in the short to medium term (meaning that a material number of those dwellings will be built to completion by December 2029); and
 - c) the infrastructure relates to developments which are expected to enable at least 200 additional dwellings in NPS-UD Tier One urban environments (which Hamilton is);
- 31. Social infrastructure (such as libraries, parks or recreation facilities) are not Eligible Infrastructure Projects. Infrastructure that has purposes beyond supporting housing development (e.g. commercial development or improved resilience) are eligible, but funding can only be sought for the proportion of the infrastructure reasonably attributable to enabling housing development
- 32. Eligible Costs are one-off costs necessary to enable or deliver Eligible Infrastructure rather than ongoing, business-as-usual activities, being the costs of:
 - a) Feasibility studies, business cases and other early-stage planning work;
 - b) Designing, consenting, tendering and acquiring land (where it is wholly required for EIP and broader large-scale project activities);
 - c) Constructing EIPs; and
 - d) In limited situations, non-capital administrative matters, where these are necessary to establishing complementary financing.
- 33. Applicants internal costs and financing costs are not Eligible Costs. There are also co-funding expectations set out in the EOI invitation.

Evaluation Criteria:

- 34. EOI's will be scored against the following Evaluation Criteria and Sub-Criteria by Kāinga Ora. These are expected to be consistent across both the EOI and RFP stages.

Table 1: Evaluation Criteria

Criteria and weighting	Sub-Criteria
Housing benefits of the proposal (40%) <i>How will the Proposal, if delivered, contribute to the housing outcomes that are the purpose of the Fund?</i>	<ul style="list-style-type: none"> i. The number of additional dwellings that the funding will enable relative to demand in that area. ii. The proportion of lower-cost houses expected to be enabled by the Eligible Infrastructure Project(s) (primarily informed by typology of housing expected to be built). iii. The extent to which the location where housing will be enabled has unmet demand and provides access to amenity and opportunity. iv. The extent to which the Eligible Infrastructure Project(s) supports intensification, in particular that required to be enabled by councils under the National Policy Statement on Urban Development (i.e. typology and density). v. The extent to which the Proposal supports housing development on land owned by Māori and to which mana whenua have been involved in developing the proposed solution. vi. The extent to which the Proposal supports housing development that is environmentally sustainable including through reduced private vehicle use, lower risks from climate change (such as coastal inundation), and supporting water quality and biodiversity.
Impact of funding (additionality) (20%) <i>How critical is this funding to advancing the Eligible Infrastructure Project(s) and housing development?</i>	<ul style="list-style-type: none"> i. The impact that this funding will have on the housing development advancing, or on the pace and scale at which it will advance compared to what is currently expected. ii. Demonstration that other means to fund the Eligible Infrastructure Project(s) without displacement of investment elsewhere (i.e. rate rises, prudent borrowing, or use of the IFF framework) have been exhausted.
Cost and co-funding (20%) <i>How cost effective is the Proposal and is everyone paying their fair share?</i>	<ul style="list-style-type: none"> i. The average whole-of-government cost per dwelling expected to be enabled by the Eligible Infrastructure Project(s). ii. Alignment with co-funding principles for the Fund, being: <ul style="list-style-type: none"> a. developers and landowners should be paying a similar share of the costs of the Eligible Infrastructure Project(s) as would be the case if the infrastructure was funded by traditional means through the local authority, which is generally the reasonable 'growth' portion of the total infrastructure cost (in some cases this contribution can be non-financial (e.g. land or commitments to sub-market housing), but any such contribution should be similar in value to the foregone financial contribution); and b. Territorial Authorities should be co-investing to the maximum extent possible.
Capability and readiness (20%) <i>If funding is approved, how certain is it that the development will advance, and at what pace?</i>	<ul style="list-style-type: none"> i. The extent to which there are other barriers to housing development that the Eligible Infrastructure Project(s) will serve (and how they will be removed if funding is approved). ii. The degree of developer commitment or interest in building housing quickly. iii. Demonstrated alignment between all parties including Territorial Authorities, Regional Councils, mana whenua and developers needed to advance the housing development. iv. Confidence in the ability of all parties to deliver the Eligible Infrastructure Project(s) and housing development as proposed.

35. The Evaluation and Eligibility Criteria establish the competitive process where applications are scored on merit, however, the Government has also set out the broader considerations that allows it to ensure alignment with its objectives and how the package is balanced.
36. The broader considerations include whether the IAF package as a whole:
 - i. balances between greenfield expansion and brownfield intensification;
 - ii. balances between near-term and medium-term activity;
 - iii. enables the sustainable increase of capacity in the construction sector without price escalation;
 - iv. has the capacity to support the desired range of proposals; and
 - v. has regional spread across both large urban and regional centres, having regard to both the allocation of IAF funding and any other central government funding for housing development (including historical and anticipated funding).
37. Council has developed proposals for a range of projects that cover greenfield and brownfield areas; and will create both short and medium-term activity, however, the broader considerations essentially limit the number of proposals and the level of funding any single Territorial Authority or region is likely to be granted regardless of the merit of their proposals.

Request for Proposal (RFP Stage) > October - December 2021

38. All applicants will be notified of the outcome of their application on 15 October 2021.
39. Successful applicants will then be asked to provide more detailed information (RFP stage) in a proposal between October and December 2021.
40. The RFP Stage will seek more detailed information about the proposal to allow Kaainga Ora to undertake an in-depth evaluation and due diligence.
41. Hamilton City falls under the Future Proof programme path. During the RFP stage, proposals from our region will collectively assessed and an indication of respective priority will be made.
42. Should agreement not be reached, a proposal can be put forward in exceptional circumstances, however, the lack of regional support will be a consideration when the proposal is evaluated.
43. Maaori and developer proposals will need to obtain evidence of support (or lack thereof) from the Territorial Authority. The support of the local Territorial Authority will be a key factor in evaluating a proposal.
44. Kaainga Ora will provide advice to Ministers on which proposals should proceed to the Negotiation Stage.
45. Staff are putting a team together of internal and external members to develop and deliver RFP(s) if invited to. Costs have not been budgeted but are currently unfunded.

Negotiation Stage > March-October 2022

46. Successful applicants following the RFP stage then progress to the Negotiation Stage, stage 3, where a Funding Agreement and Housing Outcome Agreement(s) are negotiated. This stage precedes Ministers' making the final funding decisions (March to October 2022).
47. Ministerial advice will be based on the evaluation of the proposal against the criteria and any broader considerations.
48. Funding received from IAF will be in the form of a grant to the Territorial Authority for Eligible Costs. The Funding Agreement will cover the terms of the grant as well as details such as the funding tranches and key stages in the development which will trigger the next stage of funding.

49. Co-funding is an expectation of the IAF at each stage and reporting obligations will be imposed.
50. In the event of additional costs over those included in the proposal, it is expected that the risk will be managed by the applicants and IAF funding would be capped.
51. The Housing Outcome Agreement is expected to contain commitments to housing outcomes in the proposal from all relevant parties, including developers, and complementary actions to be taken by the Territorial Authority.
52. Once the Funding Agreement and Housing Outcome Agreement(s) are agreed, the Kaainga Ora Board Committee (the Committee) will consider the proposal and provide advice to the Ministers making the final decision.
53. The Committee will consist of individuals with expertise in housing development, Maaori housing, infrastructure delivery, local government and, finance and risk management. It will be supported by an Inter-Agency Reference Group.
54. Unsuccessful applicants will be advised after each stage and will be given the opportunity to debrief.

Expressions of Interest

Council Led Proposals

55. The following EIO's are being developed by staff and will be taken to the Future Proof Implementation Committee on 27 July 2021.
56. Staff are satisfied that the infrastructure costs which the EOI's seek funding are Eligible Infrastructure as clearly defined in the guidance material.
57. The tables in the attachments to this report provide a summary of the characteristics of each proposed area in relation to the criteria set out above. Because it has only been a short time since the criteria was announced and this report was submitted, these summaries do not include detailed information such as the specific infrastructure and costs which will underpin the bid, detailed additional housing yields and advanced delivery. These aspects are being developed by staff but are complex and require third party inputs so are not available at the time of this report. The information provided in this report will change as the proposals develop, but at this stage the information is considered sufficient for the purposes of Elected Members deciding to support the Eol area (or not).
58. Short-form summaries with information which will underpin the EOI's are shown by area in the attachments to this report and are:
 - i. Ruakura-Enderley/Fairfield
 - ii. Central City
 - iii. Rotokauri Stage 1
 - iv. Rotokauri Stage 2
 - v. Rototuna North East
59. Bids are 'strongly encouraged' to come from growth partnerships – in Hamilton's case Future Proof. Staff are working closely with Future Proof partners to this end. A collective overarching umbrella story will be developed to sit across the Future Proof application, which will draw an important connection to our partners and the united front government are expecting. The area summaries in the attachments to this report will be reported to the Future Proof Implementation Committee (FPIC) meeting 27 July 2021.
60. While Eol's are not due until 18 August 2021 there is significant work to be done around identifying and costing infrastructure to be funded, negotiating third party funding, financial

analysis, identifying barriers to development, working with developers to quantify and get commitments of houses to be built, and working with a wide range of stakeholders.

61. The attachments to this report provide a summary of the characteristics of each proposed area in relation to the IAF criteria. Because it has only been a short time since the criteria was announced, they do not include detailed information such as the specific infrastructure and costs which will underpin the bid, detailed additional housing yields and advanced delivery.
62. Given this workload and the timeframes it is recommended, subject to approval at this meeting, that the finalisation of these non-binding Eol's be undertaken by the General Manager Growth Group in consultation with the Chair and Deputy Chair of the strategic Growth Committee.
63. The Central City is a primary focus for the city, and it is critical that it prospers through growth in both residential and commercial development. However, there are several challenges with the Central City Eol in terms of the eligibility and evaluation criteria set out in the Eol Invitation Documents. Namely that infrastructure funded by the IAF must be 'wholly or primarily to enable new housing', but the type of infrastructure needed to increase Central City capacity includes new reservoirs, bulk wastewater storage, and treatment plant capacity upgrades which provide a broad benefit to many or all areas of the city. In short, aside from local reticulation/roads, it is difficult to target costs to the Central City and to when/know where that growth will occur.
64. In addition, there are no known developers with short-medium term intentions to deliver housing at scale in the CBD, and therefore as yet there are no developer commitments to deliver housing to underpin this Eol. Staff will progress the Eol with a view to address these challenges unless there is Elected Member direction otherwise.
65. The information provided in this report will change as the proposals develop, but at this stage the information is considered sufficient for the purposes of Members deciding to support each Eol area (or not).

Developer led proposals

66. Developers are entitled to submit Eol's but, as stated in the Eol Invitation document, they "*will be requested to obtain (and evidence) Territorial Authority support (or lack thereof) and submit this with their RFP Proposal. This reflects that Territorial Authority support will be a key factor when evaluating Proposals, and there would need to be very clear justification for advancing an RFP Proposal to Negotiation without this support*".
67. There are two potential developer led EOI's that HCC is aware of, being Te Awa Lakes (Perry Group) and Northview Capital Limited (Tristan Jones). These proposals will be reviewed by staff with regard to the criteria in the Eol Invitation Documents and feedback will be provided.

Te Awa Lakes

68. Te Awa Lakes (TAL) area is a residential area of approximately 62 ha located at the very northern end of the Hamilton City Boundary. The site is owned by the Perry Group and was rezoned in September 2020 to provide for mixed use residential, recreational and residential development. The TAL development has the potential to create a gateway to Hamilton that is a destination for visitors, helps address the city's housing needs, and strengthens Hamilton's connection to the Waikato River.
69. Up to 1,000 houses could be constructed at the site, the majority of which will be medium density to high density homes. The Perry Group have lodged comprehensive resource consent applications with HCC to advance the overall transformation of the site and have worked with Waikato Regional Council, mana whenua, WDC and Waka Kotahi over the past 5 years to get the project to its current state. It is understood that TAL are also pursuing an Eol for the

adjacent land in Waikato District North and across the Expressway which could enable 450-500 dwellings.

70. Notwithstanding the above, this is a developer led proposal. The infrastructure funding being sought has been identified by the Perry Group. As a developer led proposition, it is a site that is not identified in the Hamilton-Waikato Metropolitan Spatial Plan (either a future growth node or as a Priority Development Area). Staff are working with TAL to understand their EoI, with a view to providing feedback for TAL to include in their application.

Jones Land Limited – South Peacocke

71. Jones Land Limited (Tristan Jones) has shared a draft EoI proposal to enable what they describe as the construction of circa 1,200 homes as part of a proposed master-planned development over 57 hectares of land located in South Peacocke. The proposal is for the IAF to fund infrastructure including water and wastewater services including a pump station, and a 1.7km portion of the southern part of the North-South arterial.
72. Staff will review the proposal in detail and provide feedback for Jones Land Limited to include in their application.

Financial Considerations - *Whaiwhakaaro Puutea*

73. The Government has placed a high degree of focus on a co-funding model for the projects that it funds through the IAF.
74. At the current EoI stage there are no legally binding financial considerations.
75. There will be financial considerations for each proposal if successful through to stage 2, the Negotiation stage.

Legal and Policy Considerations - *Whaiwhakaaro-aa-ture*

76. EoI's will be developed consistent with the Council's growth principles, being that:
- i. We plan for an invest in growth to create communities that improve the wellbeing of Hamiltonians.
 - ii. Investment into existing and new communities is guided by Hamilton's key growth strategies and we take a business case approach to major new growth areas.
 - iii. Growth planning and funding opportunities are developed in collaboration with our neighbours.
 - iv. Those who benefit from growth pay a fair share of the cost of that growth.
77. The EoI stage is a non-binding step and as such the Council is not entering into any legally binding commitments by lodging EoI's.

Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga*

78. The purpose of Local Government changed on the 14 May 2019 to include promotion of the social, economic, environmental and cultural wellbeing of communities in the present and for the future ('the 4 wellbeings').
79. The subject matter of this report has been evaluated in terms of the 4 wellbeings during the process of developing this report.
80. The recommendations set out in this report are consistent with that purpose.
81. The IAF has the potential to positively impact all 4 wellbeings for Hamiltonians. The proposals being put forward by Council to the Future Proof Implementation Committee are all

considered to improve the social, economic, cultural and environmental wellbeings of our city and its residents.

82. Each proposal and the subsequent infrastructure project will provide an assessment of how that specific project will benefit each of the 4 wellbeings.

Risks - *Tuuraru*

83. There are no known risks associated with the decisions required for this matter at this stage.

Significance & Engagement Policy - *Kaupapa here whakahira/anganui*

84. Having considered the Significance and Engagement Policy, staff have assessed that the report has a low significance, and no engagement is required.

Attachments - *Ngaa taapirihanga*

Attachment 1 - HCC IAF expression of interest summary - Ruakura Enderley-Fairfield

Attachment 2 - HCC IAF expression of interest summary - Central City

Attachment 3 - HCC IAF expression of interest summary - Rotokauri Stage 1

Attachment 4 - HCC IAF expression of interest summary - Rotokauri Stage 2

Attachment 5 - HCC IAF expression of interest summary - Rototuna North East

Attachment 6 - IAF - Invitation for Expressions of Interest - guidance document Kainga Ora 30 June 2021

Ruakura-Enderley/Fairfield

1. HCC and Kāinga Ora are currently working to co-design a place-based housing and urban development programme within the Fairfield and Enderley communities to be led by a partnership between community, iwi, mana whenua and local and central government and provides significant opportunity to benefit from the neighbouring Ruakura development.
2. Kāinga Ora owns approximately 800 homes in the Fairfield and Enderley area, most of which are older houses, on large sites that do not meet the area's demand profile. The land holdings in the area provides a significant opportunity to increase the number and quality of homes across the public and affordable housing continuum, as well as contribute to the building of sustainable and thriving communities.
3. The Fairfield and Enderley area (refer map below) provides significant opportunity for an urban development programme; it has a passionate and well-connected community, is well situated – being in close proximity to the central city, close to local services and transport links.
4. Ruakura was introduced into the city in 2011 from Waikato District, and is one of Hamilton's largest greenfield growth cells. Ruakura contains the greatest diversity of land uses of any greenfield growth cell in Hamilton and is identified through the Hamilton Urban Growth Strategy and as a Priority Development Area (PDA) in the Hamilton Waikato Metropolitan Spatial Plan (HW-MSP).
5. Ruakura is one of the most important localities in the HW-MSP and is in the Central Corridor (Frankton-Central City-Hospital-University-Ruakura) and Economic Corridor (Central City-Te Rapa-Horotiu) priority areas. It is the focus of multiple Central Government and local government organisations within the Future Proof Partnership to determine what innovative tools, and alternative planning processes can be utilised to see the HW-MSP vision for Ruakura come to fruition.
6. Tainui Group Holdings (TGH) is reviewing their Master Plan for the Ruakura area, which plans to switch industrial/employed zoned land to residential zoned land to potentially 4,500 homes online. Water allocation will require robust consideration for a housing development of this scale.
7. Eligibility
8. Based on the EoI development so far, the Ruakura-Enderley/Fairfield proposal will meet the eligibility criteria. In accordance with the government's criteria, the proposal is for new or upgraded enabling infrastructure in the form of transport and three waters infrastructure, and that infrastructure is wholly or primarily for the purpose of enabling the building of new or additional dwellings in the short to medium term, and the EoI for Ruakura-Enderley/Fairfield is for the construction of Eligible Infrastructure Projects.
9. Infrastructure investigations for which IAF funding may be sought includes;
 - Integrated stormwater corridors and treatment including land acquisition,
 - New water reservoirs,
 - Replaced local reticulation,
 - Strategic wastewater infrastructure,
 - Eastern transport corridor,
 - Eastern pathways.
10. The stormwater management solution will adopt a blue/green corridor that will provide the foundation for integrating, connecting and building a more resilient physical and social environment. The corridor will provide improved stormwater management and reduce flood risk and create the opportunity for high quality multi modal facilities, improved biodiversity

outcomes and enrich social cohesion through high quality amenity, new and enhanced civic spaces.

11. Criteria

Housing benefits of the proposal (40%)

How will the Proposal, if delivered, contribute to the housing outcomes that are the purpose of the Fund?

Regarding additional homes and lower-cost housing, Enderley is mostly older houses on large sites that do not meet the area's demand profile. Kāinga Ora owns approximately 800 homes across Enderley and Fairfield and intends to improve or redevelop most of these properties to significantly increase the number and quality of public and affordable homes. Additionally, up to 4,500 houses in Ruakura could be enabled, the portion of these anticipated to be developed in the short to medium term is understood to be approximately 1,200.

Regarding environmental sustainability and accessibility, most of the proposed dwellings are within an 800m walkable catchment to access all forms of community amenity, jobs and, via rapid transit routes, additional employment opportunities. Additionally, the Ruakura Inland Port is anticipated to provide significant additional employment opportunities to this community as it develops.

Regarding Māori housing, the areas in Enderley/Fairfield for redevelopment often adjoin land owned by iwi Māori organisations with tribal and community housing aspirations. There is opportunity for these groups to leverage the infrastructure renewal and urban redevelopment planned around them to enhance their own housing outcomes.

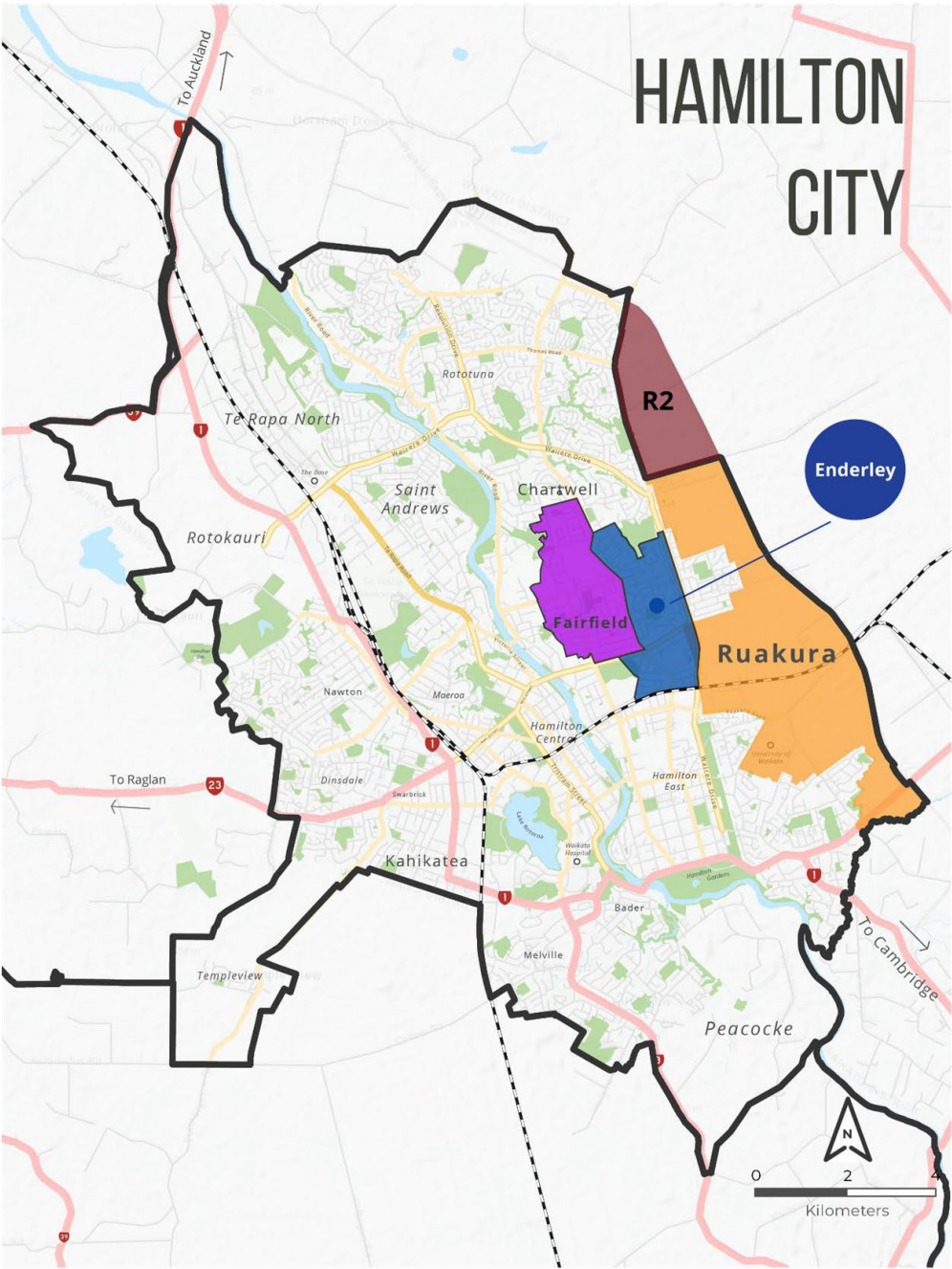
Impact of funding (additionality) (20%)

How critical is this funding to advancing the Eligible Infrastructure Project(s) and housing development?

Direct IAF funding will have a positive impact on being able to realise critical infrastructure needed to support Kāinga Ora's investment plan to be delivered in a timely way, and enable the broader 4,500 home potential in Ruakura. This will result in the necessary, stormwater, water, wastewater, and transport improvements (currently unfunded in the 2021-31 LTP) to be delivered at pace and scale.

IAF funding in Ruakura would directly result in TGH being able to bring forward development of approximately 4,500 houses over a 20-year period in the western side of the Ruakura Estate, including approximately 1,200 in the short to medium term.

<p>Cost and co-funding (20%)</p> <p>How cost effective is the Proposal and is everyone paying their fair share?</p>	<p>HCC confirms that Council and developers are aligned with the key co-funding principles of the IAF. Kāinga Ora will co fund in the form of housing infrastructure to support the renewal of the Enderley/Fairfield area, while other forms of co-funding for Ruakura are already in place, consisting of HCC LTP funding, direct funding through the Provincial Growth Fund, and commitments from Tainui Group Holdings through the 2017 Ruakura PDA.</p> <p>HCC staff are collaborating with Kāinga Ora to develop a plan for Enderley/Fairfield and will raise the prospect of receiving land to provide for overland stormwater flow paths as an element of co-funding.</p>
<p>Capability and readiness (20%) <i>If funding is approved, how certain is it that the development will advance, and at what pace?</i></p>	<p>Regarding developer commitment, Enderley/Fairfield is a priority area for Kāinga Ora who are the key partner there. They are strongly committed to deliver housing quickly in collaboration with HCC. TGH in Ruakura are also committed to delivering more housing at pace. As noted above, a zoning change is needed in Ruakura for this pace to be realised.</p> <p>Regarding stakeholders, there is strong alignment and collaboration with a range of Future Parties including mana whenua group, Waka Kotahi, Waikato District Council and Waikato Regional Council and as described Kāinga Ora.</p> <p>HCC has confidence in the ability of relevant parties to deliver/enable the Eligible Infrastructure Project(s) and housing development as proposed in the EoI.</p> <p>City Planning are open to investigating alternative planning processes to advance timing of potential plan changes required to support TGH's expanded residential development ambitions as part of a IAF deal.</p>

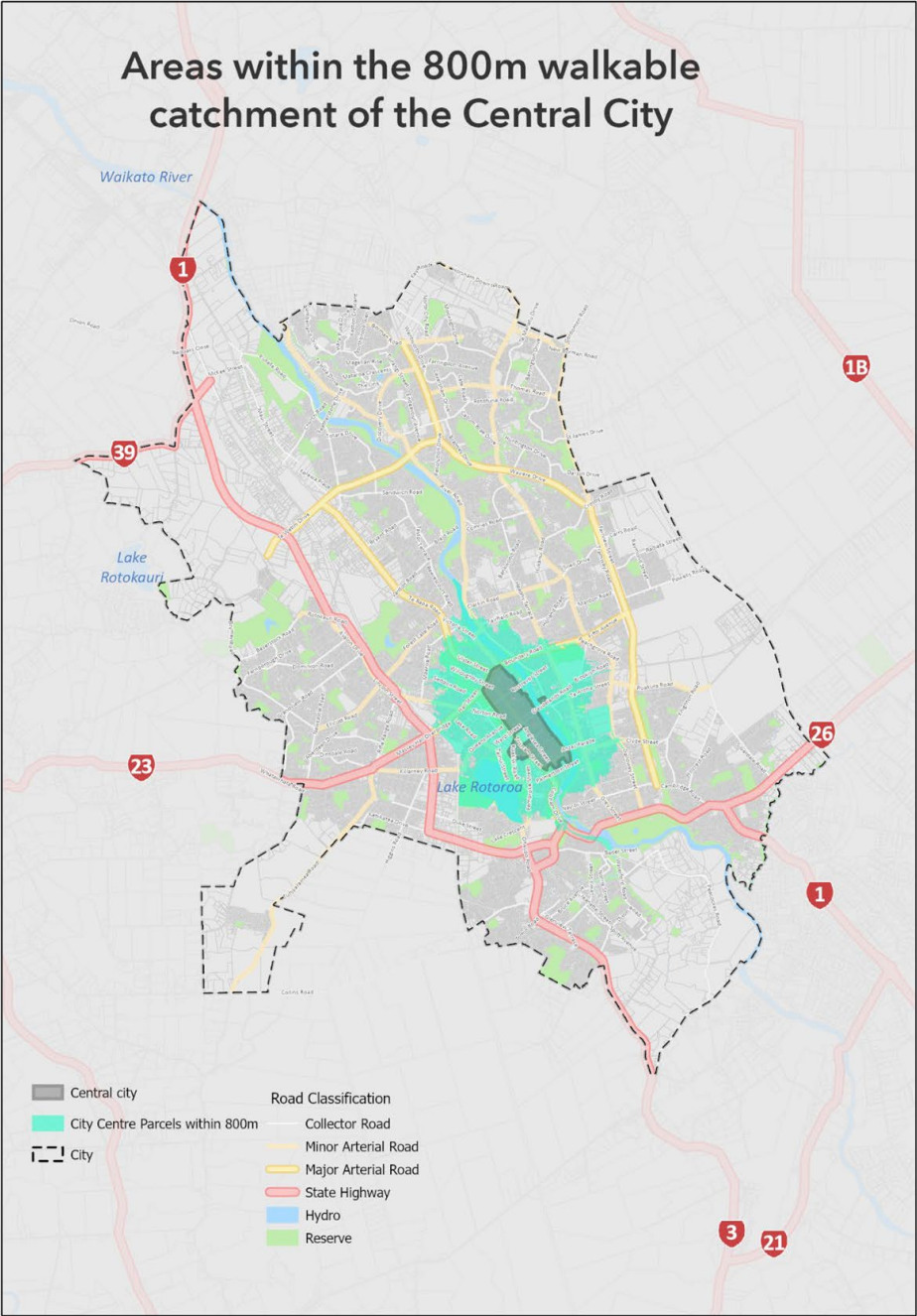


Central City

1. The Hamilton Waikato Metropolitan Spatial Plan (MSP) identifies Hamilton Central City as the regional centre for the metro area being a primary commercial, employment, recreational and civic hub with a strong residential function which is provided at a regional scale. It has the greatest diversity, scale and intensity of activities in the metro area.
2. The area identified at the 16 June Council Briefing to represent the Central City for this EoI is the CBD Walkable Catchment (see map below).
3. The Central City supports the city's diverse urban economy, provides services to the entire region, and also is home to a growing Hamilton central residential population.
4. Even though the Central City already enables very high densities, it needs a step change in infrastructure investment to cater for growth if and when that capacity is taken up. The infrastructure costs/requirements of increased density required through the NPS-UD in the Central City (and infill more broadly) are yet to be fully understood but work is underway, and are expected to be very large. A challenge will be to link required works benefitting the existing city to specific areas.
5. Eligibility
6. The infrastructure costs relating to the Central City has not been determined yet, but staff will ensure they will be Eligible in terms of the definitions in the EoI Invitation Documents. Regardless, they are likely to be very high.
7. Infrastructure investigations for which IAF funding may be sought includes;
 - Integrated stormwater corridors and treatment including land acquisition
 - New water reservoir
 - Replace local water and wastewater infrastructure
 - Strategic wastewater infrastructure
 - Roading and mode shift infrastructure

8. Criteria

Housing benefits of the proposal (40%) <i>How will the Proposal, if delivered, contribute to the housing outcomes that are the purpose of the Fund?</i>	<p>Plan enabled capacity in the core central city is not an issue and the current NPS-UD informed plan change is anticipated to enable significant additional capacity in the walking catchment. Hamilton's positive ratio of brownfield to greenfield development and historical growth trends suggest that residential development in the Central City will continue, but the rate at which it is expected to grow carries significant uncertainty.</p> <p>The typology of housing enabled and anticipated in the Central City aligns strongly with the criteria, including environmentally sustainable aspects.</p>
Impact of funding (additionality) (20%) <i>How critical is this funding to advancing the Eligible Infrastructure Project(s) and housing development?</i>	<p>IAF funding would enable elements of strategic and local infrastructure to provide capacity for the Central City, which have not been successfully funded through rates or DCs. A further challenge to funding is that infill related infrastructure typically has a lower percentage recovery rate than greenfield infrastructure due to beneficiary allocation.</p> <p>However, the infrastructure costs to service the Central City are likely to be very high and their beneficiaries could not be limited to the Central City or housing alone.</p> <p>Council has reached its debt to revenue limits in the early years of its LTP. Without innovative funding mechanisms this infrastructure will be hard to progress and will likely have to be rolled out and ultimately lead to sub-optimal outcomes.</p>
Cost and co-funding (20%) <i>How cost effective is the Proposal and is everyone paying their fair share?</i>	<p>In terms of Council contributions to providing serviced capacity, extensive investments have and will be made through HCC's continuous upgrades to its water and wastewater treatment plants. The Council also provides the social infrastructure that are not Eligible Infrastructure under the IAF.</p>
Capability and readiness (20%) <i>If funding is approved, how certain is it that the development will advance, and at what pace?</i>	<p>There are few other barriers to development in the Central City. The Council and Future Proof both recognise and promote the Central City through the Central City Transformation Plan and the Hamilton Waikato Metro Spatial Plan. There are a number of key developers active in Central City residential development. Broadly the</p>



Rotokauri Stage 1

1. Rotokauri covers 955 ha and is one of the growth areas recognised in the Future Proof Growth Strategy and the Hamilton Urban Growth Strategy and is made up of two stages, with Stage 1 being 627 ha and Stage 2 328 ha (see map below). Rotokauri is in the Northern Corridor priority development area for the Hamilton Waikato Metro Spatial Plan (MSP) and is consistent with the idea of a 20-minute city.
2. Rotokauri has capacity for approximately 6,000 homes, with approximately 3,000 in each stage. This EoI is for Rotokauri Stage 1. HCC has prepared a separate EoI summary for Rotokauri Stage 2 which is included in this report.
3. Rotokauri Stage 1 is zoned residential and structure planned, and developers are planning to or are progressing with piecemeal development and interim infrastructure solutions. Enabling quality development in Rotokauri Stage 1 requires substantial investment, including the completion of the major stormwater floodway, in addition to community infrastructure and arterial roading.

Eligibility

4. The proposal for Rotokauri Stage 1 meets the eligibility criteria, which is for new or upgraded enabling infrastructure in the form of transport and three waters infrastructure, for the purpose of enabling the building of new or additional dwellings in the short to medium term.
5. Infrastructure for which IAF funding will be sought includes:
 - Stormwater floodway (including land acquisition) and associated wetland
 - North-south minor arterial road
 - Trunk water supply
 - Wastewater pump stations and connections

Criteria**Housing benefits of the proposal (40%)**

How will the Proposal, if delivered, contribute to the housing outcomes that are the purpose of the Fund?

Regarding additional homes and lower-cost housing, direct funding to support Rotokauri Stage 1 is expected realise at least 3,000 residential units, including over 2,000 in the next 10 years comprising a mixture (which is yet to be confirmed) of single dwellings, duplex dwellings, terraced houses and ancillary dwellings.

Regarding jobs and opportunity, Rotokauri Stage 1 has strong public transport connections following significant investments made by the Waka Kotahi and Hamilton City Council in the Te Rapa Bypass and the Rotokauri Transport Hub. It is a short distance to the WINTEC Rotokauri campus, Hamilton's largest retail hub outside the CBD (The Base), and substantial current and future employment areas in Rotokauri and Te Rapa. Rotokauri also has high levels of amenity due to its natural landscape and proximity to the Waiwhakareke Natural Heritage Park and Hamilton Zoo.

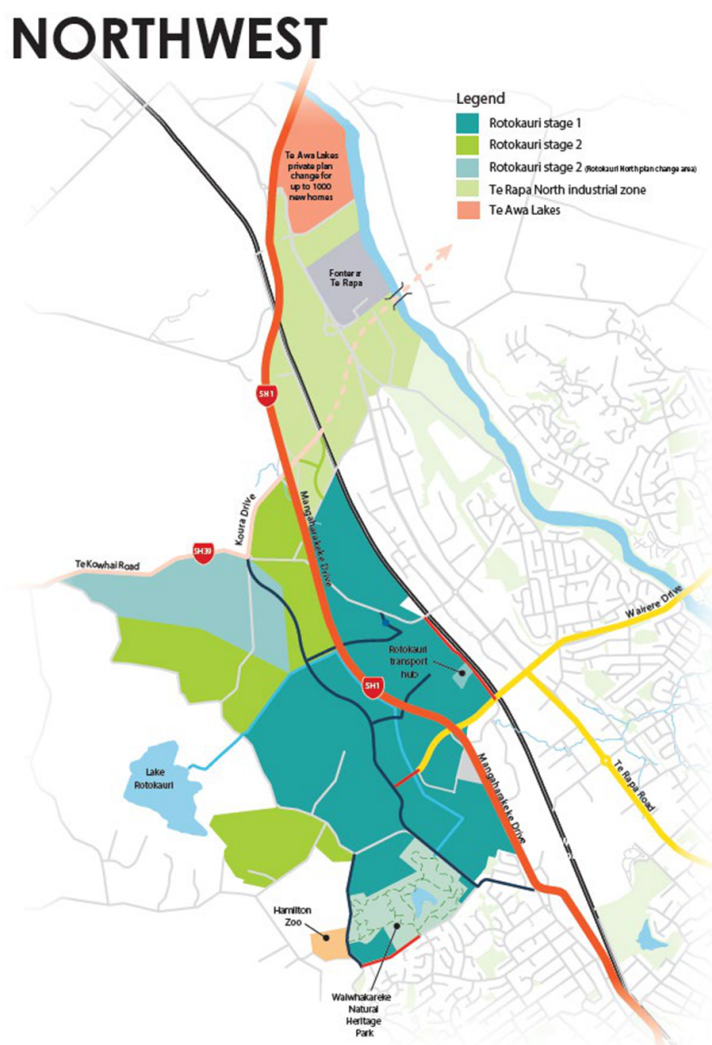
Regarding environmental sustainability, the proposed development seeks to maximise urban densities in a way that can further promote mode shift and the careful consideration has gone in to the development of a comprehensive stormwater solution to ensure water quality are met or exceeded.

<p>Impact of funding (additionality) (20%)</p> <p><i>How critical is this funding to advancing the Eligible Infrastructure Project(s) and housing development?</i></p>	<p>Direct IAF funding and delivery of the critical infrastructure needed to support the Rotokauri Stage 1 will have a transformative effect on that area. Substantial investment is required to complete the major stormwater floodway, in addition to community infrastructure (not sought in this EoI) and arterial roading.</p> <p>Rotokauri is zoned residential and developers are planning to progress with piecemeal development. There are 1,360 subdivision consents lodged in Rotokauri Stage 1 with 958 unlikely to progress under current circumstances, and only 138 houses completed. This illustrates the extent of lost opportunity for new housing so long as the floodway remains unconstructed.</p> <p>HCC has exhausted the available conventional funding mechanisms to fund the required strategic infrastructure. HCC's balance sheet / LTP has not been able to accommodate funding, and development contributions (DC) revenue has been minimal due to very high DC's and because very few developments can get away due to the infrastructure constraints. Further to that, a business case was completed in late 2019 for Rotokauri Stage 1 as part of a process to tried unsuccessfully to secure IFF funding for this infrastructure.</p>
<p>Cost and co-funding (20%)</p> <p><i>How cost effective is the Proposal and is everyone paying their fair share?</i></p>	<p>IAF funding as sought through the EoI would result in the necessary stormwater and arterial roading connections to the Rotokauri Stage 1 (currently unfunded in the HCC's 2021-31 LTP) to be delivered at accelerated timeframes and at scale.</p> <p>HCC has already invested \$30M of infrastructure which enables Rotokauri Stage 1, has land designations progressing, detailed design money funded in early years of the 2021-31 LTP and portions of the floodway and arterials later years (representing a total funded commitment over the next 10 years of around \$100M).</p> <p>HCC is working with the major developers in Rotokauri Stage 1 who propose to lead and deliver the floodway and arterial roads to utilize the cost saving available from a single party managing large scale earthworks on their land. Avoids interim connection risks and costs.</p>
<p>Capability and readiness (20%) <i>If funding is approved, how certain is it that the development will advance, and at what pace?</i></p>	<p>Development of Rotokauri is also consistent with the Regional Policy Statement, sub-regional growth strategies and Hamilton's District Plan. Hamilton City Council has made significant investment in wastewater infrastructure and is currently procuring water distribution works. The Rotokauri area has an operative structure plan including an arterial road network to complement the Te Rapa section of the Waikato Expressway. The Rotokauri arterials are recognised as regionally significant in the Regional Policy Statement.</p> <p>Key landowners / developer are committed to building housing quickly, and IAF funding would allow this to progress with greater certainty, pace and scale.</p>

Subject to funding approval, design could progress in parallel with land acquisition. Acquisition would commence with good faith negotiations, followed by Public Works Act processes if required.

In terms of barriers to the development progressing, statutory timeframes for consents, designations and notification exist. Impacts of delays can be mitigated by engagement with consent authorities and developers, early escalation of issues, and effective deployment of NOR and PWA processes.

Stormwater is a key constraint to development in Rotokauri, as this is critical to opening up residential development in this area.



Rotokauri Stage 2

1. The Rotokauri Stage 2 opportunity can be viewed as having two components, the first being the area referred to as Rotokauri North Private Plan Change area (refer map below, area shaded blue) which would deliver the first tranche of housing of approximately 2,000 homes enabled by IAF funded infrastructure, and the second tranche being the balance of land in Stage 2 which is serviced by the land but where housing (1,200 homes) is not anticipated in the short to medium term.
2. The Rotokauri North is a part of stage 2 of the Rotokauri Structure Plan Area. The area is currently subject to a private plan change by the MADE Group to rezone approximately 137 ha of Future Urban Zone Land to a Medium Density Residential zone under the Hamilton City Operative District Plan.
3. A 2019 Private Developer Agreement is already in place between MADE and HCC and still relevant.
4. Eligibility
5. Based on the development so far of the Eol will meet the eligibility criteria. The proposal is for new or upgraded enabling infrastructure in the form of transport and three waters infrastructure, and that infrastructure is wholly or primarily for the purpose of enabling the building of new or additional dwellings in the short to medium term and that the Eol for Rotokauri North is for the construction of Eligible Infrastructure Projects.
6. Infrastructure for which IAF funding will be sought includes:
 - the east west major arterial connection under the Te Rapa Bypass, connecting Te Rapa Road and the north-south arterial shown in the Structure plan
 - the strategic water and wastewater services that are located within the east west arterial
 - land purchase for the east west arterial
 - the upsize that HCC is ultimate to pay for in the PDA for 3 waters and transport
7. Criteria

Housing benefits of the proposal (40%)

How will the Proposal, if delivered, contribute to the housing outcomes that are the purpose of the Fund?

Regarding additional homes and lower-cost housing, direct funding to support the Rotokauri North area is expected realise 2,000 residential units at medium density with an indicative yield of 25 dwellings per ha comprising a mixture (which is yet to be confirmed) of single dwellings, duplex dwellings, terraced houses and ancillary dwellings.

This IAF would facilitate a housing pipeline with a further 1,200 homes could be delivered in the medium to long term.

Regarding jobs and opportunity, a comprehensive structure plan was developed in the mid-2000s and features as one of the prominent areas for housing and opportunity (jobs) as outlined in the Hamilton Urban Growth Strategy which was approved by Council in 2008.

Regarding environmental sustainability, the proposed development seeks to maximise urban densities in a way that can further promote mode shift and the careful consideration has gone in to the development of a comprehensive stormwater solution to ensure the Vision and Strategy Outcomes in relation to water quality can be achieved.

<p>Impact of funding (additionality) (20%) <i>How critical is this funding to advancing the Eligible Infrastructure Project(s) and housing development?</i></p>	<p>Direct IAF funding and delivery of the critical infrastructure needed to support the Rotokauri North Area will have a positive impact on the delivery of more housing faster than is currently expected.</p> <p>Specifics as to the extent of the advancement and increased rate of housing delivery is under investigation by staff, and will be included in the final EoI. Currently MADE anticipate being able to begin construction in the works season of 2021/2022.</p> <p>Regarding funding options, there is nothing funded in HCC's 2021-31 LTP's and there's limited debt headroom to fit the cost of strategic infrastructure within any debt headroom. IFF funding is not a viable option at this point in this area, and the developer is not amenable to paying for all strategic infrastructure noting that they are also paying for other local infrastructure.</p>
<p>Cost and co-funding (20%) <i>How cost effective is the Proposal and is everyone paying their fair share?</i></p>	<p>IAF funding as sought through the EoI would result in the necessary water, waste water and arterial roading connections to the Rotokauri North Area (currently unfunded in the HCC's 2021-31 LTP) to be delivered at pace and scale to deliver housing in an area that has been set aside for housing since the mid-2000s.</p> <p>HCC has developed a comprehensive Private Development Agreement with the MADE Group for the delivery of growth infrastructure necessary to support the development of Rotokauri North. MADE are committed to investing in stormwater, open space, and minor arterial and local roads within the Rotokauri North area in addition to the investment sought under this EoI.</p>
<p>Capability and readiness (20%) <i>If funding is approved, how certain is it that the development will advance, and at what pace?</i></p>	<p>The developer is committed to building housing quickly, and IAF funding would allow this to progress with greater certainty, pace and scale.</p> <p>In terms of barriers to the development progressing, the private plan change is not approved, but while such a process cannot be predicted entirely, it is seen as largely a formality, noting that no one is opposed to it, submitters are only seeking minor amendments.</p> <p>Regarding stakeholder alignment, The Rotokauri North project has been through extensive consultation and workshopping with a range of Future Parties including mana whenua group, Waka Kotahi, Waikato District Council and Waikato Regional Council. There are no submissions in opposition to the plan change and it was notified on a limited basis.</p> <p>HCC has confidence in the ability of all parties to deliver the Eligible Infrastructure Project(s) although challenges exist with the east west arterial corridor land as this is not designated. A willing buyer willing seller land purchase would be the best and fastest way forward but we would necessitate paying market rate. There is a risk that existing owners are not willing to sell.</p>

NORTHWEST



Rototuna North

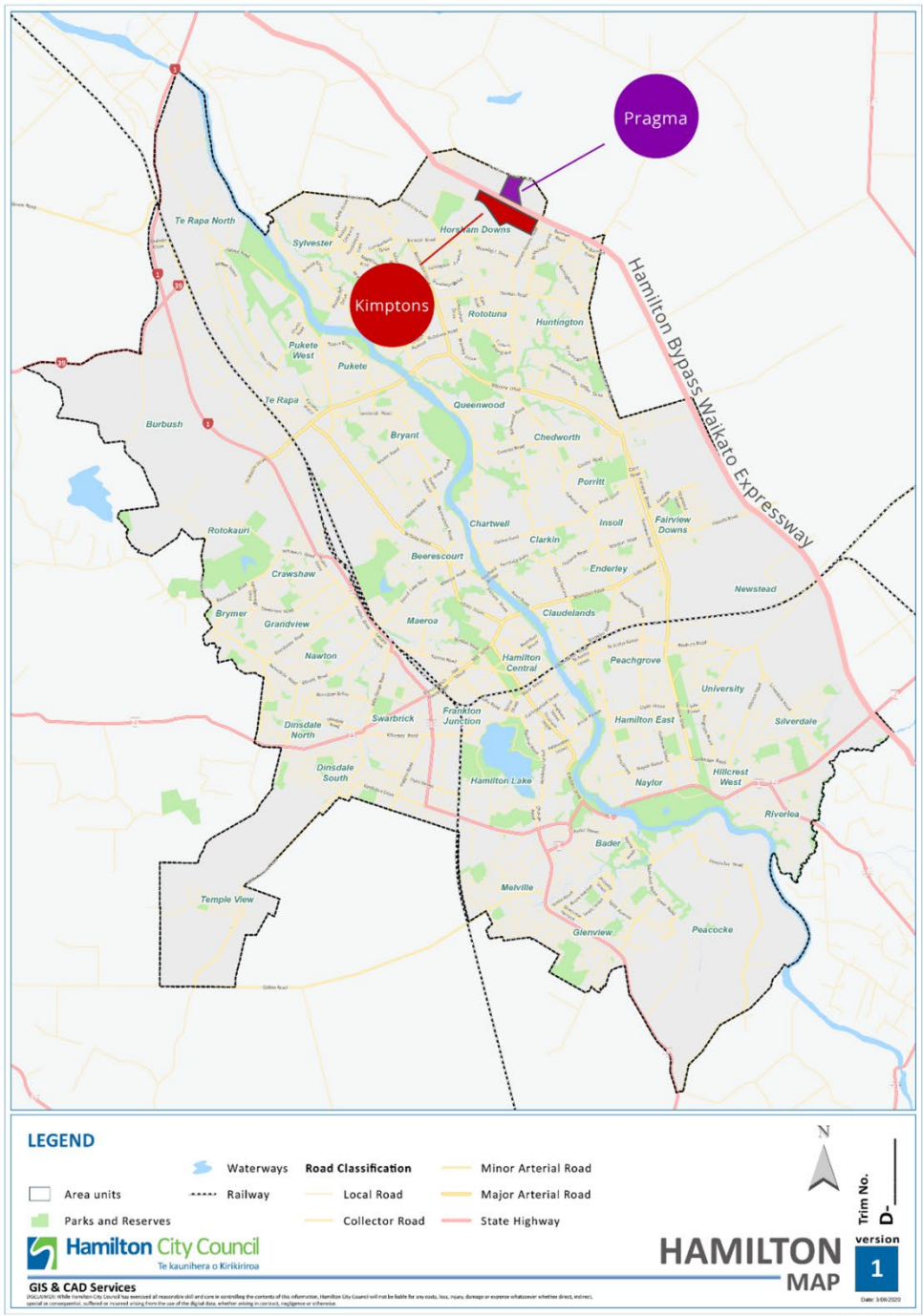
1. This proposal relates to significant housing demand in the Rototuna North East Character area and also around the Borman Road extension/ Horsham Downs Borman Road urbanisation project (refer map below).
2. The Rototuna North East Character area consists of residential zoned land severed by the Waikato Expressway. The western end of this area is developing based on infrastructure already in place, but the eastern end is reliant on wastewater and stormwater connections through private land on the southwestern side of the Expressway to existing services in the Borman Road Corridor Extension.
3. This application has two separable parts to it- the first part relates to housing yield in the Rototuna North East area and a part of North Ridge, both of which require funding for waste water and stormwater services and a part extension of Borman Road. The second part relates to housing yield associated with the balance of the Borman Road extension and urbanisation project.
4. Part 1
5. Pragma are well advanced in the planning for their development which will yield approximately 400 to 500 houses on land that they own (property address 247-253 & 263-269 Horsham Downs Road Hamilton -refer to attachment). They have accepted a condition precedent in their resource consent that requires them to have the ability to make wastewater and stormwater connections prior to the issue of section 224 clearance.
6. Council has previously funded and installed stormwater pipes and a wastewater duct under the Waikato Expressway to facilitate these service connections. However, the connections from the Expressway to a suitable connection point in the Borman Road Corridor are through private land owned by Kirkdale, which has not been planned for development for a number of years.
7. At Councils request, Kirkdale have worked with Council to bring forward the structure planning and design planning of this future land (refer to attachment) to enable the services to be laid with confidence in a future local road corridor at a suitable depth to ensure they are not damaged by future roading works.
8. Kirkdale have indicated to Council that they will consider providing land access and allow Council to undertake the works ahead of any of their previous planning provided the works are at no cost to them and consideration is given to completing the full Borman Road extension as planned in Councils 2021-31 LTP.
9. It is reasonable for Pragma to pay some of the cost of each utility service to mitigate the effects of their development but there are costs to allow for future development that it would be unreasonable for Pragma to meet.
10. The Expression of Interest for Infrastructure Acceleration funding relating to part 1 is for this stormwater funding and to complete the section of the Borman Road extension which links up to North Ridge Road. Completion of this section of Borman Road allows for the large stormwater pipes to be installed at the same time as the road construction, rather than leaving a residual risk of constructing a road over significant services at a later date. It also provides transport connectivity (vehicles, pedestrians, walking, biking) to North Ridge and the service corridor for additional yield.

11. Part 2
12. The second part of this application is for a funding contribution to further extend Borman Road including the intersection with Horsham Downs Road and urbanisation of the balance of Borman Road east and Horsham Downs Road.
13. This is a planned project in Councils 2021/31 Long Term Plan and is ready to commence in October 2021. The project however is dependent on funding from Waka Kotahi NZTA. The project has been developed through a business case process and on the merits of this, pre-implementation has been funded by Waka Kotahi.
14. Waka Kotahi have indicated however that NLTF funding is under pressure and that not many new implementation starts will be approved nationally. If Waka Kotahi funding is not forthcoming, then this project will be delayed for up to 10 years and ongoing housing development in the area will be compromised.
15. This application requests an equivalent amount of Waka Kotahi funding from the IAF, to supplement the local funding share that Council has allocated in its 2021/31 LTP, in the situation where Waka Kotahi do not approve funding from the NLTF.
16. A large number of houses have developed ahead of this project and are therefore not directly dependent on this project. This project is required to complete the connectivity in the area and to improve safety and amenity. It will also complete the bus routes to and from the school, and a substantial retirement village adjacent to the school.
17. As well as the connectivity benefits there are a number of dwellings that are directly dependent on the Borman Road project.
18. Discussions with Kirkdale have indicated that they value the Borman Road connectivity and that they may be prepared to allow the service connections across their property and would also commit to bringing forward the development of their land which has a direct dependency on the Borman Road extension (refer to attachment). This estimated yield is at least 80 lots, possible 100-120 if Kirkdale move into the medium density residential market on the land made accessible by the construction of Borman Road.
19. Eligibility
20. Based on the development so far, the EoI will meet the eligibility criteria. The proposal is for new or upgraded enabling infrastructure in the form of transport and three waters infrastructure, and that infrastructure is wholly or primarily for the purpose of enabling the building of new or additional dwellings in the short to medium term and that the EoI for North East Rototuna is for the construction of Eligible Infrastructure Projects.
21. Infrastructure for which IAF funding will be sought includes:
 - Contribution to Stormwater Connection from Rototuna North East area to existing network in Borman Road
 - Contribution to Extension of Borman Road from Kimbrae Drive to North Ridge Road
 - Contribution to extension of Borman Road from North Ridge Road to Horsham Downs Road including the urbanisation of Horsham Downs Road and Borman Road east
 - The acquisition of land and construction to extend the wetland required by Pragma to serve the as yet undeveloped catchment.

22. Criteria

<p>Housing benefits of the proposal (40%)</p> <p><i>How will the Proposal, if delivered, contribute to the housing outcomes that are the purpose of the Fund?</i></p>	<p>Regarding additional homes and lower-cost housing, direct funding to support the Rototuna North East Pragma area is expected realise 400-500 residential units.</p> <p>A further 70 dwellings will be supported in the Northridge area that can be developed in the short term.</p> <p>The investment will also allow a further 600 dwellings to be developed unimpeded in the Rototuna North East Character zone in the medium term, given the housing typologies proposed by Pragma</p> <p>The Further extension of Borman Road will allow the delivery of at least 80 dwellings, likely more if Kirkdale embrace medium density on this land.</p> <p>There is significant demand in this area with the amenity being provided and the Pragma development provides an opportunity to meet this demand with more affordable development.</p> <p>The development is on the eastern side of the Waikato Expressway but has excellent walking and biking connectivity through a purpose-built underpass connecting to the School precinct. The Rototuna School has the highest uptake in children biking to school than any other school in Hamilton</p> <p>Regarding environmental sustainability, the proposed development seeks to maximise urban densities in a way that can further promote mode shift and the careful consideration has gone into the development of a comprehensive stormwater solution to ensure the Vision and Strategy Outcomes in relation to water quality can be achieved.</p>
<p>Impact of funding (additionality) (20%)</p> <p><i>How critical is this funding to advancing the Eligible Infrastructure Project(s) and housing development?</i></p>	<p>Direct IAF funding and delivery of the critical infrastructure needed to support the Rototuna North East Area will have a positive impact on the delivery of more housing faster than is currently expected.</p> <p>Specifics as to the extent of the advancement and increased rate of housing delivery is under investigation by staff, and will be included in the final EoI.</p> <p>Pragma are well advanced in their development planning and intend to commence with earthworks and land development in October this year, but they will be held from obtaining 224c works clearance until the waste water and stormwater connections can be made.</p> <p>Extension of Borman Road is the last critical infrastructure investment in Rototuna required for housing delivery. It is important because it is the corridor for 3-waters and other utility services, it provides connectivity and a safe level of service in an area which has</p>

	<p>a high school age population given the proximity to schools and it allows direct and indirect delivery of houses on adjacent lands.</p> <p>Council has programmed funding in its 2021/31 LTP to allow the Borman Road extension and urbanisation project to proceed this coming construction season. The land has been provided by Kirkdale at no cost as a contribution to the project, the road is designated, the design (pre-implementation) has been co-funded by Waka Kotahi through a business case and the project is largely ready to proceed to tendering.</p> <p>The project timing however is dependant on Implementation co-funding from Waka Kotahi and if this is not confirmed, the project will be delayed to beyond the next LTP (2024) or possibly longer.</p> <p>This application requests a contribution to support Councils programmed funding if Waka Kotahi decline the subsidy funding. There are clear signals from Waka Kotahi that the NLTP is very constrained.</p>
<p>Cost and co-funding (20%)</p> <p><i>How cost effective is the Proposal and is everyone paying their fair share?</i></p>	<p>As per above, Council will be contributing a significant part of the Borman Road Extension and Urbanisation project. Kirkdale have already contributed the land at no cost.</p> <p>Pragma are contributing all of the normal local infrastructure required for their development and a part of the wastewater and stormwater connections that are directly attributable to their effects. The IAF funding requested will allow Council to install infrastructure that is sized to support the broader growth in the area.</p>
<p>Capability and readiness (20%) <i>If funding is approved, how certain is it that the development will advance, and at what pace?</i></p>	<p>The developers are committed to building housing quickly, and IAF funding would allow this to progress with greater certainty, pace and scale.</p> <p>All land is zoned appropriately and no HCC consenting difficulties are foreseen, with the only risk being in relation to the installation of the Storm water connection across Kirkdale land and the unknown interpretation in regard to implementation of the National Policy Statement on Freshwater by the Waikato Regional Council.</p> <p>Pragma are well advanced in their development and intend to start this coming earthworks season.</p> <p>Council have progressed the design and consenting of the Borman Road extension and urbanisation project to the point where tendering can commence shortly for a construction start this coming season.</p>



See inset below



Infrastructure Acceleration Fund

INVITATION for Expressions of Interest

EOI Invitation Released: 30 June 2021
Closing Date: 5:00pm 18 August 2021



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THE OPPORTUNITY

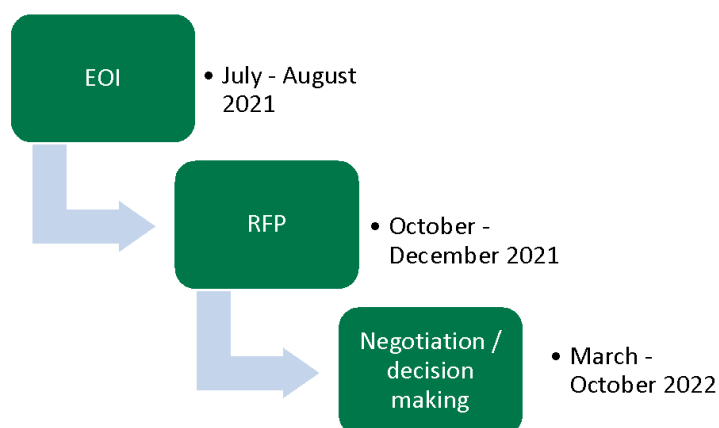
Introduction

The Housing Minister, Hon. Dr Megan Woods announced on 22 June 2021 that at least \$1 billion of grant funding is available under the Infrastructure Acceleration Fund (IAF). The Minister also provided information about the objectives, eligibility and evaluation criteria for the IAF.

The IAF is designed to allocate funding to new or upgraded infrastructure (such as transport, three waters and flood management infrastructure) that unlocks housing development in the short- to medium- term and enables a meaningful contribution to housing outcomes in areas of need.

Funding will typically be in the form of grant funding to the relevant Territorial Authority (or other vehicle), which will own and operate the infrastructure. As is ordinarily the case, developers and landowners are expected to contribute their fair share to the costs of the Eligible Infrastructure Projects, and Territorial Authority contributions are not to be displaced.

Kāinga Ora has been directed to administer the IAF and conduct a process designed to allocate funding to suitable Eligible Infrastructure Projects. This EOI Invitation has been issued by Kāinga Ora as the first Stage in that process: the EOI Stage. Applicants with successful EOIs will receive a Request for Proposals (RFP) seeking more detailed information on their Proposals. Applicants with successful Proposals at the RFP Stage will then be progressed to Negotiation prior to Ministers' final funding decisions.



Evaluation Criteria

Kāinga Ora is seeking Proposals that will contribute to housing outcomes, are highly likely to advance at pace, where IAF funding is critically required, and where other parties are prepared to contribute their fair share.

All Proposals will be assessed against the Evaluation Criteria. They are summarised as follows:

- (a) **Housing outcomes (40%):** *how will the Proposal, if delivered, contribute to the housing outcomes that are the purpose of the Infrastructure Acceleration Fund?*
- (b) **Impact of funding (20%):** *how critical is this funding to advancing the infrastructure and housing development?*
- (c) **Cost and co-funding (20%):** *how cost effective is the Proposal and is everyone paying their fair share?*
- (d) **Capability and readiness (20%):** *if funding is approved, how certain is it that the project will advance, and at what pace?*

The EOI Stage

All Territorial Authorities are eligible to apply for funding from the IAF by responding to this EOI Invitation.

Each Territorial Authority is invited to provide a separate EOI in relation to each specific housing development you wish to submit with high level information about the housing development, its associated infrastructure requirements, and responses to the Eligibility and Evaluation Criteria.

Territorial Authorities can choose to do this independently, however those in the main urban areas (which are covered by current or emerging Urban Growth Partnerships¹) are encouraged to work collectively with others in the region in preparing their EOIs given the collective approach that will be applied under the Programme Path at the RFP Stage.

Developers and Māori are also eligible to submit EOIs.² We expect developers and Māori would approach relevant Territorial Authorities to act as the lead Applicant in respect of their housing development, and at the very least enquire about whether their particular housing development is being submitted by their Territorial Authority prior to submitting an independent EOI.

¹ Urban growth partnerships | Te Tūāpapa Kura Kāinga - Ministry of Housing and Urban Development (hud.govt.nz).

² Māori Applicants should note the further guidance provided in section 2.1 in regards to preparing Proposals.



Applicants are expected to engage with relevant partners (e.g., developers, Waka Kotahi NZTA, Department of Internal Affairs) as necessary prior to submitting their EOI.

To apply, Applicants must submit their EOI using the EOI Response Form provided, and submit their completed Applicant Declaration by **5pm on 18 August 2021**.

Kāinga Ora will review the information provided in each EOI against the Eligibility Criteria (regarding Eligible Applicants, Eligible Infrastructure Projects and Eligible Costs) and conduct an evaluation of Proposals against the Evaluation Criteria.

Following the evaluation of Proposals, a Kāinga Ora Board Committee will determine which Proposals should proceed to the RFP Stage.

The RFP Stage

At the RFP Stage, Applicants will be required to submit more fulsome information about the Proposal to enable Kāinga Ora to conduct further evaluation and due diligence.

Proceeding to the RFP Stage should not be taken as an indication that IAF funding will be approved.

In recognition of the different complexities in delivering housing around the country, the RFP Stage will involve a two-path approach:

- (a) a Programme Path for Territorial Authorities within main urban areas (which are covered by current or emerging Urban Growth Partnerships); and
- (b) a Project Path for all other parts of New Zealand, and for all Proposals from developers and Māori (including those in current or emerging Urban Growth Partnership areas).

At the RFP Stage, Territorial Authorities in the Programme Path areas will be strongly encouraged to develop their Proposals collectively with other Territorial Authorities in their partnership region.

Proposals (under both Paths) will be evaluated by Kāinga Ora against the Evaluation Criteria set out in the RFP and due diligence will be undertaken.

A Kāinga Ora Board Committee will provide advice to the Minister of Finance and the Minister of Housing as to whether a Proposal should proceed to Negotiation. This advice is expected to be provided when the evaluation of Proposals during the RFP Stage is completed in early 2022.



Negotiation

Kāinga Ora will engage with Applicants whose Proposals proceed to Negotiation to seek to agree the terms of the:

- (a) Funding Agreement: regarding the terms of grant funding towards the Eligible Infrastructure Project(s), as between Kāinga Ora and the relevant Territorial Authority; and
- (b) Housing Outcome Agreement: regarding the commitments towards housing outcomes, as between all relevant parties to the housing development.

As and when Funding Agreements and Housing Outcome Agreements are concluded, a Kāinga Ora Board Committee will provide advice to Ministers and make its recommendations on which Proposals should receive funding from the IAF.

Decision making

A Kāinga Ora Board Committee will decide which Proposals advance to the RFP Stage. This Committee will also provide advice to Ministers on which Proposals should advance to Negotiation.

Following the negotiation of the Funding Agreement and Housing Outcome Agreement(s) for each Proposal, the Committee will provide advice to Ministers on which Proposals should receive funding from the IAF. An Inter-Agency Reference Group will provide input to that Committee at all Stages. Ministerial advice from the Kāinga Ora Board Committee will be based on:

- (a) the evaluation of Proposals against the Evaluation Criteria; and
- (b) any broader considerations, in particular those relating to the balance of the funding package as a whole.

Ministerial decisions in relation to the IAF will be made by the Minister of Finance and Minister of Housing.

In relation to any Proposal in which Kāinga Ora has a material interest, Ministers will receive advice from the Ministry of Housing and Urban Development and other government departments in relation to the investment decision.



Fast track

At any time following the EOI evaluation, Kāinga Ora may identify and progress a limited number of Proposals through the RFP Stage, Negotiation and final approval/ decision stages.

Funding

Cabinet has agreed that at least \$1 billion will be invested through the IAF. Any additional funding will be subject to further allocations from the \$3.8 billion Housing Acceleration Fund. Further allocations will be informed by the quality of proposals submitted to the IAF and the needs of other initiatives under the Housing Acceleration Fund.

Applicants should not assume their Proposal will be successful. They are encouraged to continue with work on their developments on the basis that their Proposal will not obtain IAF funding. This applies throughout the IAF process.

Kāinga Ora appreciates that many Applicants are already engaging with other Crown agencies in relation to infrastructure projects, some of which could also be covered by the IAF (e.g. Department of Internal Affairs in relation to three waters and Crown Infrastructure Partners in relation to infrastructure funding and financing). Applicants should continue with these engagements. Applicants must disclose concurrent applications for funding in their EOI.

General

This EOI Invitation is the first Stage in a competitive funding allocation process. It is not part of any procurement process. However, principles of probity will be adhered to in administering the IAF.

Applicants should identify any information that they consider to be confidential. Kāinga Ora will respect that position and not use that information other than for the purpose of the IAF. Applicants should, however, note that if Kāinga Ora was already aware of the information, or it is already in the public domain, it will not be considered to be confidential information.

If Kāinga Ora wishes to use information provided by Applicants for purposes other than the IAF, prior consent will be sought.

Applicants should also note that information provided in Proposals may be disclosed to other government officials (including officials from the Ministry of Housing and Urban Development, Treasury, Waka Kotahi NZTA, Ministry of Transport, Department of Internal Affairs, Crown Infrastructure Partners, and the Infrastructure Commission) and Ministers of



the Crown and/or Cabinet for purposes relating to this EOI or each of their roles and activities in advancing the objectives of the IAF.

Kāinga Ora is not permitted to apply for funds under the IAF. Where Kāinga Ora has a material interest in any Proposal being evaluated under the IAF, measures will be established to ensure that the Proposal is considered on an impartial and consistent basis, as well as second opinion advice being provided to Ministers, as referred to above.

Words and phrases that have a special meaning are shown by the use of capitals. Definitions are set out in the **Appendix**.

This EOI Invitation is subject to the Terms and Conditions described in section 5.



SECTION 1: THE PROCESS

1.1 Timeline

Steps and indicative key dates in the IAF process are summarised in the table below. Key dates are subject to change and Applicants will be notified of any changes.

Step in the IAF process	Date
EOI Invitation release	30 June 2021
Closing date for EOIs	5:00pm 18 August 2021
Applicants notified of outcome (with invitation to RFP Stage and RFP document provided for successful Proposals)*	15 October 2021
Debriefs to unsuccessful Applicants (as requested)	Following 15 October 2021
Closing date for RFP Proposals	Late December 2021
Evaluation and due diligence of RFP Proposals*	Early 2022
Negotiation commences	Early 2022
Funding Agreements and Housing Outcome Agreements concluded	March - October 2022, as and when agreements are concluded
Final Ministerial funding decisions sought	

**Kāinga Ora may also select a limited number of Proposals to be fast tracked. See paragraph 1.6 below.*

1.2 EOI Stage

Kāinga Ora is looking to receive EOIs that contain Proposals with:

- (a) high level information on the housing development and associated infrastructure requirements (including the Eligible Infrastructure Projects) to enable the housing development; and
- (b) high level information to enable the Proposal to be reviewed against the Eligibility Criteria and evaluated against the Evaluation Criteria.

Each Proposal should relate to one specific housing development and the Eligible Infrastructure Project(s) required to enable that housing development.

Kāinga Ora recognises that some housing developments have a number of different scenarios.



In this case, Applicants are encouraged to submit only one EOI and Proposal for their preferred scenario. However, Kāinga Ora will accept a separate EOI and Proposal for each distinctly different scenario if it involves materially different housing outcomes and the Applicant considers each to be a strong Proposal.

At this EOI Stage, Kāinga Ora will focus on identifying those Proposals which:

- (a) meet the Eligibility Criteria; and
- (b) score well against the Evaluation Criteria.

1.3 RFP Stage

Following consideration of EOIs and the Proposals, the Kāinga Ora Board Committee will decide to either:

- (a) release an RFP to each Applicant with a successful Proposal; or
- (b) advise the Applicant that the Proposal has been unsuccessful.

The RFP will seek more detailed information about the Proposal in order for Kāinga Ora to be able to conduct in-depth evaluation and due diligence.

In recognition of the areas covered by the current and emerging Urban Growth Partnerships (and the typical added complexities in these areas), the following Paths have been established for the RFP Stage (and subsequent Negotiation period):

- (a) a Programme Path for main urban areas covered by current and emerging Urban Growth Partnerships; and
- (b) a Project Path for all other parts of New Zealand, including Proposals from developers and Māori in current or emerging Urban Growth Partnership areas.

Programme Path

The following groups of Territorial Authorities are covered by the current and emerging Urban Growth Partnerships and therefore will participate in the Programme Path:

- (a) **Auckland Council**, including its council controlled organisations;
- (b) **Smart Growth**: Tauranga City Council and Western Bay of Plenty District Council;
- (c) **Future Proof**: Waikato Regional Council, Waipa District Council, Waikato District Council, and Hamilton City Council;
- (d) **Wellington Regional Growth Framework**: Wellington City Council, Hutt City Council, Upper Hutt City Council, Porirua City Council, Kāpiti Coast District Council,



Horowhenua District Council, South Wairarapa, District Council, Carterton District Council, and Masterton District Council;

- (e) **Greater Christchurch Partnership:** Christchurch City Council, Selwyn District Council and Waimakariri District Council; and
- (f) **Queenstown Lakes District Council.**

At the RFP Stage, Territorial Authorities which fall within the Programme Path are strongly encouraged to submit a collective response that contains the individual Proposals supported by that group of Territorial Authorities. This collective response will also include an indication of the respective priority of each Proposal.

In exceptional circumstances, where collective agreement cannot be reached, an individual Territorial Authority within the Programme Path is able to submit a Proposal without collective regional support. However, it should be noted that this lack of regional support will be a relevant factor considered when the Proposal is evaluated at the RFP Stage.

Project Path

Proposals from all other Applicants will be submitted individually and progress through the Project Path at the RFP Stage.

Developer and Māori Applicants

Developers and Māori will proceed on the Project Path at the RFP Stage. They will be requested to obtain (and evidence) Territorial Authority support (or lack thereof) and submit this with their RFP Proposal. This reflects that Territorial Authority support will be a key factor when evaluating Proposals, and there would need to be very clear justification for advancing an RFP Proposal to Negotiation without this support.

RFP Proposals, evaluation and due diligence

The information sought in relation to Proposals at the RFP Stage will be more fulsome than that sought at this EOI Stage.

Kāinga Ora will evaluate each Proposal against the Evaluation Criteria and undertake due diligence to determine which Proposals should proceed to Negotiation.

In the case of Programme Path Proposals, Kāinga Ora anticipates this will involve a reasonably high level of engagement with the Applicant in order to fully understand and possibly refine Proposals.

In the case of Project Path Proposals, Kāinga Ora expects that a degree of engagement will be needed in order to clarify and possibly refine Proposals.



1.4 Negotiation

Following the completion of the RFP Stage evaluation of Proposals, the Kāinga Ora Board Committee will provide advice to Ministers as to whether or not Proposals should proceed to Negotiation. Proposals are expected to be advanced through this process in early 2022.

If and when Ministerial approval is obtained to proceed with a Proposal, Kāinga Ora will engage with the Applicant to seek to negotiate the terms of the Funding Agreement and the Housing Outcome Agreement.

Funding from the IAF will be in the form of grant funding to the Territorial Authority³ to contribute towards Eligible Costs.

The Funding Agreement will record the terms of the grant funding for the Territorial Authority⁴ towards the Eligible Infrastructure Project(s) and the co-funding requirements to be met as a condition to funding under the IAF. The agreement will outline the funding tranches that reflect the key stages involved in the progression of the housing development and delivery of the Eligible Infrastructure Project(s). The number of stages is expected to be limited to about 3 or 4 and each subsequent stage of funding will be conditional upon satisfactory progression through the previous stages. Co-funding will be expected to contribute towards the costs incurred during each stage. Kāinga Ora governance oversight is anticipated, and reporting obligations will be imposed.

The Funding Agreement will also record the position in respect of differences between costs as contemplated in the Proposal and the actual costs as they are incurred in the future. Kāinga Ora expects the amount of IAF funding to be capped and therefore Applicants will need to manage this risk internally.

It is expected that any Housing Outcome Agreement will contain commitments from developers (and other relevant parties) in relation to the housing outcomes referred to in the Proposal, along with any complementary actions to be taken by the relevant Territorial Authority.

We will be looking for Applicants to “rally support” in terms of organising the relevant parties, be they developers, co-funders or other interested parties.

Kāinga Ora expects to provide a commercial term-sheet for the Funding Agreement and Housing Outcome Agreement at the RFP Stage.

Kāinga Ora recognises that both agreements will need to reflect the nature and complexity of

³ Or other such entity, including Waka Kotahi NZTA, council controlled organisation, special purpose vehicle or otherwise, as is determined appropriate.

⁴ Or other such entity.



each successful Proposal.

1.5 Final funding decisions

Once the terms of the Funding Agreement and relevant Housing Outcome Agreement are agreed, the Proposal will be put to the Kāinga Ora Board Committee for consideration. The Committee will provide advice to Ministers for their consideration prior to Ministers making a final decision on funding.

It is expected that Proposals will be advanced through this approval process throughout the course of 2022 and that this will occur in batches. The amount of IAF funding available will be reduced by the amount of funding allocated to successful Proposals.

1.6 Fast-track Proposals

A fast-track process will be used to accelerate a limited number of Proposals through the RFP Stage, Negotiation and final funding decision by Ministers.

Following the EOI evaluation period, Kāinga Ora will engage with each Applicant with a Proposal identified as a fast-track candidate to undertake the RFP Stage due diligence and negotiate a Funding Agreement and Housing Outcome Agreement as soon as reasonably possible.

Proposals expedited through the fast-track process are expected to be those where:

- (a) the quality of the Proposal has already been well validated, such as through previous feasibility analysis by Government agencies; or
- (b) the Proposal is straightforward such that the evaluation and due diligence work can be done very quickly; and
- (c) in each case, the Proposal scores highly against the Evaluation Criteria.

1.7 Role of place based teams and inter-agencies

Place based teams

Kāinga Ora and the Ministry of Housing and Urban Development have place based teams whose work includes engaging with Territorial Authorities, Māori and developers on numerous matters, including in relation to housing developments.

The IAF will build on the work between place based teams and Territorial Authorities (and other potential Applicants), and their ongoing roles and relationships are also recognised.

Kāinga Ora and the Ministry of Housing and Urban Development place based teams also work within current and emerging Urban Growth Partnerships. These teams will also be looking to build on and leverage prior work with Applicants within those partnerships, with a view to



ensuring that IAF funding is, to the extent possible, aligned with government investment in infrastructure.

Members of the place based teams will continue to engage during the IAF process. At a high-level, this engagement may include:

- (a) acting as a point of contact for general queries in relation to the IAF; and
- (b) discussions to help Applicants understand what Kāinga Ora is looking for under the IAF.

Place based teams will not provide, and Applicants should not seek, any substantive advice on preparing Proposals, including providing:

- (a) guidance to Applicants regarding which Proposals should be prioritised over another;
- (b) any further information on the IAF process that is not already available to all Applicants; and/or
- (c) any information about other Proposals submitted.

Place based teams can only clarify the requirements in the EOI Invitation based on information contained in this document or available to all Applicants. Enquiries beyond this level of detail must be directed through the Authorised Representative set out in section 4.2.

The same principles will apply to any assistance that might be provided to developer Applicants. Māori Applicants should note the further guidance provided in section 2.1 in regards to preparing Proposals.

If any Applicant feels that they have not been engaged with on an equivalent basis, they may contact the Probity Auditor at the contact details set out in section 1.9 below. Applicants should note, however, that not all Applicants will be in an equivalent position in terms of how advanced Proposals are, so equivalent treatment does not, for example, mean getting Proposals to the same level of knowledge and understanding with each place based team. It is more a case of equivalence in time and effort allocated to each Applicant relative to the Proposal in question.

Members of the place based teams will provide input into the team at Kāinga Ora undertaking the evaluation of Proposals (and during subsequent Stages). However, they will not undertake any evaluation of the Proposals, be evaluators, or make evaluation (or subsequent) decisions.

Inter-agency input

Input into the evaluation of Proposals (and during subsequent Stages) will also be provided by other Government agencies such as the Ministry of Housing and Urban Development, Waka



Kotahi NZTA, Ministry of Transport, Department of Internal Affairs, Crown Infrastructure Partners, the Infrastructure Commission and the Treasury.

These agencies routinely engage with Territorial Authorities, developers and Māori in relation to housing developments, and senior representatives from these agencies will form the Inter-Agency Reference Group to provide input to the Kāinga Ora Board Committee.

1.8 Decision making

The Kāinga Ora Board Committee will decide which Proposals advance to the RFP Stage and provide advice to Ministers as to which Proposals should advance to Negotiation and those to receive IAF funding.

The Kāinga Ora Board Committee will consist of individuals with the following expertise:

- (a) housing development;
- (b) Māori housing;
- (c) infrastructure delivery;
- (d) local government; and
- (e) finance and risk management.

To support general cross-government alignment, the Inter-Agency Reference Group will inform the decisions and advice from the Kāinga Ora Board Committee.

Following the RFP Stage, Ministers will receive advice from Kāinga Ora, which will be based on the evaluation of individual Proposals against the Evaluation Criteria. Advice may also cover broader considerations, in particular those relating to the balance of the funding package as a whole, to ensure alignment with the objectives for the IAF. Broader considerations include matters such as the balance between greenfields and brownfields development, and near-term and medium-term delivery, construction sector capacity, capacity of the IAF and regional spread.

In relation to any Proposal in which Kāinga Ora has a material interest, Ministers will also receive advice from the Ministry of Housing and Urban Development.

1.9 Probity

The process described in this EOI relates to the allocation of IAF funding. It is not a procurement. However, Kāinga Ora intends to apply general probity principles to the EOI process.

If any Applicant has any concerns in relation to probity, they should contact the Probity Auditor at the contact details below:



Shaun McHale, Managing Director
McHale Group Limited
Public Sector Assurance
Level 1, 187 Featherston Street
PO Box 25103
Wellington 6146
OFFICE: 04 496 5580

Shaun McHale
MOBILE: 027 486 3412
EMAIL: shaun.mchale@mchalegroup.co.nz

Minnie Prakash
MOBILE: 027 446 2274
EMAIL:
minnie.prakash@mchalegroup.co.nz



SECTION 2: WHAT WE ARE LOOKING FOR

Kāinga Ora is looking for Proposals that meet the Eligibility Criteria set out in sections 2.1 to 2.3 and that will score well against the Evaluation Criteria in section 2.4.

Kāinga Ora is seeking Proposals where IAF funding unlocks or accelerates housing development, and enables a meaningful contribution to housing outcomes in areas of need. We are looking for Proposals that are sufficiently advanced to provide enough certainty on those housing outcomes, whilst not being so advanced such that IAF funding is not critical.

Applicants should submit EOIs which seek funding for Proposals which satisfy the various criteria and considerations identified in this section 2, and provide high-level information in their EOI Response Form that enables Kāinga Ora to make its assessment using the evaluation approach in section 3.

Applicants are asked to also identify how existing non-financial powers of local government and central government (e.g., Ministerial RMA powers, RMA fast-track, and Urban Development Act powers) could complement funding to maximise the impact of their Proposals.

2.1 Eligibility Criteria – Eligible Applicants

The following Applicants are eligible to submit EOIs and Proposals:

- (a) Territorial Authorities; and
- (b) developers⁵ and Māori who can demonstrate sufficient rights in, or access to, the land (or a material proportion of the land) upon which the housing development will be built.

Developers are strongly encouraged to work with the relevant Territorial Authority in the first instance to encourage that Territorial Authority to submit an EOI and Proposal as the lead Applicant. If the relevant Territorial Authority is unwilling or unable to support the Proposal then a developer may apply directly to the fund, provided the above Eligibility Criteria is met.

Developer and Māori Applicants should:

- (a) prior to preparing an EOI and Proposal, check with their Territorial Authority whether a particular housing development is already being progressed by that Territorial Authority; and
- (b) refer to the specific guidance for developer and Māori Applicants throughout this EOI Invitation and the EOI Response Form.

⁵ Including community housing providers.



In recognition of the operating principles for Kāinga Ora⁶, if Māori Applicants would like assistance in preparing their Proposals in response to this EOI Invitation, they should co-ordinate through their usual channels at Kāinga Ora or email IAF@KaingaOra.govt.nz.

These groups should also note funding opportunities available for Māori-led investments in infrastructure for Māori housing outcomes under the Māori Infrastructure Fund being delivered by the Ministry of Housing and Urban Development.

2.2 Eligibility Criteria – Eligible Infrastructure Projects

In order to qualify as an Eligible Infrastructure Project, the following requirements must be satisfied:

- (a) the infrastructure is new or upgraded enabling infrastructure in the form of transport (including local roading, state highways, public transport infrastructure, footpaths and cycleways), three waters (water supply, wastewater and stormwater) and flood management⁷; and
- (b) the infrastructure is wholly or primarily for the purpose of enabling the building of new or additional dwellings in the short to medium term (meaning, in most cases, that a material number of those dwellings are built (to completion) by December 2029)⁸; and
- (c) the infrastructure relates to developments which are expected to enable at least:
 - (i) 200 additional dwellings in Tier One urban environments (under the National Policy Statement on Urban Development);
 - (ii) 100 additional dwellings in Tier Two urban environments; or
 - (iii) 30 additional dwellings elsewhere.

2.3 Eligibility Criteria - Eligible Costs

Eligible Costs are one-off costs necessary to enable or deliver Eligible Infrastructure Projects (rather than funding ongoing, business-as-usual activities), being the costs of:

- (a) feasibility studies, business cases and other early-stage planning work;
- (b) designing, consenting, tendering and acquiring land (where it is wholly required for Eligible Infrastructure Projects and broader large scale project activities);

⁶ See section 14 Kāinga Ora – Homes and Communities Act 2019

⁷ Energy transmission infrastructure, telecommunications infrastructure, and social infrastructure (such as libraries, parks or recreation facilities) are not Eligible Infrastructure Projects.

⁸ Infrastructure that has purposes beyond supporting housing development (e.g. commercial development or improved resilience) are eligible, but funding can only be sought for the proportion of the infrastructure reasonably attributable to enabling housing development.



- (c) constructing Eligible Infrastructure Projects; and
- (d) in limited situations, non-capital administrative matters, where these are necessary to establishing complementary financing.

Applicants' internal costs and financing costs are not Eligible Costs.

Applicants should note the co-funding expectations set out in this EOI Invitation.

2.4 Evaluation Criteria

Decisions and recommendations made to Ministers in relation to the IAF made by the Kāinga Ora Board Committee will be based on the following Evaluation Criteria (and Sub-Criteria), which is expected to be consistent across both the EOI and RFP Stages.

Criteria	Sub-criteria
Housing benefits of the proposal (40%) – How will the Proposal, if delivered, contribute to the housing outcomes that are the purpose of the Fund?	<ul style="list-style-type: none"> • The number of additional dwellings that the funding will enable relative to demand in that area. • The proportion of lower-cost houses expected to be enabled by the Eligible Infrastructure Project(s) (primarily informed by typology of housing expected to be built). • The extent to which the location where housing will be enabled has unmet demand and provides access to amenity and opportunity. • The extent to which the Eligible Infrastructure Project(s) supports intensification, in particular that required to be enabled by councils under the National Policy Statement on Urban Development (i.e. typology and density). • The extent to which the Proposal supports housing development on land owned by Māori and to which mana whenua have been involved in developing the proposed solution. • The extent to which the Proposal supports housing development that is environmentally sustainable including through reduced private vehicle use, lower risks from climate change (such as coastal inundation), and supporting water quality and biodiversity.



Criteria	Sub-criteria
Impact of funding (additionality) (20%) – How critical is this funding to advancing the Eligible Infrastructure Project(s) and housing development?	<ul style="list-style-type: none"> • The impact that this funding will have on the housing development advancing, or on the pace and scale at which it will advance compared to what is currently expected. • Demonstration that other means to fund the Eligible Infrastructure Project(s) without displacement of investment elsewhere (i.e. rate rises, prudent borrowing, or use of the IFF framework) have been exhausted.
Cost and co-funding (20%) – How cost effective is the Proposal and is everyone paying their fair share?	<ul style="list-style-type: none"> • The average whole-of-government cost per dwelling expected to be enabled by the Eligible Infrastructure Project(s). • Alignment with co-funding principles for the Fund, being:⁹ <ul style="list-style-type: none"> ○ developers and landowners should be paying a similar share of the costs of the Eligible Infrastructure Project(s) as would be the case if the infrastructure was funded by traditional means through the local authority, which is generally the reasonable 'growth' portion of the total infrastructure cost (in some cases this contribution can be non-financial (e.g. land or commitments to sub-market housing), but any such contribution should be similar in value to the foregone financial contribution); and ○ Territorial Authorities should be co-investing to the maximum extent possible.
Capability and readiness (20%) – If funding is approved, how certain is it that the development will advance, and at what pace?	<ul style="list-style-type: none"> • The extent to which there are other barriers to housing development that the Eligible Infrastructure Project(s) will serve (and how they will be removed if funding is approved).

⁹ Applicants are reminded that this is a key component of ensuring that government investment will have maximum impact. Failure to demonstrate developers and landowners' preparedness to make such a contribution will likely result in the EOI and Proposal being unsuccessful.



Criteria	Sub-criteria
	<ul style="list-style-type: none"> The degree of developer commitment or interest in building housing quickly. Demonstrated alignment between all parties including Territorial Authorities, Regional Councils, mana whenua and developers needed to advance the housing development. Confidence in the ability of all parties to deliver the Eligible Infrastructure Project(s) and housing development as proposed.

2.5 Broader considerations

Decisions at both EOI and RFP Stages will also take account of the broader considerations, in particular those relating to the balance of the IAF funding package as a whole, to ensure alignment with the objectives for the IAF and government priorities. These broader considerations will include those set out in the table below.

Broader considerations		Key factors to be assessed
1.	Greenfield/brownfield developments	Does the IAF funding package as a whole enable a balance of brownfield intensification and greenfield expansion?
2.	Timing of housing delivery	Does the IAF funding package as a whole enable a balance of near-term and medium-term activity?
3.	Construction sector capacity	Does the IAF funding package as a whole enable activity that ramps up sustainably to allow the construction sector to steadily increase its capacity and absorb the investment without price escalation?
4.	Capacity of the fund	If the amount of IAF funding requested in the Proposal is granted, is there sufficient capacity remaining in the IAF to support the desired range of Proposals?
5.	Regional spread of funding allocation	Does the funding package as whole represent the government's intention to fund Proposals across multiple regions that include both large urban areas and regional centres, having regard to: (i) allocation of funding from within IAF; and



		(ii) any other central government funding for that housing development (including both historical and anticipated funding).
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Item 11

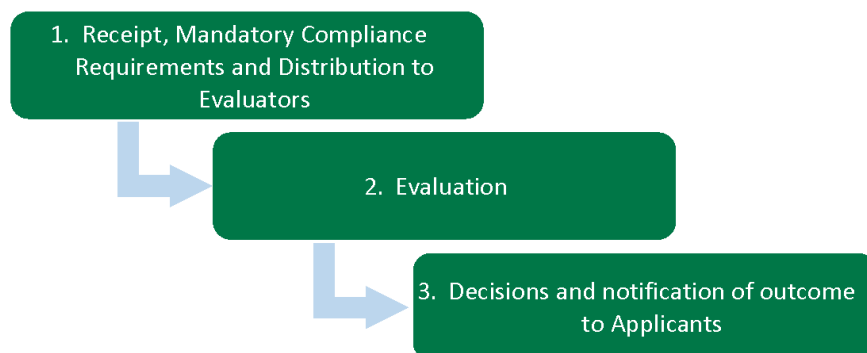
Attachment 6



SECTION 3: EVALUATION APPROACH

3.1 Overview of the Evaluation Process

There are three steps to the evaluation of EOIs:



3.2 Mandatory Compliance

The Mandatory Compliance Requirements will be considered prior to the evaluation of each EOI and will be assessed on a **pass/fail** compliance basis.

Mandatory Compliance Requirements		
1.	EOI Response Form received on time	5.00pm 18 August 2021
2.	EOI Response Form completed as instructed in the prescribed format	Available on Tenderlink
3.	Applicant Declaration received on time	5.00pm 18 August 2021
4.	Applicant Declaration completed as instructed in the prescribed format	Available on Tenderlink

If this information is not provided on time, in the prescribed format, is incomplete, is inaccurate, or the content of the information is not satisfactory to the Evaluation Panel, the Evaluation Panel may (at its discretion) reject the Proposal without proceeding to evaluate it.

Following submission of Proposals, Kāinga Ora may seek further information and clarification from an Applicant if required, but not where the submission of such information would give an advantage to one Applicant over another. Information and clarification requests may be sent by the Authorised Representative at any stage during the EOI Evaluation and responses must be provided within three working days.



Information and clarification requests may be sent by Kāinga Ora during the period from 1 July to 13 August 2021.

3.3 Evaluation of EOI Proposals

All Proposals that meet the Mandatory Compliance Requirements will be reviewed by Evaluation Teams to check the Eligibility Criteria are satisfied (which will be assessed on a **pass/fail basis**), and scored against the Evaluation Criteria. Applicants whose Proposals meet these requirements will be notified.

This evaluation process will also involve:¹⁰

- (a) the Evaluation Teams seeking inter-agency input from other government entities listed in section 1.7; and
- (b) place based teams providing high level input on the Proposals submitted in their region.

The Evaluation Teams and Evaluation Panel will moderate individual scores and the Evaluation Panel will then confirm the ranking of Proposals.

Kāinga Ora reserves the right to not progress Proposals to the RFP Stage if, in the Evaluation Panel's opinion, a Proposal does not score satisfactorily on one or more of the Evaluation Criteria or Sub-Criteria.

Kāinga Ora also reserves the right to progress Proposals to RFP Stage subject to conditions.

In order to select the limited number of Proposals suitable for fast-tracking, Evaluation Teams and the Evaluation Panel will have regard to factors such as whether:

- a) the quality of the Proposal has already been well validated, such as through a previous central Government process; or
- b) the Proposal is straightforward such that the evaluation and due diligence work can be done very quickly; and
- c) in each case, the Proposal scores highly against the Evaluation Criteria.

3.4 Decisions and notification to Applicants

The Kāinga Ora Board Committee will decide which Proposals will advance to the RFP Stage.

Successful Applicants

Applicants with Proposals to progress to the RFP Stage will be advised in writing that they have been successful, and will be issued the RFP.

¹⁰ In paragraphs (a) and (b), "input" does not include the evaluation of Proposals.
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For Proposals that may only proceed to the RFP Stage if certain conditions are agreed to, the RFP will be issued if and when the Applicant agrees to those conditions.

Unsuccessful Applicants

Applicants with Proposals that have not been selected to progress to the RFP Stage will be advised in writing that they have been unsuccessful, and will be offered debriefs.



SECTION 4: PREPARING A PROPOSAL

4.1 How to respond to this EOI Invitation

Each Proposal must relate to one specific housing development, and the Eligible Infrastructure Project(s) enabling that housing development(s). EOIs will comprise a completed EOI Response Form and Applicant Declaration (each as available on Tenderlink), submitted electronically to Tenderlink by **5:00pm on 18 August 2021**.

The contents of the EOI Response Form are set out in the table below. Instructions on how to complete the EOI Response Form and further guidance for preparing responses to the questions therein are set out in the EOI Response Form.

EOIs transmitted by any other method, such as facsimile, post or in hardcopy delivered to an office of Kāinga Ora, the Ministry of Housing and Urban Development, or any other government agency will not be accepted.

The questions in the EOI Response Form have been developed to ensure that the Evaluation Teams and Evaluation Panel have sufficient information to evaluate Proposals against the Eligibility Criteria and Evaluation Criteria.

Item	Content	Reference
EOI Response Form	<p>A completed EOI Response Form, comprising:</p> <ul style="list-style-type: none"> - Part A - General Information: seeking basic information about the Applicant and the housing development. - Part B - Proposal Information: seeking high-level information about the housing development and the infrastructure required to enable the development. - Part C - Criteria Responses: seeking high-level responses on the various aspects of the Eligibility and Evaluation Criteria. 	Available on Tenderlink



4.2 How to contact us

All enquiries to Kāinga Ora regarding this EOI Invitation must be by email, copying our Authorised Representative. Kāinga Ora will manage external communications through this Authorised Representative.

Our Authorised Representative: **Kathleen Fafeita**

Email address: IAF@kaingaora.govt.nz

4.3 Changes to the EOI Invitation

If, after publishing this EOI Invitation, Kāinga Ora needs to change anything about the EOI Invitation or EOI process, or wants to provide additional information, a notice will be issued on Tenderlink. Applicants subscribing to Tenderlink and who download the EOI Invitation will automatically be sent notifications of changes through Tenderlink by email.



SECTION 5: TERMS AND CONDITIONS

1) General

- a. The terms and conditions are non-negotiable and do not require a response. By submitting an EOI and a Proposal, each Applicant will be deemed to have agreed to this EOI Invitation's terms and conditions without reservation or variation.
- b. Applicants acknowledge and agree that the EOI process is not a procurement and the Government Procurement Rules do not apply to this EOI process.

2) Investigations and reliance on information

- a. Each Applicant should satisfy itself as to the interpretation of the EOI Invitation. If there is any perceived ambiguity or uncertainty in the EOI Invitation and document/s, Applicants should set out in their Proposal the interpretation relied upon and any assumptions used.
- b. Kāinga Ora will not be liable (in contract or tort, including negligence, or otherwise) to anyone who relies on any information provided by or on behalf of Kāinga Ora in or in connection with this EOI process.

3) Requests for clarification

- a. Requests for clarification of any perceived ambiguity or uncertainty in the EOI Invitation, or any other enquiry, must be made through IAF@kaingaora.govt.nz by no later than 13 August 2021. Kāinga Ora will respond in a timely manner.
- b. If Kāinga Ora considers a request to be of sufficient importance to all Applicants it may provide details of the question and answer to other Applicants. In doing so, Kāinga Ora may summarise the Applicant's question and will not disclose the Applicant's identity. The question and answer may be posted on Tenderlink, on the Kāinga Ora website, and/or

emailed to Applicants that have registered to the Tenderlink webpage. An Applicant may withdraw a request at any time.

- c. In submitting a request for clarification an Applicant is to indicate, in its request, any information that is commercially sensitive. Kāinga Ora will not publish such commercially sensitive information. However, Kāinga Ora may modify a request to eliminate such commercially sensitive information, and publish this and the answer where Kāinga Ora considers it of general significance to all Applicants. In this case, the particular Applicant will be given an opportunity to withdraw the request or remove the commercially sensitive information.
- d. Business-as-usual communications between Kāinga Ora and the Applicant will be maintained with the usual contacts. However, during the EOI process, Applicants must not use business-as-usual contacts to solicit or discuss details of this EOI process with any person at Kāinga Ora or any other Crown agency or Crown entity or their respective agents, except as permitted by section 1.7 of this EOI Invitation. This paragraph does not prevent Applicants from working on their Proposal with other relevant parties as necessary.

4) Reliance by Applicants

- a. All information contained in this EOI Invitation or given to any Applicant by Kāinga Ora is for the purpose of allowing that Applicant to prepare its Proposal. Kāinga Ora has endeavoured to ensure the integrity of such information. However, it has not been independently verified and Kāinga Ora is under no duty to provide updated information.

5) Reliance by Kāinga Ora

- a. Each Applicant must use its best endeavours to ensure all information provided to Kāinga Ora is true, complete and accurate. The Applicant acknowledges that Kāinga Ora will be relying on the truth, completeness and accuracy of this information in evaluating the Proposal and in subsequent engagements with the Applicant.



6) Clarification by Kāinga Ora

- a. Kāinga Ora may, at any time, request from any Applicant, clarification of its Proposal as well as additional information about any aspect of its Proposal. Kāinga Ora is not required to request the same clarification or information from each Applicant.

7) Inducements

- a. Applicants must not directly or indirectly provide any form of inducement or reward to any officer, employee, advisor, evaluation panel member or other representative of Kāinga Ora in connection with this EOI Process.

8) Evaluation Panel

- a. Kāinga Ora will convene an Evaluation Panel and Evaluation Teams, and a Committee of its Board comprising members chosen for their relevant expertise and experience, and who may have a degree of knowledge of or about any Applicant. In addition, Kāinga Ora may invite independent advisors to advise on any Proposal, or any aspect of any Proposal.

9) Third party information

- a. Each Applicant authorises Kāinga Ora to collect additional information, except commercially sensitive pricing information, from any relevant third party (such as a referee or a previous or existing client) and to use that information as part of its evaluation of the Proposal.

10) Evaluation and decisions

- a. Kāinga Ora will evaluate Proposals submitted in response to the EOI Invitation. This evaluation will be in accordance with the evaluation approach set out in section 3. Kāinga Ora may adjust its evaluation of a Proposal following consideration of any clarification or additional information as described in paragraph 6.
- b. In deciding which Proposals to progress to the RFP Stage, Kāinga Ora may take into account any of the following additional information:
 - i. the results from any due diligence;

- ii. any matter that materially impacts on the trust and confidence Kāinga Ora have in the Applicant or on the truth, accuracy and completeness of any information included in the Applicant's EOI; and/or

- iii. any relevant information that Kāinga Ora may have in its possession.

- c. Kāinga Ora will advise Applicants of the outcome of the evaluation. Progressing past the EOI Stage does not constitute acceptance by Kāinga Ora of the Applicant's Proposal, or imply or create any obligation on Kāinga Ora to enter into negotiations with, or enter into a Funding Agreement or Housing Outcome Agreement with any Applicant.

11) Fast-track process

- a. As described in the EOI Invitation, Kāinga Ora may, at any time following the EOI Invitation, elect to progress any Proposal under the fast-track process if it considers (in its sole discretion) that the Proposal meets the fast-track criteria described in section 3.3.

12) Authorised Representative for Kāinga Ora:

- a. All enquiries regarding the EOI process must be directed by email to the Authorised Representative. Applicants must not directly or indirectly approach any representative of Kāinga Ora, or any other person, to solicit information concerning any aspect of the EOI process, except place based teams to the extent permitted by section 1.7 of this EOI Invitation.
- b. Only the Authorised Representative, place based teams (to the extent permitted by section 1.7 of this EOI Invitation) and any other person authorised in writing by Kāinga Ora, are authorised to communicate with Applicants regarding any aspect of the EOI process. Kāinga Ora will not be bound by, or entitled to rely on, any statement made by any other person.
- c. Kāinga Ora may change the Authorised Representative at any time. Kāinga Ora will notify Applicants of any such change. This notification may be posted on Tenderlink or sent by email.



13) Conflict of interest

- a. Each Applicant must immediately inform Kāinga Ora should a conflict of interest arise during the EOI process. A material conflict of interest may result in the Applicant being disqualified from participating further in the EOI process.

14) Confidential Information

- a. For the purposes of this EOI Invitation and any EOIs submitted in response to it, Confidential Information means information that is marked as “confidential” or “commercial in confidence” by the Applicant.
- b. Confidential information does not cover information that is information already known by Kāinga Ora, or is in the public domain through no fault of either Kāinga Ora or an Applicant.
- c. Kāinga Ora or an Applicant will each take reasonable steps to protect Confidential Information and, subject to paragraphs d, e, and f will not disclose Confidential Information to a third party without the other’s prior written consent. Kāinga Ora will not be subject to any obligation of confidentiality in relation to information that is not marked as “confidential” or “commercial in confidence”.
- d. Kāinga Ora may disclose Confidential Information to any person who is involved in the IAF, including and on behalf of Government departments and other Crown agencies or entities, such as officers, employees, consultants, contractors, professional advisors, but only for the purpose of the IAF.
- e. Kāinga Ora may disclose Confidential Information to any person provided the Confidential Information is included in an aggregated dataset that does not identify the individual data.
- f. The obligations of confidentiality in paragraph c do not apply to any disclosure of Confidential Information required by parliamentary and constitutional convention and any other obligations imposed by law. Where Kāinga Ora receives an *Official Information Act 1982* request or the Applicant receives a *Local Government Official Information and*

Meetings Act 1987 request that relates to the other party’s Confidential Information, the party that has received the request will consult with the other party and may ask the other party to explain why the information is considered by the other party to be confidential or commercially sensitive.

15) Ownership of documents and intellectual property

- a. This EOI Invitation and any other documents supplied by Kāinga Ora to any Applicant remain the property of Kāinga Ora. All copyright and other intellectual property rights in the EOI Invitation and any documents and other information provided to any Applicant or any other person by or on behalf of Kāinga Ora in connection with this EOI Invitation will remain with, and belong at all times to, Kāinga Ora or its licensors. Kāinga Ora may request the immediate return of all documents supplied and any copies made of them at any time. Applicants must comply with any such request in a timely manner.
- b. Any EOI or information supplied by an Applicant to Kāinga Ora in respect of its Proposal will become the property of Kāinga Ora and may not be returned.
- c. Ownership of Intellectual Property rights in the EOI and any information supplied by an Applicant to Kāinga Ora in respect of its Proposal remain the property of the Applicant or its licensors. However, the Applicant grants to Kāinga Ora a royalty-free, non-exclusive, non-transferable, perpetual licence, including the right to sub-license, to retain, use, copy and disclose information contained in the EOI for any purpose related to the EOI process.
- d. By submitting a Proposal, the Applicant warrants that the provision of that information to Kāinga Ora will not breach any third party intellectual property rights.

16) No binding legal relations

- a. Neither the EOI Invitation, nor the EOI process, creates a process contract or any legal relationship between Kāinga Ora and any Applicant, except in respect of:



- i. the Applicant's declaration in its EOI;
 - ii. the Applicant's statements, representations and/or warranties in its EOI, and in its correspondence with Kāinga Ora; and
 - iii. paragraphs 7 and 12 to 22 of these Terms and Conditions.
- b. Kāinga Ora makes no representations nor gives any warranties in this EOI Invitation.
 - c. Any verbal communications made during the EOI process will not be binding on Kāinga Ora and are subject to the terms of this EOI Invitation.
 - d. Despite any other provision in this EOI Invitation or any other document relating to this EOI process, the issue of this EOI Invitation does not legally oblige or otherwise commit Kāinga Ora to proceed with or follow the process outlined in this EOI Invitation.

17) Elimination

- a. Kāinga Ora may exclude an Applicant from participating in the EOI process if it has evidence of any of the following, and this is considered by Kāinga Ora to be material to the EOI process:
 - i. the Applicant has failed to provide all information requested, or in the correct format, or materially breached a term or condition of the EOI process;
 - ii. the Proposal contains a material error, omission or inaccuracy;
 - iii. the Applicant is in bankruptcy, receivership or liquidation;
 - iv. the Applicant has made a false declaration;
 - v. there is a serious performance issue in a historic or current contract delivered by the Applicant;
 - vi. there is professional misconduct or an act or omission on the part of the Applicant which adversely reflects on the integrity of the Applicant;
 - vii. the Applicant has failed to pay taxes, duties or other levies;

- viii. the Applicant represents a threat to national security or the confidentiality of sensitive government information; or
- ix. the Applicant is a person or organisation designated as a terrorist by New Zealand Police.

18) Kāinga Ora additional rights

- a. Despite any other provision in the EOI Invitation Kāinga Ora may, on giving due notice to Applicants:
 - i. amend, suspend, cancel and/or re-issue the EOI Invitation, or any part of the EOI Invitation; and
 - ii. make any material change to the EOI Invitation (including any change to the timeline, requirements or Evaluation Approach) on the condition that Applicants are given a reasonable time within which to respond to the change, where a response is necessary.
- b. Despite any other provision in the EOI Invitation Kāinga Ora may:
 - i. accept a late Proposal if it is received late due to the actions of Kāinga Ora;
 - ii. in exceptional circumstances, accept a late Proposal where it considers that there is no material prejudice to other Applicants. Kāinga Ora will not accept a late Proposal if it considers that there is risk of collusion on the part of an Applicant;
 - iii. accept or reject any Proposal, or part of a Proposal;
 - iv. accept or reject any non-compliant, non-conforming or alternative Proposal;
 - v. decide not to enter into any agreement with any Applicant;
 - vi. liaise or negotiate with any Applicant without disclosing this to, or doing the same with, any other Applicant;
 - vii. provide or withhold from any Applicant information in relation to any question arising in relation to the EOI process. Information will usually only be withheld if it is deemed unnecessary, is



commercially sensitive to an Applicant, is inappropriate to supply at the time of the request or cannot be released for legal reasons;

- viii. amend any agreement or proposed contractual arrangement at any time, including during refinement with a successful Applicant; and
 - ix. waive irregularities or requirements in the EOI process where it considers it appropriate and reasonable to do so.
- c. Kāinga Ora may request that an Applicant agrees to:
- i. selecting any individual element/s that is offered in a Proposal and is capable of being delivered separately, unless the Proposal specifically states that the Proposal, or elements of the Proposal, are to be taken collectively;
 - ii. progress to the RFP Stage, subject to certain conditions regarding the Proposal at EOI Stage; and/or
 - iii. selecting two or more Applicants to deliver the requirements as a joint venture or consortium.

19) Costs and expenses

- a. Kāinga Ora is not responsible for any costs or expenses incurred by an Applicant in the preparation of a Proposal.

20) New Zealand law

- a. The laws of New Zealand shall govern the EOI process and each Applicant agrees to submit to the exclusive jurisdiction of the New Zealand courts in respect of any dispute concerning the EOI Invitation or the EOI process.

21) Disclaimer

- a. Kāinga Ora will not be liable in contract, tort, equity, or in any other way whatsoever for any direct or indirect damage, expense, loss or cost (including legal cost) incurred by any Applicant or any other person in

respect of the EOI process to the maximum extent permitted by law.

This includes, without limitation:

- i. the preparation of any Proposal;
 - ii. any investigations of or by any Applicant;
 - iii. the suspension or cancellation of the process contemplated in this EOI Invitation; or
 - iv. any information given or not given to any Applicant.
- b. Nothing contained or implied in the EOI Invitation, or EOI process, or any other communication by Kāinga Ora to any Applicant shall be construed as legal, financial or other advice. Kāinga Ora has endeavoured to ensure the integrity of such information. However, it has not been independently verified and may not be updated.
- c. By participating in this EOI process, each Applicant waives any rights that it may have to make any claim against Kāinga Ora. To the extent that liability cannot be excluded as a matter of law, the maximum aggregate liability of Kāinga Ora is \$1.

22) Precedence

- a. Any conflict or inconsistency in the documents forming the EOI Invitation shall be resolved by giving precedence in the following descending order:
 - i. any notice made available on Tenderlink or to all Applicants after the release of this EOI Invitation that purports to amend the EOI Invitation;
 - ii. this section 5 (Terms and Conditions);
 - iii. all other sections of this EOI Invitation document; and
 - iv. any other additional information or document provided by Kāinga Ora to Applicants through the Authorised Representative or Tenderlink.



- b. If there is any conflict or inconsistency between information or documents having the same level of precedence, the later information or document will prevail.



APPENDIX: GLOSSARY

Term	Meaning
Applicant	A party, including a Territorial Authority, Māori or developer, who has responded to this EOI Invitation by submitting a Proposal in accordance with the requirements set out in section 4.
Applicant Declaration	The declaration form to be completed by each lead Applicant, as available on Tenderlink.
Eligible Applicant	An Applicant who meets the Eligibility Criteria set out in section 2.1.
Eligibility Criteria	The criteria intended to be used to assess Eligible Applicants, Eligible Infrastructure Projects and Eligible Costs, as set out in sections 2.1, 2.2 and 2.3 respectively.
Eligible Costs	Costs that meet the criteria set out in section 2.3 (as determined by Kāinga Ora as being eligible) and for which IAF funding may contribute towards.
Eligible Infrastructure Project	An infrastructure project that meets the criteria set out in section 2.2 (as determined by Kāinga Ora) and for which IAF funding may be used.
EOI	Expression of Interest in response to this EOI Invitation
EOI Invitation	This invitation, inviting Applicants to submit an EOI and Proposal to receive funding from the Infrastructure Acceleration Fund.
EOI Stage	This stage of the process to allocate funding from the Infrastructure Acceleration Fund, commencing from the issue of this EOI Invitation and concluding on notification of successful Proposals to move to the RFP Stage.
Evaluation Criteria	The criteria intended to be used to assess Proposals as set out in section 2.4 of this EOI Invitation.
Evaluation Teams	Evaluation teams established to evaluate Proposals in accordance with this EOI Invitation as set out in section 3.3.
Evaluation Panel	Evaluation panel comprising officials of Kāinga Ora to evaluate Proposals in accordance with this EOI Invitation as set out in section 3.3.



Term	Meaning
Funding Agreement	An agreement, setting out the terms of IAF funding for an Eligible Infrastructure Project(s).
Housing Outcome Agreement	An agreement setting out the housing outcomes, commitments from developers and other relevant parties, and actions to be taken by the relevant Territorial Authority, in respect of a Proposal.
IAF	Infrastructure Acceleration Fund
Kāinga Ora Board Committee	A committee of the Board of Kāinga Ora responsible for deciding which Proposals progress to the RFP Stage and providing advice to Ministers.
Infrastructure Acceleration Fund (IAF)	A government fund for Eligible Infrastructure Projects, administered by Kāinga Ora.
Inter-Agency Reference Group	A group made up of senior representatives from various government agencies that will inform the decisions and advice from the Kāinga Ora Board Committee.
Māori	Includes, without limitation, iwi, hapū, marae and whanau.
Māori Infrastructure Fund	A government fund for infrastructure that enables Māori housing, administered by the Ministry of Housing and Urban Development.
Ministers	The Minister of Finance and Minister of Housing.
Negotiation	The period that commences when an RFP Proposal receives Ministerial approval to progress to negotiation and concludes when a final Ministerial decision as to funding is sought.
Probity Auditor	The person identified in this EOI invitation who is appointed to audit, and provide independent assurance to Kāinga Ora on the process undertaken in relation to the IAF.
Programme Path*	A pathway for Proposals relating to main urban areas covered by current and emerging Urban Growth Partnerships.
Project Path*	A pathway for Proposals relating to all parts of New Zealand not covered by an Urban Growth Partnership, including those submitted by developers and Māori in Urban Growth Partnership areas.
	<i>*in each case, a "Path"</i>



Term	Meaning
Proposal	The information provided by Applicants regarding applications for funding under the Infrastructure Acceleration Fund (across EOI and RFP Stages and the remaining negotiation and funding decision processes).
RFP	Request for Proposals
RFP Proposal	A response to the RFP provided by selected Applicants.
RFP Stage	The Stage of the Infrastructure Acceleration Fund process commencing from the issue of the RFP to notifying successful Applicants.
Stages	The stages of the process to allocate funding from the Infrastructure Acceleration Fund referred to in this EOI Invitation.
Territorial Authority	A city council or a district council named in Part 2 of Schedule 2 of the Local Government Act 2002.
Urban Growth Partnership(s)	Partnerships, as identified in section 1.3 of this EOI Invitation, between central government, local government and Māori to ensure alignment of government investment in infrastructure.



Council Report

Item 12

Committee: Strategic Growth Committee **Date:** 29 July 2021
Author: Tyler Gaukrodger **Authoriser:** Becca Brooke
Position: Governance Advisor **Position:** Governance Manager
Report Name: Open Information Only Reports

Report Status	<i>Open</i>
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1. The following reports are for information only purposes only:
 - General Manager's Report;
 - Future Proof Update Report;
 - Growth Programmes Update;
 - Hamilton-Waikato Wastewater Detailed Business Case Project Update; and
 - Development Contributions Remissions Quarter 4 2021.

Staff Recommendation - *Tuutohu-aa-kaimahi*

2. That the Strategic Growth Committee receives the following information only reports:
 - a) General Manager's Report;
 - b) Future Proof Update Report;
 - c) Growth Programmes Update;
 - d) Hamilton-Waikato Wastewater Detailed Business Case Project Update; and
 - e) Development Contributions Remissions Quarter 4 2021.

Attachments - *Ngaa taapirihanga*

Attachment 1 - General Manager's Report

Attachment 2 - Future Proof Update Report

Attachment 3 - Growth Programmes Update

Attachment 4 - Hamilton-Waikato Metro Wastewater Detailed Business Case Update

Attachment 5 - Development Contributions Remission Quarter 4 2021 .

Council Report

Item 12

Committee: Strategic Growth Committee **Date:** 29 July 2021
Author: Blair Bowcott **Authoriser:** Blair Bowcott
Position: General Manager Growth **Position:** General Manager Growth
Report Name: General Manager's Report

Report Status

Open

Purpose - *Take*

1. To inform the Strategic Growth Committee of topical issues, areas of concern and items which need to be brought to the member's attention, but which do not necessitate a separate report.

Staff Recommendation - *Tuutohu-aa-kaimahi*

2. That the Strategic Growth Committee receives the report.

Executive Summary - *Whakaraapopototanga matua*

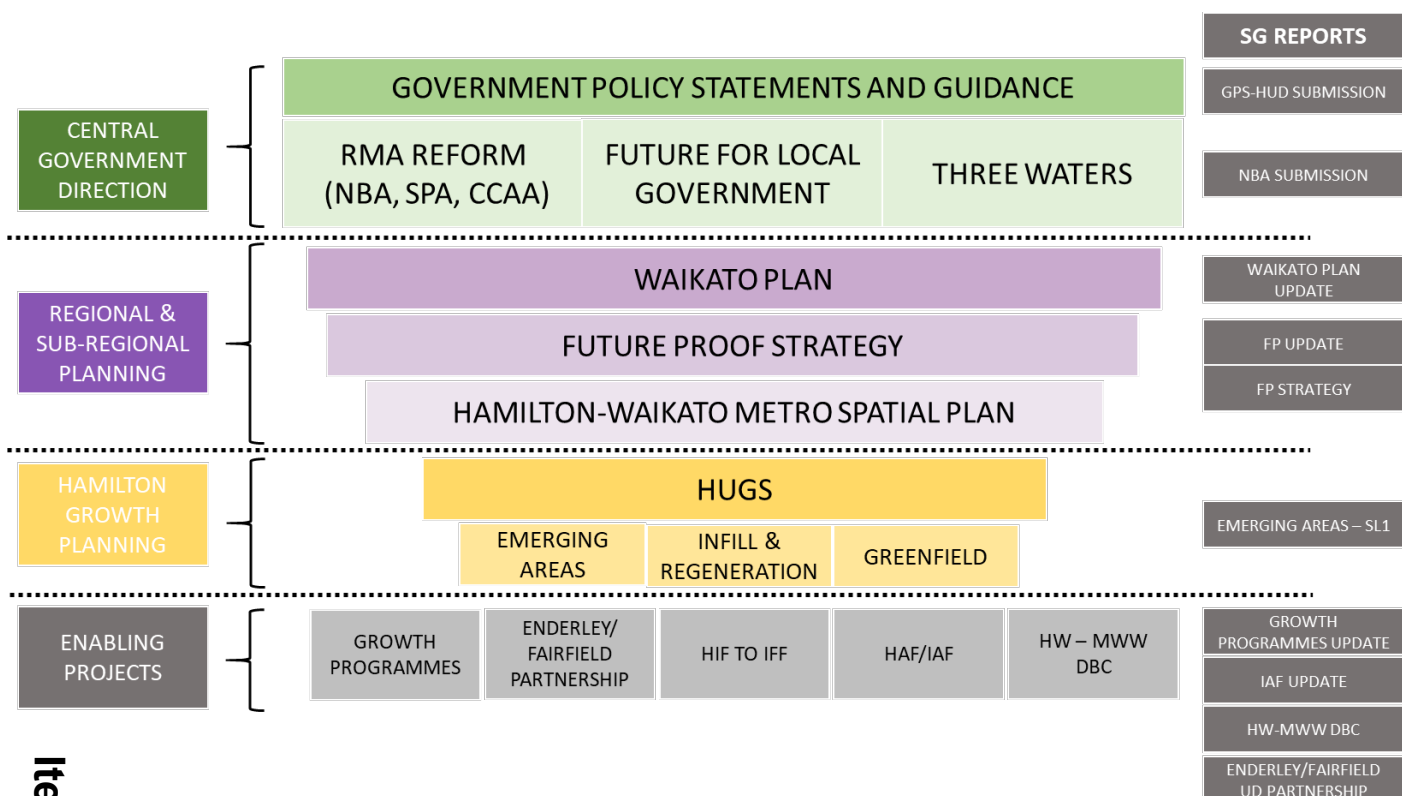
3. This report provides updates to Committee Members on activities, actions or projects for which this Committee and the relevant General Managers have responsibility over and for which significant progress has been made, including but not limited to:
 - i. Waikato Mayoral Forum
 - ii. Waikato Plan
 - iii. Upper North Island Strategic Alliance (UNISA)
 - iv. Cross-boundary Council discussions
 - v. Infrastructure Funding and Financing
 - vi. Local Government Reform.
4. Staff consider the decisions in this report have low significance and that the recommendations comply with Council's legal requirements.

Discussion - *Matapaki*

Interrelated Workstreams

5. Today's agenda covers a number of different growth projects that are currently underway both within council and in collaboration with others.
6. The institutional architecture is outlined in the diagram below, showing the wider system in which growth planning occurs and where each report fits.
7. This starts with Central Government direction delivered through Government Policy Statements and Reform Programmes, flowing down to regional and sub-regional planning initiatives, Hamilton-specific growth planning, and a number of individual, enabling projects.

Attachment 1



Item 12

Strategic Regional Collaboration

Waikato Mayoral Forum

8. The last Waikato Mayoral Forum was held on 31 May 2021.
9. The next Mayoral Forum is scheduled for 23 August 2021.

Waikato Plan

10. The unconfirmed minutes of the Waikato Plan Leadership Committee held on 14 May 2021 can be read [here](#).
11. An update on the Waikato Plan is being presented at this meeting by Deserae Frisk, the Waikato Plan Project Manager, as a separate report on this agenda.

UNISA

12. The UNISA Mayors and Chairs meeting that was to be held on 9 July 2021 was cancelled. The next meeting is yet to be scheduled.
13. An update on the UNISA work plan for Whangarei – Tauranga transport links will be provided at the next Strategic Growth Committee Meeting on 7 September 2021.

Cross-boundary Council discussions

Waikato District Council

14. The WDC/HCC Governance Group met on 4 June 2021. The minutes of that meeting are at **Attachment 1**.
15. The next meeting is scheduled for 1 October 2021, with an interim (virtual) meeting to be held on 26 August 2021.

Waipa District Council

16. The Waipa/HCC Governance Group was to meet on 9 June 2021, but due to the unavailability of Waipa members the meeting was cancelled. Instead, an interim virtual meeting was held on 2 June 2021 and the minutes of that meeting are at **Attachment 2**.
17. The next meeting is scheduled for 10 September 2021, with an interim (virtual) meeting set for 4 August 2021.
18. Council is represented at both of these Governance Groups by Mayor Southgate, Deputy Mayor Taylor, Councillors Macpherson and Hamilton, Richard Briggs and Blair Bowcott.

Peacocke Infrastructure Funding and Financing Opportunity

19. Staff are continuing to investigate a potential agreement to transfer a portion of the Housing Infrastructure Facility (HIF) into an off-balance sheet Infrastructure Funding and Financing (IFF) arrangement.
20. Council staff have progressed discussions with Central Government staff including representatives from MHUD, CIP and Treasury. These discussions have led to CIP and MHUD agreeing to discuss this opportunity further with Minister Robinson and Minister Woods (their respective ministers).
21. Further investigatory work is underway by all parties including IFF levy and revenue feasibility modelling, the logistics of the HIF to IFF agreement and further discussions with landowners/developers.

Ratepayer Financing Scheme

22. Council has been working with Local Government New Zealand and major councils over the last two years on an innovative funding tool, namely the Ratepayer Financing Scheme (RFS) which utilises deferred rates or charges to raise finance for a variety of opportunities at competitive interest rates, off balance sheet.
23. Following direction at an Elected Member Briefing on 17 May 2021, and in addition to the funding pledged by other major councils, HCC has contributed \$50K to the next phase of the project, being a detailed process to ensure that the RFS arrangement can meet accounting, rating agency and other stakeholder criteria.
24. Staff will continue to keep Elected Members updated as this process progresses.

Government Reform Programme

25. The Government is advancing a number of work programmes that will reshape the system of local government, specifically the Three Waters Review and the Resource Management Reform (a draft submission on the new Natural and Built Environment Act is the subject of a separate report on this agenda).
26. A lot of the commentary that forms the basis of our submissions and feedback on the Government's reforms to date is regarding the absence of funding plans and certainty to give effect to and deliver on growth planning.
27. In addition to the Three Waters and Resource Management Reforms, the Minister of Local Government has established a Ministerial review into the Future for Local Government.
28. The overall purpose of the review is to identify how local democracy and governance needs to evolve over the next 30 years, to improve the wellbeing of New Zealand communities and the environment, and actively embody the Treaty partnership.
29. The scope of this matter comprises what local government does, how it does it, and how it pays for it.
30. The review will report to the Minister on this matter:

- i. 30 September 2021: An interim report presented to the Minister signalling the probable direction of the review and key next steps;
- ii. 30 September 2022: Draft report and recommendations to be issued for public consultation;
- iii. 30 April 2023: Review presents final report to the Minister and Local Government New Zealand.

- 31. Staff have set up a cross-council team to begin looking at the implications the suite of reforms will have on HCC, and to begin developing a council position on the proposed changes.
- 32. The team will be looking to influence the direction of the reform and will be actively seeking input from elected members to develop any advice to central government as the project progresses.

Residential Section Supply

- 33. At the Finance Committee held on 15 June 2021 a question was raised around the appropriateness of the current measure used to determine residential section supply, and that there are very few (if any) sections available for sale through conventional real estate agents for domestic buyers.
- 34. The current measure is the estimated number of years of residential land supply zoned, serviced by bulk infrastructure, and ready for development in the city (greenfield and infill areas).
- 35. The number of sections available for sale through conventional real estate agents is reflective of Hamilton's market, where the vast majority of new sections brought to market are not put for sale to the general public. Sections are primarily sold in private sales to consumers through building company contracts. It is a relevant statistic as far as indicating this sale structure but not so much for showing residential section supply.
- 36. A potential way to accurately reflect the number of sections available is to report new titled sections (the event immediately before purchase/sale).
- 37. The Growth Funding and Analytics Team has developed visuals and data to illustrate these different aspects more clearly. These can be accessed at the following links [Developer Ready - Non Residential Land](#) and [Developer Ready - Residential Greenfield Areas - February 2021](#).

Auckland/HCC Strategic Relationship Update

- 38. A relationship meeting between HCC and Auckland Council Mayors was held on 6 July 2021.
- 39. No formal minutes were recorded.
- 40. Discussion points included:
 - i. the Te Huia train service - a commitment was made to setting up a meeting between WRC, Auckland Transport and HCC to discuss issues;
 - ii. Watercare Board of Inquiry evidence and HCC position;
 - iii. Three Waters Reform updates.

Financial Considerations - *Whaiwhakaaro Puutea*

There are no financial implications in relation to the information provided in this report. **Legal and Policy Considerations - *Whaiwhakaaro-aa-ture***

42. This report is for information purposes only.

Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga*

43. The purpose of Local Government changed on the 14 May 2019 to include promotion of the social, economic, environmental and cultural wellbeing of communities in the present and for the future ('the 4 wellbeings').
44. The subject matter of this report has been evaluated in terms of the 4 wellbeings during the process of developing this report.
45. The recommendations set out in this report are consistent with that purpose.
46. There are no known social, economic, environmental or cultural considerations associated with this matter.

Risks - *Tuuraru*

47. There are no known risks associated with this matter.

Significance & Engagement Policy - *Kaupapa here whakahira/anganui*

48. Having considered the Significance and Engagement Policy, staff have assessed that the report has a low significance and no engagement is required.

Attachments - *Ngaa taapirihanga*

Attachment 1 - WDC/HCC Governance Group meeting minutes 2021-06-04

Attachment 2 - Waipa DC/HCC interim Governance Group meeting 2021-06-02

**WDC/HCC GOVERNANCE MEETING
GROWTH PRESSURES
MINUTES**

Friday, 4 June 2021
Committee Room 1, HCC
11am to 12.30pm

Attendees: Mayor Paula Southgate, Cr Dave Macpherson, Cr Ryan Hamilton, Blair Bowcott, Richard Briggs (to 11.50am), Hannah Windle
Mayor Allan Sanson, Cr Noel Smith, Cr Eugene Patterson, Gavin Ion, Tony Whittaker, Clive Morgan

Apologies: Deputy Mayor Aksel Bech, Cr Janet Gibb, Deputy Mayor Geoff Taylor

1. Welcome and Apologies

- Cr Dave welcomed everyone.
- Apologies accepted from Deputy Mayor Aksel, Cr Janet, Deputy Mayor Geoff and Mayor Paula (for lateness).

2. Agenda

- Confirmed

3. Minutes of last meeting

- The minutes of 15 March 2021 were accepted.
- Matters arising are covered this agenda.

4. HUGS Review and Developer Proposals

Blair introduced this topic, noting that everyone is grappling with growth on all fronts. In the Hamilton context – the HUGS strategy that was developed in 2007/2008 has been followed pretty closely. Rototuna is almost full; the Peacocke bridge is underway, intensification is increasing and boundary land owners/developers are knocking on our doors. We must look for a roadmap for the city for the future, also taking in to account the requirements of the NPS-UD.

The principles of HUGS that have recently been developed and approved by council provide protection for HCC and the rest of the region by setting clear expectations for the type of communities we want to see developed (not just more houses). Developers need to do the “heavy-lifting” and provide the infrastructure solutions. It is considered that the principles will encourage developers to collaborate and to develop at scale.

Key points of discussion:

- HCC has worked actively with WDC on the principles
- R2 and WA are to the fore

- Need to capture all the other interested parties and encourage them to work together
- Need to work with Kainga Ora on their aspirations
- We are not saying “no” to those outside the boundary – just asking them to meet the expectations outlined in the principles
- The principles are equally relevant to WDC communities
- The WDC/HCC Strategic Land Agreement supports growth in already agreed areas.
- Allan prefers that we sort the mechanics and implementation of any change between us (at this table) and then present this to Future Proof.
- Future Proof is a 30 year strategy while MSP is 100years.
- HCC is looking at greater intensification – potentially up to 70% - all agreed that communities cannot continue to “pancake” and keep spreading out into greenfield areas.
- HCC currently has 3000 population in the CBD – potentially could go to 12000-15000.
- In late 2021 – it is likely that HCC will look to initiate discussions on bringing R2 and WA into the city.
- HT1 will be at a later date. This has significant infrastructure considerations required to enable the development.
- To get scale requires more than just buying the land – e.g. targeted investment in strategic infrastructure such as Pukete wastewater plant is also required.

Employment

Houses need jobs – and we must also think about where we need employment land – e.g. Horotiu, airport, Taupiri, R3 East of Ruakura). HT1 may also have employment and opportunities. How do we get the Eastern Transport Corridor planned and built?

There was also a loss of employment land when Te Awa Lakes took employment land and turned it to residential.

Mayor Allen advised that WDC does not support TGH “jumping the fence” – but any decision is in the hands of the Commissioners. TGH have submitted on the Waikato Proposed District Plan to allow for industrial zoning/development to the East of the Expressway (to allow residential development within their HCC land on the city-side of the Expressway).

- Some WDC neighbouring residents have indicated their opposition via submission.
- Now in the hands of the Commissioners with a decision expected around 18 September 2021.
- WDC have made best efforts to get information to the Commissioners, but there will need to be changes made later.

D-3770410

- This is a focus and upcoming discussion topic for Future Proof – to recognise the future development area of Ruakura East. There was a preference to talk about these issues around this table first.

WDC LTP

Tony thanked HCC for its submission to the LTP and noted that WDC was unable to financially support the submission at this time. He stressed this was not through negativity to the submission requests, rather it was a timing issue. There is room to move later through discussions to align Annual Plans.

5. Reform

The focus was on the Three Waters Reform.

Mayor Allan noted that he was a little disillusioned:

- not enough local input being sought;
- the reform being led by bureaucrats and moving too fast;
- a seeming absence of guiding principles.

Allan did stress that we need to work together with the Waikato/ BOP/Taranaki Mayors and that WDC is open to reform and able to lead.

Mayor Paula noted that change is inevitable, and we need to feed in to the reform:

- current system is broken;
- how do we fix it;
- how do we influence the reform (concerns and desires).

There is a meeting of Consortium Mayors being targeted for later this month. Gavin noted that WDC and HCC are aligned – but it will be harder to get agreement from the wider group.

ACTION: Mayor Paula's office is currently investigating a meeting of some Mayors ahead of full inter-regional Mayors meeting (likely to be held as part of Zone 2 meeting).

6. Next meeting

1 October 2021, at Waikato District Council.

At the conclusion of the meeting, it was suggested that a short interim Zoom meeting be held to maintain momentum of actions. Subsequent to this meeting, a Zoom has been arranged for 8am, Thursday 26 August 2021.

Meeting closed 12.30pm

**WAIPA DC/HCC GOVERNANCE MEETING
MINUTES**

Wednesday, 2 June 2021
Zoom
8.00am

Attendees: Mayor Paula Southgate, Cr Dave Macpherson, Blair Bowcott
Mayor Jim Mylchreest, Deputy Mayor Liz Stolwyk, Garry Dyet (CE)

AGENDA ITEMS	
1.	This Zoom call was an interim measure to maintain momentum on discussions given that the scheduled 9 June 2021 Governance meeting had to be cancelled. These minutes are bullet point only record of the discussion.
2.	<p>HUGS</p> <p>Feedback on Principles</p> <ul style="list-style-type: none"> • Good discussion on principles • Potentially good quality soils be careful not to develop (too early in piece) <ul style="list-style-type: none"> ○ Best use of for farming until developed • Flooding and engineering capability of the land (for purpose in mind) • Not impacting on neighbours productivity (supply/demand) • Striking the balance between soils and orderly expansion into rural areas • NB: some of these comments may be reflected in Future Proof principles • Make sure that we go into peat areas with eyes wide open and how land is used • Expand the city in a measured and sensible way <ul style="list-style-type: none"> ○ Orderly ○ Not pre-emptive ○ Draft principles provide basis for SLA to be progressed • Principles to consider adding (if not in principles then in guidance): <ul style="list-style-type: none"> ○ Protecting the availability of productive/versatile soils ○ Connectivity of land, shape of city, green belt, developers working together ○ Developer beware – Geotech considerations and engineering considerations related to soli/land use (may be part of guidance) <p><i>ACTION:</i></p> <ol style="list-style-type: none"> 1. <i>Garry to send ideas from Cambridge work.</i> 2. <i>HCC to review draft principles to consider adding points noted above.</i>
	<p>Southern Links Transport Network</p> <ul style="list-style-type: none"> • What is status • Appears to have gone down inn priority of work at Waka Kotahi • We need to put more emphasis on this collectively

D-3768387

	<i>ACTION: Both councils would like to see this prioritised, need to work on combined advocacy</i>
3.	Strategic Land Agreement <ul style="list-style-type: none"> • Need agreement with Waipa DC as a starting point • Use the HCC/WDC agreement as basis • HCC explained need to have agreement for future expansion of city – in the same manner that Waipa have urban expansion plans all around Cambridge and Te Awamutu • Draft agreement and share in a PX context • Keep PX until HUGS and value capture <i>ACTION: HCC to draft SLA (using Waikato template as the basis)</i>
4.	Waipa Spatial Plan <ul style="list-style-type: none"> • Garry to send a copy of presentation • Focus on liveable communities and building on wellbeing opportunities from Waipa history and current strengths (iwi connection/stories also key opportunity) <i>ACTION: Opportunities for Waipa Heritage and Cultural staff to engage with HCC staff and how we can connect and tell stories.</i>
5.	Next Meetings <ul style="list-style-type: none"> • 10 September 2021 at HCC • Given the length of time between scheduled face to face meetings, it was agreed to have another informal Zoom meeting. This has been set for 8am, Wednesday 4 August 2021.

Council Report

Item 12

Committee: Strategic Growth Committee **Date:** 29 July 2021
Author: Luke O'Dwyer **Authoriser:** Blair Bowcott
Position: City Planning Manager **Position:** General Manager Growth
Report Name: Future Proof Update Report

Report Status

Open

Purpose - *Take*

1. To inform the Strategic Growth Committee of recent activities and progress associated with the Future Proof Urban Growth Partnership.

Staff Recommendation - *Tuutohu-aa-kaimahi*

2. That the Strategic Growth Committee receives the report.

Executive Summary - *Whakaraapopototanga matua*

3. The Future Proof Partnership has changed to focus from policy and planning initiatives to a greater emphasis on infrastructure investment and strategy implementation. This broadened focus couples with the recent appointment of Peter Winder as the new Implementation Advisor.
4. Key recent actions since the last report to this Committee include the following:
 - i. Ongoing work related to the Future Proof Strategy review;
 - ii. Completion of tender documents to procure consultants to develop a Transport Programme Business Case for the Hamilton-Waikato Metropolitan Spatial Plan (HW-MSP) area.
5. In addition to the above, work progresses in the Three Waters sub-regional study and separate Metro Wastewater business case area and these matters are the subject of a separate report.
6. Having considered the Significance and Engagement Policy, staff have assessed that the matters in this report have low significance and that the recommendation complies with Council's legal requirements.

Discussion - *Matapaki*

Recent Future Proof Activities

7. Since the last update to this committee, the Future Proof Partnership has been focused on the ongoing update of the Future Proof Strategy and working with our Government Partners on the Housing Acceleration Fund.
8. Through 2020, FPIC considered and adopted two key strategies: the Hamilton-Auckland Corridor Plan and Implementation Programme and Hamilton-Waikato Metropolitan Spatial Plan.

Attachment 2

9. Both plans provide a bold approach to the long-term planning of the Hamilton-Auckland Corridor and the integration of land use and transport. The Future Proof local authorities need to give effect to both the National Policy Statement on Urban Development and the National Policy Statement for Freshwater Management. Both have a timetable for implementation that is unchanged by the government's RMA reform process. Other national policy statements are still under consideration.
10. The next steps to implement these plans and respond to national policy statements are to:
 - i. translate the implementation actions into the Future Proof Work Programme;
 - ii. combine and translate both plans to form a single Future Proof Strategy for the whole sub-region;
 - iii. publicly consult on the combined strategy – providing important public input and giving the resulting strategy standing under the RMA;
 - iv. prepare and implement changes to the Regional Policy Statement to reflect the combine Future Proof Strategy and to implement the National Policy Statement on Urban Development (and others);
 - v. prepare and implement changes to District Plan to give effect to the RPS, and national policy statements.
11. Further work is still progressing to consider how Future Proof best deals with housing issues and social and community facilities and infrastructure. The Chief Executives Advisory Group (CEAG) is progressing engagement with both the Auckland Council (and associated entities) and Matamata-Piako District Council on how they can effectively engage across the revised work programme.
12. CEAG has considered an indicative budget for the revised (and expanded) work programme. Specific, dedicated funding has been secured for the key initiatives that drive most of the projected increase in expenditure. Further work is required to confirm the budget.
13. Government partners have been asked to consider how they support the ongoing work of Future Proof. CEAG is optimistic that the increased programme can be delivered with only a modest increase in the ongoing funding contribution from partners. All partners will need to confirm their funding commitment in order to finalise a budget.

The Housing Acceleration Fund

14. On 23 March 2021 the Government announced the creation of a Housing Acceleration Fund. The key components of the \$3.8B Housing Acceleration Fund are:
 - i. an infrastructure fund (to unlock a mix of private sector led and Government led developments);
 - ii. additional funding for the Government's Land for Housing Programme to accelerate development of vacant or underutilised Crown-owned land, operate in more regions, and deliver a broader range of affordable housing options for rental and home ownership.
15. The Housing Acceleration Fund will be complemented by:
 - i. a Kāinga Ora Land Programme for strategic land purchases to increase the pace, scale and mix of housing developments (including more affordable housing).
 - ii. a refocused \$350 million Residential Development Response Fund. This fund was originally established to cushion the impact of COVID-19 on construction sector activity and jobs, but has not been required. The fund will focus on increasing affordable housing provision (rental and home ownership) on land owned by iwi and Māori

groups, councils, community groups and private developers, through the Crown sharing some of the cost and risk.

- iii. Extension of the bright line test from 5 to 10 years, excluding new builds, for property acquired on or after 27 March 2021. (Main homes and inherited property remain exempt.)
 - iv. An in-principle decision to limit deductions for interest expenses on loans used to generate income from residential property. New builds will be exempt, and the design of the exemption will be consulted on.
 - v. An increase in First Home Products (First Home Grants and Loans) income and house price caps for both new and existing properties in some locations, to enable more first home buyers to purchase homes. With the tax changes this provides a significant boost for first home buyers.
 - vi. A proposal to consult on limiting rent increases to once every 12 months per rental property (Link to page (rather than once every 12 months per tenancy), to help mitigate potential negative impacts on tenants from the tax changes.
16. The starting point for the Housing Acceleration Fund will be the existing Urban Growth Partnerships (UGP), and in particular the joint spatial plans and the work done by us all collectively on understanding the constraints and opportunities for achieving increased pace and scale in the agreed, joint priority development or growth areas.
 17. The process for developing proposals for the fund will be a joint one using the existing partnerships processes through the Future Proof workstreams.
 18. Expression of interest (Eoi) criteria were released on 23 June 2021 and at the time of writing this report, staff were actively working on a submission through the Eoi process.
 19. A separate report on the proposed EOIs to the Infrastructure Acceleration Fund is included on the agenda for this Committee meeting.

The Update of the Future Proof Strategy

20. The Future Proof Strategy is undergoing a two-phased update. The first phase has been completed. The Future Proof Strategy: Planning for Growth was adopted by the Strategy partners in November 2017 and replaces the 2009 version of the Strategy. The Strategy underwent a full Special Consultative Procedure under the Local Government Act 2002.
21. The second phase of the update began in 2018 and a draft Strategy, with gaps, was submitted to the Ministry for the Environment in December 2018 to meet the Future Development Strategy requirements of the then National Policy Statement (NPS) on Urban Development Capacity. The update has since been on hold to allow various projects to further progress such as the Hamilton to Auckland Corridor (H2A) initiative, the HW-MSP, the Waikato District Growth and Economic Development Strategy (Waikato 2070), and the new National Policy Statement on Urban Development (NPS-UD).
22. The Implementation Advisor has recommended that staff continue working on the Strategy and complete a second draft by early/mid 2021, ahead of full public consultation.
23. It is envisioned that the Strategy will bring all current works in progress together into one document, providing a good framework to feed into the Waikato Regional Policy Statement. Key focus areas for the strategy updated include:
 - i. ensuring that relevant NPS-UD matters can be included in the document;
 - ii. articulating the extent of urban and rural environments;
 - iii. identifying key centres in the Future Proof area;

- iv. completing the Housing and Business Land Capacity Assessment;
 - v. identifying principles to be applied at a regional level for out-of-sequence developments.
24. Engagement with elected members from across the partnership has occurred through detailed briefings in May and June 2021.
 25. A separate report on the strategy update is included in the PX agenda of this meeting.

Hamilton-Waikato Metro Spatial Plan Transport Programme Business Case (and other Future Proof Transport tasks)

26. The consultant and client project team for the Hamilton-Waikato Metro Spatial Plan Transport Programme Business Case has been commissioned and formed. Note that Terms of Reference and expected project outcomes can be found in previous reporting to this Committee. The project has officially been running now for 4 weeks under the auspices of the Future Proof partnership. The last month has predominantly involved project inception and mobilisation tasks including finalising programme, data collection, interviews with key staff from across the partners, understanding project dependencies and bringing the multi-party Transport Working Group together, including our central government partners.
27. In terms of project process, we are currently progressing 2 of the 5 main tasks, reconfirming and updating the strategic case from the previous MSP phase and understanding and developing project, spatial and network options with our ourselves and our partners for selection, optioneering and testing. Note that as all these tasks progress, the MSP project team will be liaising and seeking direction from Council.
28. The main technical task to date has been revising the project goals and objectives and developing KPIs (later in the project process we can start evaluating various project scenarios against these). This task has been completed and was reported through the Future Proof Senior Managers Group on 9 July 2021. These goals and objectives were discussed in a workshop with Elected Members in early May 2021 (and with all other Future Proof partners prior) and feedback will be given to Hamilton City Council Elected Members in July on how all their comments were integrated into this process. Should any Councillor require any update on this process, please contact Phil Haizelden. Consistent with feedback held at this session, the project objectives have been modified to reflect to an even greater degree a climate change / emission reduction focus and the need for coherent integrated transport and land use solutions around rapid transit transport corridors. Other comments have been integrated into our KPIs, including those related to safety and rail freight.
29. Other detailed tasks currently being scoped and progressed include developing the project long list, exploring alternatives to those for testing, developing land use scenarios for future testing (consistent with recent direction on growth assumptions), developing broad design guidance for rapid transit corridors, beginning to think about how to undertake the multi-criteria analysis for long and short listing of projects. We have also begun discussions with the Waka Kotahi internal quality assurance teams to familiarise our funding partners on the scope and expected outcomes of the project and to assist in de-risking the process. We are also making sure the MSP will be informed by the work being done to implement the NPS-UD and the refresh of HUGS, giving a strong focus on ensuring land use integration with transport as an enabler to support quality density.
30. We are also integrating the MSP work to date with the forthcoming Future Proof Strategy consultation where applicable and are scoping stakeholder engagement plans and a separate Maaori engagement plan as part of the MSP process.

31. This collaborative working process to develop the transport phase of the MSP is undertaken largely in a co-located workspace with our central and local government Future Proof partners and has to date been a fruitful, efficient and effective working experience.
32. A regular progress update report for this workstream will be reported at each Strategic Growth Committee meeting in 2021 or reported in this form as appropriate.

Financial Considerations – *Whaiwhakaaro Puutea*

33. There are no financial implications in relation to the information provided in this report.

Legal and Policy Considerations – *Whaiwhakaaro-aa-ture*

34. There are no legal or policy considerations in relation to this report.

Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga*

35. The purpose of Local Government changed on the 14 May 2019 to include promotion of the social, economic, environmental and cultural wellbeing of communities in the present and for the future ('the 4 wellbeings').
36. The subject matter of this report has been evaluated in terms of the 4 wellbeings during the process of developing this report.
37. The recommendations set out in this report are consistent with that purpose.

Risks - *Tuuraru*

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

Significance & Engagement Policy – *Kaupapa here wakahira/anganui*

39. Staff have considered the key considerations under the Significance and Engagement Policy and have assessed that the recommendations in this report have low significance and no engagement is required.

Attachments - *Ngaa taapirihanga*

There are no attachments for this report. .

Council Report

Committee: Strategic Growth Committee **Date:** 29 July 2021
Author: Karen Saunders **Authoriser:** Blair Bowcott
Position: Growth Programmes Manager **Position:** General Manager Growth
Report Name: Growth Programmes Update

Report Status

Open

Purpose - *Take*

1. To inform the Strategic Growth Committee on the status of the Growth Programmes including Central City, Peacocke, Ruakura, Rotokauri-Northwest and Emerging Areas.
2. To provide an update on the Hamilton Urban Growth Strategy (HUGS) Review.

Staff Recommendation - *Tuutohu-aa-kaimahi*

3. That the Strategic Growth Committee receives the report.

Executive Summary - *Whakaraapopototanga matua*

4. This is a new report which provides an overall update on the growth programmes including:
 - i. Central City
 - ii. Peacocke
 - iii. Ruakura
 - iv. Rotokauri-Northwest
 - v. Emerging Areas.
5. The updates for each of the growth programmes can be found in the **Attachments 1 – 5**.
6. Risks and benefits are currently being reviewed and developed across the programmes and will be reported on to the next Strategic Growth Committee on 7 September 2021.
7. Work has commenced on the HUGS review. A project manager and the lead technical consultant have been appointed. Project and engagement planning and background work are underway and technical workshops are planned for late August 2021 following completion of the Infrastructure Acceleration Fund Expression of Interest applications.
8. Councillor HUGs Reference group meetings are scheduled across the year in August, September and November 2021.
9. Staff consider the matters in this report to have low significance and that the recommendations comply with the Council's legal requirements.

Background - *Koorero whaimaarama*

10. The purpose of the Growth Programmes team is to deliver communities that improve the wellbeing of Hamiltonians. The unit has recently expanded from managing the Peacocke

Programme to also managing the Central City, Rotokauri-Northwest, Ruakura and Emerging Areas programmes.

11. The Emerging Areas Programme includes out-of-boundary, unplanned or out-of-sequence areas that developers or landowners signal for potential development.
12. The Growth Programmes Manager is currently recruiting for three programme manager roles to lead the Ruakura, Peacocke and Rotokauri-Northwest and Emerging Areas programmes.
13. The Peacocke Programme Manager has been providing regular programme updates to the Strategic Growth Committee since February 2019. At the most recent Strategic Growth Committee on [20 May 2021](#) staff provided an update on both the Peacocke Programme and presented the first Ruakura Programme update.
14. The regular programme updates are intended to provide the Committee with an overview of all activity, risks and opportunities happening in a particular growth area. Rather than producing five separate formal committee reports for each of the growth programme areas, staff are testing a new report format that provides an update across all five areas as well as an update on the HUGS review.
15. The updates for each of the growth programmes can be found in the **Attachments 1 – 5**.
16. It should be noted that risks and benefits are currently being reviewed and developed across the programme and will be included in the programme updates and the cover report at the next Strategic Growth Committee on 7 September 2021.
17. Staff will continue to review and improve content of the report in response to feedback received from Elected Members.

Discussion - *Matapaki*

Actions from previous Strategic Growth Committee meeting

18. At the Strategic Growth Committee meeting on 20 May 2021, staff took an action to report back on how we will measure how the 10% biodiversity targets are being delivered within the programmes. The Parks and Recreation Team in the Community Group is leading the development of citywide monitoring and reporting, and it is still a work in progress. Any overall monitoring towards this target at a citywide level will be reported through to the Environment Committee once established.
19. At the 20 May 2021 meeting, there was discussion relating to project timing in Ruakura. Works in the Ruakura Superhub have been programmed to align as closely as possible with the planned opening of the Waikato Expressway. With Waka Kotahi NZTA's recent announcement that the Expressway is anticipated to be complete by mid-2022, this aligns well with Council's construction programme for delivery of both new arterial roads through the Ruakura Superhub area (anticipated completion April 2022) as well as the upgrade of Ruakura Road (anticipated completion early 2022).
20. As noted in previous Ruakura related reports and updates, to most effectively construct the upgrade of Ruakura Road, staged closures of Ruakura Road are going to be implemented over the next three to four months, commencing in August 2021. Ruakura Road is currently a high volume route and it is expected that these temporary closures will result in significant network disruption as well as potential for delays and public complaints. Implementing closures is the best way to construct the upgrade as it enables significant construction efficiencies including overall construction time and cost savings, as well as reduced health and safety risk in regard to constructing in a constrained corridor while also managing vehicle, pedestrian and cycle movements. Extensive engagement with stakeholders and public regarding the upcoming closures is underway.

HUGS Review Update

21. At the previous three Strategic Growth Committee meetings (18 February 2021, 30 March 2021 and 20 May 2021), the Committee resolved to review HUGS, approved the scope of the HUGS review and budget, and approved the draft out-of-boundary development principles. Since the 20 May 2021 Strategic Growth Committee meeting, a project manager has been appointed (Stafford Hodgson) and the consultants to lead the technical review of HUGS have been engaged (Arup).
22. The Government's Infrastructure Acceleration Fund (IAF) gained momentum in May and June 2021. This has meant that the timing of cross-disciplinary technical work for HUGS has been rescheduled to commence in late August 2021. This will better accommodate the work staff are undertaking on the Council's IAF Expressions of Interest (EOIs). The work on these EOIs will help inform the analysis undertaken as part of the HUGS review. These EOIs are due to be submitted by 18 August 2021. A report on the IAF EOIs is being taken to the Strategic Growth Committee 29 July 2021.
23. The consultants, Arup, are currently undertaking some background work while staff focus on the IAF EOIs. Value capture work has commenced. Once the technical sequencing work commences, it is expected to continue until December 2021. Consultation, finalisation and adoption of the Hamilton Urban Growth Strategy is currently planned for the first half of 2022.
24. The next three Elected Member HUGS Reference Group meetings are currently scheduled for 5 August 2021, 22 September 2021 and 5 November 2021.

Emerging Areas Programme

25. Staff and Elected Members continue to receive proposals and requests for development rights and/or boundary changes for out-of-boundary and unplanned areas. The requests are placing pressure on key staff to respond with technical land use and strategic infrastructure advice. These requests are now being managed centrally through the Emerging Areas programme within the Growth Programmes Team and recruitment is under way for a programme manager.
26. The HUGS review will help direct when emerging areas will be included in the Hamilton growth programme and will support direction for infrastructure planning and investigations.
27. Staff have been distributing the out-of-boundary principles to the developers who will need to demonstrate how their proposal meets the principles in order to be considered as a potential area for future development. This includes a significant early consideration for how any proposed developments can meet water and wastewater policy allocation.
28. A mechanism to capture value early in the development process from emerging areas to reinvest into the community is currently being developed as part of the HUGS Review.
29. A summary of the status of the requests is in the Emerging Areas Summary in **Attachment 5**.

Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga*

30. The purpose of Local Government changed on the 14 May 2019 to include promotion of the social, economic, environmental and cultural wellbeing of communities in the present and for the future ('the 4 wellbeings').
31. The subject matter of this report has been evaluated in terms of the 4 wellbeings during the process of developing this report as outlined below.
32. The recommendations set out in this report are consistent with that purpose.

Social

33. Planning and development of community infrastructure and parks and open spaces is an integral part of each of the growth programmes, as is alignment with strategies that support wellbeing such as the Play Strategy. Community amenity is critical to support social wellbeing in new and existing communities.
34. Staff have been working closely with the Ministry of Education as they look to secure land in Peacocke and Rotokauri. Staff also work with the Ministry of Education growth team to collaboratively plan for education needs that meet the needs of future Hamiltonians.

Economic

35. The investment into strategic land use and strategic infrastructure to enable land for development of new homes and jobs will bring significant economic benefits. For example, the business case for the Peacocke Housing Infrastructure Funded Infrastructure Fund estimates that \$6b of economic benefit will result from the infrastructure investment.
36. Work continues with Central Government to secure alternative funding and financing mechanisms for strategic infrastructure. Current initiatives include Infrastructure Acceleration Fund, Infrastructure Funding & Financing, and private developer agreements.

Environmental

37. Across the growth programmes there is significant investment into environmental initiatives. Some of these initiatives are required to be delivered by Council as consent conditions for designations and infrastructure construction; some are required to be delivered by developers as part of their housing developments.
38. There are also some citywide initiatives that have been funded in the latest 2021-31 Long Term Plan to drive environmental outcomes, for example the Nature in the City Strategy.
39. Staff continue to work at a strategic and operational level with the Department of Conservation, particularly in relation to the Peacocke programme and protection of the long-tailed bat.
40. As the programmes mature, the levels of environmental activities and benefits will become clearer and staff will report on these as part of the programme reporting.

Cultural

41. Effective partnership with Iwi is integral to the success of the growth programmes. We respect the special status of Tangata Whenua, are committed to the principles of Te Tiriti O Waitangi and further Maaori aspirations through building mana-enhancing partnerships.
42. Our Iwi partners, Waikato-Tainui, are engaged under the Joint Management Agreement (JMA), with a shared responsibility to achieve the Vision and Strategy for the Waikato River.
43. Staff place a high level of importance on the Vision and Strategy for the Waikato River when planning projects that impact the river and tributaries within the growth programmes areas.
44. Staff recognise and consider relevant sections of the Waikato-Tainui Environmental Plans when planning projects within the growth programmes catchments.
45. Maangai Maaori provide a political voice for Maaori within the decision-making of select Council committees.
46. The Council continues to meet its legislative responsibilities under the RMA by providing opportunities for Iwi and hapuu to contribute to local government decision-making processes and exercise of kaitiakitanga over the natural and physical aspects within the growth programme areas.

Financial

47. The financial reporting for the programmes is reported to the Finance Committee via the Capital Portfolio Reports.

Risks - *Tuuraru*

48. Risks are currently tracked at project and programme level. The programmes utilise the Council's risk management framework with further alignment with the Waka Kotahi NZ Transport Agency risk register format for specific projects as required.
49. As part of the assurance framework, the Council's Risk Manager provides support to the Programme Managers. A project Risk and Benefits Advisor within the Council's Portfolio Management Office has recently been appointed and is working with staff to review and further develop a framework for risks and benefits across the programmes.
50. Staff will provide an update on growth programmes risks at the next Strategic Growth Committee meeting.

Significance & Engagement Policy - *Kaupapa here whakahira/anganui***Significance**

51. Having considered the Significance and Engagement Policy, staff have assessed that the matters in this report have low significance.

Engagement

52. Staff continue to engage with environmental and cultural groups, key developers and landowners, and Government agencies including Heritage New Zealand Pouhere Taonga, Kāinga Ora, Ministry of Education and Department of Conservation, as well as our project partners through initiatives such as the Housing Infrastructure Fund and Waka Kotahi NZ Transport Agency.

Attachments - *Ngaa taapirihanga*

Attachment 1 - Central City Programme - July 2021

Attachment 2 - Peacocke Programme Update - July 2021

Attachment 3 - Ruakura Programme - July 2021

Attachment 4 - Rotokauri-Northwest Programme - July 2021

Attachment 5 - Emerging Areas - July 2021

PROGRAMME VISION

"Shaping a central city where people love to be - Ahuahungia te pokapuu o teetehi taaonee arohaina ai e te taangata".

Through delivering the Central City programme, we are investing in our central city, opening it up to the Waikato River, encouraging people to live and work here, and making it easy to access and move around in. The outcome will be a central city that is more inclusive, vibrant, and prosperous.

The programme is organised into four main workstreams. Each grouping has strong synergies and dependencies and therefore need to be viewed collectively to ensure opportunities are exploited, risks are minimised, and we are delivering as optimally as possible.

WORKSTREAMS

FERRYBANK WORKSTREAM

- Walking and Cycling Bridge
- Municipal Pools site
- Museum Projects - Loading Bay, Victoria St Entrance, and the River entrance
- Aranui Sports Hub, River Installation - plus Arts Post site

SOUTH END PRECINCT WORKSTREAM

- South End Precinct - Embassy Park
- South End Precinct - Sapper Moore-Jones/Victoria
- Waikato Regional Theatre > Dec 2023
- Victoria St site redevelopment

PUBLIC REALM DESIGN GUIDELINES DEPENDENT WORKSTREAM

- Public Realm Design Guidelines
- Central City Street Furniture
- Alexandra St Upgrade Ward St improvements
- City Planning Project bundle
- Community Strategies

INDEPENDENT PATHWAYS WORKSTREAM

- Tristram & Collingwood intersection upgrade
- Transport Centre Rejuvenation
- Wellington St Beach
- Founders Site Upgrade
- Parking projects
- Intersection Improvements - Low Cost/Low Risk Projects

CENTRAL CITY PROGRAMME

DEVELOPMENT ACTIVITY

Residential activity within the central city has been relatively quiet over 2020 and 2021; with only 9 units on Vialou Street granted building consent in 2020. One dwelling was also converted from existing commercial space at 937A Victoria Street.

From the consents granted in the previous years, 10 units were recently completed (June 2021) at 24 Liverpool Street by Clapson Construction. This compares to 70 units completed at London Central and Vialou Street in 2020.

Even though the residential sector has been slowed down in the last couple of years, there are multiple exciting projects in the pipeline such as:

- 28 Harwood, 10 Princes Street, is the conversion of the existing Opus building into 22 above ground apartment units, with ground floor commercial. Redevelopment is expected to be completed before Christmas 2022.
- The Munns Menswear site plan indicates a 6-storey development with retail and commercial on the bottom two floors, three floors of apartments, and a top floor of penthouses.
- The Northern Green project, 1010 Victoria St, will consist of a café, 820m² in office area, and 24 apartment units, each between 2 and 3 bedrooms in size.

In the commercial sector, apart from the first stage of Tūāpapa building consent received in June 2021, there have not been any other consents for new construction lodged in 2021.

The most significant building consents in 2020 were the Building F of Union Square on Hood Street and followed by the new ACC building on Collingwood Street, both of which are currently under construction.

WORKSTREAM UPDATES

FERRYBANK WORKSTREAM

The Ferrybank workstream projects will reconnect the central city to the taonga that is our awa, enabling the activation and celebration of our riverfront.

The next step for the Walking and Cycling Bridge is to develop a robust business case to achieve funding milestones.

Restoration and revitalisation is underway for the Municipal Pool Demolition and Site Restoration project, with the Site Restoration and Interpretation Plan well advanced. At this stage, demolition is planned between January and April 2022.

Physical work to Museum and ArtsPost Building to create fire rated walls on new boundary is in progress.

SOUTH END PRECINCT WORKSTREAM

The South End Precinct workstream projects will create spaces that are inviting, vibrant, lively, and foster inclusivity within communities. They will celebrate our Māori dimension and showcase the energy of our creative arts scene. These projects will also enable a connected and active riverfront.

The Waikato Regional Theatre project timeframes are on track. Site preparation commences July 2021 with construction proper commencing November 2021 and completed by December 2023.

Preliminary design has been completed for Embassy Park and Sapper Moore-Jones Place. The next step is engagement with key stakeholders such as the Neighbour Liaison Group and Riff Raff Trust.



PUBLIC REALM GUIDELINES WORKSTREAM

The Public Realm Design Guidelines workstream projects will ensure our public spaces and streets are well designed, attractive, safer, well maintained, accessible, and inclusive.

A core project team has been identified and planning is under way for the Public Realm Design Guidelines project. Delivery of these guidelines is critical to several other projects within the programme, so the guidelines must be delivered before end June 2022.

Other projects within the workstream will be advanced once the Public Realm Design Guidelines are developed, where possible they may be advanced concurrently. This includes projects such as central city street furniture, Alexandra St, and Ward St.

INDEPENDENT PATHWAYS WORKSTREAM

The Independent Pathways workstream projects are focused on creating more spaces for play and nature within the central city, alongside improving transport options, and ensuring we have a safer central city.

The business case for the Transport Centre is currently with Waka Kotahi awaiting formal approval.

The Tristram and Collingwood Street intersection construction period is proposed for January 2022 to minimise disruption to the users/residents. The final intersection treatment and design has not been confirmed but the aim is to improve safety for motorists and incorporate more opportunity for active modes in this area.

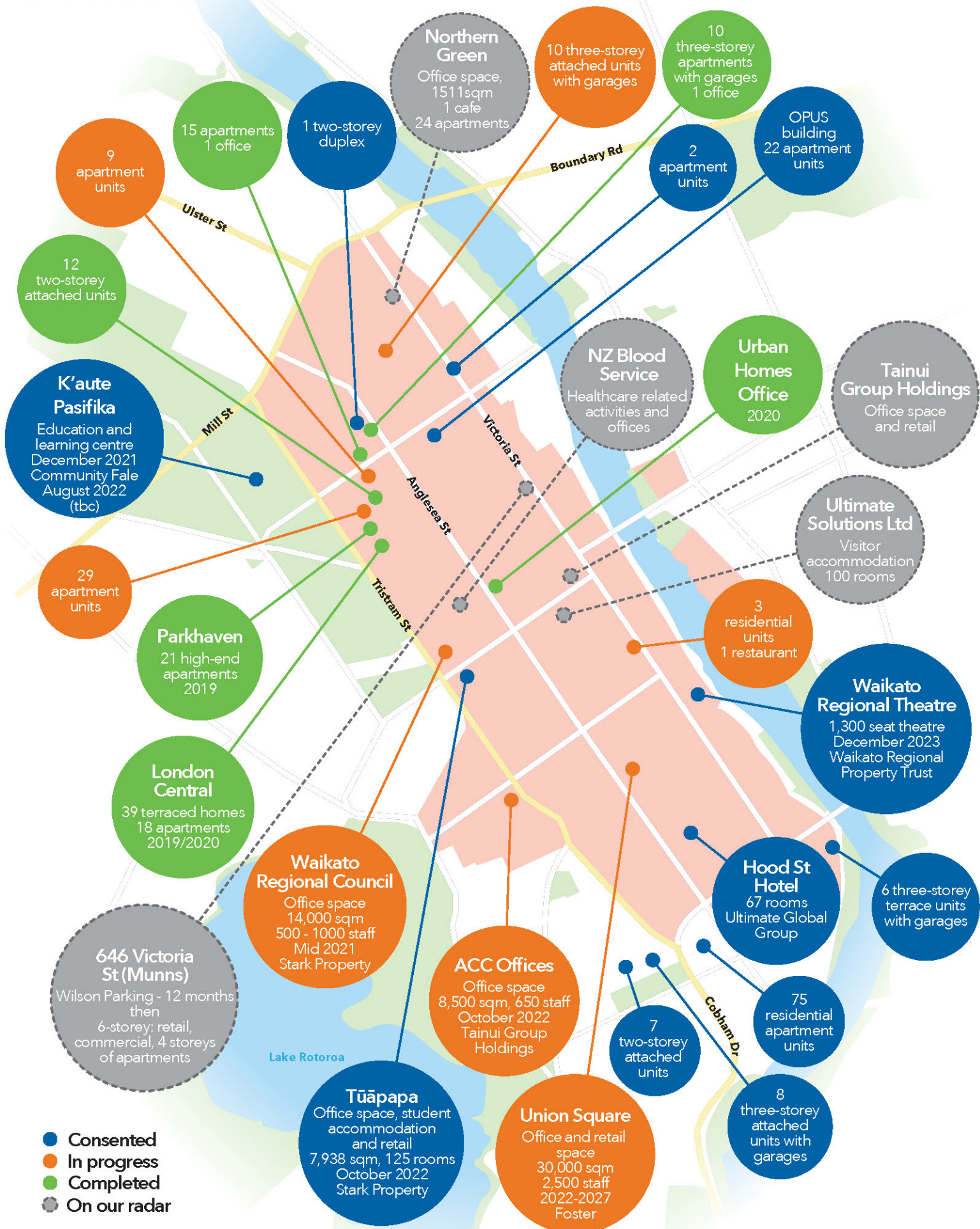
KEY STAKEHOLDER ENGAGEMENT PLANS

Partnerships and joint ventures with local organisations, iwi, philanthropic organisations, businesses, and developers are key to catalysing transformational change within the central city. Therefore we will be developing mutually beneficial and mana-enhancing relationships with those who can help us catalyse and deliver change - as we cannot do this by ourselves. A strategic communications and engagement plan will be prepared for the programme which will provide direction for the tactical stakeholder engagement required. Stakeholder engagement will then be reported on an ongoing basis.

CENTRAL CITY



CENTRAL CITY DEVELOPMENT ACTIVITY



- Consented
- In progress
- Completed
- On our radar



PROGRAMME VISION

"To ensure Hamiltonians enjoy a connected, vibrant, attractive and prosperous Peacocke community".

Peacocke is being built with the support from the Government's Housing Infrastructure Fund, made up of a \$180.3M 10-year interest-free loan and \$110.1M of Waka Kotahi NZ Transport Agency subsidies.

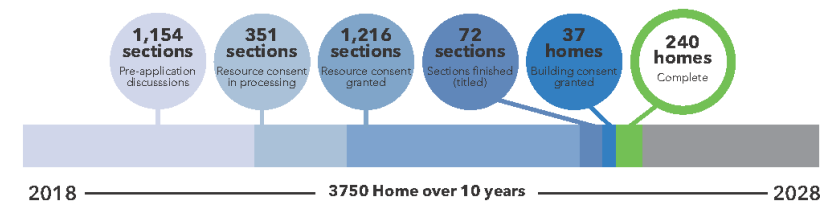
The Peacocke programme will deliver a new bridge; a transport network that caters for public transport, pedestrians and cyclists; parks; and strategic water, wastewater and stormwater networks. Other work includes protecting and enhancing the environment, including the extensive gully system, opening the area to the Waikato River, and investigating community facilities which are also important parts of creating a new community in Peacocke.

When completed, Peacocke will be home for up to 20,000 Hamiltonians.

PEACOCKE PROGRAMME

CONSENTING AND DEVELOPMENT ACTIVITY

Developer activity and interest in the Peacocke area continues. Currently pre-application discussions, consenting and construction activity totals approximately 3,000 homes (approx. 80% of the projected 10-year developer uptake of 3,750 homes in Peacocke). Refer to the attached Development Activity Map.



Notable development and consent applications include:

- **AMBERFIELD:** Agreement has been reached between parties in relation to the appeals to the Amberfield subdivision resource consent application for approximately 800 new homes. This means that the development can now proceed. As part of the consent conditions, the development will include special ecological features to protect the long-tail bat.
- **AURORA:** A subdivision resource consent was granted for Aurora Ltd for 110 lots at for 3019 Ohaupo Road in Peacocke Stage 1 in March 2021. Currently we have an application to reconsult this development and include a further 139 residential lots (total 249 lots). A number of the lots are large in size to provide for further subdivision for apartments and duplexes (subject to land use approval). This application is currently on hold for further information.
- **SAXBYS LTD:** An application has been received from Saxbys Ltd for 56 residential lots within Stage 2 Peacocke on Ohaupo Road adjacent to the Aurora development (formerly known as Northview). The application is currently being vetted and assessed for any further information.
- **QESTRAL:** A land use consent for a 230 unit retirement village at 55 Weston Lea Drive was lodged in February 2021. An earthworks consent was granted for the same location in September 2020. The land use consent application for the retirement village is currently on hold while the applicant provides further information.

STRUCTURE PLAN CHANGE

The Peacocke Structure Plan Change is currently on track for notification in August 2021. A report will be taken to Council on 12 August 2021 to formally approve notification. Engagement with landowners is currently under way. Key areas of focus for the plan change includes:

- Creating the opportunity to build a modern suburb with high ecological and transport outcomes.
- Increasing density to support public transport and a vibrant community.
- Protecting the natural environment and ensuring development is compatible with the natural environment, and
- The development of the Peacocke Local Centre.

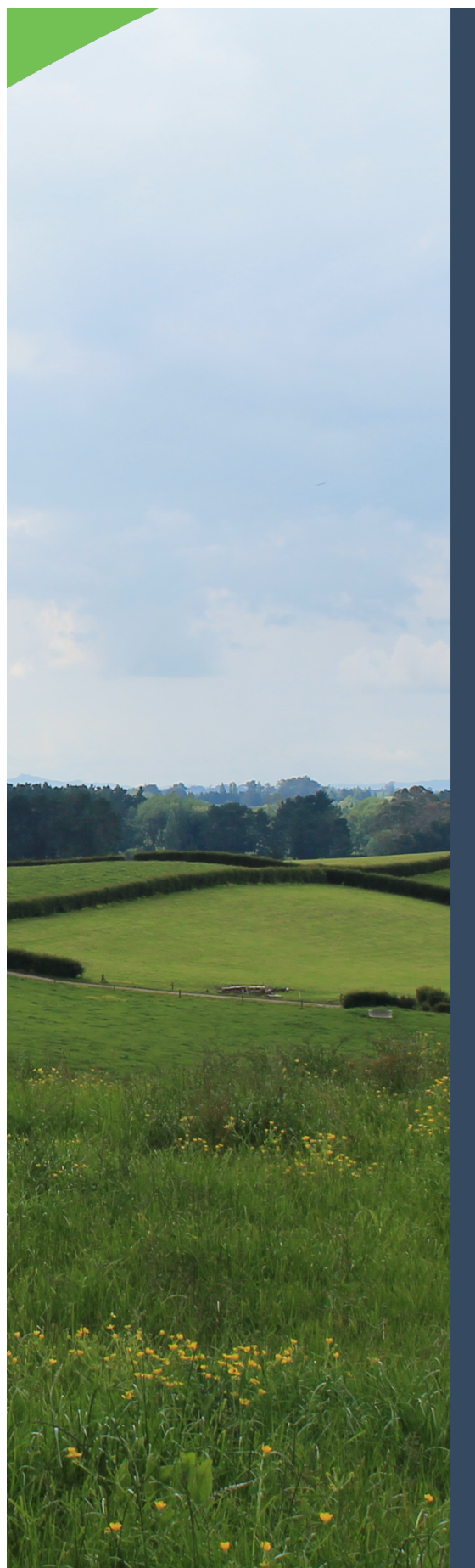
The summary of information that went out to landowners in early July 2021 is attached.

STRATEGIC INFRASTRUCTURE

Overall, the strategic infrastructure and HIF programme is currently still on time for delivery.

Contractors are on site for strategic transport and wastewater pipeline infrastructure packages and physical works are well under way. Award of a third major contract to construct the Wastewater Transfer Station will be brought to this committee in September for an October 2021 construction start.

Upcoming work includes more substantial traffic management as a result of road closures. Staff are working with key stakeholders and residents affected by road closures and construction traffic. Construction truck traffic will increase during summer relating to bulk earth-works



activities and this continues to be managed in alignment with the Construction Traffic Management Plan. Overall, the feedback from local community and residents has been positive with complaints addressed and most able to be resolved.

Third-party developer requests for constructing upsized or shared infrastructure within our construction contracts are being received and progressed. Where these opportunities result in additional works, a PDA will be entered into to recover costs and increases to the relevant contract sums will be sought.

The land acquisition process is on track. The Council has secured property rights for 38 of the 39 properties within the designation footprint. Only one s23 objection (relating to the Shaw property) remains and is progressing through an Environment Court process. A hearing was held in May 2021 and a decision is expected in the coming months. Staff continue to work with any landowners who want to progress to the Land Valuation Tribunal.

Emerging issues: Third party utility service providers required to undertake relocation of their assets are taking longer than anticipated and is outside of Council's control which is introducing delay costs. Construction industry cost fluctuations are increasing faster than normal due to inflationary pressure which will increase out turn costs and reduce available project contingency levels.

Items coming to upcoming future Strategic Growth Committee meetings:

- Contract award for Strategic Wastewater Transfer Station physical works and the associated professional service contracts.
- Macroscopic endorsement for East West Arterial.
- Increase to existing contract sums to provide for developer requested increases in scope.

Key strategic infrastructure project updates:

- SH3/Ohaupo Road roundabout - west arterial roundabout is complete.
- East West Arterial Phase 2 design recommenced - tender early 2022.
- Waikato River bridge approx. 20% complete. Bridge piling complete on northern bank. South abutment piling well under way. Earthworks mainly on hold for winter. Some utility delays, Emerging soil nailing/vegetation loss risks on northern bank.
- Northern Transfer Main wastewater pipeline approx. 55% complete - ahead of programme. Challenging sections of Wairere Drive and Tramway Road progressing well.

- N4 pump station tenders close end June 2021 - final critical path item for development. Construction due to start later this year - on schedule.
- N-S Strategic Wastewater design under way - investigating pipe bridges for walking/cycling and more flexible options to enable earlier development.
- Peacocke Road Urban Upgrade northern section is included with bridge contract, southern section is in preliminary design.

PARKS AND OPEN SPACES

Land for the approximately 14.5ha northern sports park has been secured. A hearing for the Notice of Requirement for the sports park is expected to be held in late 2021 or early 2022 once the final Amberfield decision has been released. Based on the findings of a sport field demand study, the southern sports park located on the Amberfield site is no longer required.

Land acquisition and development of neighbourhood parks will be acquired as subdivision applications come through.

WELLBEING ACTIVITIES ENVIRONMENTAL WELLBEING

- **Southern Links Transport Designation:** Work is ongoing to implement the Ecological Monitoring and Management Plan (EMMP). This includes significant gully and stream restoration work (e.g., more than 10ha within the catchment), pest control, and bat roost protection and enhancement (e.g. providing artificial bat roosts).
- **Southern Links Transport Designation:** The first lizard restoration site has become home to several copper skinks that have been relocated from various parts of the Southern Links construction sites. Further planting will occur this coming season. Work on restoring a 1ha gully site will start at the end of July 2021.
- **The Mangakootukutuku Integrated Catchment Management Plan (ICMP)** remains with the Waikato Regional Council for certification.
- Work has continued on a **regional bat management plan** through the Waikato Bat Alliance who are meeting on 23 July to discuss a first draft strategy and next steps.



CULTURAL WELLBEING

- As part of Council's commitment to the partnership with Waikato-Tainui, on the 18 March 2021 Council approved the revocation of the Historic Reserve status for Whatukoruru Reserve. The final approval process is now with the Department of Conservation (DOC). Once approved by DOC, a Gazette notice will be published to formally revoke the reserve status meaning the transfer to Waikato-Tainui can be completed.
- A cultural blueprint is being developed for the Peacocke area. The Blueprint will provide a framework for how we will work to integrate Maaori art and culture into the landscape in a way that shares, protects, and celebrates Hamilton's unique Maaori history.
- The HIF programme team continues to engage with the Tangata Whenua Working Group (TWWG) to enable the construction of network infrastructure in Peacocke in partnership with local iwi. Cultural inductions and training have helped educate the wider team and contractors on the importance of keeping cultural considerations at the forefront of everything we do.
- Kaiarahi and Kaitiaki contracts are now in place which include specific Iwi representatives embedded within the construction contracts to guide and provide cultural guardianship during construction works.

SOCIAL WELLBEING

- The Ministry of Education (MOE) acquisition team is continuing with securing sites for two new schools in Peacocke. The Melville High and Melville Intermediate restructure is progressing and a decision on how the two schools will merge will be made by the Minister of Education in the coming months.

ECONOMIC WELLBEING

- Staff continue to work with Crown Infrastructure Partners, Treasury, Ministry of Housing and Urban Development and Department of Internal Affairs to investigate a potential arrangement to transfer a portion of the HIF loan into an off-balance sheet Infrastructure Funding and Financing arrangement.

COMMUNICATION AND ENGAGEMENT

Construction is now well under way on the new wastewater pipelines and Waikato River bridge and surrounding transport network. Neighbouring residents and landowners have been kept up to date with the works through letter drops, newsletters and one-on-one meetings.

Particular focus has been around works on Peacockes Road and working closely with surrounding residents around traffic management planned in the area.

Proactive media as contractors CB Civil built a new play area for Knighton School (key stakeholders for the project) achieved coverage in Waikato Times/ Stuff.co.nz. [City project experts down tools to build Hamilton school a new playground.](#)

Proactive story telling around the tender process for the Peacocke wastewater pump station on [Our Hamilton](#).

We're supporting contractors HEB Construction to host various groups on the Waikato River bridge site - including Girls with High-Vis and Waikato University engineering students.

The next round of engagement with landowners is under way for the Peacocke Structure Plan.

Landowners have the opportunity to feedback on the draft Plans prior to notification in late August.



Peacocke:

Our plans for the future

*To enable the development of an attractive and sustainable community in Peacocke.
Ko te aaheinga o te hanga he waahi ataahua, he waahi toiora ki Peacocke.*

Peacocke is approximately 740ha and located in the south-west of Hamilton. Its location just kilometres from the central city, the University of Waikato and existing neighbourhoods in Hillcrest and Glenview make it the ideal location for a new neighbourhood.

Its proximity to the Waikato River and Mangakootukutuku Gully means the land has always been significant to Maaori, who traditionally used the area to grow kumara and the river to trade. These environmental features provide important habitat for pekapeka-tou-roa, New Zealand's critically endangered long-tailed bat, and will be protected and enhanced as part of managing development.

Where we've come from

Planning for Peacocke has been under way for more than 10 years.

The area was officially included within Hamilton's boundary in 1989 and zoned for residential development in 2007. Since then, it has remained largely undeveloped mostly due to the funding required to establish the strategic infrastructure required to 'open up' the growth cell for development. But there was a strong desire from landowners to develop.

The Hamilton Southern Links Transport Corridor Designation runs through the growth cell, providing transport connections to the wider Hamilton and Waikato roading network. The corridor was designated as part of a four-year consultation process that began in 2011 and evaluated a wide range of network options, identified three broad networks, and narrowed these down over time to the preferred option.

When the Government's Housing Infrastructure Fund was announced in 2016, Council secured a \$290.4 million funding package for the development of Peacocke. This was made up of \$180.3 million 10-year interest-free loan and \$110.1 million of Waka Kotahi NZ Transport Agency subsidies. This gave us the funding we need to make Peacocke happen and put in the strategic transport and utility connections that new homes need.

When completed, Peacocke will be home for up to 20,000 Hamiltonians.



**Hamilton
City Council**
Te kaunihera o Kirikiriroa

What's a structure plan?

A structure plan helps guide the development of a new area. It considers things like transport connections (including public transport, cycling, and walking), parks and open spaces, commercial areas, housing style and density, environment and cultural heritage and sets out the best place for each of those activities to happen. It will help us balance the need for housing with social, cultural, environmental, and economic outcomes for our community.

Why are we reviewing it?

The Peacocke Structure Plan was created in 2007 and reviewed in 2012, in full public consultation processes. But a lot has changed since then. With funding for key infrastructure confirmed, and construction under way, the Peacocke Structure Plan now needs to be updated to reflect the outcomes we want for our newest neighbourhood. This includes environmental and urban design best practice and will bring our plan in line with the National Policy Statement for Urban Development and the National Policy Statement for Freshwater Quality, Government's directions for how they want councils to develop well-functioning communities and healthy rivers.

The new infrastructure connections, like roads and pipes, and subdivisions being built mean that Peacocke is already changing. We need to make sure it is changing in a way that reflects the outcomes we all want.



What does this mean for you?

In November last year, we asked you what you think of our high-level plans for the Peacocke area.

Feedback told us the community wanted Peacocke to have varied housing style and density, good transport connections and quality open spaces. The community also told us that protecting and enhancing the environment and celebrating our cultural heritage was important. The majority of responses were positive about our plans.

As a landowner in the Peacocke area, you may see that the zoning of your property is proposed to change in the new Structure Plan. It could be a change in density for development, environmental protections, or a location for a new commercial area. These are all things that contribute to making an attractive and sustainable community for Hamilton. Give us a call to chat about your specific situation and what it might mean for you.

As well as responding to community expectations for better urban design and sustainability, the proposed changes also bring the development of Peacocke into line with new Government requirements and Environment Court decisions. Proposed changes include better protection of priority bat habitat as well as the connections between these spaces which will influence where and how development takes place. Including these proposals as part of the Structure Plan discussions now provides consistency and certainty going forward. It means appropriate development can get under way faster with less risk of individual proposals facing disputes and delays.



Key features of the draft Plan:

The type of houses we want

The majority of Peacocke will be medium density, which means there is an option for terraced houses, duplexes, and larger houses to support diverse neighbourhoods.

We're zoning some areas within a walkable distance from the Peacocke town centre and public transport routes as high-density residential development. High density means a mixture of duplexes, terraced houses and walk-up apartments and will help create a vibrant centre to the neighbourhood. These areas will be supported with transport connections for all users and community facilities like sports parks and open spaces.

To make sure this is done well, we're proposing more effective controls over subdivision, layout and the built form in the plan. We want to enable an attractive and sustainable community where people want to live!

The draft Peacocke Structure Plan aims to create a safe and attractive place to live by requiring development to:

- Have street and section layouts that maximise access to sunlight
- Create sections where buildings face the street (so you have a nice street front and private backyards), avoiding rear sections where possible.
- Provide transport links near public open spaces.
- Minimise the use of cul-de-sacs unless there is no alternative because of the landscape.
- Make sure there's connections for pedestrians and cyclists.
- Have a range of lot sizes to provide for a mix of building types.

Providing for open spaces

Ensuring high-quality open spaces are provided and ecologically significant areas are protected to enhance the environment and create a great neighbourhood for people, is an important part of this draft Plan and something the community should be proud of. Peacocke is home to the Mangakootukutuku Gully and Waikato River which provide important habitat for the long-tailed bat and other native creatures.

The gully network and River corridor will include walking and cycling facilities, providing green space throughout the structure plan area. This will form part of a recreational walking and cycling network, supporting what we're doing along the roads.

We've allocated space for sports facilities including playing fields and clubrooms.

Finally, we're making sure there's a local park within an easy walk of every home in Peacocke! Some of these will be incorporated with our gully network and sports park where we can.

How do we protect our ecological areas?

To protect and enhance our significant ecological areas in Peacocke such as gullies and riverbanks from inappropriate development, we are proposing to identify these areas as Significant Natural Areas (SNAs). This is one of the highest levels of protection provided for under the Resource Management Act as a matter of national importance.

The current Plan protects SNAs based on the vegetation (flora) in the area. The draft Plan also considers areas that are home to long-tailed bats and other indigenous species (fauna). We want to make sure we strike the right balance between development and preserving habitat.

We're also making sure that rules and other provisions in the draft Structure Plan will make sure that development is done in a way that is compatible with those ecological areas. This will include identifying 'buffers' next to SNAs to add an extra layer of protection to our ecological areas. We are also identifying ecological corridors, used by long-tailed bats to fly between significant habitat, for protection.





Getting around Peacocke

We've allowed for all modes of transport in this draft Plan, with an emphasis on public transport and walking and cycling connections throughout the neighbourhood and beyond.

This will make sure it's convenient, safe and easy to walk to places like the local centre, neighbourhood centres, schools, community facilities and parks. Public transport will be enabled along key routes in the draft Structure Plan, providing access to the employment, education and commercial areas in the rest of Hamilton. The road network will be supported by a walking and cycling network that provides for recreational users, taking advantage of the substantial gully network. These connections reduce our dependency on cars within Peacocke.

To get further afield, the Hamilton Southern Links transport network runs through Peacocke providing access to the wider city and State Highway network. The draft Plan identifies crossing points along the roads for pedestrians and cyclists to support a range of different transport types in the area.

Access to all the things we need

As part of this draft Plan, we've identified places where business can happen in Peacocke. That's where we get all the things we need to support our day-to-day needs like supermarkets, medical centres and small shops. These spaces are to be well designed and attractive places for people, easy to walk or cycle to, with engaging public spaces.

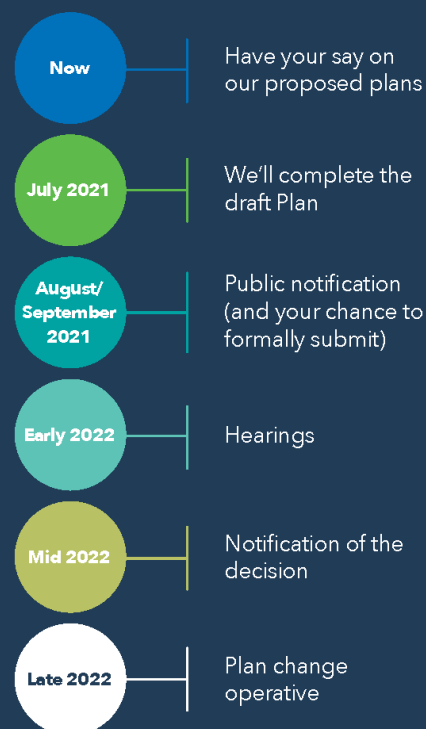
The main commercial and community hub of Peacocke is in a central location that links strongly with the River. This centre will be easy to access on foot and on bike and will be well serviced by public transport. The Peacocke local centre will be the primary business centre and provides a range of services to the local community.

The main local centre will be supported by a network of neighbourhood centres in spots that are convenient for the surrounding residents. These are also important hubs to help create a sense of community and where possible will be near neighbourhood parks.

What this Plan won't do:

There are some things that we can't change as they are already under way. This includes the alignment of the Hamilton Southern Links transport network, which was decided through an extensive community engagement process over four years. We also can't change developments that have already been granted consent, proposed locations for infrastructure and the location of some community facilities which are currently being designated.

Timeline



Have a chat to us!

You can find out more or give us some feedback by:

Contacting Mark Roberts, Principal Planner at Mark.Roberts@hcc.govt.nz or 07 838 6618

RUAKURA PROGRAMME

CONSENTING AND DEVELOPMENT ACTIVITY

Ruakura has a total capacity of 2,500-3,000 homes for up to 8,000 people.

A total of 1,300 sections have been granted subdivision consents since the Ruakura growth cell opened in 2015.

It normally takes 12 to 18 months to complete the earthworks before the titles get issued in Ruakura. There were 45 new titles issued in the second quarter of 2021, which was the busiest growth cell in terms of section release.

Notable development and consent applications include:

- Greenhill Park, at the northern end of the growth cell, is a medium density area that commenced development in 2015 and being developed by Chedworth Holdings. Chedworth Holdings continues to bring medium density housing online, and it is expected that additional consents for housing will be lodged this year. Currently 989 residential lots have been consented.
- Tainui Group Holdings (TGH) own the residential land at the eastern end of Powells Road. Subdivision consent was granted in 2016 for 102. The consent has not been given effect to, and will lapse on 21 December 2021. TGH applied in March 2021 to extend the lapse date of this consent and this is currently being processed.

Refer to the Development Activity Map attached.

KEY PROGRAMME ACTIVITY UPDATES RUAKURA

Overall, programme activity across Ruakura is going well. Staff are continuing to work in partnership with key stakeholders such as Waikato Tainui and TGH for the development of Ruakura, and

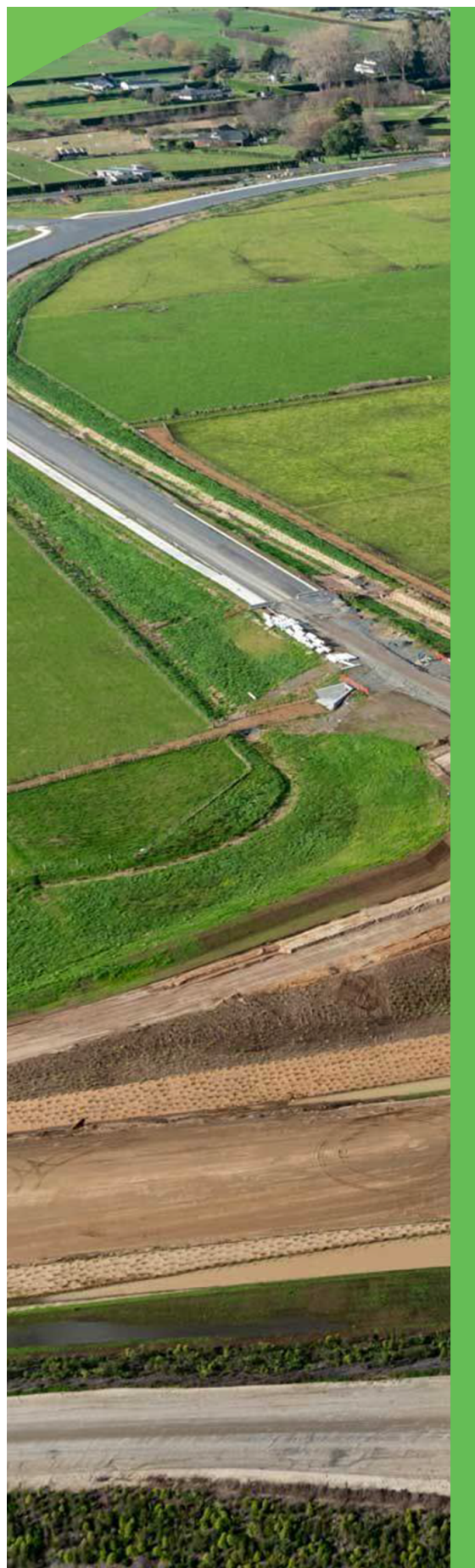
TGH's 490ha Superhub project. Delivery of the enabling network infrastructure programme is progressing well. Key highlights include:

- Construction of the new Ruakura Water Reservoir is complete.
- Work is underway to complete key transport connections including the upgrade of Ruakura Road and new roads to connect to the Waikato Expressway.
- Design and consenting is well advanced to install strategic water and wastewater pipes as well as complete stormwater works in the Mangaonua gully.
- TGH are investing in, and facilitating the planting of one million native plants into Stage 1 of the Ruakura Superhub.

Staff are establishing the strategic design and funding application basis for the Eastern Transport Corridor, which is a critical piece of enabling infrastructure required to advance development of the Ruakura Superhub. This work is being done noting historic agreements already in place and considering the overall strategic direction of the growth cell. Once this work is complete, Waka Kotahi NZ Transport Agency funding applications can begin.

R2

It's important to consider the emerging area of R2 within Ruakura because of its geographic proximity. This is because of its important strategic transport and three waters connections which can be extended from Ruakura into the R2 area. For example, there are benefits in exploring how the proposed Eastern Transport Corridor in Ruakura could be extended into R2. Staff will obtain a better understanding of what may be required to plan for future development of the area through the Emerging Areas programme.



The area needs strategic infrastructure and land use planning and consideration needs to be given to connecting to Ruakura. Developers will need to demonstrate how their proposal meets the out-of-boundary principles, including demonstrating how the proposal meets water and wastewater policy allocation.

INFRASTRUCTURE PROJECTS

- **Ruakura Water Reservoir** is complete, this will supply fresh drinking water to the Ruakura and Peachgrove areas.
- **Ruakura Superhub - Key Transport Connections** is a project to construct new roads between the Waikato Expressway and Ruakura Road (near the University). This is a partnership between Council, TGH and the Central Government (funding from the Provincial Growth Fund). Construction is now under way, with work expected to be complete early 2022 in alignment with the anticipated opening of the Waikato Expressway.
- **Ruakura Wastewater Interceptor** stage 1 of the strategic Far Eastern Interceptor Wastewater pipe has been completed under a PDA with Chedworth Holdings. Stage 2 is being undertaken by TGH with works planned to commence in late 2021 in conjunction with installation of strategic water supply pipes.
- **Ruakura Road Urban Upgrade** is under construction, with enabling works and service relocations under way. In the coming months, there will be significant traffic management required, including staged closures of Ruakura Road in the second half of 2021.
- **Mangaonua Gully Erosion Control - Stream Protection Stage 1** is part of a \$4million project being jointly funded by Council and the Central Government's COVID-19 Response and Recovery Package as part of the Ruakura Superhub. Assessments were carried out in 2020 and staff are now working through design, using natural mitigations such as rocks and logs in six locations along the stream. Part of the enhancement will be some intensive planting of approximately 100,000 native plants and to create a DOC style access track to gain access to different areas for the construction team, planting team and maintenance team. Investigation, design, Resource Consent applications and land access discussions are underway in relation to this, with construction activities anticipated to commence in the 2021-22 summer construction season. This project is dependent on private land access/easement agreements being in place, which is currently a risk to delivery.

RUAKURA EAST

Waikato Tainui have constantly advocated for Ruakura to be the Iwi's top development priority throughout the development of the Hamilton to Auckland Corridor Plan development and Hamilton-Waikato Metropolitan Spatial Plan. As the sub-region picture has evolved, so have Waikato Tainui's development aspirations. Waikato Tainui and TGH have signalled their intent to re-zone land on the other side of the Waikato Expressway from rural-zoned land to industrial-zoned land to realise tribal aspirations and long-term growth of the Ruakura Superhub. This zone change would also enable an opportunity to reconsider land known as the 'Tramway Block'.

On 17 June 2021, TGH briefed the Chair and Deputy Chair of the Strategic Growth Committee, along with infrastructure and planning staff around current master plan thinking, and aspirations. It is a continued expectation that all master planning activities will be carried out in collaboration with Council and integrates with the future planning of infrastructure, including the Ruakura Eastern Transport Corridor and Council's multi-modal aspirations.

There is no strategic land agreement in place. Land use planning considerations have commenced and strategic infrastructure investigations are required. Developers will need to demonstrate how their proposal meets the out-of-boundary principles, including demonstrating how the proposal meets water and wastewater policy allocation.

ENDERLEY

While Ruakura and Enderley are separate communities, there is a clear relationship between them. Enderley adjoins the Ruakura area, and there are proposed transport links that will connect the southern portion of Enderley with Ruakura via the development of Tramway Road as part of the Eastern Transport Corridor. The role of Enderley into the future as a priority area for infill growth is included in a detailed report for the Strategic Growth Committee meeting in July 2021. From a land use perspective, enabling a change in land use from industrial to residential north of the Ruakura knowledge zone would result in better alignment of complimentary land uses, and would soften the interface between part of Ruakura and areas such as Fairview Downs.

The opportunity to provide for the enhanced redevelopment of Enderley, creates a potentially bigger community of people who could work in the Ruakura Inland Port, and Superhub over the longer term.



PARKS AND OPEN SPACES

The future open space network within Ruakura will predominately be guided by the Ruakura Structure Plan within the District Plan. The open space network will consist of:

- The green corridor that runs from the north-west along Pardoia Boulevard and down adjacent to the Spine Road to link to open space along Silverdale Road and the Mangaonua gully in the south.
- Gullies at the northern end (Kirikiri Stream headwaters) and southern end (Mangaonua gully) of the structure plan area.
- Neighbourhood reserves.

COMMUNICATION AND ENGAGEMENT

An overarching Ruakura Programme Communication and Engagement Strategy is in development.

Staff have been engaging with directly affected landowners and stakeholders on key projects in Ruakura, such as the Ruakura Superhub Stage 1 Transport Corridors project and the Ruakura Road Urban Upgrade. Neighbouring residents and landowners have been kept up to date through letter drops, newsletters, one-on-one meetings, and open days.

Stakeholder meetings between Waikato Regional Council, Innovation Park, TGH, WEL network, Transpower and Ag Research have gone well, and staff plan to continue engaging with the community as works progress.

RUAKURA



Ruakura

Current state and development activity



Key

- Consented
- Residential
- Industrial
- Logistics zone
- Research and education
- * Future logistics zone



**Hamilton
City Council**
Te kaunihera o Kirikiriroa

ROKOKAURI-NORTHWEST PROGRAMME

PROGRAMME VISION

"To ensure Hamiltonians enjoy a connected, vibrant, attractive and prosperous Rotokauri-Northwest community".

The Rotokauri-Northwest programme brings all projects and activity across Rotokauri Stage 1, Rotokauri Stage 2 and Te Rapa North (including Te Awa Lakes) under one umbrella. Rotokauri-Northwest a key location in the Northern Growth corridor of the Hamilton-Waikato Metropolitan Spatial Plan (HW-MSP) and the role of Rotokauri is being investigated as a Future Proof Priority Development Area, supporting transit-orientated development.

A programme approach ensures we can plan and deliver great wellbeing outcomes for a Rotokauri-Northwest neighbourhood that will one day be home for up to 20,000 people.

CONSENTING AND DEVELOPMENT ACTIVITY

Rotokauri-Northwest has a total capacity of up to 7,500 homes for up to 20,000 people.

A total of 214 of new houses have been granted building consents in Rotokauri since 2015, and 182 have been completed (CCC Issued).

There are a total of 766 residential lots still in the pipeline, with subdivision consents lodged but still waiting on a decision, including:

- 394 lots from Rotokauri Development Limited.
- 155 lots from Greenseed Consultants.
- 130 from Everton Heights.
- 83 from Hounsell Holdings.

The latest subdivision consent granted in the growth cell was for 196 lot subdivision by Empire Corporation in November 2020. Earthworks are currently under way for this development.

Refer to the Development Activity Map attached to this report.

KEY ROKOKAURI PROGRAMME ACTIVITY UPDATES

Overall, programme activity across Rotokauri is going well. The programme is being set up for success, and projects such as Rotokauri Arterials Designation and Zoo/Waiwhakareke Shared Entry Precinct are progressing.

Through private plan changes and Council decisions, Rotokauri is zoned for residential and industrial development. There are funding challenges to secure critical strategic infrastructure like the Rotokauri Greenway Corridor which is only partially funded towards the end of the 2021-2031 Long Term Plan (LTP). This causes a strategic issue that does not align with developer expectations, and their development rights.

Work continues with developers to find funding solutions for the construction of the Rotokauri Greenway and Transport Corridor. Developers have expressed interest in the Infrastructure Acceleration Fund (IAF) as part of the Housing Acceleration Fund (HAF). Staff are continuing to work with developers to find solutions, and discussions for a multi-developer PDA opportunity continue.

INFRASTRUCTURE PROJECTS

- **Rotokauri Arterial Designation** is progressing well. Staff held a drop-in session for Elected Members on June 2 2021, and another community day is in development. Staff expect to be in a position to present to Council on the designation late 2021, and request approval to formally lodge the designation circa March 2022 pending NZ Transport Agency Business Case approval.
- **Baverstock Road Urban Upgrade** is complete, allowing increased safety and improved connectivity for walking and cycling.
- **Rotokauri Greenway Corridor** has some conditions in the designation secured in early 2020, which require two years of monitoring and investigation. This is progressing well. In the 2021-2031 LTP, funding has been approved to develop the specimen design and address remaining consent conditions. The scope of this project is currently in development with programme workstreams across Council.
- **Te Wetini Drive Extension** has a PDA in place and construction is under way. The project has been impacted by seasonal weather and high ground water, which has halted works until late October/November 2021 when weather improves.



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- Rotokauri Road Urban Upgrade is now complete between Baverstock Road and Te Wetini Drive. This provides bus services, and safer connections for the community.

- Hamilton Zoo/Waiwhakareke Shared Entry Precinct is progressing well. Works have begun on the Waiwhakareke landscaping, and procurement for stage 2 (car parks and Bryer Road urbanisation) is in progress and close to early contractor involvement. Delivery of the Zoo/Waiwhakareke Shared Entry Precinct will contribute to Hamilton's economic capacity, attracting visitors to Hamilton and the Waikato.

ONION ROAD/RUFFELL ROAD SAFETY IMPROVEMENTS

At the 27 April 2021 Infrastructure Operations Committee meeting, the Committee approved Council to enter into an agreement with KiwiRail in relations to the Ruffell Road Level Rail-Crossing.

As at July 2021, plans for constructing the mini roundabout at the Arthur Porter Drive/Te Kowhai Road intersection are in place. Staff are currently waiting on WEL to undertake electrical work, involving the relocation of streetlights columns, to be completed before the mini roundabout can be installed.

Once the WEL works is programmed further, updates will be shared with stakeholders and the community. When the Arthur Porter Drive/Te Kowhai Road intersection mini roundabout is complete, a post-construction safety audit will be completed, and any required changes implemented. Following this, communications advising of the Ruffell Road Level Rail Crossing closure will be sent out. Staff are also actively working with KiwiRail to finalise a Deed of Grant arrangement. As the physical works were not completed in the 2020/21 financial year, the budget allocation for this project will be funded from the 2021/21 Low Cost Low Risk and other programmes.

MINISTRY OF EDUCATION

Ministry of Education are looking to acquire land for three schools in the Rotokauri area, including a high school in the future.

WAIWHAKAREKE NATURAL HERITAGE PARK

Arbor Day at Waiwhakareke Natural Heritage Park is the largest community planting day in the city, and the most recent event held June 4 was attended by 767 volunteers. Volunteers planted 18,000 ecologically sourced native plants across 1.8ha of restoration land.

Waiwhakareke Natural Heritage Park has a vision to create a world class,

ecological island in an urban environment and to date, 360,000 have been planted across 36ha of land. There is a goal of planting 650,000 trees across 65ha.

PARKS AND OPEN SPACES

At this stage, the Rotokauri open space network consists of:

- Waiwhakareke Natural Heritage Park.
- Approximately 6ha of open space which will be developed into a future sports park.
- An esplanade reserve adjacent to Lake Rotokauri.

The future open space network within Rotokauri will predominantly be guided by the Rotokauri and Rotokauri North Structure Plans within the District Plan. The plan change for the Rotokauri North Structure Plan is still subject to the RMA process, and not locked in at this stage. There is no funding for Open Space in the 2021-2031 LTP.

ROKOKAURI NORTH PRIVATE PLAN CHANGE - PLAN CHANGE 7

Plan Change 7 with Greenseed Consultants Limited (Greenseed) is progressing well. The plan change relates to approximately 140ha of land in Rotokauri Stage 2. Greenseed are currently in the process of preparing supplementary information, primarily relating to stormwater management, and working with staff on a range of technical matters. The timing of hearings for PC7 is, in part, reliant on the timing of supplementary information being formally lodged with council.

TE RAPA NORTH TE RAPA NORTH DEFERRED INDUSTRIAL - PLAN CHANGE 10

The purpose of Plan Change 10 is to bring more land to market for industrial growth in Hamilton. There is 191ha of land within the deferred zone, and it is this land, or part of it, that is being explored for rezoning through a potential plan change.



An Intergrated Transport Management Plan (ICMP) is being prepared for the Te Rapa catchment, which will inform the plan change. Shortlist options for stormwater management are currently being considered in consultation with iwi. The preparation of a Cultural Values Assessment (CVA) to inform the plan change and ICMP is also underway. Staff will bring a Plan Change 10 item to Council through the District Plan Committee in the coming months to provide a detailed update and seek input on key matters.

TE AWA LAKES

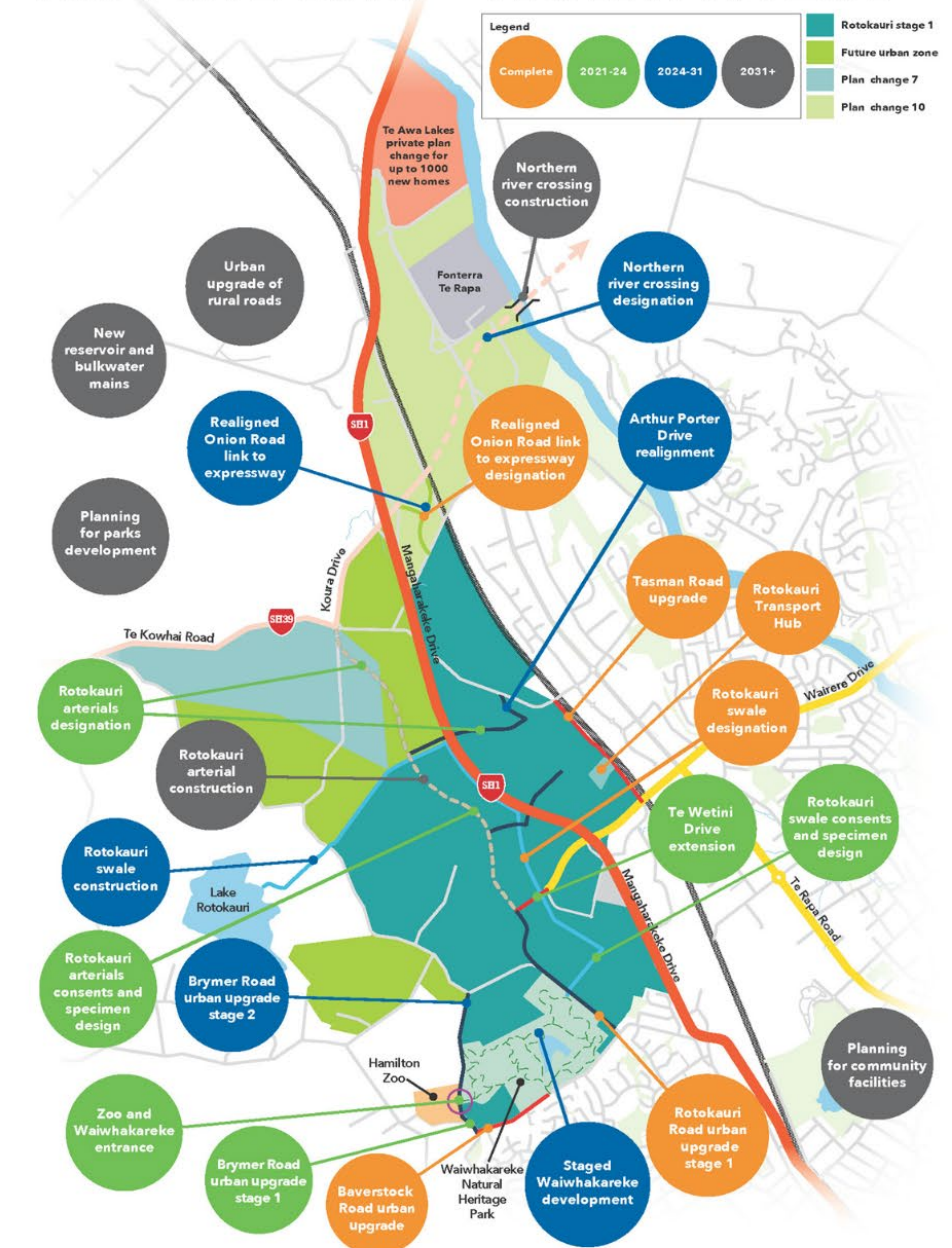
Te Awa Lakes is seeking resource consents to enable development within the Te Awa Lakes private plan change area at Horotiu. This area is identified within the Te Awa Lakes Structure Plan Area in the District Plan. The resource consents are to prepare the site for future transport corridors, infrastructure, and open space areas. The development will involve the creation of a lake, to be maintained to a recreational and swimmable standard, that integrates with the surrounding open space network and stormwater wetlands.

There is a PDA with Te Awa Lakes, which is largely around water allocation relating to when the site was industrially zoned. That PDA will require an update in due course.

COMMUNICATIONS AND ENGAGEMENT

An overarching Rotokauri-Northwest Programme Communication and Engagement Strategy is in development. Staff held a drop-in session for Elected Members on June 21 2021 to inform and obtain direction from Councillors on the Rotokauri Arterial Designation project. This is a key transport connection project that is part of shaping a Rotokauri-Northwest that's easy to live in, explore and connect. Staff are planning another community open day, and plan to continue engaging with the stakeholders and community as works progress.

ROKOKAURI - NORTHWEST



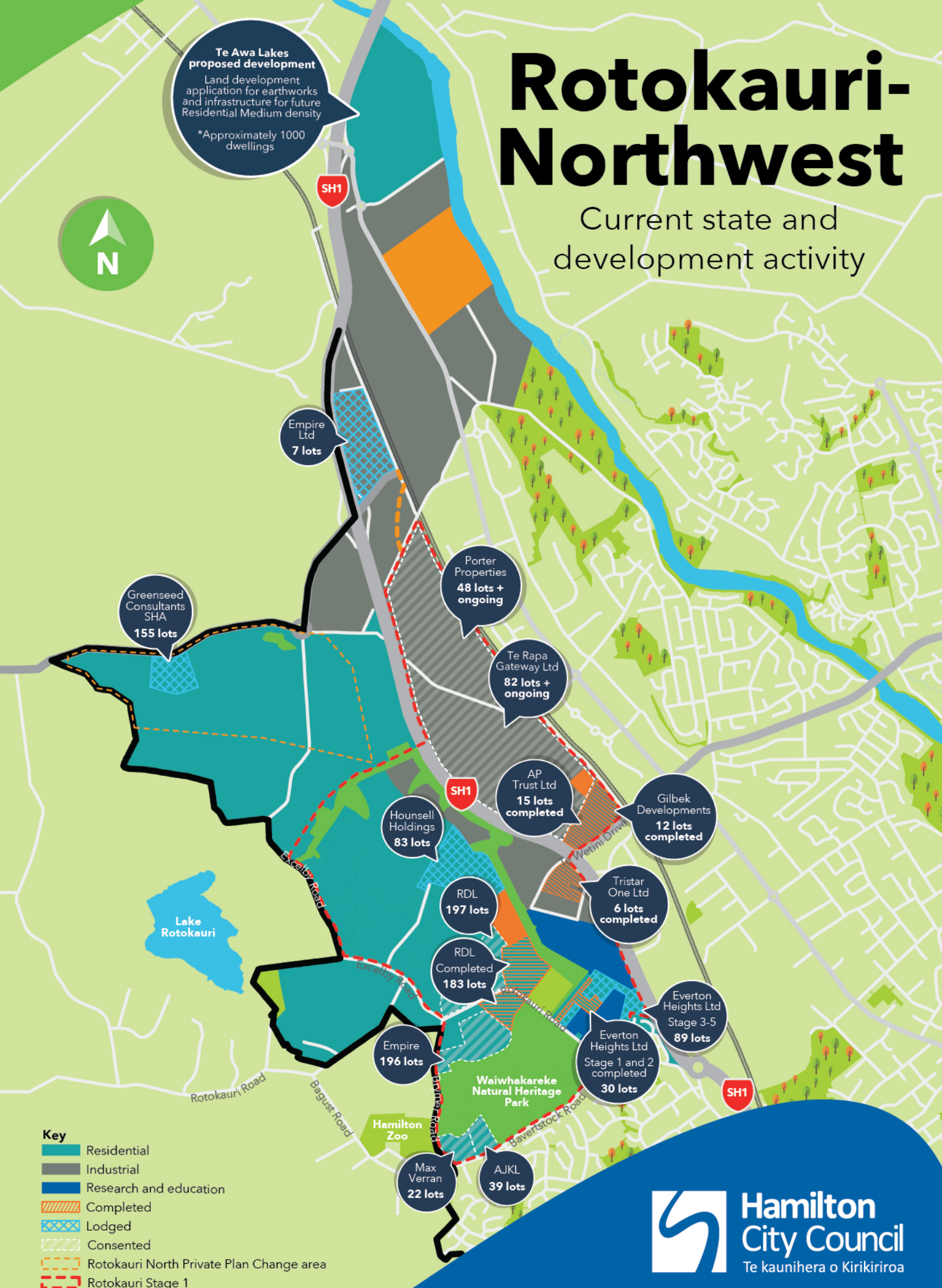
Rotokauri-Northwest

Current state and development activity

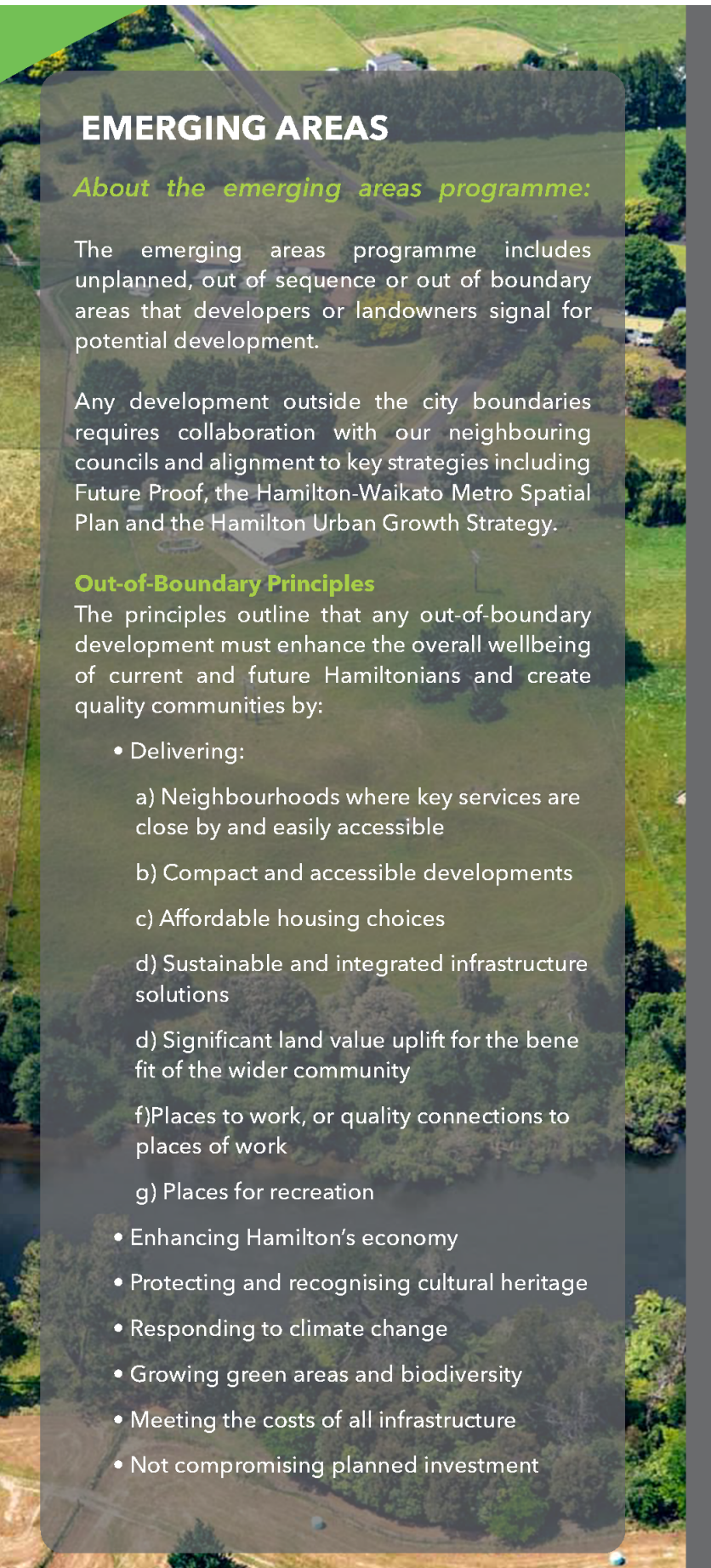
Te Awa Lakes proposed development

Land development application for earthworks and infrastructure for future Residential Medium density

*Approximately 1000 dwellings



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EMERGING AREAS

About the emerging areas programme:

The emerging areas programme includes unplanned, out of sequence or out of boundary areas that developers or landowners signal for potential development.

Any development outside the city boundaries requires collaboration with our neighbouring councils and alignment to key strategies including Future Proof, the Hamilton-Waikato Metro Spatial Plan and the Hamilton Urban Growth Strategy.

Out-of-Boundary Principles

The principles outline that any out-of-boundary development must enhance the overall wellbeing of current and future Hamiltonians and create quality communities by:

- Delivering:
 - a) Neighbourhoods where key services are close by and easily accessible
 - b) Compact and accessible developments
 - c) Affordable housing choices
 - d) Sustainable and integrated infrastructure solutions
 - d) Significant land value uplift for the benefit of the wider community
 - f) Places to work, or quality connections to places of work
 - g) Places for recreation
- Enhancing Hamilton's economy
- Protecting and recognising cultural heritage
- Responding to climate change
- Growing green areas and biodiversity
- Meeting the costs of all infrastructure
- Not compromising planned investment

EMERGING AREAS

INTRODUCTION

Staff and Elected Members continue to receive proposals and requests for development rights and/or boundary changes for out-of-boundary and unplanned areas. The requests are placing pressure on key staff to respond with technical land use and strategic infrastructure advice. The requests are now being managed centrally through the Emerging Areas programme within the Growth Programmes Team and recruitment is under way for a programme manager.

The HUGS review will help direct if and when emerging areas will be included in the Hamilton growth programme and will support direction for infrastructure planning and investigations.

Staff have been distributing the out-of-boundary principles to the developers who will need to demonstrate how their proposal meets the principles in order to be considered as a potential area for future development. A mechanism to capture value early in the development process from emerging areas to reinvest into the community is currently being developed as part of the HUGS Review.

Some of the emerging areas are aligned with existing strategies, such as Future Proof and strategic land agreements, some are new. All of the areas have significant infrastructure challenges and need infrastructure investigations, strategic land use planning, early consideration for how the proposed developments can meet three waters requirements and growth funding mechanisms.

Emerging areas and proposals will always need to be considered in the wider context of what land supply is actually needed to meet projected demand and will need to be sequenced and timed to enable certainty for infrastructure planning, investment and provision.

A summary of recent emerging areas requests is included in this report.

WA

Wallace Road (WA) is an area of approximately 28ha adjacent to the boundaries on the western side of the city within Waikato District Council. It has capacity for approximately 400 - 800 new homes (subject to density) for up to 1000 - 2000 people.

It has been identified as a future part of Hamilton City since a strategic agreement on land transfers between Waikato District Council and the Council was established in 2005.

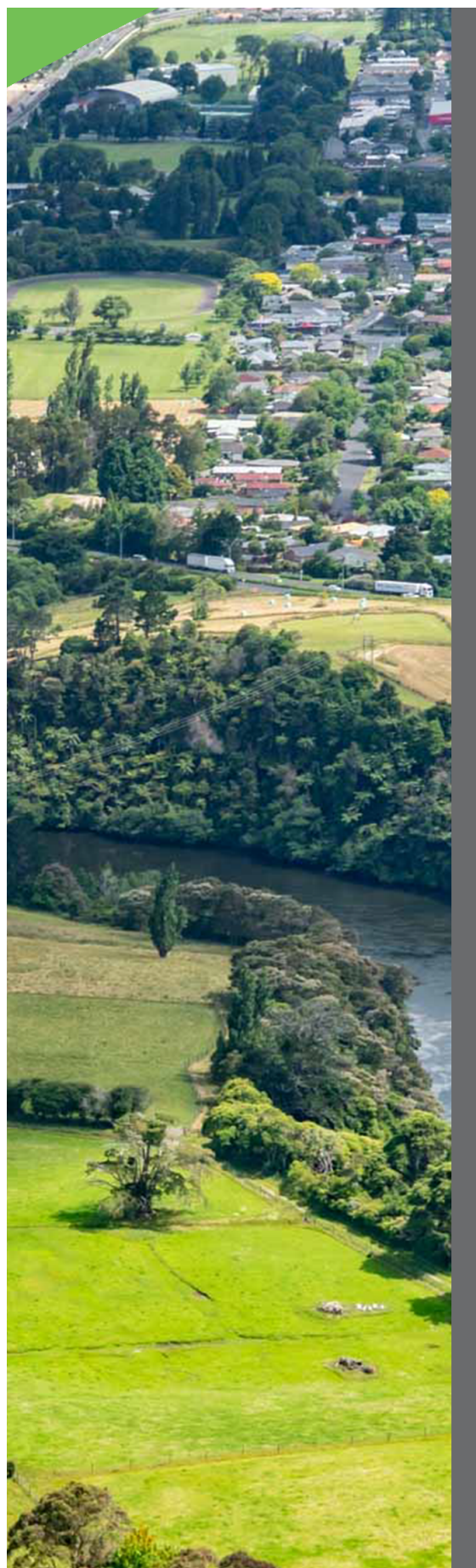
Landowners in WA met with some elected members and senior staff earlier in the year and would like to progress the development of the area. More work is required to understand the infrastructure requirements. Developers will need to demonstrate how their proposal meets the out-of-boundary principles including demonstrating how the proposal meets water and wastewater policy allocation. WA will be a good test case to test the principles and will be assessed as part of the Hamilton Urban Growth Strategy (HUGs) review.

HT1

Horotiu 1 (HT1) is an areas of 808ha to the north east of Hamilton. It has capacity for 7,700 homes and a future neighbourhood of more than 20,000 people. It provides roughly the same potential growth capacity as Peacocke.

It fits within the Metro Spatial Plan and is bordered by the Waikato Expressway, providing an opportunity for development supported by frequent public transport.

It requires a boundary change which can be actioned through the existing Strategic Land Agreement with Waikato District Council. A district plan variation, zoning and structure plan is also needed.



Opening Horotiu means a new northern bridge over the Waikato River, its own wastewater and water solutions and a transport/public transport mode shift. These will all need designations and an ICMP needs to be developed.

The area has strategic infrastructure challenges. No strategic infrastructure investigations have taken place. Developers will need to demonstrate how their proposal meets the out-of-boundary principles, including demonstrating how the proposal meets water and wastewater policy allocation.

R2

Ruakura 2 (R2) is an area of approximately 200ha north of the Ruakura Growth Cell between the Hamilton City Boundary and the Waikato Expressway. R2 is currently under jurisdiction of Waikato District Council. It has capacity for approximately 2000 - 4000 new homes (subject to density) for up to 5,500 - 10,500 people.

It has been identified as a future part of Hamilton City since a strategic agreement on land transfers between Waikato District Council and the Council was established in 2005.

Major landowners in the area are motivated to develop the area and have recently met with staff in June 2021. Staff are meeting with landowners in the coming months to obtain a better understanding of what may be required to plan for development of the area in the future. The area needs strategic infrastructure and land use planning and consideration needs to be given to connecting to Ruakura. Developers will need to demonstrate how their proposal meets the out-of-boundary principles, including demonstrating how the proposal meets water and wastewater policy allocation.

R3

Ruakura 3 (R3) is an undefined area on the east of Ruakura outside the city boundaries. At least one major landowner in the area has signalled the intent to progress development in the future. The area is within Waikato District Councils boundary. There are currently no boundary or strategic land agreements in place for this area. No strategic infrastructure investigations or land use planning reviews have taken place. Developers will need to demonstrate how their proposal meets the out-of-boundary principles, including demonstrating how the proposal meets water and wastewater policy allocation.

RUAKURA EAST

Ruakura East is an area within Waikato District Council that Tainui Group Holdings are seeking to change to industrial zoning to support more residential homes within the Ruakura development. There is no strategic land agreement in place however the current agreement with Waikato District Council promotes a mechanism for additional land access to be included. Land use planning considerations have commenced and strategic infrastructure investigations are required. Developers will need to demonstrate how their proposal meets the out-of-boundary principles, including demonstrating how the proposal meets water and wastewater policy allocation.

SL1

The wider Southern Links future city expansion area is approximately 1,800ha located between the southwest Hamilton City Boundary, the Southern Links Network and the Waikato River.

A proposal has been received for SL1. The majority of SL1 is within the wider Southern Links future city expansion area adjacent to the western city boundary. A small portion of SL1 is outside the wider Southern Links future city expansion area on the western side of the Southern Links designation. The SL1 area is approximately 500ha. It has capacity for approximately 6,000 - 12,000 new homes for 16,000 - 32,000 people.

This area has been identified for some time as a future expansion area for the long-term urbanisation of Hamilton in the Future Proof Strategy and within the Hamilton-Waikato Metro Spatial plan as a long-term future urban land resource. A Strategic Land Agreement with Waikato District Council is required for this area if it is to be brought into Hamilton City boundaries.

Development of a strategic land agreement is under way with Waikato District Council to outline the process for amending territorial boundaries which is designed to be sufficiently flexible to enable the transfer of sub regional areas into the City at a time determined by mutual agreement. Zoning and a structure plan will focus on how it integrates with surrounding areas.

Landowners in the area have met with senior staff in June 2021 to indicate that they are seeking to develop the area. The area has strategic infrastructure challenges. No strategic infrastructure investigations and land use planning changes have taken place.



Developers will need to demonstrate how their proposal meets the out-of-boundary principles, including demonstrating how the proposal meets water and wastewater policy allocation. A report is being taken to the Strategic Growth Committee in July/August 2021 outlining the proposal.

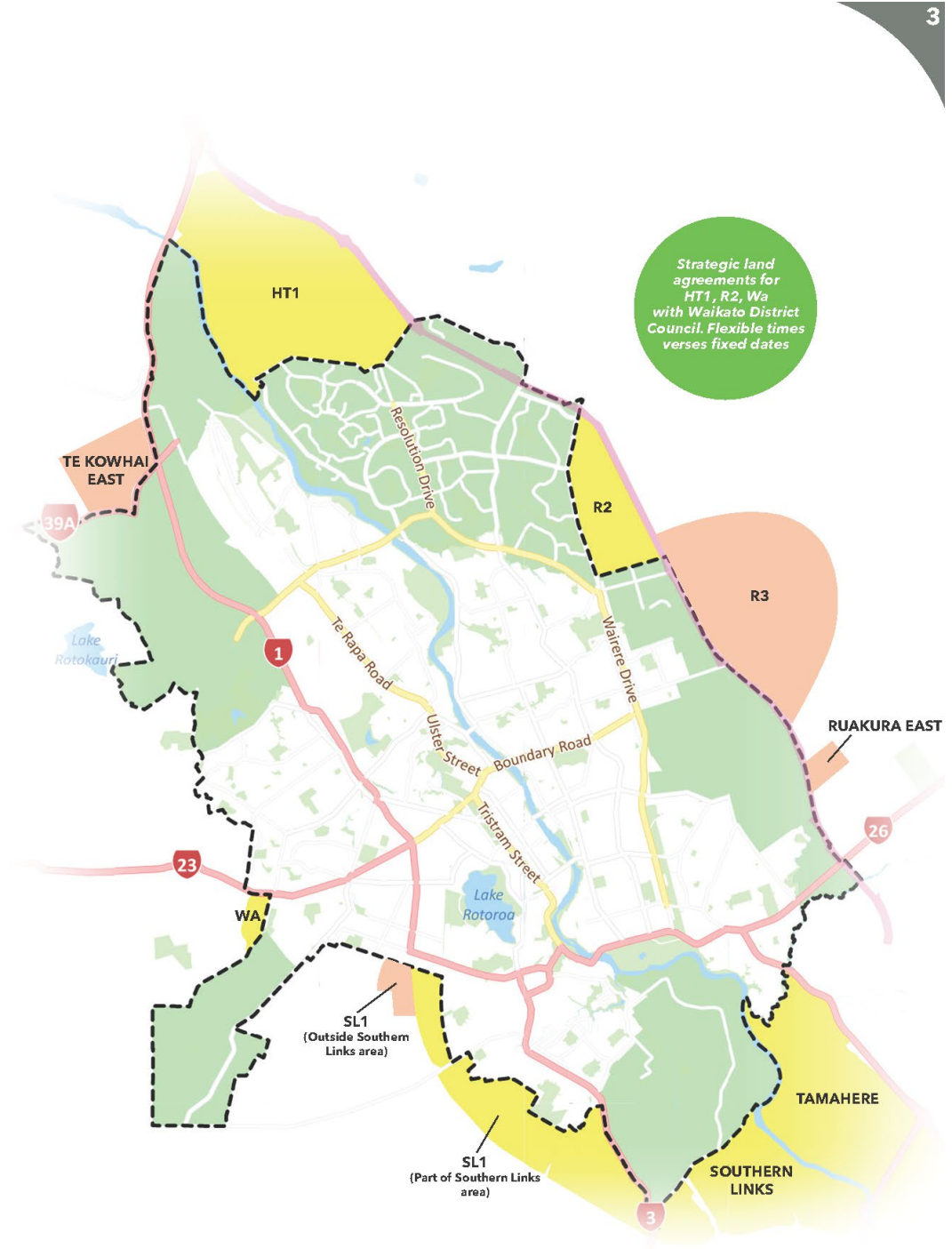
TE KOWHAI EAST

Te Kowhai East is an area to the north of Rotokauri North adjacent to Hamilton City Boundaries within Waikato District Council.

Te Kowhai East is not currently included for development in the Future Proof Strategy.

Landowners and developers have recently signalled that they intend to progress development in this area for up to 2,500 new homes. Some Elected Members and senior staff will meet with the developers to further understand the proposal in August 2021.

The area has some strategic infrastructure challenges. No strategic infrastructure investigations and land use planning changes have taken place. Developers will need to demonstrate how their proposal meets the out-of-boundary principles, including demonstrating how the proposal meets water and wastewater policy allocation.



Council Report

Item 12

Committee: Strategic Growth Committee **Date:** 29 July 2021
Author: Jackie Colliar **Authoriser:** Blair Bowcott
Position: Strategic Manager - Infrastructure City Development **Position:** General Manager Growth

Report Name: Hamilton-Waikato Metro Wastewater Detailed Business Case Update

Report Status	<i>Open</i>
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Purpose - *Take*

1. To update the Strategic Growth Committee on progress on the Hamilton-Waikato Metro Wastewater (WW) Detailed Business Case (DBC) Project.

Staff Recommendation - *Tuutohu-aa-kaimahi*

2. That the Strategic Growth Committee receives the report.

Executive Summary - *Whakaraapopototanga matua*

3. The preferred Hamilton-Waikato Metro Wastewater (WW) servicing solution (Five Plant Option) has been further developed and refined since May 2021. The option refinement has had particular focus on the proposed new Southern wastewater treatment plant (WWTP) and will be used to inform the Southern Metro WW DBC.
4. Key items and levels of commitment to be included in a Memorandum of Understanding (MOU) between the project partners have been developed and worked through with the project partners since May 2021.
5. On 30th June 2021, the Project Governance Group (made up of elected representatives from the partner organisations) endorsed the key items and levels of commitment for inclusion in the MOU (set out in the report included as **Attachment 1**). The Project Governance Group approved to use these positions (**Attachment 1**) to complete the Southern Metro WW DBC and to draft the MOU.
6. The Southern Metro WW DBC and proposed MOU will be provided to the Strategic Growth Committee alongside the respective partner committees for feedback, endorsement, and approval in September/October 2021.
7. The Northern Metro WW DBC project has been initiated. Completion of the Northern WW DBC is scheduled for June 2022.
8. Staff consider the decisions in this report have low significance and the recommendations comply with the Council's legal requirements.

Attachment 4

Background - *Koorero whaimaarama*

Attachment 4

9. This is the fifth project update report to the Strategic Growth Committee. This report covers the period from May – July 2021. Previous reports to the Strategic Growth Committee were provided at the 1 October 2020, 12 November 2020, 30 March 2021 and 20 May 2021 meetings.
10. In March 2021, the Strategic Growth Committee noted Option 4A (Five Plant Option) as the preferred staff-recommended wastewater servicing option to take forward for refinement, and to inform completion of the Southern Metro WW DBC.
11. Several specific actions were also requested at the 30 March 2021 Strategic Growth Committee meeting including that:
 - i. staff include in the Hamilton City Council (HCC) submissions on the Waipa District and Waikato District Council (DC) Long Term Plans (LTPs) a request to include necessary budgetary provision to support an equitable contribution to future-proof the delivery of a new southern plant,
 - ii. that further investigation be undertaken as part of the Southern Metro WW DBC to consider wastewater servicing solutions for Southern Metro Area communities and areas, including those immediately adjacent to the current Hamilton City boundary.
12. Key project updates provided at the 20 May 2021 Strategic Growth Committee meeting related to:
 - i. the outcomes of the 16 April 2021 Project Governance Group meeting.
 - ii. specific actions requested at the 30 March 2021 Strategic Growth Committee meeting.
 - iii. key project activities that were underway.
 - iv. initial thoughts on the key terms an MOU could detail was also provided at the 20 May meeting.
 - v. initiation tasks for the Northern Metro WW DBC.
13. On 16th April 2021 the Project Governance Group confirmed Option 4A (Five Plant Option) as the preferred wastewater servicing option for refinement and completion of the Southern Metro WW DBC.
14. In addition to confirming the preferred option for the Southern Metro area, the Governance Group agreed to the development of a MOU (or other similar mechanism) to secure commitments to implement the preferred option from the DBC.
15. Council's representative on the Project Governance Group is Mayor Paula Southgate; the alternate member is Councillor Dave Macpherson.

Item 12

Discussion - *Matapaki*

16. Project activities since May 2021 have focussed on:
 - i. refining the preferred wastewater servicing solution, with particular focus on the proposed new Southern WWTP
 - ii. developing and agreeing key items to be included in the MOU and to be used to complete the Southern Metro WW DBC
 - iii. initiating the Northern Metro WW DBC.
17. Development and refinement of the preferred servicing solution has continued since May 2021. This work has included completion of site selection investigations, consenting strategies, cost estimates and staging development of the proposed new Southern Metro WWTP.

18. Sensitivity assessments to inform staging and associated triggers for implementation have been completed to assist with refining the preferred option with particular focus on the staged development of the proposed new Southern Metro WWTP.
19. Closer assessment of servicing options for areas south of the Hamilton boundary has commenced, with concept solutions to convey these areas south to the new WWTP completed.
20. Details of the refined preferred servicing solution have been worked through with stakeholders and partners. The key items and levels of commitment needed to complete the Southern Metro WW DBC and for inclusion in the MOU have also been worked through with the project partners.
21. On 30th June 2021, the Project Governance Group (made up of elected representatives from the partner organisations) endorsed the key items and levels of commitment for inclusion in the MOU (set out in the report included as **Attachment 1**) to be entered into by the project partners. The matters include:

Proposed Level of Commitment	Agree to agree	Agree Principles	Agreed Commitment
Minimum Performance Standards			✓
Form, parties and scope of governance structure			✓
Powers of the Programme Director and PGG	✓		
Cost allocation, funding & financing		✓	
Southern sub-regional plant thresholds	✓		✓
Lead Councils			✓
Cross-boundary servicing arrangements	✓		✓
Ownership		✓	

22. At the 30th June 2021 meeting, the Project Governance Group approved to use these positions (**Attachment 1**) to complete the Southern Metro WW DBC and to draft the MOU.
23. Details on the key items and levels of commitment are included in **Attachment 1**.

Project Update & Next Steps

24. As noted in the March 2021 report, the overall project is behind programme with the Project Governance Group meeting planned for December 2020 to consider the recommended preferred option to take forward deferred to April 2021.
25. The original completion date for the Southern Metro WW DBC was late May 2021. The forecast completion date is now late August 2021. The Project Governance Group will consider the Southern Metro WW DBC document and draft MOU for endorsement as a collective in August 2021.
26. The Southern Metro WW DBC and proposed MOU will then be provided to the Strategic Growth Committee alongside the respective partner committees for feedback, endorsement, and approval in September/October.
27. Several project implementation activities are occurring in parallel with completing the Southern Metro WW DBC. These include:
 - i. Engagement with external stakeholders in relation to the new Southern WWTP
 - ii. Development of the draft Terms of reference for the Project Governance Group established to implement the outcomes from the Southern Metro WW DBC

iii. Further development of Metro wide wastewater consenting strategies to support implementation of the Southern Metro WW DBC recommendations and to feed into the Northern Metro WW DBC.

28. The Northern Metro WW DBC project has commenced and is programmed for completion by June 2022. The Northern Metro WW DBC will build on the Southern Metro WW DBC work. BECA consultants and PWC have been engaged to complete the project alongside the partner teams. Peter Winder has been retained as the Project Director to deliver of the Northern Metro WW DBC.
29. The Northern Metro WW DBC project will have a significant technical engineering focus with key decisions on the preferred option for the Northern Metro area required before December 2021 (i.e., the option for all flow for the Northern Metro area to be conveyed to an upgraded and expanded Pukete WWTP, or the option to retain and upgrade both the Ngaruawahia and Pukete WWTP).

Financial Considerations - *Whaiwhakaaro Puutea*

30. Implementing the Southern Metro WW DBC recommendations is likely to have significant financial implications for the 2021–31 LTPs. HCC has included a funding provision of \$9.3M (inflated) to secure a site and consents for a new WWTP in years 1 – 3 of the 2021 – 31 LTP.
31. As noted in the 21 May 2021 Committee meeting, staff from HCC prepared submissions to the Waikato DC and Waipa DC 2021-31 LTPs to seek that funding or an unbudgeted funding provision be included for at least the initial planning and land acquisition elements of a new Southern WW facility.
32. Waikato DC has not allowed for any costs in its LTP but has noted an unbudgeted provisional sum of \$4 million towards upfront investment in land acquisition, designation and consenting processes to signal a commitment to delivering sub-regional solutions.
33. Waipa DC have not included or noted any funded or unfunded provision to contribute toward the new Southern WWTP in their 2021 – 2031 LTP.
34. The Southern and Northern Metro WW DBC projects are being co-funded by Hamilton City Council, Waipa District Council and Waikato District Council using 3 Waters Stimulus funding. HCC funding contribution is \$1.45M. Delivery of the projects has been delayed resulting in a projected HCC contribution spend of \$1.05M by end of March 2022. The stimulus funding agreements requires allocated budgets to be spent by end of March 2022. If the funding is not spend by this date, it will be lost. In order to maximise use of the stimulus funding, approval is being sought from the Infrastructure Operations Committee and DIA to reallocate approximately \$400k to the contingency project – Eastern Bulk Water Supply Resilience Project.
35. The Eastern Bulk Water Supply Resilience Project is an existing stimulus funding contingency project that was also funded in the 2021 – 2031 LTP given the uncertainty of funding availability with the stimulus programme. Approval will also be required from the finance committee to reallocate the \$400k capital expenditure included in the 2021 – 2031 LTP for Eastern Bulk Water Supply Resilience Project to operating expenditure to fund completion of the Metro WW DBC projects in FY22/23. This approach is necessary to ensure that all of the \$17.46m 3 Waters Stimulus funding is spent while enabling an essential sub-regional project to be completed beyond the 31 March 2022 cut off date for the stimulus funded projects.
36. A similar approach will also be required for the Sub-Regional 3 Waters Project. Approval to reallocate the \$750k HCC contribution to this project to the Eastern Bulk Water Supply Resilience Project will also be sought from the Infrastructure Operations Committee and DIA in order to spend the available Stimulus Funding. Approval will also be required from the finance committee to reallocate a further \$750k capital expenditure included in the 2021 – 2031 LTP

for the Eastern Bulk Water Supply Resilience Project to operating expenditure to fund completion of the Sub Regional 3 Waters projects in FY22/23.

Legal and Policy Considerations - *Whaiwhakaaro-aa-ture*

37. Staff confirm that this project and the matters in this report complies with the Council's legal and policy requirements.

Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga*

38. The purpose of Local Government changed on the 14 May 2019 to include promotion of the social, economic, environmental and cultural wellbeing of communities in the present and for the future ('the 4 wellbeings').
39. The Metro WW DBC(s) will adopt the Treasury Better Business Case Programme Business Case model. The 4 wellbeing's are core considerations in delivering the business case in addition to Te Ture Whaimana o te Awa Waikato – The Vision and Strategy for the Waikato River and relevant Iwi Management Plans.

Risks - *Tuuraru*

40. There are no known risks associated with the decisions sought in this report. However, there are a series of significant risks associated with the successful delivery of the overall project. A project risk register and mitigation strategy has been prepared for the project. The significant risks relate to:
- a) lack of alignment across partner organisations leading to conflicting aspirations, inconsistent messaging, partner disagreement at key decision points; and
 - b) funding and affordability challenges.
 - c) timing constraints arising for Cambridge Wastewater short-term consent conditions.
41. Detailed implementation risk management plans will be developed as part of completing the DBC.

Significance & Engagement Policy - *Kaupapa here whakahira/anganui*

Significance

42. Having considered the Significance and Engagement Policy, staff have assessed that the matters in this report has/have a low level of significance.

Engagement

Given the low level of significance determined, the engagement level is low. No engagement is required.

44. This project is a partnership delivered through collaboration of the project partners: HCC, Waikato DC, Waipa DC, Waikato-Tainui and mana whenua.

Attachments - *Ngaa taapirihanga*

Attachment 1 - Metro WW DBC Governance Group Report - 2021-06-30

Attachment 2 - Metro WW DBC - PGG Governance Group Workshop Presentation - 2021-06-18

Attachment 3 - Metro WW DBC - PGG Governance Group Workshop - PwC Full Slide Pack - 2021-06-18

WAIKATO METRO WASTEWATER



TO: Waikato Metro Area Wastewater Governance Group

DATE: 30 June 2021

SUBJECT: Memorandum of Understanding – Key items and level of commitment

1. PURPOSE

The purpose of this report is to:

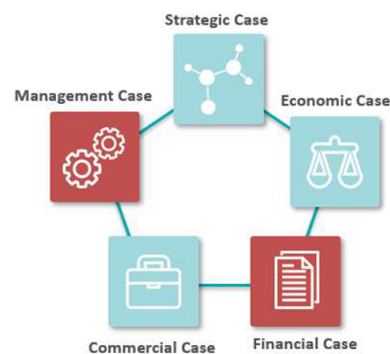
- seek endorsement from the Governance Group of the key items and level of commitment that will be included in the Memorandum of Understanding (MoU) to be signed shortly after the finalisation of the Southern Metro Wastewater Detailed Business Case (DBC)
- seek approval from the Governance Group for the Project Team and advisors to use these endorsed positions to complete the DBC.

2. BUSINESS CASE SECTION

The items included in the MoU will inform two of the sections in the DBC: The management case and financial case.

Management case: The management case confirms that the proposal is achievable and details the arrangements needed to both ensure successful delivery and to manage project risks.

Financial case: Sets out the preferred funding model, cost allocation and financing strategy. This includes ratepayer affordability considerations.



3. BACKGROUND

On the 16th April 2021 the Governance Group approved the recommendation that a refined Option 4a (Option 4a) be taken forward as the preferred option for the Southern Metro DBC. The Governance Group also agreed to the development of a MoU to secure commitments to implement the preferred option from the DBC.

Option 4a comprises a portfolio of wastewater treatment plant (WWTP) upgrades, conveyance works and two new WWTPs across the wider Waikato-Hamilton Waipā Metro Area. A brief overview of the programme is provided below:

Option 4a	
Project	Description
Southern sub-regional plant	<p>A new southern WWTP to ultimately service the Airport Industrial precinct, Mātangi and southern Hamilton. The WWTP will likely be located between Rukuhia and Hamilton Airport and will be delivered in three key stages to match demand. The WWTP will discharge to land initially and to the Waikato River once Stage 2 triggers are reached. An overview of the recommended staged development is provided below:</p> <ul style="list-style-type: none"> • Stage 1: Bespoke WWTP – Sequencing batch reactor (SBR) with discharge to land (10-20 ha). Starting flow 400 m³/day up to 1000 m³/day. Transfer thickened sludge to Cambridge WWTP. • Stage 2: Convert SBR into membrane bioreactor (MBR) WWTP with discharge to water. Starting flow 1,000 m³/day, upgradable to 8,000 m³/day. Provide sludge processing facility and limited operator facilities. • Stage 3: Large scale MBR WWTP >8,000 m³/day with discharge to water. Upgrade to include energy recovery.
Cambridge plant	New WWTP at Cambridge with discharge to the Waikato River.
Te Awamutu upgrades	Te Awamutu/Kihikihi WWTP to be upgraded and continue to discharge via rock channel to the Mangapiko Stream.
Mātangi and Tauwhare Pā upgrades	Improvements to the existing Mātangi WWTP until the wastewater is conveyed to the new southern WWTP or Hamilton City Council (HCC) network around 2040. The Existing Tauwhare Pā WWTP to be upgraded with discharge to land.

Following the 16th April 2021 Governance Group meeting, the project team put together the template for an MoU and a recommended list of items to include in the MoU. The proposed items were discussed at the Governance Group workshop on the 18th June 2021. Pre-briefing sessions were also conducted with each partner ahead of the 18th June 2021 workshop. A summary of the proposed items and levels of commitment is presented below:

Key items and level of commitment to be included in the MoU			
Item	Agree to agree	Agree principles	Agree commitment
1. Minimum performance / environmental standards			As per the DBC, Wastewater Minimum Treatment Standards that were endorsed at Governance Group meeting on 28 th October 2020.
2. Governance structure	Detailed powers of any joint oversight function to be agreed.		Form of the joint oversight function, parties and scope.
3. Cost allocation, funding and financing		Cost allocation principles for: <ul style="list-style-type: none"> Land acquisition for the Southern sub-regional plant Reticulation / conveyance costs Plant costs (Master-planning, consenting and design costs, initial ground works, stages 1-3. 	
4. Southern sub-regional plant thresholds	Investment based on the cost allocation principles outlined in the MoU with specific amounts to be agreed in the future.		The Southern sub-regional plant thresholds and triggers for investment.
5. Lead Councils			Use of a Lead Council delivery structure. Allocation of Lead Councils for each project.
6. Cross-boundary servicing arrangements	Agree to negotiate service agreement details between Councils at the appropriate time.		A service agreement between Councils, based on commercial terms, will be used for servicing of cross-boundary communities.
7. Ownership		Principle that joint ownership of plant is not preferred and that ownership will likely reflect financing and control.	

Feedback from Governance Group

Feedback from Governance Group members at the 18th June 2021 workshop included that the Project Team should:

- Consider the option of moving straight to stage 2 for the Southern sub-regional plant, which

would be more ambitious and proactively enable the development that is being considered south of Hamilton.

- Also analyse the option of harmonising wastewater investment cost allocation across the Waikato-Hamilton Waipā Metro Area given that this would likely be the position in the event that a new Three Waters Entity was established following the Water Reform Programme.
- Wait for feedback from a meeting of the Mayors with regard to the nature of the governance structure for the programme to be included in the MoU.

Staging

The Project Team has prepared further information on the technical benefits, costs and risks of moving directly to stage 2 for the Southern sub-regional plant. These are summarised below:

Benefits:

- Provides for early unlocking of additional development areas to and in the South West of Hamilton.
- Provides for an alternative partial relief of capacity issues in the southern reach of the HCC Western Interceptor.

Risks:

- Development to move the scheme beyond initial seed loading does not eventuate.
- Infrastructure and mechanical kit are too large for the communities that are being serviced and which results in an increased funding burden on rate payers (per household).
- Risk of inability to obtain consent to discharge to River for higher flows. However, this could also be an opportunity to link with consent processes for Pukete and Cambridge and to consider Cambridge to Ngaruawahia as a single Reach from a consenting perspective.
- Risk that Waikato Regional Airport Limited (WRAL) rejects the proposal to buy into a new scheme up to 2km further away from the airport than they might have proposed if establishing their own facility.
- Risk that stage 2 consenting and development period goes beyond what will be manageable for WRAL / Waipā District Council (Waipā DC) in the status quo operational mode. Insufficient information currently available to properly assess this.
- Sunk costs associated with Peacocke infrastructure installation.
- Unknown extent of liability for developing other infrastructure required for the development areas that would be unlocked by the resulting alternative wastewater conveyance system.

Costs:

- Direct development of MBR facility.
- May need to develop land disposal for a base load plus a long discharge line to and diffusion system for the river.
- Costs of additional / early trunk conveyance in the South West of Hamilton.
- **The high-level cost implications of moving straight to stage 2 would mean an additional \$55m in wastewater treatment plant capital costs and \$36m in conveyancing capital costs needing to be funded in the next five years, bringing total capital spend on the Southern sub-regional plant in the next five years to approximately \$120m compared to \$29m under stage 1.**

The Project Team's recommendation is that the originally proposed staging remains as the preferred option in the DBC, but that a sensitivity is included in the DBC which reflects a move straight to stage

2. If there is then the appetite for the additional investment and risk associated with a move straight to stage 2, this option can be taken forward.

Harmonisation of subregional wastewater investment cost allocation

Further analysis on the harmonisation of wastewater investment cost allocation across the subregion is proposed to be included as a high-level sensitivity in the Southern DBC with further detailed analysis undertaken as part of the Northern DBC once the cost of required investment in the North is better understood.

Governance structure

The Project Team has yet to receive further feedback from the Mayors on the recommended governance structure.

Other feedback received during the Governance Group meeting has been reflected in this report.

4. KEY ITEMS IN THE MOU AND LEVEL OF COMMITMENT

1. Minimum Performance Standards

- The proposed treatment standards to be included in the MoU are consistent with those endorsed at the Governance Group meeting on 28 October 2020.
- They include liquid stream, solids stream and atmospheric emissions standards.
- The minimum performance standards are proposed to be an agreed commitment in the MoU.

2. Governance Structure

Form, parties and scope:

Governance Component	Description
Form	A Programme Governance Group to be established by way of a contractual agreement between the sub regional partners
Parties	Waikato Tainui, Mana Whenua (x2 seats), Waipā DC, Waikato District Council (Waikato DC) and HCC.
Scope	Programme Governance Group to have direct oversight of programme integration, programme consenting strategy and benefits management.

- The form, parties and scope of the governance structure are proposed to be an agreed commitment in the MoU.

Powers of Programme Governance Group:

- It is proposed that the MoU will document that the parties will commit to agree the specific powers of the Programme Governance Group in relation to programme integration, programme consenting strategy and benefits management at the appropriate time in the future.

3. Cost Allocation for the Southern Sub-regional Plant

The proposed cost allocation principles for the Southern sub-regional plant are outlined in the following table:

WWTP Component	Cost allocation methodology	Rationale
Land purchase costs	Shared between HCC, Waipā DC and Waikato DC on the basis of forecast sub-regional Population Equivalent (including the North) at 2061 (being consent period).	Land acquired will be suitable for all stages of the plant and the whole sub-region will benefit, directly or indirectly, from investment in a Southern sub-regional plant
Masterplanning, consenting and design costs	Shared between HCC, Waipā DC and Waikato DC on the basis of plant flows at 2061 (being at end of the initial consent period).	The upfront masterplanning, consenting and design costs for the Southern sub-regional plant will take into account delivery of future stages of the plant
Initial groundworks	Shared between HCC, Waipā DC and Waikato DC on the basis of plant flows at 2061 (being at end of the initial consent period).	The initial groundworks will take into account future stages of the plant
Conveyancing and reticulation costs	Allocated to the Council that has responsibility for the community being serviced.	Conveyancing and local reticulation costs are proposed to be allocated to the beneficiaries.
Operating costs	Shared between HCC, Waipā DC and Waikato DC based on actual Population Equivalent / HUE population within a given year.	This is consistent with the normal approach taken by Councils
Stage 1-3 of plant investment	At each stage of planned plant development projected Population Equivalent / HUE flows over the consent life will be used to allocate the costs between Councils.	See note below*

* Population Equivalent / HUE flows over the consent life are proposed to be used as opposed to flows over the useful asset life. This is due to the staged nature of the plant and the fact that at each stage of development it will be unknown whether future stages will go ahead, or exactly which communities will be serviced by future stages. This means that we cannot allocate based on flows over useful asset life. However, our recommendation is that prior to each future stage of plant development an assessment of reusable asset value is made and then allocated appropriately to the beneficiaries of the next stage of the plant (using Population Equivalent / HUE flows).

- These cost allocation principles are proposed to be agreed principles in the MoU.
- A sensitivity will be included in the DBC which looks at harmonisation of wastewater cost allocation across the Waikato-Hamilton Waipā Metro Area. This will be further explored as part of the Northern Metro wastewater DBC and will be noted as an option for further investigation in the MoU.

4. Southern Sub regional Plant Thresholds, Triggers and Investment

Stage	Capacity threshold	Trigger
Stage 1	400 m3/day - 1,000 m3/day	The trigger to move to stage 2 will occur when >80% of capacity is utilised.
Stage 2	1,000 m3/day - 8,000 m3/day	The trigger to move to stage 3 will occur when Pukete WWTP capacity is reached (for existing southern Hamilton flows) or the cost of conveyance upgrades within the Hamilton network exceeds the alternatives.
Stage 3	8,000 m3/day +	N/A

- These capacity thresholds and triggers are proposed to be agreed commitments in the MoU.
- It is proposed that the MoU will document the parties' agreement for the investment to be based on the cost allocation principles agreed in the MoU with specific amounts to be agreed at the appropriate time in the future.

5. Lead Councils

Project	Lead Council
Southern sub-regional plant	HCC
Cambridge	Waipā DC
Te Awamutu	Waipā DC
Mātangi and Tawhare Pa	Waikato DC

- The use of a Lead Council delivery structure will be an agreed commitment in the MoU
- The Lead Councils as stated above are proposed to be an agreed commitment in the MoU.

6. Cross Boundary Servicing Arrangements

The Lead Council for each project is expected to enter into a servicing agreement based on commercial terms for servicing of any cross-boundary communities.

- The use of a service agreement between Councils for servicing of cross-boundary communities is proposed to be an agreed commitment in the MoU.
- It is proposed that the MoU will document a commitment to agree the terms of the servicing agreement at the appropriate time in the future.

7. Ownership

- The principle that joint ownership of wastewater treatment plants is not preferred and that wastewater treatment plant ownership will likely reflect which Council provides the financing and has control of project delivery and asset management is proposed to be an agreed principle in the MoU.

5. RECOMMENDATIONS

That the Waikato Metro Area Wastewater Governance Group:

- 1. Receive this report.*
- 2. Endorse the key items and level of commitment outlined in this report for inclusion in the Memorandum of Understanding to be entered into by the project partners.*
- 3. Provide approval for the Project Team and advisors to use the positions set out in this report as the basis for completing the Southern DBC and drafting the MoU.*



WAIKATO METRO WASTEWATER



Metro Wastewater Detailed Business Case Preferred Wastewater Solution Delivery

WORKSHOP
18th June 2021





Purpose & overview

- Workshop Purpose: Work through key project delivery components to inform the DBC and MOU ahead of formal meeting on 30th June 2021.
- Overview of workshop:
 - Recap on agreed basis/outcomes to date (5mins)
 - Preferred Servicing Solution refinement (10mins)
 - Key project delivery matters for DBC and MOU (2hrs)
 - Overview of proposed Levels of Commitment in MOU
 - Minimum performance standards
 - Form, parties and scope of governance
 - Powers of Director and governance Group
 - Cost allocation principles & funding and financing – including alignment with 3rd parties
 - Plant development Thresholds
 - Lead Council
 - Cross Boundary Servicing
 - Ownership
- Wrap up and next steps

WAIKATO METRO WASTEWATER





Recap on agreed outcomes to date



Project Vision

*Tooku awa koiora me oona pikonga he kura tangihia o te maataamuri
The river of life, each curve more beautiful than the last*

*Our vision is for a future where a healthy Waikato River sustains abundant life and prosperous communities who, in turn,
are all responsible for restoring and protecting the health and wellbeing of the Waikato River, and all it embraces, for
generations to come.*

WAIKATO METRO WASTEWATER



Sensitivity: General

Overarching objectives

Tooku Awa Koiora – The River of Life

- Delivering “Best for River” outcomes – catchment view, transcending localism
- Cross jurisdiction strategic infrastructure planning and investment
- Supporting and unlocking residential, commercial and industrial growth opportunity
- Delivering the greatest value for money through efficient and future proofed waters systems
- Maximising resource recovery and re-use as part of full water cycle considerations
- Integrated approaches to water, energy and carbon management
- Alternative funding and financing options
- Partnership & Investment Opportunities

WAIKATO METRO WASTEWATER



RECAP ON KEY DECISIONS

Project Vision & Objectives

"Best for River"; Boundaryless; Supporting & unlocking growth; efficient & futureproofed Water systems; Integrated approaches

Growth Assumptions

Investment Objectives, KPIS and MCA Criteria

- Water quality;
- Biodiversity;
- Cultural;
- Sustainability
- Adaptability

Treatment Performance Standards

"Pukekohe" or better water quality standards, solids stream, and atmospheric standards

Preferred WW Servicing Option

4 Plants Option including new Southern WWTP

MOU (or similar mechanism)

to secure commitment to DBC

Sensitivity: General



16th April Governance Group Meeting

- 1) Approved the recommendation that Option 4a to be taken forward as the preferred option for further refinement and completion of the Southern Metro Wastewater Detailed Business Case.
- 2) Agreed to the development of a Memorandum of Understanding (or other similar mechanism) to secure commitments to implement the preferred option from the DBC.
- 3) Direct the Project Team to provide advice on:
 - A Memorandum of Understanding or other similar mechanism to secure commitments to implement the preferred option from the Business Case
 - How to reflect the preferred option in 2021 - 2031 Long Term Plans
 - Growth thresholds and triggers that will match the sequence of growth with the staged development of the new Southern Wastewater Plant.

WAIKATO METRO WASTEWATER





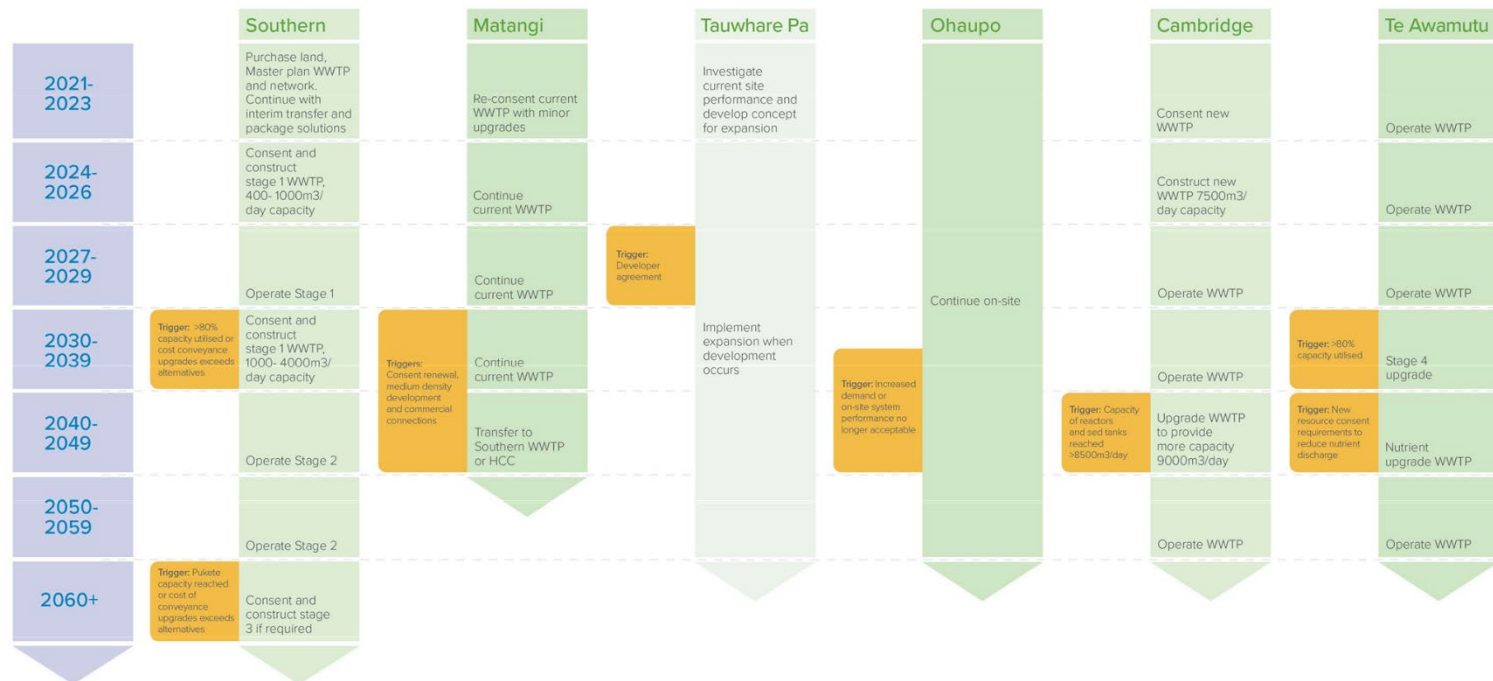
Preferred Wastewater Servicing Solution Overview



Sensitivity: General



Preferred option development and refinement



WAIKATO METRO WASTEWATER



Sensitivity: General

Southern WWTP Wet Industry vs Domestic



Southern WWTP Flows, PE and Developed area based on growth projections				
	2031	2041	2051	2061
Southern WWTP with wet industry – Flow MLD / PE*	1.4 MLD / 7000PE	2.5MLD / 12,500	3.6MLD / 18,000	3.6MLD / 18,000
Southern WWTP without wet industry – Flow MLD / PE	0.8 MLD / 4,000PE	1.3 MLD/ 6500PE	1.8MLD / 9,000	1.8MLD / 9,000
Assumed area developed (Hectares)	85	170	255	255

*Base estimates for Southern WWTP cost estimates and financial modelling use these flows and projected timing. The projected timing and source of flows to be treated will be different to the projections and therefore a staged approach to developing the southern plant is appropriate

WAIKATO METRO WASTEWATER



Sensitivity: General

Southern WWTP - Wet Industry vs Domestic



Description	Staging Triggers	Wet Industry allowance
Stage 0 – Continue BAU, reticulate new areas to master planned system and store & tankering, monitor flows	Stage 1 flows triggered, or until store and tankering is no longer viable.	No specific allowance for wet industry
Stage 1 Bespoke WWTP – SBR reactor with discharge to land (10-20 ha). Starting flow 400 m ³ /day up to 1000 m ³ /day. Transfer thickened sludge to Cambridge WWTP	400 m ³ /day minimum flow. This is equivalent to 44 ha std industry or 66 ha light industrial land development. 2,000 – 5,000 PE	No specific allowance for wet industry but potential to accommodate small amount
Stage 2 Covert SBR into MBR WWTP with discharge to river, Starting flow 1,000 m ³ /day, upgradable to approx. 8,000 m ³ /day. Provide sludge processing facility and limited operator facilities.	1000 m ³ /day minimum flow. This is equivalent to 150 ha light industry or 111 ha std industry. 5,000 – 40,000 PE	Wet Industry Total Up to 1,750 m ³ /day Up to 8,750 Wet Ind PE
Stage 3 Large scale MBR WWTP >8,000 m ³ /day with discharge to river Upgrade to include energy recovery.	Airport + additional flows from Hamilton Or > 40,000 PE	Wet Industry Total 1,750 m ³ /day 8,750 Wet Ind PE

WAIKATO METRO WASTEWATER


Sensitivity: General

Southern WWTP – Key Options Comparison



	Perceived benefits	Perceived Disbenefits	Challenges
WWTP Development by Airport Company	Funded by Airport co. and Industrial tenants/owners. Protects Waipa balance sheet and cash flow from the double hit of CB-WWTP plus this development	Not future proofed <ul style="list-style-type: none"> Long term land not secured Wet industry not accommodated South Hamilton not accommodated 	Will identified land discharge space be sufficient and if not, for how long will sufficient additional land be available?
	Land for Stage 1 available	Likely to be abandoned infrastructure	Future land acquisition
	Speed of development	Quality of asset / multiple assets vested in WDC to own, operate and maintain	
	Asset could be required to be retained as an asset of WRAL		

WAIKATO METRO WASTEWATER



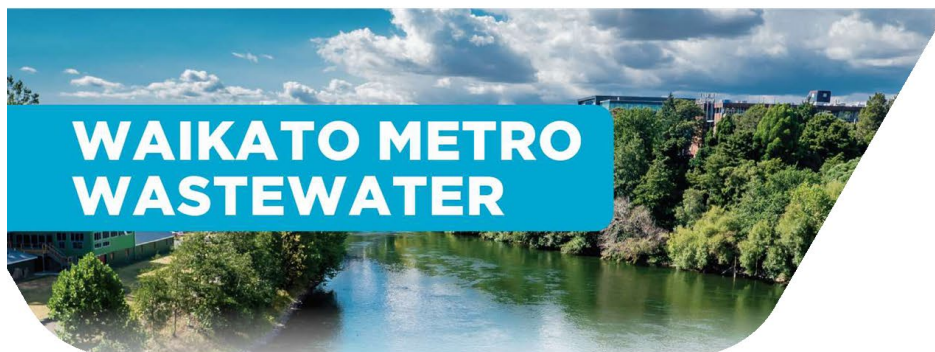
Sensitivity: General

Southern WWTP – Key Options Comparison



	Perceived benefits	Perceived Disbenefits	Challenges
WWTP Development by Future Proof Partners (FPP)	Future proofed: <ul style="list-style-type: none"> • Long term land secured • Wet industry can be accommodated • South Hamilton can be accommodated • Provides longer term flexibility at / for Pukete 	Private sector direct cash flow / funding opportunity missed. Recognising that even if developed by FPP, funds would eventually be obtained from the private sector.	How to fairly assign funding when there is a temporal difference to when the relative benefits are realised
	Easier for other partners to justify and obtain funding contributions. Helps protect Waipa balance sheet and cash flow from the double hit of CB-WWTP plus this development	Real concern of Waipa DC re burden of early year cash flow implications / funding in parallel to needing to fund CB-WWTP	Acquisition of appropriate land
	More ability to link with benefits to be gained from the Cambridge upgrade. i.e consenting of the two in close proximity (temporally and spatially) to each other	Slower to develop and consent	Details on BAU required to estimate how long BAU can effectively continue.
	Uncertainty over wet industry and or Hamilton south developments will need to connect and to what extent? <ul style="list-style-type: none"> • Slow or late: Opportunity for the St 1 assets to be used longer in original configuration and for full land disposal to continue for longer. • Hard and fast: Facility is future proofed to allow transformation as required. 	Higher up front cost of land acquisition	

WAIKATO METRO WASTEWATER

Memorandum of Understanding Development

Proposed Level of Commitment	Agree to agree	Agree Principles	Agreed Commitment
Minimum Performance Standards			✓
Form, parties and scope of governance structure			✓
Powers of the Programme Director and PGG	✓		
Cost allocation, funding & financing		✓	
Southern sub-regional plant thresholds	✓		✓
Lead Councils			✓
Cross-boundary servicing arrangements	✓		✓
Ownership		✓	

Level of commitment included in the MoU

Minimum performance / environmental standards, the form of the governance structure, Southern sub-regional plant thresholds, Lead Council identity and cross boundary servicing agreements are expected to be agreed commitments in the MoU, whereas the other items are expected to have agreed principles or an agreement to agree.

MoU Strategy

- The items that are proposed to be included in the MoU and the proposed level of commitment are outlined alongside.
- The level of commitment is proposed to fall into one of three categories:
 - a. An agreement between the parties to work together to agree a position / commitment.
 - b. Agreement of the principles that are to apply.
 - c. An agreed firm position / commitment.
- The preference would be for an agreed commitment in the MoU, but where this is not possible, agreed principles or an agreement to agree would be documented.

Proposed Level of commitment in the MoU			
Item	Agree to agree in MoU	Agree principles in MoU	Agreed commitment in MoU
1. Minimum performance / environmental standards			<ul style="list-style-type: none"> As per DBC Wastewater Minimum Treatment Standards that were endorsed at Governance Group meeting on 28 October 2020.
2. Governance structure	<ul style="list-style-type: none"> Detailed powers of any joint oversight function to be agreed. 		<ul style="list-style-type: none"> Form of the joint oversight function, parties and scope.
3. Cost allocation, funding and financing		Cost allocation principles for: <ul style="list-style-type: none"> Land acquisition for the Southern sub-regional plant Reticulation / conveyance costs Plant costs (Masterplanning, consenting and design costs, initial ground works, stages 1-3). 	
4. Southern sub-regional plant thresholds	<ul style="list-style-type: none"> Investment on the basis of the cost allocation principles outlined in the MoU with specific amounts to be agreed in the future. 		<ul style="list-style-type: none"> The Southern sub-regional plant thresholds and triggers for investment.
5. Lead Councils			<ul style="list-style-type: none"> Allocation of Lead Councils for each project.
6. Cross-boundary servicing arrangements	<ul style="list-style-type: none"> Agree to negotiate service agreement details between Councils at appropriate time. 		<ul style="list-style-type: none"> A service agreement between Councils, based on commercial terms, will be used for servicing of cross-boundary communities.
7. Ownership		<ul style="list-style-type: none"> Principle that joint ownership of plant not preferred and that ownership will likely reflect financing / control. 	

1. Minimum performance standards

Agree to agree	Agree principles	Agreed commitment
		✓

Overview

- The proposed treatment standards to be included in the MoU are consistent with those endorsed at the Governance Group meeting on 28 October 2020.
- **Liquid Stream:** a high level of nutrient removal <4mg/L TN and <1.0mg/L TP (as annual means) and a very high pathogen removal (E.coli <14 cfu/100ml as a 95th percentile).
- **Solids stream:** A graduated scale of solids management is proposed. Solids management complexity, extent of solids destruction and energy potential realisation will increase in steps with population equivalent served.
- **Atmospheric emissions:** Councils will adopt and apply the zero carbon bill aspirations and optimization of life cycle emissions generally.

- The minimum performance standards for the programme were endorsed at the Governance Group meeting on 28 October 2020.
- These treatment standards have been used to shape the preferred wastewater solution through the long list, short list and preferred option assessment process.
- **Proposition is for the minimum performance standards to be committed to in the MOU**

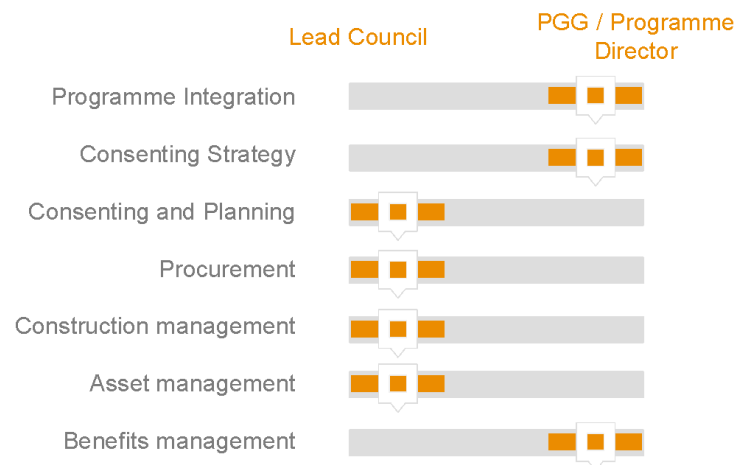
2. Form, parties and scope of governance structure

Agree to agree	Agree principles	Agreed commitment
		✓

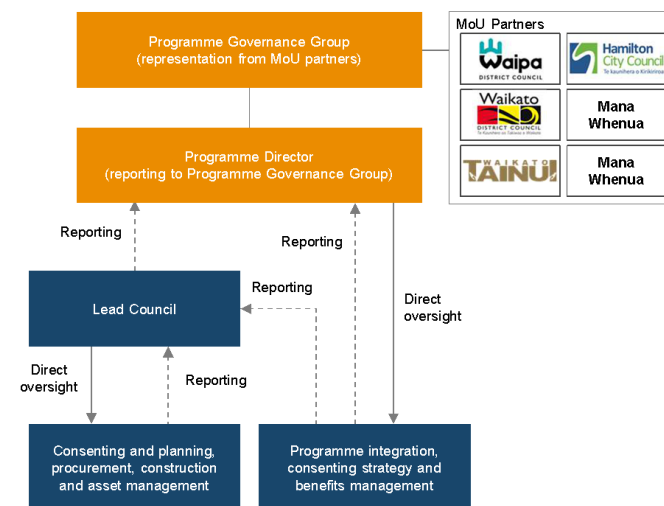
- Proposition is that the Joint Governance Form and scope is committed to in the MOU

Joint Governance Form and Scope

- A Programme Governance Group (PGG) could be established using a contractual agreement between the sub regional partners.



Governance Structure



2. Powers of the Programme Director and PGG

Agree to agree	Agree principles	Agreed commitment
✓		

The Programme Director and Programme Governance Group are proposed to have specific powers in relation to:

- integration of the programme,
- consenting strategy and
- benefits management.

Proposition is for the MOU to include an agreement to agree the specific details of these powers in the future .

3. Cost allocation, funding and financing

Agree to agree	Agree principles	Agreed commitment
	✓	

The Southern-sub-regional project will require joint funding from Councils in order to be delivered. To understand the level of funding provided by each Council a cost allocation methodology is required. We then need to determine the type and timing of the funding that relates to each Council's allocated costs. The funding flows will depend on the delivery structure of the project and how upfront capital costs are being financed.

Cost allocation principles

The following principles have been developed for the Southern sub-regional plant:

- A beneficiary pays approach forms the basis of the proposed cost allocation methodology.
- Size of land parcel and level of groundworks will be based on the end state / full capacity of the plant. Further, land value will not depreciate over time.
- A capital investment is considered to provide benefit for the life of the consent it relates to.
- Conveyancing costs are proposed to be allocated to the Council that has responsibility for the community being serviced. Mātangi costs to be allocated to Waikato DC. Hamilton South costs to be allocated to HCC.
- The modelled conveyance cost that has been modelled assumes conveyance start point is from a 'common location in the local Council network' to the treatment plant ie either a pump station or a place in the Council network where flows converge. Associated capital costs for new related network pump station costs are included.
- Operational costs are not included in this analysis but would likely be allocated based on population or household equivalent unit (HUE) flows within a given year, with conveyancing operational costs allocated to beneficiary community.

Funding and Financing

Councils will have different ways of recovering their allocated costs from beneficiaries:

- **Waipā DC:** Development Contributions (new commercial and residential development), negotiated contributions (potentially for the existing airport facilities and new major wet industry) and Targeted Rates (potentially for the existing airport facilities and for all operational costs).
- **Waikato DC:** Development Contributions (new commercial and residential development), Targeted Rates (existing communities and for operational costs).
- **HCC:** Development Contributions (new commercial and residential development), General Rates (existing communities and operational costs).

Financing of the capital costs can be undertaken in a number of ways:

- **Individually by each of the Councils:** Each Council finances its allocated capital cost individually.
- **By the Lead Council:** Lead Council finances all capital costs and services the debt using service payments from the other Councils.
- **Combination:** A combination of the above ie Lead Council finances land and plant capital costs, individual Councils finance their own conveyancing costs.

3. Southern sub-regional cost allocation

Agree to agree	Agree principles	Agreed commitment
	✓	

The Southern sub-regional plant is planned to be delivered in a number of stages, each with its own cost allocation principle. We are looking to agree these cost allocation principles between partners in the MoU and the Population Equivalent forecasts that form their basis. The actual cost allocation for future stages of the plant will be determined using these principles and updated Population Equivalent data at the time of investment.

Proposed Cost Allocation - Southern sub regional capital costs - costs in today's prices (including allowance for Council overheads)				
WWTP Component	Capital Cost	Timing	Proposed cost allocation methodology	Rationale
Land purchase	c. \$12 million	FY22-23	Shared (HCC, Waipā and Waikato) - based on forecast final sub-regional Population Equivalent (including the North) at 2096 (being at end of Stage 3 consent period) Result based on base population estimates: HCC - 79%, Waipā - 15%, Waikato - 6%	Land acquired will be suitable for all stages of the plant (1-3). The whole sub-region will benefit, directly or indirectly, from investment in a Southern sub-regional plant. Indirect benefits will come to Waikato DC and HCC from the freeing up of capacity at Pukete which may lead to avoided costs.
Masterplanning, consenting and design costs	c. \$8 million	FY22-23	Shared (HCC, Waipā and Waikato) - based on forecast final state plant flows at 2096 (being at end of Stage 3 consent period) Result based on base population estimates: HCC - 77.5%, Waipā - 21.5%, Waikato - 1%	The upfront masterplanning, consenting and design costs for the Southern sub-regional plant will take into account future stages of the plant ie it will be masterplanned and designed so that all stages (1-3) will be able to be delivered.
Initial groundworks	\$1.8 million	FY24-25	Shared (HCC, Waipā and Waikato) - based on forecast final state plant flows at 2096 (being at end of Stage 3 consent period) Result based on base population estimates: HCC - 77.5%, Waipā - 21.5%, Waikato - 1%	The initial groundworks will take into account future stages of the plant.
Conveyancing and reticulation costs	-	-	Allocated to beneficiary community - Mātangi costs to be allocated to Waikato DC. Hamilton South costs to be allocated to HCC. For both capital and operating costs	Conveyancing and local reticulation costs are proposed to be allocated to the Council that has responsibility for the community being serviced / beneficiaries.
Operating costs	-	-	Shared (HCC, Waipā and Waikato) - allocated based on actual Population Equivalent / HUE population within a given year	As per normal Council approach.

Note: Figures for capital costs relating to the plant include procurement costs (assumed at 2% of capital cost) and Council overheads (assumed at 8% of capital cost)

3. Southern sub-regional cost allocation

Agree to agree	Agree principles	Agreed commitment
	✓	

Proposed Cost Allocation - Southern sub regional capital costs - costs in today's prices (including allowance for Council overheads)

WWTP Component	Capital Cost	Timing	Proposed cost allocation methodology	Rationale
Stage 1 - Plant construction	\$7 million	FY25-26	Basis: Population Equivalent / HUE flows over consent period (assumed to be 35 years) Result based on base population estimates: Waipā - 100% however principle needs to reflect potential for areas of benefit to change from the base assumptions.	Stage 1 consent will benefit the airport only, with Waipā recovering the cost from VRAL.
Stage 2a - Plant extension	\$33 million	c. FY40	Basis: Population Equivalent / HUE flows over consent period Result based on base population estimates: HCC - 0%, Waipā - 92%, Waikato - 8%	Stage 2a expansion will service growth around airport (including wet industry) and Mātangi conveyance. Alternatively if growth south of Hamilton is accelerated the additional capacity may be able to service these communities.
Stage 2b - Plant extension	\$22 million	c. FY51	Basis: Population Equivalent / HUE flows over consent period Result based on base population estimates: HCC - 0%, Waipā - 100%, Waikato - 0%	Stage 2b expansion will service further growth around airport and more wet-industry in this vicinity. Alternatively if growth south of Hamilton is accelerated the additional capacity may be able to service these communities.
Stage 3 - Hamilton South Upgrade	\$132 million	c. FY61	Basis: Population Equivalent / HUE flows over consent period Result based on base population estimates: HCC - 83%, Waipā - 16%, Waikato - 1%	Stage 3 expansion will service the rerouting of Hamilton South, which is assumed to occur in 2061. Could also potentially service growth south of Hamilton eg Southern Links.

Note: Figures for capital costs relating to the plant include procurement costs (assumed at 2% of capital cost) and Council overheads (assumed at 8% of capital cost)

Population Equivalent / HUE flows over the consent life are proposed to be used as the basis of the cost allocation for the plant construction as opposed to flows over the useful asset life. This is due to the staged nature of the plant and the fact that at each stage of construction it will be unknown whether future stages will go ahead or exactly which communities will be serviced by future stages. This means that we cannot allocate on the basis of flows over useful asset life. However our recommendation is that prior to each future stage of plant development an assessment of reusable asset value is made and then allocated appropriately to the beneficiaries of the next stage of the plant (using Population Equivalent / HUE flows).

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3. Population equivalent forecasts

Agree to agree	Agree principles	Agreed commitment
	✓	

Population Equivalents have been forecast for the region out to 2120. These forecasts are consistent with those agreed and used in the Detailed Business Case and include residential, trade waste and wet industry users. Data has been interpolated for the 2061-2120 period. These forecasts have been used to calculate the indicative cost allocation for the Southern sub-regional plant. Communities that are envisaged to eventually link into the Southern sub-regional plant are shown separately.

Population Equivalent	2021	2031	2041	2051	2061	2120
Southern sub-regional Plant						
Matangi (incl Tamahere commercial)	140	464	464	464	464	1,035
Airport	1,377	6,869	12,360	17,852	17,852	17,852
Hamilton South	29,630	36,573	46,511	54,723	59,626	68,633
Total Southern sub-regional Plant	31,147	43,906	59,335	73,039	77,942	87,520
Other						
Taupiri	2,063	5,176	6,167	6,991	7,256	8,400
Ngaruawahia	6,234	7,407	9,102	10,516	12,016	21,991
Horotiu	1,815	6,778	10,390	13,996	14,156	14,156
Te Kowhai	35	1,301	1,685	2,095	2,371	4,706
Hamilton North	237,642	288,590	306,351	356,325	391,330	600,703
Tauwhare Pa	140	275	275	275	275	545
Ohaupo	547	630	814	1,025	1,031	1,100
Cambridge & Hautapu	22,520	32,940	37,801	42,892	45,031	57,649
Te Awamutu & Kihikihi	24,988	27,989	30,905	34,982	36,001	42,011
Total Other	295,984	371,085	403,490	469,098	509,466	751,261
Total (All)	327,131	414,991	462,825	542,137	587,408	838,780

Base scenario for cost allocation example assumes these areas are not diverted to the South until 2062

Note: The Population Equivalent data above reflects that agreed in the DBC but does not currently include Southern Links or R3 Population Equivalent information

3. Indicative example of capital cost allocation

Below is an indicative example of the outcome of the capital cost allocation based on the principles set out on the page 7-8 and the base case population equivalent data on page 9, noting that these principles are yet to be endorsed and agreed. The analysis assumes that Hamilton South (Peacock / Hillcrest areas inside Hamilton City boundary) is rerouted in 2061. The costs of servicing the areas south of the current Hamilton boundary are not included.

Servicing parts of Hamilton South or the areas south of the current Hamilton border could occur earlier than assumed for this example (either in addition to the assumed airport flows or in lieu of these flows). Adjustments to timing of expenditure and cost allocation between partners would result.

Programme Overall (\$000's real)	FY22-31	FY32-41	FY42-51	FY52-61	FY62-71	Total	Percentage of total
Southern sub-regional Project							
Land purchase	12,000	-	-	-	-	12,000	4.6%
Masterplanning, consenting and design	8,000	-	-	-	-	8,000	3.1%
Wastewater treatment plant - Groundworks	1,100	-	-	-	-	1,100	0.4%
Wastewater treatment plant - Stages 1-3	7,700	33,000	22,000	-	132,000	194,700	75.2%
Matangi - Conveyancing	-	7,260	-	-	-	7,260	2.8%
Hamilton South - Conveyancing	-	-	-	-	35,750	35,750	13.8%
Total Southern sub-regional costs	28,800	40,260	22,000	-	167,750	258,810	100.0%
Southern sub-regional cost allocation							
Hamilton CC contribution	16,480	-	-	-	145,761	162,241	62.7%
Waipa DC contribution	11,502	30,429	22,000	-	21,249	85,180	32.9%
Waikato DC contribution	818	9,831	-	-	740	11,388	4.4%
Total Southern sub-regional cost allocation	28,800	40,260	22,000	-	167,750	258,810	100.0%

Note: Figures are indicative examples only, with cost allocation principles subject to agreement and numbers subject to change

4. Southern sub-regional plant thresholds

Agree to agree	Agree principles	Agreed commitment
✓		✓

The Southern sub-regional plant thresholds and triggers for investment would occur when 80% of capacity is reached for stage 1 and when Pukete WWTP capacity is reached (for southern Hamilton flows) or the cost of conveyance upgrades exceeds the alternatives. This is proposed as an agreed commitment in the MoU. Council investment would be on the basis of the cost allocation principles outlined in the MoU with specific amounts agreed in the future.

Overview

- The MoU is proposed to include an agreed commitment on the southern sub regional plant thresholds / triggers for further investment.
- MoU parties will agree to contribute investment when the triggers outlined alongside are reached.
- The investment from each council would be on the basis of the cost allocation principles outlined in the MoU. The specific amounts would not be included in the MoU, they would be an agreement to agree in the future.

Stage 1

400 m3/day - 1,000 m3/day capacity (expected 2021-2023)

(2,000 - 5,000 population equivalent).

The trigger to move to stage 2 will occur when >80% of capacity is utilised.

Stage 2

1,000 m3/day - 8,000 m3/day capacity (expected 2030-2039).

(5,000 - 40,000 population equivalent)

The trigger to move to stage 3 will occur when Pukete WWTP capacity is reached (for existing southern Hamilton flows) or the cost of conveyance upgrades within the Hamilton network exceeds the alternatives.

Stage 3

8,000 m3/day + capacity (expected 2060+).

(40,000+ population equivalent).

No trigger to move beyond stage 3 proposed as part of the MoU.





5. Lead Councils

Agree to agree	Agree principles	Agreed commitment
		✓

Proposition is for HCC to be the lead council for the Southern WW Plant.

Allocation Principles

- Generally the proposed allocation has been determined based on the territorial authority where the project is located.
- For the new Southern sub-regional plant, Hamilton City Council is proposed to be the Lead Council despite the project being located within Waipā District Council's territorial authority. This is due to:
 - The long term servicing the plant is expected to provide for demand in southern Hamilton (indicatively servicing HCC population equivalent of 59,62 vs 17,852 for Waipā by 2061).
 - Development South of Hamilton (eg Peacockes, Southern Links, R3) may be accelerated. There is also a chance that Pukete capacity is used up earlier than planned. If the Southern plant is not delivered there will be a high risk for HCC that this development can't be serviced.
 - HCC's long term funding of the plant (between FY22 and FY71 HCC is indicatively forecast to provide 63% of the capital costs compared to Waipā's 33%).
 - HCC will indicatively provide a higher level of funding for stage 1 (57%) than Waipā (40%). HCC is the only Council to have included committed funding (\$9.2m) for this stage in its LTP.
- Waipā DC has suggested it would be appropriate for it to be the Lead Council for stage 1 of the new Southern sub-regional plant before potentially transferring to HCC to deliver the later stages. This is due to the following reasons:
 - Under the baseline population forecasts the plant will almost exclusively service Waipā communities during stages 1 and 2 (small exception being Matangi community from 2040).
 - Waipā will indicatively provide 70% of funding for stages 1 and 2 between FY22 - FY51 compared to HCC's 18%, though the communities serviced by stage 2 could change.

Option 4A - Proposed Lead Councils		
Project	Lead Council	DBC Scope
New southern sub-regional plant	 Hamilton City Council Te Kaunihira o Kiriwhiri	Southern
Cambridge	 Waipā DISTRICT COUNCIL	Southern
Te Awamutu	 Waipā DISTRICT COUNCIL	Southern
Mātangi and Tauwhare Pā	 Waikato DISTRICT COUNCIL Te Kaunihira o Te Ika a Māui	Southern

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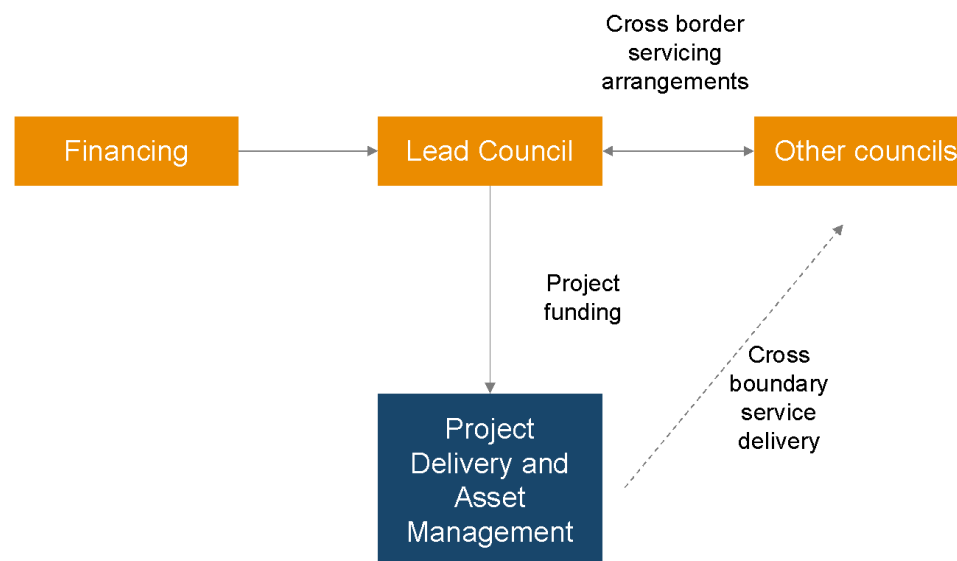
6. Cross boundary servicing arrangements

Agree to agree	Agree principles	Agreed commitment
✓		✓

The Lead Council for each project is expected to enter into a servicing agreement based on commercial terms for servicing of cross-boundary communities. An agreed commitment to this approach is proposed to be included in the MoU, whereas negotiation of the details of these contracts is expected to be agreed at the appropriate time.

Overview

- The Lead Council for each project is expected to enter into a servicing agreement based on commercial terms for servicing of cross-boundary communities.
- It is expected the lead council would finance the asset themselves and recoup costs through the servicing arrangement.
- It is proposed an agreed commitment to use a service agreement between Councils for servicing of cross-boundary communities will be included in the MoU.
- It is proposed to include an agreement to negotiate the details of the service agreement between Councils at the appropriate time in the MoU.



7. Ownership

Agree to agree	Agree principles	Agreed commitment
	✓	

Proposition is to agree to the principles that will be used to determine ownership.

Basis of Asset Ownership

- Asset ownership is expected to reflect the Lead Council and financing for each project.
- In most cases this is also expected to mirror the beneficiaries and the funding arrangements for the project.
- The Lead Council has direct control over project delivery and has access to the future economic benefit and service potential of the asset.
- The asset treatment will be driven by these factors.



Lead Council

Control

Financing

Beneficiaries



Ownership

PwC DRAFT for discussion purposes

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Thank you

Important Information

This document has been prepared for and only for Hamilton City Council in accordance with the terms of our Letter of Engagement dated 16 July 2020 and for no other purpose.

Our work is not complete and the comments in this draft paper are therefore subject to amendment or withdrawal. Our definitive findings and conclusions will be provided to you in due course.

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Sensitivity: General

Next Steps

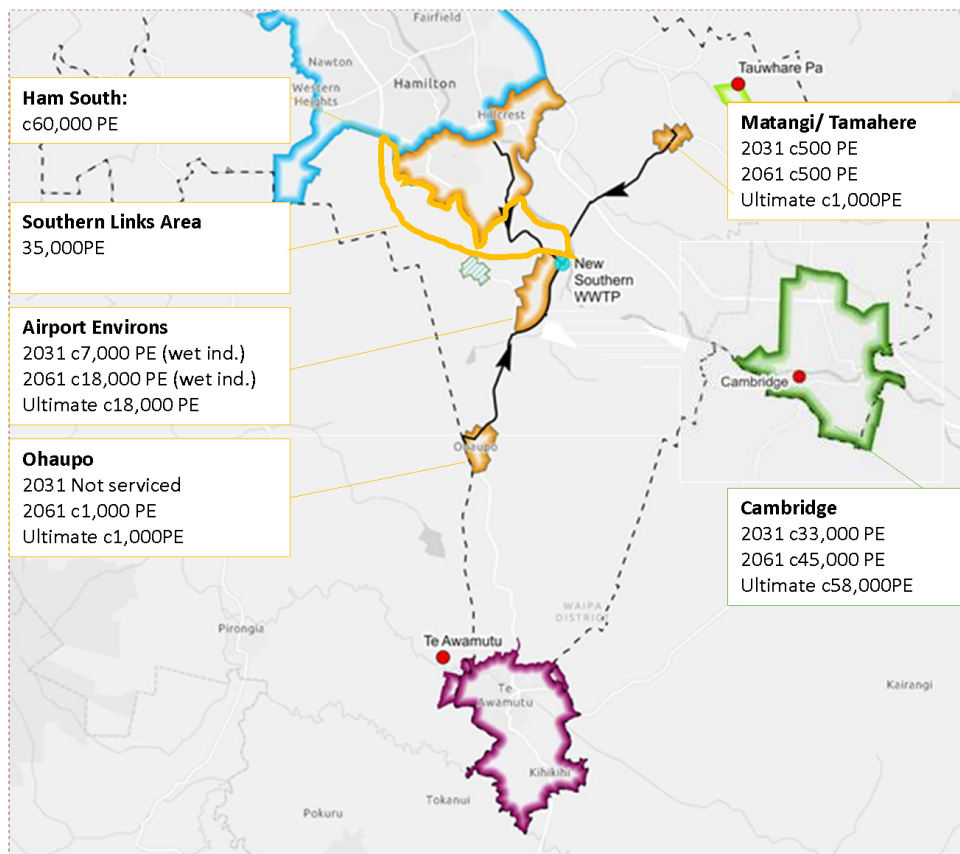
- Will work through the feedback/direction to inform recommendations to 30th June 2021: Governance Group Meeting
- Meet with external parties to seek alignment
 - Will seek formal agreement



WAIKATO METRO WASTEWATER



REFINED OPTION 4A – Southern Metro Servicing

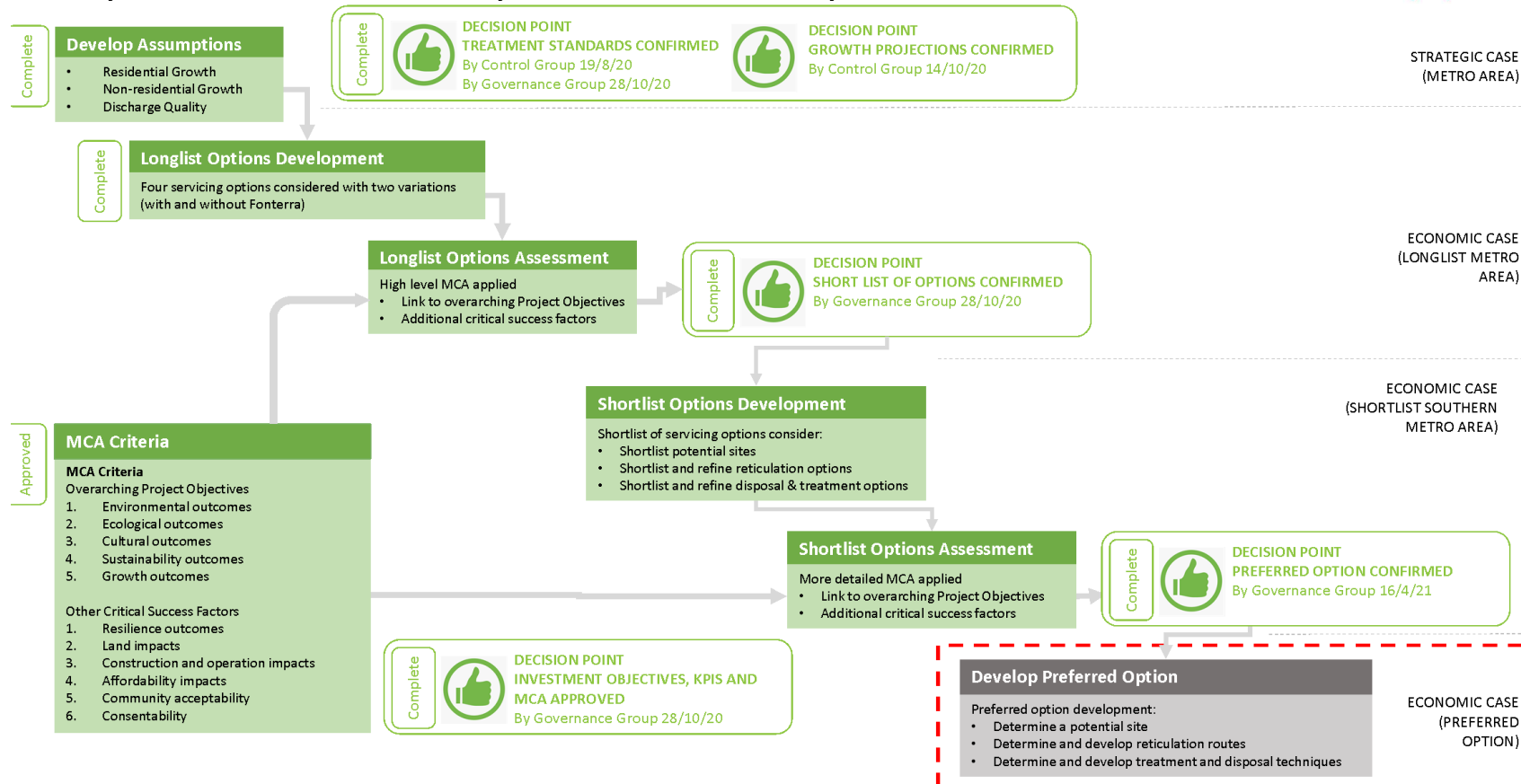


Refined Option 4A includes:

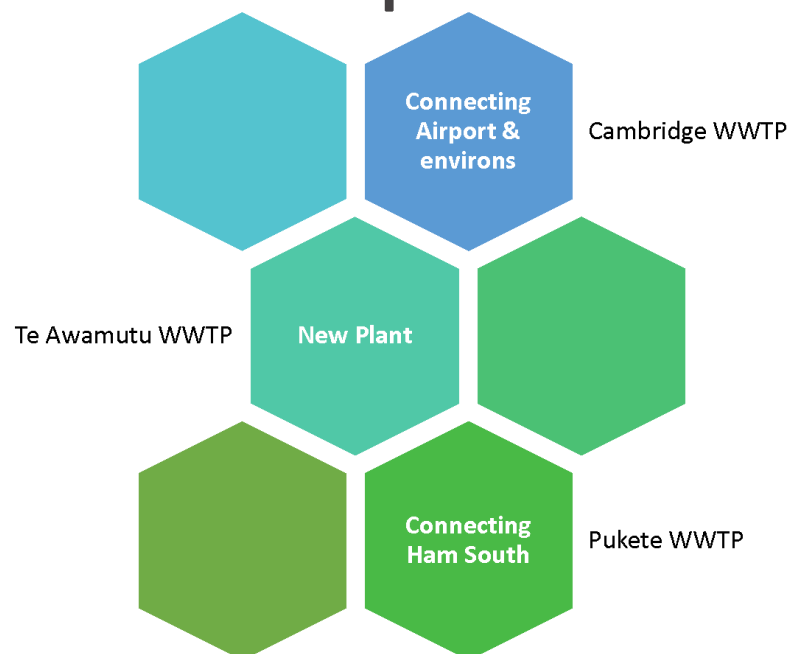
- Staged development of new Southern WWTP
- New Cambridge WWTP
- Adoption of Pukekohe treatment standards for water discharges
- Retaining Te Awamutu
- Long term servicing of Matangi, Tamahere, South Hamilton and Southern Links area via new Southern Plant.
- Masterplan plant to service Hamilton South areas as demand requires and adopt energy recovery and water reuse over time

Sensitivity: General

Key Decisions – Option Development



Preferred Option Refinement Approach



- 1) Focus on timing, staging of new plant south of Hamilton
- 2) Considered interim and alternative servicing options for airport and environs and Ham South
- 3) Considered current development demand and servicing needs (and investment) to determine timing of new plant
- 4) Testing preferred option sensitivity changes in key parameters (including wastewater characteristics; rate of growth; no wet ind.)
- 5) Establishing potential triggers and staging of key components of new treatment plant development/upgrade and connection of communities to the plant.

Sensitivity: General



Southern WWTP Recommendations

Staged implementation Southern WWTP – minimum start with 400 m³/day SBR system with 12 ha land disposal (\$6-10M), Stage 2: upgrade to MBR system with 3-4,000 m³/day capacity with discharge to water, Stage 3: upgrade for >4,000m³/day capacity.

Southern WWTP alternatives considered

- a) Continue with on-site treatment and land disposal for each development.
- b) Package MBR WWTP for Stage 1 could be used, however, this option would have a more limited flow servicing range than an SBR and significantly less of the facility could be re-used for Stage 2. The MBR package WWTP gives a higher level of treatment than is normally required for discharge to land.
- c) Transfer to Cambridge WWTP - 14.4km 560mm OD PE pipeline. Upgrade Max capacity transfer line to Airport approx. 3500 m³ ADF Without wet industry can reduce down to a 400mm PE pipeline with small cost reduction. This option requires additional reactor and sedimentation tank to be constructed at Cambridge WWTP (approx. \$20M). Cost of pipeline approx. \$20-30M. Total additional cost est \$40-\$50M.

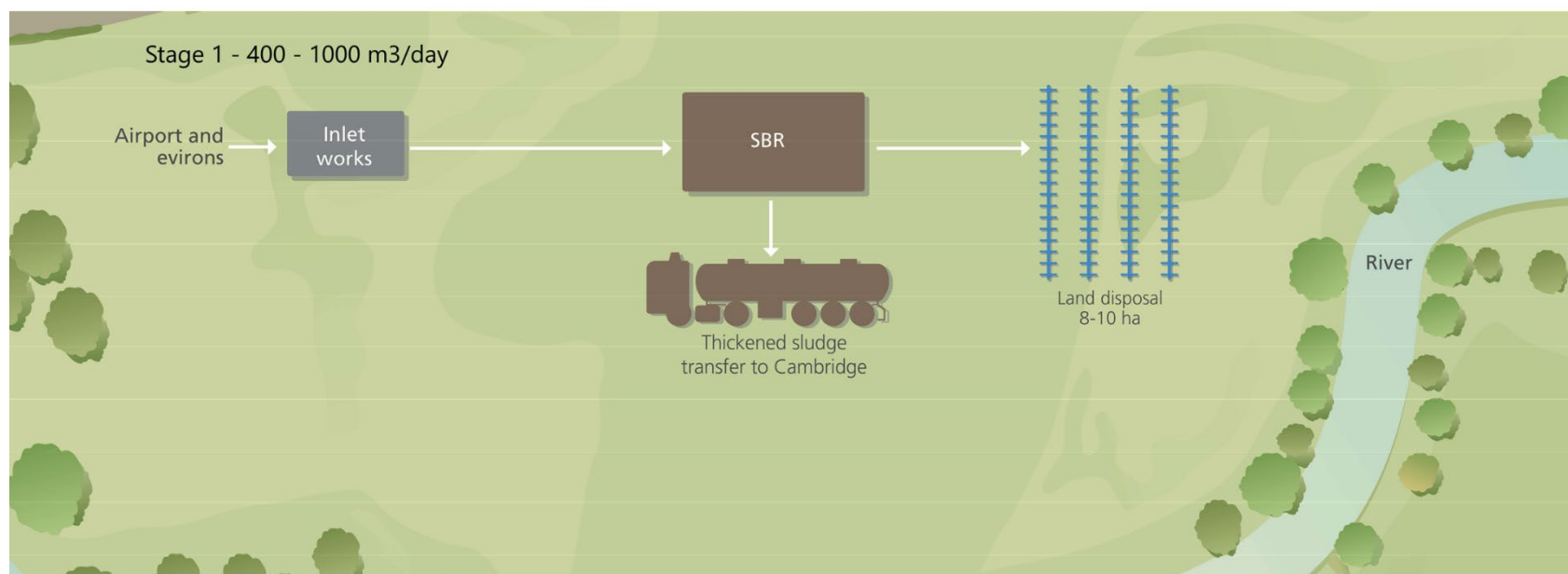
WAIKATO METRO WASTEWATER


Sensitivity: General



Southern WWTP – Stage 1 (400m³/d – 1,000m³/day)

Purchase land, designate & consent site, consent discharge, build plant, connect customers



WAIKATO METRO WASTEWATER



Sensitivity: General



Southern WWTP – Stage 2 (1,000m³/day – 4,000m³/d)

Upgrade & expand plant, consent discharge to water, connect new customers (build conveyance)



WAIKATO METRO WASTEWATER

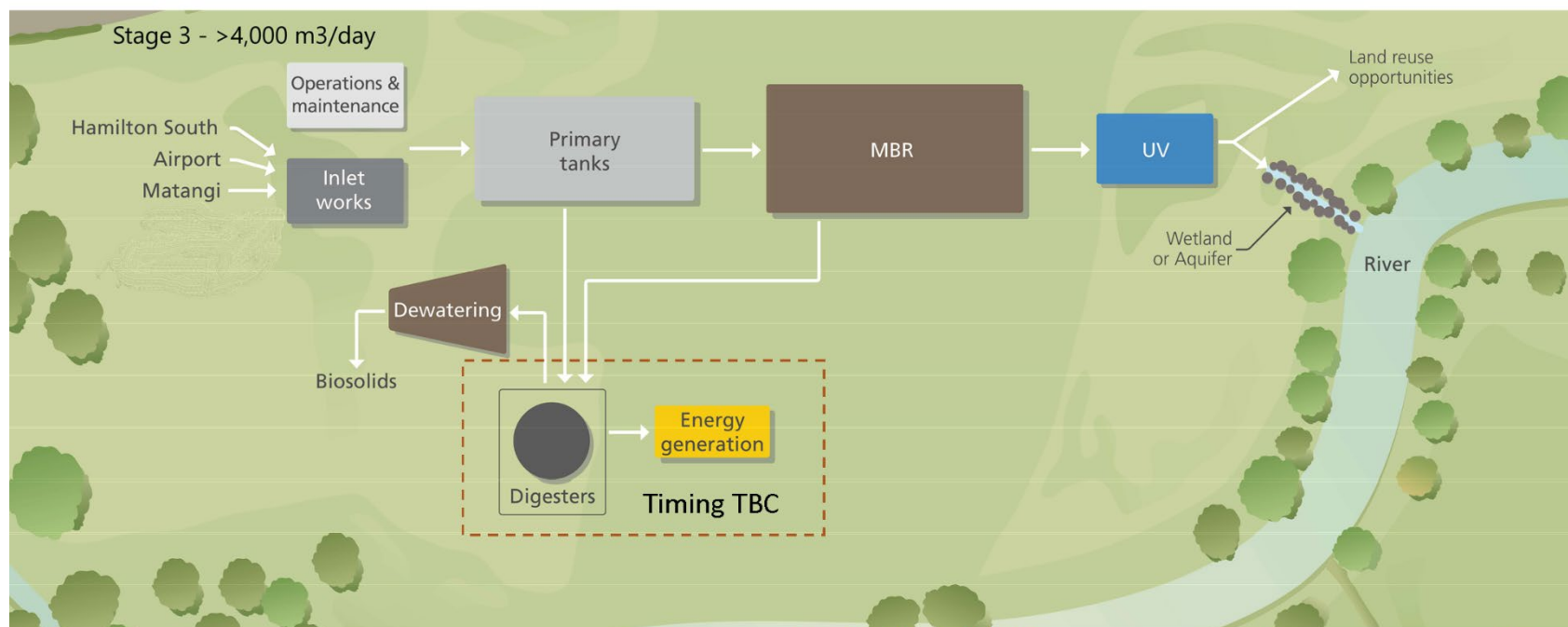


Sensitivity: General



Southern WWTP – Stage 3 (>4,000m³/d)

Upgrade & expand plant, re-consent discharge to water, connect new customers (build conveyance)

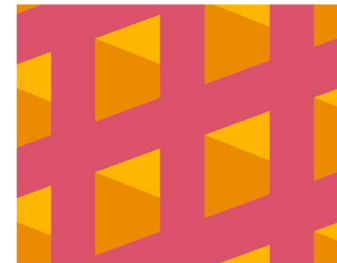
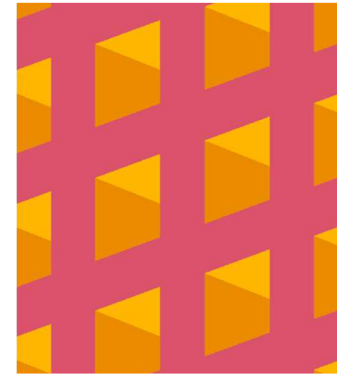


WAIKATO METRO WASTEWATER



Waikato Metro Wastewater - MoU

Draft for discussion
June 2021



Level of commitment included in the MoU

Minimum performance / environmental standards, the form of the governance structure, Southern sub-regional plant thresholds, Lead Council identity and cross boundary servicing agreements are expected to be agreed commitments in the MoU, whereas the other items are expected to have agreed principles or an agreement to agree.

MoU Strategy

- The items that are proposed to be included in the MoU and the proposed level of commitment are outlined alongside.
- The level of commitment is proposed to fall into one of three categories:
 - a. An agreement between the parties to work together to agree a position / commitment.
 - b. Agreement of the principles that are to apply.
 - c. An agreed firm position / commitment.
- The preference would be for an agreed commitment in the MoU, but where this is not possible, agreed principles or an agreement to agree would be documented.

Proposed Level of commitment in the MoU			
Item	Agree to agree in MoU	Agree principles in MoU	Agreed commitment in MoU
1. Minimum performance / environmental standards			<ul style="list-style-type: none"> As per DBC Wastewater Minimum Treatment Standards that were endorsed at Governance Group meeting on 28 October 2020.
2. Governance structure	<ul style="list-style-type: none"> Detailed powers of any joint oversight function to be agreed. 		<ul style="list-style-type: none"> Form of the joint oversight function, parties and scope.
3. Cost allocation, funding and financing		Cost allocation principles for: <ul style="list-style-type: none"> Land acquisition for the Southern sub-regional plant Reticulation / conveyance costs Plant costs (Masterplanning, consenting and design costs, initial ground works, stages 1-3). 	
4. Southern sub-regional plant thresholds	<ul style="list-style-type: none"> Investment on the basis of the cost allocation principles outlined in the MoU with specific amounts to be agreed in the future. 		<ul style="list-style-type: none"> The Southern sub-regional plant thresholds and triggers for investment.
5. Lead Councils			<ul style="list-style-type: none"> Allocation of Lead Councils for each project.
6. Cross-boundary servicing arrangements	<ul style="list-style-type: none"> Agree to negotiate service agreement details between Councils at appropriate time. 		<ul style="list-style-type: none"> A service agreement between Councils, based on commercial terms, will be used for servicing of cross-boundary communities.
7. Ownership		<ul style="list-style-type: none"> Principle that joint ownership of plant not preferred and that ownership will likely reflect financing / control. 	

PwC DRAFT for discussion purposes

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1. Minimum performance standards

Agree to agree	Agree principles	Agreed commitment
		✓

The minimum performance standards for the programme were endorsed at the Governance Group meeting on 28 October 2020. These treatment standards have been used to shape the preferred wastewater solution through the long list, short list and preferred option assessment process.

Overview

- The proposed treatment standards to be included in the MoU are consistent with those endorsed at the Governance Group meeting on 28 October 2020.
- Liquid Stream:** a high level of nutrient removal <4mg/L TN and <1.0mg/L TP (as annual means) and a very high pathogen removal (E.coli <14 cfu/100ml as a 95th percentile).
- Solids stream:** A graduated scale of solids management is proposed. Solids management complexity, extent of solids destruction and energy potential realisation will increase in steps with population equivalent served.
- Atmospheric emissions:** Councils will adopt and apply the zero carbon bill aspirations and optimization of life cycle emissions generally.

LIQUID STREAM – Metro DBC

	Metro DBC Plants
Context	Mean
Total nitrogen	4 mg/l
Total phosphorus	1.0 mg/l
E.coli	14 cfu/100ml
chlO ₂ (med)	5 mg/l
NH ₄ -N	1mg/l
TSS	5 mg/l

- DBC Pre-Concept Design to assume / targets in table
- Proposed standards are equal to or better than Pukekohe discharge consent conditions (future)
- Load based nutrient consents. Phosphorus limit will potentially need to be lower to be consistent with TTWM
- But provision for offset mitigation of nutrients
- At this level of performance, nutrients govern design
- Ultimate case standard for DBC purpose. May be a transitional standard for early stages
- Plant designs with maximum flexibility – growth / effluent quality / technology
- Seek to mitigate OECs / CECs

SOLIDS STREAM

Population	Thicken	Dewater	Primary	Digest	Energy Recovery	Advanced Mass Reduction
<4,000						
<40,000						
<150,000						
>150,000						

Principles:

- Stepped technologies. Step sizes tbc. Seek most cost effective
- Landfilling rates increasing
- Treat as resource, extract as much energy as practicable
- Seek beneficial reuse
- Minimum standard allows emergency discharge to landfill
- Seek to mitigate OECs / CECs

ATMOSPHERIC EMISSIONS

- Odour**
 - No offensive odour at boundary – standard measures
 - Odour Buffers and Reverse Sensitivity requirements
- GHG Emissions**
 - Councils adopt National emissions targets (Zero Carbon Bill)
 - Optimise capital carbon
 - Maximise energy recovery / target energy neutrality – where practicable
 - Targeting ultra low TN will have emissions consequences (more Cap.Carb, biosolids, more N₂O, more energy)
 - Dual role of offset mitigation
- Noise – District Ordinances – Standard measures,**

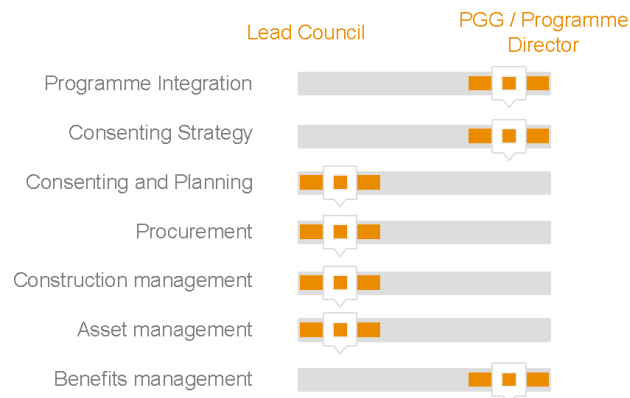
2. Form, parties and scope of governance structure

Agree to agree	Agree principles	Agreed commitment
		✓

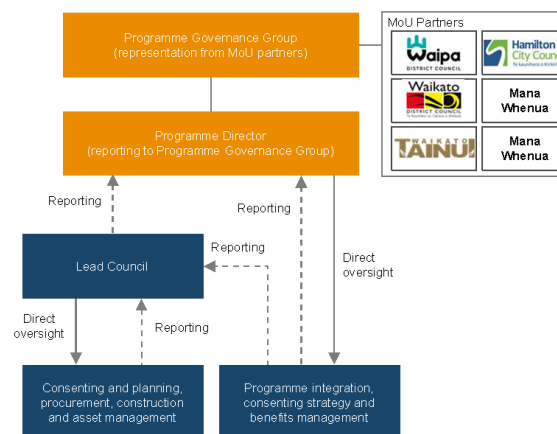
The Programme Director and Programme Governance Group's scope is proposed to include direct oversight of activities that are relevant to the wider sub-regional partners. These include programme integration, consenting strategy and benefits management. The Lead Council will retain oversight of other project activities through their existing governance arrangements.

Joint Governance Form and Scope

- A Programme Governance Group (PGG) could be established using a contractual agreement between the sub regional partners.



Governance Structure



2. Powers of the Programme Director and PGG

Agree to agree	Agree principles	Agreed commitment
✓		

The Programme Director and Programme Governance Group are proposed to have specific powers in relation to integration of the programme, consenting strategy and benefits management. The MoU is expected to include an agreement to agree the specific details of these powers in the future.

Powers of Programme Governance Group and Programme Director

Consideration / issue	Potential powers of the Programme Governance Group
Integration of the programme	<ul style="list-style-type: none"> • Programme Director and PGG have oversight of the programme and receive regular updates from Lead Councils on each of the projects. • Ability to make recommendations to Lead Councils on issues where there is potential for sub-regional benefits from an integrated approach. • Ability to raise objections to Lead Councils should the Programme Director and PGG deem that they are acting in a manner that is counter to the delivery of an integrated programme.
Consenting strategy	<ul style="list-style-type: none"> • Programme Director and PGG have direct oversight of consenting strategy to ensure that any cost benefits and other synergies available from an integrated approach can be achieved. • Potential to act as an additional layer of approval in the sub-regional wastewater consenting process (ie before consent application goes to WRC). • Ability to make recommendations and raise objections to Lead Councils.
Benefits management	<ul style="list-style-type: none"> • Programme Director and PGG have direct oversight of benefits management and can hold Lead Councils accountable for failure to deliver agreed minimum standards (as set out in the MoU). • Ability to make recommendations to Lead Councils if the Programme Director and PGG see opportunities to enhance the delivery of strategic outcomes. • Ability to raise objections to Lead Councils if the Programme Director and PGG deems that they are failing to deliver the strategic outcomes agreed to in the DBC or are not following the 'Best for River' principle. • Potential to issue formal reprimand or use of penalty regime for failure to meet agreed minimum standards.

3. Cost allocation, funding and financing

Agree to agree	Agree principles	Agreed commitment
	✓	

The Southern-sub-regional project will require joint funding from Councils in order to be delivered. To understand the level of funding provided by each Council a cost allocation methodology is required. We then need to determine the type and timing of the funding that relates to each Council's allocated costs. The funding flows will depend on the delivery structure of the project and how upfront capital costs are being financed.

Cost allocation principles

The following principles have been developed for the Southern sub-regional plant:

- A beneficiary pays approach forms the basis of the proposed cost allocation methodology.
- Size of land parcel and level of groundworks will be based on the end state / full capacity of the plant. Further, land value will not depreciate over time.
- A capital investment is considered to provide benefit for the life of the consent it relates to.
- Conveyancing costs are proposed to be allocated to the Council that has responsibility for the community being serviced. Mātangi costs to be allocated to Waikato DC. Hamilton South costs to be allocated to HCC.
- The modelled conveyance cost that has been modelled assumes conveyance start point is from a 'common location in the local Council network' to the treatment plant ie either a pump station or a place in the Council network where flows converge. Associated capital costs for new related network pump station costs are included.
- Operational costs are not included in this analysis but would likely be allocated based on population or household equivalent unit (HUE) flows within a given year, with conveyancing operational costs allocated to beneficiary community.

Funding and Financing

Councils will have different ways of recovering their allocated costs from beneficiaries:

- **Waipā DC:** Development Contributions (new commercial and residential development), negotiated contributions (potentially for the existing airport facilities and new major wet industry) and Targeted Rates (potentially for the existing airport facilities and for all operational costs).
- **Waikato DC:** Development Contributions (new commercial and residential development), Targeted Rates (existing communities and for operational costs).
- **HCC:** Development Contributions (new commercial and residential development), General Rates (existing communities and operational costs).

Financing of the capital costs can be undertaken in a number of ways:

- **Individually by each of the Councils:** Each Council finances its allocated capital cost individually.
- **By the Lead Council:** Lead Council finances all capital costs and services the debt using service payments from the other Councils.
- **Combination:** A combination of the above ie Lead Council finances land and plant capital costs, individual Councils finance their own conveyancing costs.

3. Southern sub-regional cost allocation

Agree to agree	Agree principles	Agreed commitment
	✓	

The Southern sub-regional plant is planned to be delivered in a number of stages, each with its own cost allocation principle. We are looking to agree these cost allocation principles between partners in the MoU and the Population Equivalent forecasts that form their basis. The actual cost allocation for future stages of the plant will be determined using these principles and updated Population Equivalent data at the time of investment.

Proposed Cost Allocation - Southern sub regional capital costs - costs in today's prices (including allowance for Council overheads)				
WWTP Component	Capital Cost	Timing	Proposed cost allocation methodology	Rationale
Land purchase	c. \$12 million	FY22-23	Shared (HCC, Waipā and Waikato) - based on forecast final sub-regional Population Equivalent (including the North) at 2096 (being at end of Stage 3 consent period) Result based on base population estimates: HCC - 79%, Waipā - 15%, Waikato - 6%	Land acquired will be suitable for all stages of the plant (1-3). The whole sub-region will benefit, directly or indirectly, from investment in a Southern sub-regional plant. Indirect benefits will come to Waikato DC and HCC from the freeing up of capacity at Pukete which may lead to avoided costs.
Masterplanning, consenting and design costs	c. \$8 million	FY22-23	Shared (HCC, Waipā and Waikato) - based on forecast final state plant flows at 2096 (being at end of Stage 3 consent period) Result based on base population estimates: HCC - 77.5%, Waipā - 21.5%, Waikato - 1%	The upfront masterplanning, consenting and design costs for the Southern sub-regional plant will take into account future stages of the plant ie it will be masterplanned and designed so that all stages (1-3) will be able to be delivered.
Initial groundworks	\$1.8 million	FY24-25	Shared (HCC, Waipā and Waikato) - based on forecast final state plant flows at 2096 (being at end of Stage 3 consent period) Result based on base population estimates: HCC - 77.5%, Waipā - 21.5%, Waikato - 1%	The initial groundworks will take into account future stages of the plant.
Conveyancing and reticulation costs	-	-	Allocated to beneficiary community - Mātangi costs to be allocated to Waikato DC. Hamilton South costs to be allocated to HCC. For both capital and operating costs	Conveyancing and local reticulation costs are proposed to be allocated to the Council that has responsibility for the community being serviced / beneficiaries.
Operating costs	-	-	Shared (HCC, Waipā and Waikato) - allocated based on actual Population Equivalent (PUE) population within a given year	As a normal Council approach.

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3. Southern sub-regional cost allocation

Agree to agree	Agree principles	Agreed commitment
	✓	

Proposed Cost Allocation - Southern sub regional capital costs - costs in today's prices (including allowance for Council overheads)				
WWTP Component	Capital Cost	Timing	Proposed cost allocation methodology	Rationale
Stage 1 - Plant construction	\$7 million	FY25-26	Basis: Population Equivalent / HUE flows over consent period (assumed to be 35 years) Result based on base population estimates: Waipā - 100%	Stage 1 consent will benefit the airport only, with Waipā recovering the cost from WRAL.
Stage 2a - Plant extension	\$33 million	c. FY40	Basis: Population Equivalent / HUE flows over consent period Result based on base population estimates: HCC - 0%, Waipā - 92%, Waikato - 8%	Stage 2a expansion will service growth around airport (including wet industry) and Mātangi conveyance. Alternatively if growth south of Hamilton is accelerated the additional capacity may be able to service these communities.
Stage 2b - Plant extension	\$22 million	c. FY51	Basis: Population Equivalent / HUE flows over consent period Result based on base population estimates: HCC - 0%, Waipā - 100%, Waikato - 0%	Stage 2b expansion will service further growth around airport and more wet-industry in this vicinity. Alternatively if growth south of Hamilton is accelerated the additional capacity may be able to service these communities.
Stage 3 - Hamilton South Upgrade	\$132 million	c. FY61	Basis: Population Equivalent / HUE flows over consent period Result based on base population estimates: HCC - 83%, Waipā - 16%, Waikato - 1%	Stage 3 expansion will service the rerouting of Hamilton South, which is assumed to occur in 2061. Could also potentially service growth south of Hamilton eg Southern Links.

Note: Figures for capital costs relating to the plant include procurement costs (assumed at 2% of capital cost) and Council overheads (assumed at 8% of capital cost)

Population Equivalent / HUE flows over the consent life are proposed to be used as the basis of the cost allocation as opposed to flows over the useful asset life. This is due to the staged nature of the plant and the fact that at each stage of construction it will be unknown whether future stages will go ahead or exactly which communities will be serviced by future stages. This means that we cannot allocate on the basis of flows over useful asset life. However our recommendation is that prior to each future stage of plant development an assessment of reusable asset value is made and then allocated appropriately to the beneficiaries of the next stage of the plant (using Population Equivalent / HUE flows).

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3. Population equivalent forecasts

Agree to agree	Agree principles	Agreed commitment
	✓	

Population Equivalents have been forecast for the region out to 2120. These forecasts are consistent with those agreed and used in the Detailed Business Case and include residential, trade waste and wet industry users. Data has been interpolated for the 2061-2120 period. These forecasts have been used to calculate the indicative cost allocation for the Southern sub-regional plant on page 10. Communities that are envisaged to eventually link into the Southern sub-regional plant are shown separately.

Population Equivalent	2021	2031	2041	2051	2061	2120
Southern sub-regional Plant						
Matangi (incl Tamahere commercial)	140	464	464	464	464	1,035
Airport	1,377	6,869	12,360	17,852	17,852	17,852
Hamilton South	29,630	36,573	46,511	54,723	59,626	68,633
Total Southern sub-regional Plant	31,147	43,906	59,335	73,039	77,942	87,520
Other						
Taupiri	2,063	5,176	6,167	6,991	7,256	8,400
Ngaruawahia	6,234	7,407	9,102	10,516	12,016	21,991
Horotiu	1,815	6,778	10,390	13,996	14,156	14,156
Te Kowhai	35	1,301	1,685	2,095	2,371	4,706
Hamilton North	237,642	288,590	306,351	356,325	391,330	600,703
Tauwhare Pa	140	275	275	275	275	545
Ohaupo	547	630	814	1,025	1,031	1,100
Cambridge & Hautapu	22,520	32,940	37,801	42,892	45,031	57,649
Te Awamutu & Kihikihi	24,988	27,989	30,905	34,982	36,001	42,011
Total Other	295,984	371,085	403,490	469,098	509,466	751,261
Total (All)	327,131	414,991	462,825	542,137	587,408	838,780

Note: The Population Equivalent data above reflects that agreed in the DBC but does not currently include Southern Links or R3 Population Equivalent information

3. Indicative example of capital cost allocation

Below is an indicative example of the outcome of the capital cost allocation based on the principles set out on the page 7-8 and the base case population equivalent data on page 9, noting that these principles are yet to be endorsed and agreed. The analysis assumes that Hamilton South is rerouted in 2061.

Programme Overall (\$000's real)	FY22-31	FY32-41	FY42-51	FY52-61	FY62-71	Total	Percentage of total
Southern sub-regional Project							
Land purchase	12,000	-	-	-	-	12,000	4.6%
Masterplanning, consenting and design	8,000	-	-	-	-	8,000	3.1%
Wastewater treatment plant - Groundworks	1,100	-	-	-	-	1,100	0.4%
Wastewater treatment plant - Stages 1-3	7,700	33,000	22,000	-	132,000	194,700	75.2%
Matangi - Conveyancing	-	7,260	-	-	-	7,260	2.8%
Hamilton South - Conveyancing	-	-	-	-	35,750	35,750	13.8%
Total Southern sub-regional costs	28,800	40,260	22,000	-	167,750	258,810	100.0%
Southern sub-regional cost allocation							
Hamilton CC contribution	16,480	-	-	-	145,761	162,241	62.7%
Waipa DC contribution	11,502	30,429	22,000	-	21,249	85,180	32.9%
Waikato DC contribution	818	9,831	-	-	740	11,388	4.4%
Total Southern sub-regional cost allocation	28,800	40,260	22,000	-	167,750	258,810	100.0%

Note: Figures are indicative examples only, with cost allocation principles subject to agreement and numbers subject to change

3. Population equivalent forecasts - Sensitivity scenario

The table below presents a population equivalent forecast for a sensitivity scenario in which no wet industry is developed at the Airport and development south of Hamilton, including at Southern Links and Peacocks, is accelerated. Flows from this development could replace the capacity intended for wet industry under the base case and would require conveyance from 2041 once Stage 2 of the plant has been constructed. This scenario would change the relative share of cost allocation to each of the Councils, though further work would be required to understand the costs and allocation impacts.

Population Equivalent data	2021	2031	2041	2051	2061	2120
Southern sub-regional Plant						
Matangi (incl Tamahere commercial)	140	464	464	464	464	1,035
Airport without wet industry	1,377	4,000	6,500	9,000	9,000	9,000
Development south of Hamilton incl. Southern Links	-	0	5,900	20,229	38,649	38,649
Hamilton South	29,630	36,573	46,511	54,723	59,626	68,633
Total Southern sub-regional Plant	31,147	41,037	59,374	84,416	107,739	117,317
Other						
Taupiri	2,063	5,176	6,167	6,991	7,256	8,400
Ngaruawahia	6,234	7,407	9,102	10,516	12,016	21,991
Horotiu	1,815	6,778	10,390	13,996	14,156	14,156
Te Kowhai	35	1,301	1,685	2,095	2,371	4,706
Hamilton North	237,642	288,590	306,351	356,325	391,330	600,703
Tauwhare Pa	140	275	275	275	275	545
Ohaupo	547	630	814	1,025	1,031	1,100
Cambridge & Hautapu	22,520	32,940	37,801	42,892	45,031	57,649
Te Awamutu & Kihikihi	24,988	27,989	30,905	34,982	36,001	42,011
Total Other	295,984	371,085	403,490	469,098	509,466	751,261
Total (All)	327,131	412,122	462,864	553,514	617,205	868,577

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4. Southern sub-regional plant thresholds

Agree to agree	Agree principles	Agreed commitment
✓		✓

The Southern sub-regional plant thresholds and triggers for investment would occur when 80% of capacity is reached for stage 1 and when Pukete WWTP capacity is reached (for southern Hamilton flows) or the cost of conveyance upgrades exceeds the alternatives. This is proposed as an agreed commitment in the MoU. Council investment would be on the basis of the cost allocation principles outlined in the MoU with specific amounts agreed in the future.

Overview

- The MoU is proposed to include an agreed commitment on the southern sub regional plant thresholds / triggers for further investment.
- MoU parties will agree to contribute investment when the triggers outlined alongside are reached.
- The investment from each council would be on the basis of the cost allocation principles outlined in the MoU. The specific amounts would not be included in the MoU, they would be an agreement to agree in the future.

Stage 1

400 m3/day - 1,000 m3/day capacity (expected 2021-2023)

(2,000 - 5,000 population equivalent).

The trigger to move to stage 2 will occur when >80% of capacity is utilised.

Stage 2

1,000 m3/day - 8,000 m3/day capacity (expected 2030-2039).

(5,000 - 40,000 population equivalent)

Modular development expected at 500 m3/day capacity increments

The trigger to move to stage 3 will occur when Pukete WWTP capacity is reached (for existing southern Hamilton flows) or the cost of conveyance upgrades within the Hamilton network exceeds the alternatives.

Stage 3

8,000 m3/day + capacity (expected 2060+).

(40,000+ population equivalent).

No trigger to move beyond stage 3 proposed as part of the MoU.

5. Lead Councils



Agree to agree	Agree principles	Agreed commitment
		✓

The proposed Lead Council generally reflects the territorial authority in the project's location, however the new Southern sub-regional plant is proposed to be led by HCC despite being located within Waipā DC's territorial authority. This is due to the long term servicing the plant is expected to provide for demand in southern Hamilton and the associated risk that Hamilton would be exposed to if the plant were not to go ahead. Waipā DC has suggested it would be appropriate for them to be the lead council for stage 1.

Allocation Principles

- Generally the proposed allocation has been determined based on the territorial authority where the project is located.
- For the new Southern sub-regional plant, Hamilton City Council is proposed to be the Lead Council despite the project being located within Waipā District Council's territorial authority. This is due to:
 - The long term servicing the plant is expected to provide for demand in southern Hamilton (indicatively servicing HCC population equivalent of 59,62 vs 17,852 for Waipā by 2061).
 - Development South of Hamilton (eg Peacockes, Southern Links, R3) may be accelerated. There is also a chance that Pukete capacity is used up earlier than planned. If the Southern plant is not delivered there will be a high risk for HCC that this development can't be serviced.
 - HCC's long term funding of the plant (between FY22 and FY71 HCC is indicatively forecast to provide 63% of the capital costs compared to Waipā's 33%).
 - HCC will indicatively provide a higher level of funding for stage 1 (57%) than Waipā (40%). HCC is the only Council to have included committed funding (\$9.2m) for this stage in its LTP.
- Waipā DC has suggested it would be appropriate for it to be the Lead Council for stage 1 of the new Southern sub-regional plant before potentially transferring to HCC to deliver the later stages. This is due to the following reasons:
 - Under the baseline population forecasts the plant will almost exclusively service Waipā communities during stages 1 and 2 (small exception being Matangi community from 2040).
 - Waipā will indicatively provide 70% of funding for stages 1 and 2 between FY22 - FY51 compared to HCC's 18%, though the communities serviced by stage 2 could change.

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Option 4A - Proposed Lead Councils		
Project	Lead Council	DBC Scope
New southern sub-regional plant	 Hamilton City Council Te Kaitiaki o Hāmilton	Southern
Cambridge	 Waipā DISTRICT COUNCIL	Southern
Te Awamutu	 Waipā DISTRICT COUNCIL	Southern
Mātangi and Tauwhare Pā	 Waikato DISTRICT COUNCIL Te Kaitiaki o Hāmilton	Southern

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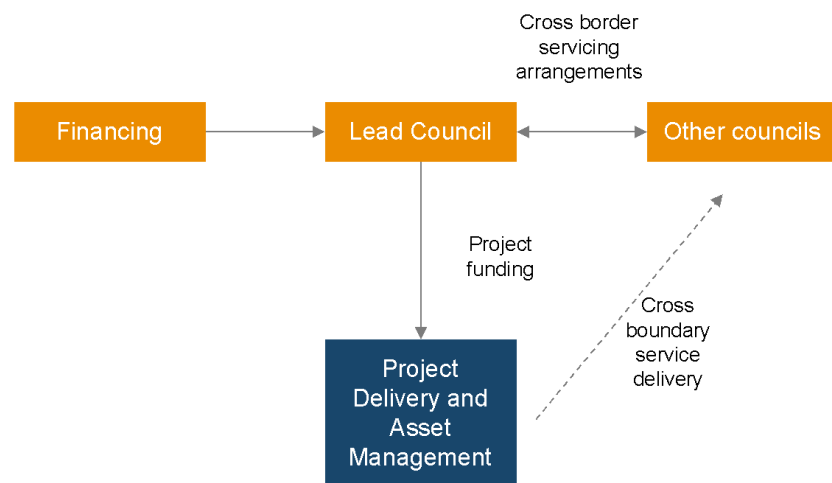
6. Cross boundary servicing arrangements

Agree to agree	Agree principles	Agreed commitment
✓		✓

The Lead Council for each project is expected to enter into a servicing agreement based on commercial terms for servicing of cross-boundary communities. An agreed commitment to this approach is proposed to be included in the MoU, whereas negotiation of the details of these contracts is expected to be agreed at the appropriate time.

Overview

- The Lead Council for each project is expected to enter into a servicing agreement based on commercial terms for servicing of cross-boundary communities.
- It is expected the lead council would finance the asset themselves and recoup costs through the servicing arrangement.
- It is proposed an agreed commitment to use a service agreement between Councils for servicing of cross-boundary communities will be included in the MoU.
- It is proposed to include an agreement to negotiate the details of the service agreement between Councils at the appropriate time in the MoU.



7. Ownership

Agree to agree	Agree principles	Agreed commitment
	✓	

Ownership of individual projects within the wider programme are largely expected to reflect the financing and Lead Council arrangements. Allocation of the Lead Council for each project is based on where the beneficiaries are located and the resulting funding split. The Lead Council has control over the project delivery which is one of the key requirements for asset recognition.

Basis of Asset Ownership

- Asset ownership is expected to reflect the Lead Council and financing for each project.
- In most cases this is also expected to mirror the beneficiaries and the funding arrangements for the project.
- The Lead Council has direct control over project delivery and has access to the future economic benefit and service potential of the asset.
- The asset treatment will be driven by these factors.



Lead Council

Control

Financing

Beneficiaries



Ownership

Thank you

Important Information

This document has been prepared for and only for Hamilton City Council in accordance with the terms of our Letter of Engagement dated 16 July 2020 and for no other purpose.

Our work is not complete and the comments in this draft paper are therefore subject to amendment or withdrawal. Our definitive findings and conclusions will be provided to you in due course.

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Council Report

Committee: Strategic Growth Committee **Date:** 29 July 2021
Author: Ashwini Pillay **Authoriser:** Blair Bowcott
Position: Development Contributions Analyst **Position:** General Manager Growth
Report Name: Development Contributions Remission Quarter 4 2021

Report Status	<i>Open</i>
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Purpose - *Take*

1. To inform the Strategic Growth Committee on Development Contribution remissions during the period 1 April 2021 to 30 June 2021 (Q4 2021).

Staff Recommendation - *Tuutohu-aa-kaimahi*

2. That the Strategic Growth Committee receives the report.

Executive Summary - *Whakaraapopototanga matua*

3. The current Development Contribution Policy allows for three types of remission:
 - i. Actual demand remissions;
 - ii. CBD remissions; and
 - iii. Private Developer Agreement (PDA) remissions.
4. In Q4 2021, Council approved four Development Contribution remissions with a total value of \$4,159,327.00 consisting of:
 - i. 1 x actual demand remission totalling \$173,731
 - ii. 2 x CBD remission totalling \$96,419
 - iii. 1 x PDA remission totalling \$3,889,177. Total Development Contributions payable after remission is \$6,886,770.
5. Staff consider the matters in this report have low significance and that the recommendations comply with the Council's legal requirements.

Background - *Koorero whaimaarama*

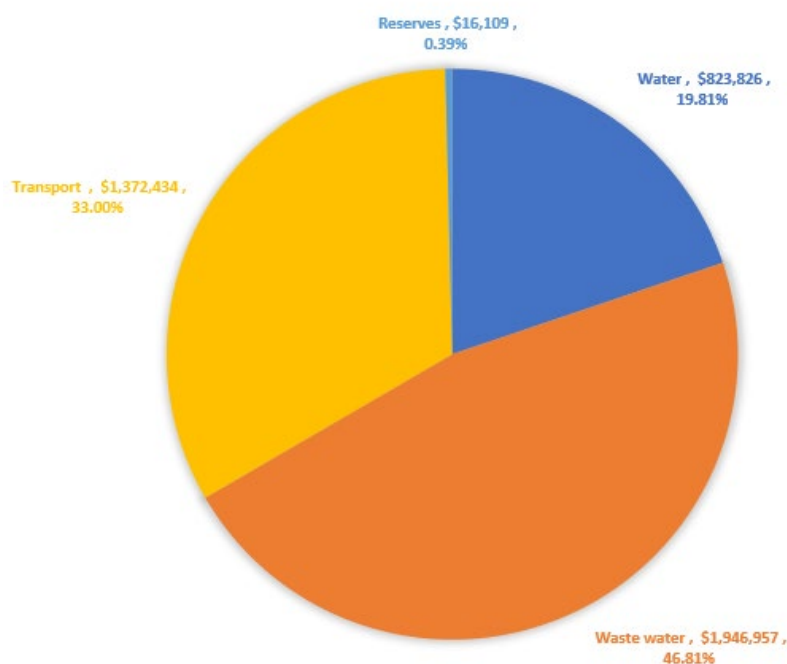
6. At its 20 June 2019 meeting, the Council approved the proposed Development Contributions Policy 2019/20, with an operative date of 1 July 2019.
7. The Development Contribution Policy allows for three types of remission:
 - i. Actual demand remissions;
 - ii. CBD remissions; and
 - iii. Private Developer Agreement (PDA) remissions.

8. The Development Contribution Policy includes a 66% remission that applies for developments located in the CBD until 30 June 2021.
9. Actual demand remissions and PDA remissions rely on developers supplying appropriate evidence of reduction in the impact of actual demand as compared to modelled demand.
10. All remissions in this report have been determined in accordance with the Development Contribution Policy and delegated authority.
11. All Development Contribution amounts in this report are exclusive of GST.

Discussion - *Matapaki*

12. In Q4 2021, Council approved four Development Contribution remissions with a total value of \$4,159,327.00 consisting of:
 - i. 1 x actual demand remission totalling \$173,731
 - ii. 2 x CBD remission totalling \$96,419
 - iii. 1 x PDA remission totalling \$3,889,177. Total Development Contributions payable after remission is \$6,886,770.
13. The PDA remission was calculated in accordance with the 2017 Council approved PDA between HCC, Chedworth Properties Limited and Ruakura Limited, and is included in this report for noting purposes. The PDA sets out contractual commitments for the developer to fund and construct identified strategic infrastructure in the Ruakura growth cell and the method for calculating Development Contribution remissions.
14. Development Contribution remissions are calculated by individual activity components. The graph below shows the percentage of the total remissions granted attributed to each Development Contribution activity.

2021 Q4 REMISSIONS BY ACTIVITY



Financial Considerations - *Whaiwhakaaro Puutea*

15. The financial implications of Council's Development Contribution Policy on remissions were considered during the last Development Contribution Policy review and accounted for in Council's financial planning.

Legal and Policy Considerations - *Whaiwhakaaro-aa-ture*

16. The approved remissions presented in this report satisfy the requirements for a reduction in Development Contributions payable as set out in the Development Contribution Policy.
17. Council's Development Contribution Policy complies with relevant legislation.

Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga*

18. The purpose of Local Government changed on the 14 May 2019 to include promotion of the social, economic, environmental and cultural wellbeing of communities in the present and for the future ('the 4 wellbeings').
19. The remissions in this report have been evaluated in relation to the 4 wellbeings as outlined below, noting that the decisions themselves are directed by the Policy itself without staff discretion.
20. No social, cultural, or environmental considerations were identified in relation to the reported remissions.

Economic

21. Development contributions play an important part in the Council's overall funding and financial strategy.
22. CBD remissions provided for through the Development Contribution Policy and set out in this report contribute to the Council's desire to support a vibrant CBD.
23. Actual demand remissions provided for through the Development Contribution Policy and set out in this report create a better match between the demand for services with the assessed Development Contribution charge, for developments of scale with applications supported by appropriate evidence.

Risks - *Tuuraru*

24. No specific risks have been identified in relation to the remissions in this report. However, remissions and how they are provided for in the Development Contribution Policy and applied are a subject of recent challenge by developers. This more general risk is being closely monitored and the Council will be kept informed of any new developments.

Significance & Engagement Policy - *Kaupapa here whakahira/anganui*

Significance

Having considered the Significance and Engagement Policy, staff have assessed that the recommendation in this report has a low level of significance.

Engagement

26. Given the low level of significance, and community views and preferences being known to Council, no engagement is required.

Attachments - *Ngaa taapirihanga*

Attachment 1 - 2021 Q4 Remission

Attachment 1: 2021 Q4 Remissions Report

Actual demand remission		Development description & Development Contributions Officer details/comments	Consent Number	Applicable policy	Original DC assessment	Amount remitted (\$ excl. GST)					Final DC assessment	Remission granted
Address	Developer					Water	Waste water	Storm water	Transport	Reserves		
159 Silverdale Road	NIWA	Proposal to construct a new complex for NIWA at the University of Waikato.	007.2021.00042266.001	2020/21	\$ 570,193	\$ -	\$ 18,380	\$ -	\$ 155,351	\$ -	\$ 396,463	\$ 173,731
					\$ 570,193	\$ -	\$ 18,380	\$ -	\$ 155,351	\$ -	\$ 396,463	\$ 173,731
CBD remission		Development description & Development Contributions Officer details/comments	Consent Number	Applicable policy	Original DC assessment	Amount remitted (\$ excl. GST)					Final DC assessment	Remission granted
Address	Developer					Water	Waste water	Storm water	Transport	Reserves		
28 Harwood Street	Harwood Street Projects Limited	Proposal to convert an office building (the Opus building) into a mixed use apartment complex	010.2021.00011457.001	2020/21	\$ 62,697	\$ 17,150	\$ 8,121	\$ -	\$ -	\$ 16,109	\$ 21,317	\$ 41,380
409 Anglesea Street	Waikato Farmers Trust	Commercial carparking.	010.2020.00011434.001	2020/21	\$ 83,393	\$ -	\$ -	\$ -	\$ 55,039	\$ -	\$ 28,354	\$ 55,039
					\$ 146,090	\$ 17,150	\$ 8,121	\$ -	\$ 55,039	\$ 16,109	\$ 21,317	\$ 96,419
PDA remission		Development description & Development Contributions Officer details/comments	Consent Number	Applicable policy	Original DC assessment	Amount remitted (\$ excl. GST)					Final DC assessment	Remission granted
Address	Developer					Water	Waste water	Storm water	Transport	Reserves		
Carrs Road	Chedworth Properties Ltd	Consent lodged by Chedworth Properties, seeking development for areas K, L and U as part of the wider Greenhill Park. Overall development is for 471 x residential lots, 2,450m2 of retail activity and 1,050m2 of commercial activity over 13 stages.	011.2019.00007140.001	2019/2020	\$ 10,358,167	\$ 806,677	\$ 1,920,456	\$ -	\$ 1,162,044	\$ -	\$ 6,468,990	\$ 3,889,177
					\$ 10,358,167	\$ 806,677	\$ 1,920,456	\$ -	\$ 1,162,044	\$ -	\$ 6,468,990	\$ 3,889,177
Grand Total					\$ 11,074,450	\$ 823,826	\$ 1,946,957	\$ -	\$ 1,372,434	\$ 16,109	\$ 6,886,770	\$ 4,159,327

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. Confirmation of the Strategic Growth Committee Public Excluded Minutes of 20 May 2021) Good reason to withhold information exists under Section 7 Local Government Official Information and Meetings Act 1987	Section 48(1)(a)
C2. Infrastructure Acceleration Fund update - Public Excluded Matter)	
C3. Emerging Areas Update - Southern Links 1 (SL1)		
C4. Update on the Future Proof Strategy		
C5. General Manager's Report - Public Excluded		

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 avoid the unreasonably, likely prejudice to the commercial position of a person who supplied or is the subject of the information	Section 7 (2) (b) (ii)
Item C3.	to maintain legal professional privilege	Section 7 (2) (g)
Item C4.	to enable Council to carry out negotiations	Section 7 (2) (i)
	to prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (j)
Item C5.	to enable Council to carry out commercial activities without disadvantage	Section 7 (2) (h)
	to enable Council to carry out negotiations	Section 7 (2) (i)