
Council

OPEN MINUTES

Minutes of a meeting of the Council held in Council Chamber, Municipal Building, Garden Place, Hamilton on Thursday 27 June 2019 at 9.36am.

PRESENT

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

In Attendance:	Lance Vervoort – General Manager Community
	David Bryant – General Manager Corporate
	Eeva-Liisa Wright - General Manager Infrastructure Operation
	Chris Allen - General Manager Development
	Jen Baird - General Manager City Growth
	Blair Bowcott - Executive Director Special Projects
	Andy Mannering – Manager Social Development
	Luke O'Dwyer – City Planning Manager
	Debra Stan-Barton – Project Manager Regulatory Efficiency and Effectiveness Programme
	Alice Morris – City Planning Heritage, Urban Design and Spatial Team Leader
	Clare Douglas – Intermediate Planner
	Robyn Denton – Network Operations and Use Manager
	Helen Paki – Business and Planning Manager
	Trent Fowles – Compliance Manager
	Scott Copeland – Contracts Manager Rubbish and Recycling

Governance Staff:	Amy Viggers and Claire Guthrie - Committee Advisors
-------------------	---

The meeting was opened with a reading and a prayer from the Reverend Phil Wilson.

1. Apologies

Resolved: (Mayor King/Deputy Mayor Gallagher)

That the apologies for absence from Cr Hamilton and for early departure from Cr Casson are accepted.

2. Confirmation of Agenda

Resolved: (Mayor King/Deputy Mayor Gallagher)

That the agenda is confirmed noting the following:

- a) item 15 and C9 (Recommendations from the Community, Services and Environment Committee Meeting of 25 June 2019) have been circulated prior to the meeting under separate cover;
- b) that the late item 18 (Submission on Road Safety Strategy consultation document) be accepted. It is a late item as staff were only notified of it on 24 June 2019 and submissions close prior to the next meeting of the Council;
- c) that the late item 19 (Submission to the Select Committee on Zero Carbon Bill) be accepted. It is a late item as staff were only notified of the request to submit a Council submission on 26 June 2019 and submissions close prior to the next meeting of the Council;
- d) that the late item 20 (Chair's Report) be accepted. It is a late item due to timing constraints;
- e) that the late item C10 (Release of Public Excluded minutes - Municipal Endowment Fund - Ward Street) be accepted. It has been added as a late item due to media enquiries on the matter and there is urgency for the release of the information to be in a timely manner; and
- f) that the late item C11 (Refuse and Recycling Gate Increases) be accepted as per the recommendation from the 18 June 2019 Growth and Infrastructure Committee meeting.

3. Declarations of Interest

Cr Pascoe declared an interest in relation to item C5 (Hamilton Gardens Development Project Governance Group - Appointee Recommendations) to be discussed in the public excluded session of the meeting. He advised he would take part in the discussion and vote of item as he was not conflicted.

4. Public Forum

Lindsay Cumberpatch (Representing D.V. Bryant Trust) spoke to item 9 (Community Land Trust Model) in support of the staff recommendation. He noted that the staff recommendation was the result of collaboration from number of members of the public and council staff.

Roger Stratford spoke to item 13 (Extension of Chief Executive Delegations during July 2019) in support of the staff recommendation.

5. Confirmation of the Council Open Minutes - 30 May 2019

Resolved: (Mayor King/Deputy Mayor Gallagher)

That the Council confirm the Open Minutes of the Council Meeting held on 30 May 2019 as a true and correct record.

6. Confirmation of the Elected Member Briefing Notes - 28 May 2019

Resolved: (Mayor King/ Deputy Mayor Gallagher)

That the Council confirm the Open Notes of the Elected Member Briefing held on 28 May 2019 as a true and correct record.

7. Confirmation of the Elected Member Briefing (Annual Plan) Notes - 6 June 2019

Resolved: (Mayor King/Cr Casson)

That the Council confirm the Open Notes of the Elected Member Briefing (Annual Plan) held on 6 June 2019 as a true and correct record.

8. Confirmation of the Elected Member Briefing Open Notes - 13 June 2019

Resolved: (Mayor King/Cr Bunting)

That the Council confirm the Open Notes of the Elected Member Briefing held on 13 June 2019 as a true and correct record.

9. Community Land Trust Model

The Manager Social Development took the report as read and thanked those involved in the development of the proposal. He responded to questions from Elected Members concerning the following:

- the Council's involvement in the proposed trust;
- the potential trust deed;
- funding of the trust;
- the subsequent sale processes;
- details of the proposal including eligibility criteria, affordability, ownership options, partnership opportunities and potential design. Staff noted that much of the detail would be determined in next stages of the process.

Staff Action: *Staff undertook to update Elected Members on the consultation that had occurred during the 10 Year Plan in relation to Social Housing and the proposed Community Land Trust Model.*

Resolved: (Mayor Andrew/Cr Macpherson)

That the Council:

- a) approves the establishment of a new entity, to be called the Waikato Community Lands Trust, to hold land in perpetuity to provide access to affordable housing for the benefit of the community;
- b) approves \$1,000,000 in 2019/20 and a further \$1,000,000 in 2020/21 for the Waikato Community Lands Trust for purchasing land to be paid upon approval of the draft Trust Deed and subsequent registration with Charities Services;
- c) delegates the Chief Executive to undertake a selection process for Trustees for the Waikato Community Lands Trust in accordance with the composition of the Trust as set out in paragraph 34 and bring the recommended appointees to the Council meeting of 17 September 2019 for approval; and
- d) delegates the Chief Executive to prepare a Trust Deed for approval at the Council meeting of 17 September 2019.

The Motion was put.

Those for the Motion:

Mayor King, Deputy Mayor Gallagher,
Councillors Macpherson, Bunting,
Casson, Henry, Southgate and Taylor.

Those against the Motion:

Councillors Pascoe, Mallett, Tooman and
O'Leary.

The Motion was declared CARRIED.

The meeting adjourned 11.12am to 11.36am.

10. Proposed Plan Change 6 – Regulatory Efficiency and Effectiveness Plan Change

The City Planning Manager, the Project Manager Regulatory Efficiency and Effectiveness Programme, and the Intermediate Planner spoke to the report, outlining the work completed to date and what would occur next based on the staff recommendation. They responded to questions from Elected Members concerning the hearing and consultation process, and how the recommended changes to the District Plan could affect infrastructure requirements.

Cr Casson retired from the meeting (11.57am) during the discussion of the above item. He was not present when the matter was voted on.

The above item was suspended during the discussion to enable staff to seek further information.

11. 2019/20 Heritage Fund Allocation

The report was taken as read.

Resolved: (Deputy Mayor Gallagher/Cr Tooman)

That the Council:

- a) receives the report; and
- b) approves the allocation of the 2019/20 Heritage Fund as set out in Attachment 2 of this report.

The meeting adjourned 12.50pm to 1.30pm.

12. Local Government New Zealand (LGNZ) Annual General Meeting 2019 - Remits for Consideration

Mayor King took the item as read and noted that the Council had already voted to support the following remits; Local Government Official Information and Meetings Act (1987), Weed control, Campground regulations and Road safety.

Resolved: (Cr Henry/Cr Bunting)

That the Council approves the **Single use polystyrene** remit be supported by Council's delegate at the 2019 Local Government NZ AGM.

Cr Mallett Dissenting.

Resolved: (Cr Southgate/Deputy Mayor Gallagher)

That the Council approves the **Climate change – local government representation** remit be **supported** by Council's delegate at the 2019 Local Government NZ AGM.

Mayor King, Crs Tooman, Mallett Dissenting

Motion: (Cr Taylor/Cr Mallett)

That the Council approves the **Ban on the sale of fireworks to the general public** remit be **not supported** by Council's delegate at the 2019 Local Government NZ AGM.

Amendment: (Cr Bunting/Cr Henry)

That the Council approves the **Ban on the sale of fireworks to the general public** remit be abstained by Council's delegate at the 2019 Local Government NZ AGM.

The Amendment was put.

The Amendment was CARRIED. Crs Southgate, Taylor, and Mallett Dissenting.

The Amendment as a Substantive Motion was put then and declared CARRIED.

Resolved: (Cr Bunting/Cr Henry)

That the Council approves the **Ban on the sale of fireworks to the general public** remit be abstained by Council's delegate at the 2019 Local Government NZ AGM.

Crs Southgate and Taylor Dissenting.

Resolved: (Deputy Mayor Gallagher/Cr Bunting)

That the Council approves the **Traffic offences – red light running** remit be **supported** by Council's delegate at the 2019 Local Government NZ AGM.

Resolved: (Cr Henry/Cr Bunting)

That the Council approves the **Nitrate in drinking water** remit be **supported** by Council's delegate at the 2019 Local Government NZ AGM.

Those for the Motion:

Deputy Mayor Gallagher, Councillors
O'Leary, Macpherson, Bunting, Pascoe,
Henry and Taylor.

Those against the Motion:

Mayor King, Councillors Mallett, Tooman
and Southgate.

The Motion was declared CARRIED.

Resolved: (Cr Macpherson/Cr Southgate)

That the Council approves the **Social housing** remit be **supported** by Council's delegate at the 2019 Local Government NZ AGM.

Mayor King and Cr Mallett Dissenting.

Resolved: (Cr Taylor/Cr Southgate)

That the Council approves the **Procurement** remit be **supported** by Council's delegate at the 2019 Local Government NZ AGM.

Mayor King and Cr Bunting Dissenting.

Resolved: (Cr Southgate/Mayor King)

That the Council approves the **Sale and Supply of Alcohol Act** remit be **supported** by Council's delegate at the 2019 Local Government NZ AGM.

Cr Mallett Dissenting.

Resolved: (Cr Southgate/Cr Pascoe)

That the Council approves the **Climate Change – funding policy framework** remit be **supported** by Council's delegate at the 2019 Local Government NZ AGM.

Those for the Motion:

Deputy Mayor Gallagher, Councillors
O'Leary, Macpherson, Bunting,
Southgate, Henry and Taylor.

Those against the Motion:

Mayor King, Councillors Mallett, Tooman
and Pascoe.

The Motion was declared CARRIED.

Resolved: (Mayor King/ Deputy Mayor Gallagher)

That the Council approves the **Mobility scooter safety** remit be **supported** by Council's delegate at the 2019 Local Government NZ AGM.

Mayor King Dissenting.

Resolved: (Cr Macpherson/Cr Bunting)

That the Council approves the **Resource Management Act** remit be **not supported** by Council's delegate at the 2019 Local Government NZ AGM.

Cr Pascoe Dissenting.

Resolved: (Deputy Mayor Gallagher/Cr Macpherson)

That the Council approves the **Mayor decision to appoint Deputy Mayor** remit be **not supported** by Council's delegate at the 2019 Local Government NZ AGM.

Cr Bunting Dissenting.

Following the above item, the meeting continued with item 10 (Proposed Plan Change 6 – Regulatory Efficiency and Effectiveness Plan Change).

10. Proposed Plan Change 6 – Regulatory Efficiency and Effectiveness Plan Change (Continued)

Motion: (Mayor King/Deputy Mayor Gallagher)

That the Council:

- a) approves staff to begin pre-notification consultation with the community on creating an additional REEP related plan change to give effect to REEP to enable apartments as restricted discretionary activities where the site adjoins publicly owned sport, recreation and neighbourhood open space zones, or on sites adjoining publicly owned natural open space zones that adjoin the mainstem of the Waikato River or Lake Rotoroa; and
- b) requests staff undertake planning and infrastructure capacity analysis to determine the feasibility of enabling apartments as restricted discretionary activities in the general residential zone where the sites are opposite (i.e located directly across a public street) publicly owned sport, recreation and neighbourhood open space zones, or on sites opposite publicly owned natural open space zones that adjoin the main stem of the Waikato River or Lake Rotoroa.

Amendment: (Cr Macpherson/Cr O'Leary)

That the Council approves staff to begin pre-notification consultation with the community on creating an additional REEP related plan change to give effect to REEP to enable apartments as restricted discretionary activities where the site adjoins, or is immediately across the carriageway from, publicly owned sport, recreation and neighbourhood open space zones, or on sites adjoining publicly owned natural open space zones that adjoin the mainstem of the Waikato River or Lake Rotoroa.

The Amendment was put and declared CARRIED.

The Amendment as a Substantive Motion was then put and declared CARRIED.

Resolved: (Cr Macpherson/Cr O'Leary)

That the Council approves staff to begin pre-notification consultation with the community on creating an additional REEP related plan change to give effect to REEP to enable apartments as restricted discretionary activities where the site adjoins, or is immediately across the carriageway from, publicly owned sport, recreation and neighbourhood open space zones, or on sites adjoining publicly owned natural open space zones that adjoin the mainstem of the Waikato River or Lake Rotoroa.

Resolved: (Mayor King/Deputy Mayor Gallagher)

That the Council approves staff to begin pre-notification consultation with the community on creating an additional REEP related plan change to give effect to REEP recommendations that reduce the amount of land required on individual sites for dwellings in the general residential zone, from 400m² to 300m².

Crs Tooman and Southgate Dissenting.

Resolved: (Mayor King/Deputy Mayor Gallagher)

That the Council hears, determines and makes a decision on submissions and matters relating to plan change 6 once notified.

Cr Tooman Dissenting.

Resolved: (Mayor King/Deputy Mayor Gallagher)

That the Council approves public notification of Plan Change 6 – Regulatory Efficiency and Effectiveness Plan Change.

13. Extension of Chief Executive Delegations during July 2019

The report was taken as read.

Staff Action: *Staff undertook to ensure staff and other local authorities were notified if there was to be a break in Council and Committee meetings.*

Resolved: (Mayor King/Deputy Mayor Gallagher)

That the Council extends the Chief Executive's current delegations (detailed in the Council's *Delegations to Positions Policy*) to include all of Council's responsibilities, duties, and powers currently retained by Council or delegated to Council's standing committees (except the District Licensing Committee), subject to the following conditions:

- a) the extended delegations will have effect only for the period from 1 July 2019 to 31 July 2019 (extended delegation period);
- b) the extended delegations do not include a delegation of any Council powers, duties and functions which are prohibited by law from delegation - including, without limitation, those set out in clause 32(1) of the Seventh Schedule to the Local Government Act 2002;
- c) the Chief Executive may only exercise the extended delegations for those matters that cannot reasonably wait until the Council meeting and where a Council meeting cannot be convened due to a lack of quorum;
- d) the Chief Executive is not permitted to use the extended delegations in respect of any politically significant matters that require input from Elected Members;
- e) where reasonably practicable, the Chief Executive must, before exercising an extended delegation power, duty or function, consult with the Mayor and/or Deputy Mayor (subject to their availability); and
- f) the Chief Executive must report all matters relating to this extended delegation to the Council at the 8 August 2019 Council meeting.

13. Recommendations from the Growth and Infrastructure Meeting of 18 June 2019

The report was taken as read.

Resolved: (Cr Macpherson/Cr Taylor)

Personal Hire Devices - Permitting Fees and Charges

That the Council approves the proposed fees and charges for 2019/2020:

- a) \$300 annual permit fee;
- b) \$55 per permitted device per 6-month period (for enforcement and management);
- c) a \$10,000 safety program fund per operator, with an understanding that there will be future ongoing funding shared among all operators for Council and user education.

Deliberation and Approval of the Hamilton City Speed Management Plan

That the Council:

- a) approves the Hamilton City Speed Management Plan 2019 [as set out in Item 10 Attachment 1 of the growth and Infrastructure Committee Meeting Agenda of 18 June 2019; and
- b) notes that with the approval of the Hamilton City Speed Management Plan 2019, the 2015 Speed Management Policy be retired.

Business Improvement District Policy Review

That the Council approves the draft Business Improvement Policy with an amendment to one existing term and the insertion of four new terms in the definitions section (Option 1) [as set out in Item 12 Attachment 2 of the Growth and Infrastructure Committee Meeting Agenda of 18 June 2019].

14. Recommendations from the Community, Services and Environment Committee Meeting of 25 June 2019

The report was taken as read.

Resolved: (Cr Southgate/Cr Henry)

Parks, Domains and Reserves Bylaw 2019

3. That the Council approves the Parks, Domains and Reserves Bylaw 2019 [as set out in Item 11 [Attachment 1 of the Community, Services and Environment Committee agenda of 25 June 2019] noting the follows minor amendments:

- i. removal of the hawking definition as hawking is covered under the existing clause 6.21 that restricts commercial activity without the permission of the Council.
- ii. updating of the wording of the Freedom Camping restriction #1 in Schedule B to read 'self-contained vehicle' in place of 'motor caravan' for sake of clarity.

15. Prostitution Bylaw Review - Determination and Consultation

The report was taken as read.

Resolved: (Cr Macpherson/Mayor King)

That the Council, further to its resolution of 14 March 2019:

- a) determines that the Bylaw is not inconsistent with the New Zealand Bill of Rights Act 1990 and; and
- b) approves public consultation for one month from 1 July 2019 to 1 August 2019 on the attached Statement of Proposal (Attachment 1) on the proposed continuation of the Bylaw; and
- c) notes that the consultation document will be updated to reflect more detailed map.

18. Submission on Road Safety Strategy consultation document (*Late report*)

The report was taken as read.

Resolved: (Cr Macpherson/Mayor King)

That the Council:

- a) receives the report;
- b) requests Councillors Macpherson, Tooman and Bunting work with staff on the preparation of the Hamilton City Hamilton City Council submission on the 2020 Road Safety Strategy consultation document; and
- c) delegates authority to the Chief Executive to approve the final submission on the 2020 Road Safety Strategy consultation document.

19. Submission onto the Select Committee on Zero Carbon bill (*Late report*)

The report was taken as read.

Resolved: (Mayor King/Cr Macpherson)

That the Council:

- a) receives the report;
- b) approves Hamilton City Council's Draft 1 submission to the New Zealand Government's Climate Change Response (Zero Carbon) Amendment Bill; and
- c) notes that any supplementary submission points will be considered as part of the 'Climate Change' report at the Council Meeting on 8 August 2019

Cr Mallett Dissenting.

20. Chair's Report (Late Report)

Mayor King and Cr Taylor provided a verbal report to Elected Members concerning their recent trip to Chengdu.

Resolved: (Mayor King/Cr Taylor)

That the Council receives the verbal report.

Cr O'Leary retired from the meeting (2.51pm) during the discussion of the above item. She was not present when the matter was voted on.

17. Resolution to Exclude the Public

Resolved: (Mayor King/Deputy Mayor Gallagher)

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. Prostitution Bylaw Review - Legal Update) Good reason to withhold information exists under) Section 7 Local Government Official Information and Meetings Act 1987	Section 48(1)(a)
C2. Confirmation of the Council Public Excluded Minutes - 30 May 2019		
C3. Confirmation of the Elected Member Briefing Closed Notes - 30 May 2019		
C4. Confirmation of the Elected Member Briefing Closed Notes - 13 June		

2019

- C5. Hamilton Gardens
Development Project
Governance Group -
Appointee
Recommendations
- C6. Hamilton City
Council/Waikato District
Council growth
discussions update
- C7. CE Report on Legal
Services
- C8. Verbal Report from the
Chair of the CEO Review
Committee
- C9. Recommendations from
the Community, Services
and Environment
Committee Meeting of 25
June 2019
- C10. Release of Public Excluded
Report and Resolution -
Municipal Endowment
Fund - Ward Street
- C11. Refuse Transfer Station
and Hamilton Organic
Centre Report

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 maintain legal professional privilege	Section 7 (2) (g)
Item C2.	to prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (j)
Item C3.	to prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (j)
Item C4.	to prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (j)
Item C5.	to protect the privacy of natural persons	Section 7 (2) (a)
Item C6.	to enable Council to carry out negotiations	Section 7 (2) (i)
Item C7.	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 C8.	to protect the privacy of natural persons	Section 7 (2) (a)
Item C9.	to enable Council to carry out negotiations	Section 7 (2) (i)
Item C10.	to enable Council to carry out commercial activities without disadvantage	Section 7 (2) (h)
Item C11.	to maintain legal professional privilege	Section 7 (2) (g)
	to enable Council to carry out commercial activities without disadvantage;	Section 7 (2) (h)
	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) (c)(ii)

The meeting went into a public excluded session at 2.58pm.

During the Public Excluded Session of the meeting the following resolutions and information were resolved to be released to the Public.

Item C6: Hamilton City Council/Waikato District Council growth discussions update

That the Council:

- a) receives the report; and
- b) notes that there are ongoing discussions with Waikato District Council on growth matters and collaborative opportunities;
- c) approves the draft agreement for library services between Waikato District Council and Hamilton City Council for a three-year term commencing 1 July 2019 (attachment 5 of this report);
- d) delegates authority to the Chief Executive to finalise and execute the agreement for library services between Waikato District Council and Hamilton City Council;
- f) notes that the Cr O’Leary is unable to participate in the Governance meetings with Waikato District Council and Waipa District Council on growth matters and collaborative opportunities;
- g) appoints Councillor Pascoe as the replacement Hamilton Elected Member representative to participate in the Governance meetings (together with the Mayor, Chair of Growth and Infrastructure Committee, CE and/or his nominees); and
- h) approves this resolution and a summary of the draft agreement for library services from the report to be made public (**please see the following media release** <https://ourhamilton.co.nz/community-environment/library-agreement-reflects-councils-collaboration>).

Item C7: CE Report on Legal Services

That the Council

- a) receives the report;
- b) approves a renewal term for the legal services agreement between the Council and Tompkins Wake commencing on 1 October 2019 and expiring on 30 September 2021, subject to such amendments as the Chief Executive deems necessary to reflect the loss of key personnel and capability at Tompkins Wake;
- c) delegates to the Chief Executive responsibility for securing a separate legal services agreement between the Council and its existing barrister Lachlan Muldowney from 1 October 2019 until 30 September 2024, being a three year contract with a renewal period for a further two years; and

- d) approves the release of the above resolution to the public as part of the open minutes of this meeting.

Recommendations from the Community, Services and Environment Committee Meeting of 25 June 2019

That the Community, Services and Environment Committee:

- a) receives the report;
- b) recommends the Council delegates authority to the Chief Executive to negotiate an agreement with Kirkdale Investment Ltd within the project budget and current delegations [REDACTED]

[REDACTED]

noting that if any items fall outside this delegation, staff will report back to the Council on those items.

- c) approve staff tender for potential pool partners and report back to Council by February 2020;
- d) approves the approach for implementation of the Rototuna Village community facilities outlined in the report; and
- e) approves the report be made public following approval by the Council (**Appendix 1**) with the highlighted text removed.

Item C10: Release of Public Excluded Report and Resolution - Municipal Endowment Fund - Ward Street

That the Council:

- a) receives the report; and
- b) approves the release of the report and resolutions from 13 November 2018 Council Meeting: Item C6 'Municipal Endowment Fund – Ward Street' (**Appendix 2**) to the public;
- c) notes details concerning the market value of the land and sale proceeds will be redacted from the report prior to its release.

Item C11: Refuse Transfer Station & Hamilton Organic Centre - Proposed Increase of Gate Fees 2019/20

That the Council

- b) approves the increase in Hamilton Organic Centre gate fees proposed by Waste Management to be implemented 1 July 2019 and declines the opportunity to offer a Council funded subsidy of the Hamilton Organic Centre gate fees; and
- e) approves the release of resolution b) above to the public following the meeting.

The meeting was declared closed at 5.31pm.

Council Report

Committee: Community, Services and Environment Committee

Date: 25 June 2019

Author: Natasha Ryan

Authoriser: Lance Vervoort

Position: Key Projects Programme Manager

Position: General Manager Community

Report Name: Rototuna Village - Implementation Approach

Report Status	<i>This report is taken as a publicly excluded item to enable Council to carry out negotiations.</i>
----------------------	--

Purpose

1. To seek approval of the proposed approach for implementation of the Rototuna Village community facilities and to obtain delegation to reach agreement with Kirkdale Investments Ltd.

Staff Recommendation *(Recommendation to Council)*

That the Community, Services and Environment Committee:

- a) receives the report
- b) recommends the Council delegates authority to the Chief Executive to negotiate an agreement with Kirkdale Investment Ltd within the project budget and current delegations

noting that if any items fall outside this delegation, staff will report back to the Council on those items.

- c) approve staff tender for potential pool partners and report back to Council by February 2020;
- d) approves the approach for implementation of the Rototuna Village community facilities outlined in the report; and

Appendix 1

- e) approves the report be made public following approval by the Council (attached as Appendix 1 to the minutes) with the **highlighted** text removed.

Executive Summary

2. Further work has been undertaken on the Rototuna Village Implementation Plan and this report sets out the key issues that the Committee needs to be aware of.
3. There are a number of projects which are outside of the library, pool and car parking which influence the success of the town centre (refer **paragraph 14**). These will be managed as part of a Rototuna Village programme.
4. In order to progress the pool partner tender and the resource consent in a timely manner, it is necessary to reach agreement with Kirkdale Investment Ltd on a number of matters [REDACTED]
[REDACTED] For this reason, staff recommend that the Chief Executive is delegated authority to negotiate this agreement with Kirkdale Investments Ltd. [REDACTED]
[REDACTED]
[REDACTED]
5. [REDACTED]
[REDACTED]
[REDACTED]
6. Elements of this report are provided in confidence because they may impact negotiation with potential partners. Such text is highlighted **as shown**, and it is recommended that this report be made available to the public with the highlighted text removed following this meeting.
7. Staff consider the matters in this report have a medium significance and that the recommendations comply with the Council's legal requirements.

Background

8. The Council made provision in the 2018 – 2028 10 Year Plan to plan, build and operate a community hub (with a library and community meetings space), carparks (with 2 hours free parking) and public square in the Rototuna Town Centre; and to select a private partner to construct and operate a 25-metre swimming pool including at minimum, a Learn to Swim facility.
9. Funding of \$19.6 million (including inflation) has been allocated over financial years 2019/20 to 2021/22.
10. The following briefings and reports have been held with Committee Members:
 - a) 15 March 2018: briefing on background, overview and next steps for the Rototuna Town Centre Comprehensive Development Plan – Area A;
 - b) 12 June 2018: briefing on scope and proposed process for establishing options and feasibility for the community facilities within the Rototuna town centre;
 - c) 25 October 2018: briefing on placemaking and appetite for partnering;
 - d) 29 November 2018: briefing on assessment criteria;
 - e) 19 February 2019: Community, Services and Environment Committee (CSE) agreed two options for community engagement
 - f) 30 April 2019: briefing on implications of the community engagement feedback.
 - g) 14 May 2019: CSE regarding the option to progress.

Appendix 1

11. The 14 May 2019 CSE approved the option shown below for planning project implementation, including initiation of negotiation with the developer and potential private partners; staff were requested to consider the transport needs of workers and residents; and to include potential for mixed use residential in negotiations with the developer



Discussion

12. The following sections summarise the approach proposed for implementation of the Rototuna Village library, community hub, village square and car parks.

Interdependent Projects

13. The success of the Rototuna Village is dependent upon the following related projects and activities:

Project/activity	Critical?	Third Party dependent
a. Road extensions to Bourn Brook and Turakina Rise: This is ideally undertaken in the short term to enable construction of the library and to create a behaviour change for vehicles to bypass the main street.	Yes – prior to North City upgrade	Developer: Kirkdale WEL/Transpower
b. North City Road (Park lane to Bourn Brook upgrade): design and construction	Yes – prior to library opening	Developer: Kirkdale
c. Pedestrian crossings and walking network, provides connectivity for schools and the community – particularly Borman Road, Fergy Place and Park Lane	Recommended	Multiple developers

Appendix 1

Project/activity	Critical?	Third Party dependent
d. Cycle network connections: to the wider network	Recommended	Multiple developers
e. Transport hub: land purchase	Recommended	Land owner: Kirkdale
f. Transport hub: development	No - Demand driven	Waikato Regional Council
█ ████████████████████	████████████████████	████████████████████

14. For **a.** and **b.** above the funding arrangements relating to construction and land requirements will be confirmed through a Private Developer Agreement (PDA).

15

16. In order to ensure that the above are co-ordinated with the development of the library, pool and carparks, all of these projects, including the community facilities will be managed as a single programme reporting to the Rototuna, Rotokauri, Ruakura Capital Steering Group. This steering group is part of Council's internal programme management system reporting up into the Capital Investment Board (and on to the Finance Committee).

Kirkdale Negotiations

17. Negotiations have commenced with Kirkdale Investments Ltd (Kirkdale, **██████████**)

Appendix 1

18. An agreement must be reached with Kirkdale Investments Ltd in order to provide adequate certainty to pool tenderers. [REDACTED]
- [REDACTED]
- [REDACTED]

Resource Consent

25. An assessment against the existing consent indicates that generally Rototuna Revisited should be able to meet or improve upon the previous consented design, as was intended.
26. The following are areas where there remains some concern which cannot be fully mitigated at present:

Appendix 1

- a) The previous consent envisaged an aquatic facility that will be a landmark building. There remains uncertainty at this point in time regarding whether the pool tenders are able to adequately address this issue.
- b) The inclusion of mixed use residential will likely necessitate a new consent, rather than a variation to the previous consent. This presents increased risk (to time, cost and outcome) as even previously consented activities may be re-litigated.
- c) The previous consent required the applicant to prove that adequate parking was provided. Now that a preferred option has been developed work on gathering this evidence is underway – it is however not yet complete. This work also addresses the Council's request to consider worker and resident transport needs.

Play Spaces

27. The impact of Rototuna Revisited has been assessed against the Playground Development Programme. The conclusion is that it aligns with the vision and outcomes and does not result in a disproportionate level of provision for the north east. In fact, it responds to the identified need for skate provision in the area.

Financial Considerations

28. The 2018-2028 Long Term Plan allows \$19.6m capital expenditure. The consultant team have estimated the capital costs for Rototuna Revisited in the table below (note these are subject to change as design develops). The consultant team believe that sufficient budget has been allowed for key items, including:
- a) an average of 15% contingency appropriate for this stage of planning;
 - b) 8.26% escalation to third quarter 2021; and
 - c) increased provisions to account for some internal project management, legal, extra planning and consenting, and commercial investment tender and negotiation costs.
29. The following table provides an updated estimate of costs associated with the Rototuna Village Community Facilities' components:

Item	Capital Cost
Library & Community Hub Building	\$10,862,000
Library & Community Hub Fitout	\$522,000
Village Square	\$1,989,000
Car Park	\$1,575,000
Active Recreation	\$1,332,000
Park Connections including Toilet	\$2,188,000
Public Artwork	\$0
Consenting: RMA & Building	\$243,000
PM, Legal, Community Engagement	\$891,000
TOTAL	\$19,602,000

30. Note that public art is not funded. This is recommended to respond to the community's feedback around creating a sense of place and arrival.

Appendix 1

31. The following table shows the proposed revised costs over the allocated years:

Item	FY2019/20	FY2020/21	FY2021/22	Total Capital
Rototuna Revisited	\$1,442,000	\$1,805,000	\$16,355,000	\$19,602,000
As per 10 Year Plan	\$1,405,400	\$9,743,400	\$8,489,200	\$19,638,000

Programme Outline

32. The following programme gives an indication of the expected programme. It may change as project planning becomes more developed:

Item	2019		2020				2021				2022			
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
LAND SWAPS AND LEGAL														
Kirkdale Agreement														
Pool Investor Tender														
Report to Council on Pool Tender														
Pool Investor Negotiation & Agreement														
RMA CONSENTING														
Consent Preparation														
Consent Processing														
VILLAGE CENTRE DESIGN & CONSTRUCTION														
Library & Hub Design Brief														
Detailed Design														
Engagement: Target Groups														
Report to Council on Design/Tender														
Construction Part 1: Roading & Services Infrastructure														
Construction Part 2: Town Square, Active Rec, etc														
POOL COMMERCIAL DEVELOPMENT DESIGN AND CONSTRUCTION														
Indicative Design, Consenting & Approvals Period														
Indicative Construction Period														
PROGRAMME CONTINGENCY														

33. In order to meet a targeted opening of 2022, the programme is quite constrained, which results in a number of risks including:
- Design is forced to progress during the RMA consent period. This may result in otherwise avoidable time and cost if issues arising as a result of the consent process.
 - Given the consenting, complexity and duration of the programme, there is not a lot of contingency allowed for in the programme.

Appendix 1

Legal and Policy Considerations

34. Staff confirm that the approach outlined in this report complies with the Council's legal and policy requirements.

Cultural Considerations

35. Ngati Wairere is the hapu most closely associated with the area, with their current marae situated in Hukanui.
36. The Rototuna area was once the bed of an ancient lake of which Lake Rototuna (eel lake) is a tiny remnant. This area is remembered by tangata whenua as a favourite place for eeling.
37. The project team are engaging with Ngati Wairere through Te Haa o te Whenua o Kirikiriroa and intend to continue to do so on a regular basis throughout the design development. At this stage Waikato Tainui have indicated that they are happy to keep their involvement in the project to one that provides support to Te Haa o te Whenua o Kirikiriroa.
38. On 1 May 2019, Te Haa o te Whenua o Kirikiriroa agreed that with respect to Rototuna Revisited (as shown in **Attachment 1**), they support where the design has got to and are comfortable to contribute to the ongoing development of the Rototuna Village Community Facilities project.
39. The design will be guided by the Te Aranga Principles (with a small variation at the request of Te Haa o te Whenua o Kirikiriroa) and engagement is planned to continue throughout the design process.

Sustainability Considerations

40. As mentioned in the 14 May 2019 report to CSE, Rototuna Revisited supports the sustainability principles outlined in the table below (there is no change identified from subsequent work).

Sustainability Principle Number	Sustainability Principle Description	Why the Principle is supported by the Decision
1	Council includes environmental, economic, social, and cultural considerations in its decision-making criteria	Rototuna Revisited is including each of these elements in its design parameters
5	Council promotes walking, cycling, public transport and other low carbon transport options	Rototuna Revisited is expected to provide better than typical outcomes for these alternative transport modes.

Appendix 1

Risks

41. The following table outlines the key risks and issues that have been identified with Rototuna Revisited, along with the proposed mitigation:

Risk / Issue	Proposed Mitigation
ii. Rototuna Revisited may require a variation or new resource consent (with associated increased risks).	Clear communication with stakeholders and the public regarding this risk. Design adjustments continue to be considered with planning advice to minimise potential delays. Allow for mixed use to be withdrawn from the current consent process if it puts the 2022 completion date at risk. It may be revisited separately.
iii. Potential for actual costs to exceed budget	Reasonably foreseeable costs have been allowed for within the capital cost estimates (outlined in paragraph 29). These measures do not preclude unreasonable or unforeseeable situations impacting actual costs.
iv. The success of the Rototuna Town Centre is dependent upon a number of interdependent projects for which implementation has not fully been agreed or	A programme approach is proposed for managing all the projects which influence the delivery of the Community Outcomes in the Rototuna village.

Appendix 1

Risk / Issue	Proposed Mitigation
vi. Programme does not have a lot of contingency given the consenting, complexity and duration AND design progresses alongside consenting.	<p>Proposed programme steering group will help to manage this risk.</p> <p>Pursue capable and experienced people to manage the delivery of the programme.</p>

Significance & Engagement Policy

Significance

42. 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 medium level of significance.

Engagement

43. Community views and preferences are already known to the Council through previous engagement undertaken with key stakeholders (refer 14 May 2019 report to CSE).
44. Given the medium level of significance determined, the engagement level is medium. Engagement is required.
45. Further engagement is proposed, particularly as the Village Design Framework is developed and on specific design elements such as:
- a) Library
 - b) Play and recreation
 - c) Placemaking – drawing connections into the landscaping.
46. Generally these will be focussed discussions with special interest groups including tangata whenua, school Boards of Trustees and principals, high school students, community organisations, sports clubs, NECH, walking and cycling groups, local business etc.

Attachments

Attachment 1 - Rototuna Village - Community Facilities Master Plan Design Report

Attachment 2 - Rototuna Village - Land Transfers - **PUBLIC EXCLUDED** .

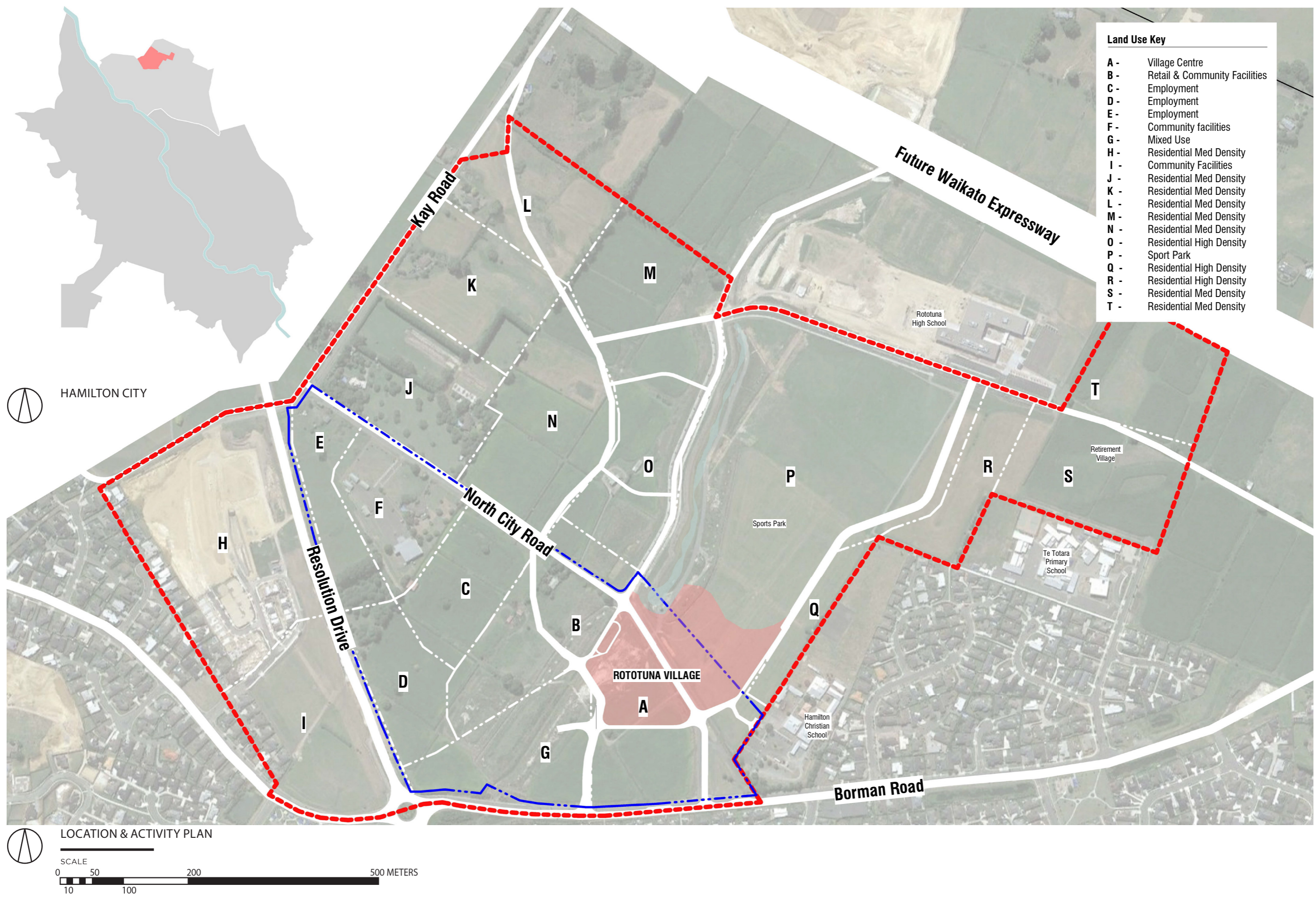
Appendix 1

ROTOTUNA VILLAGE

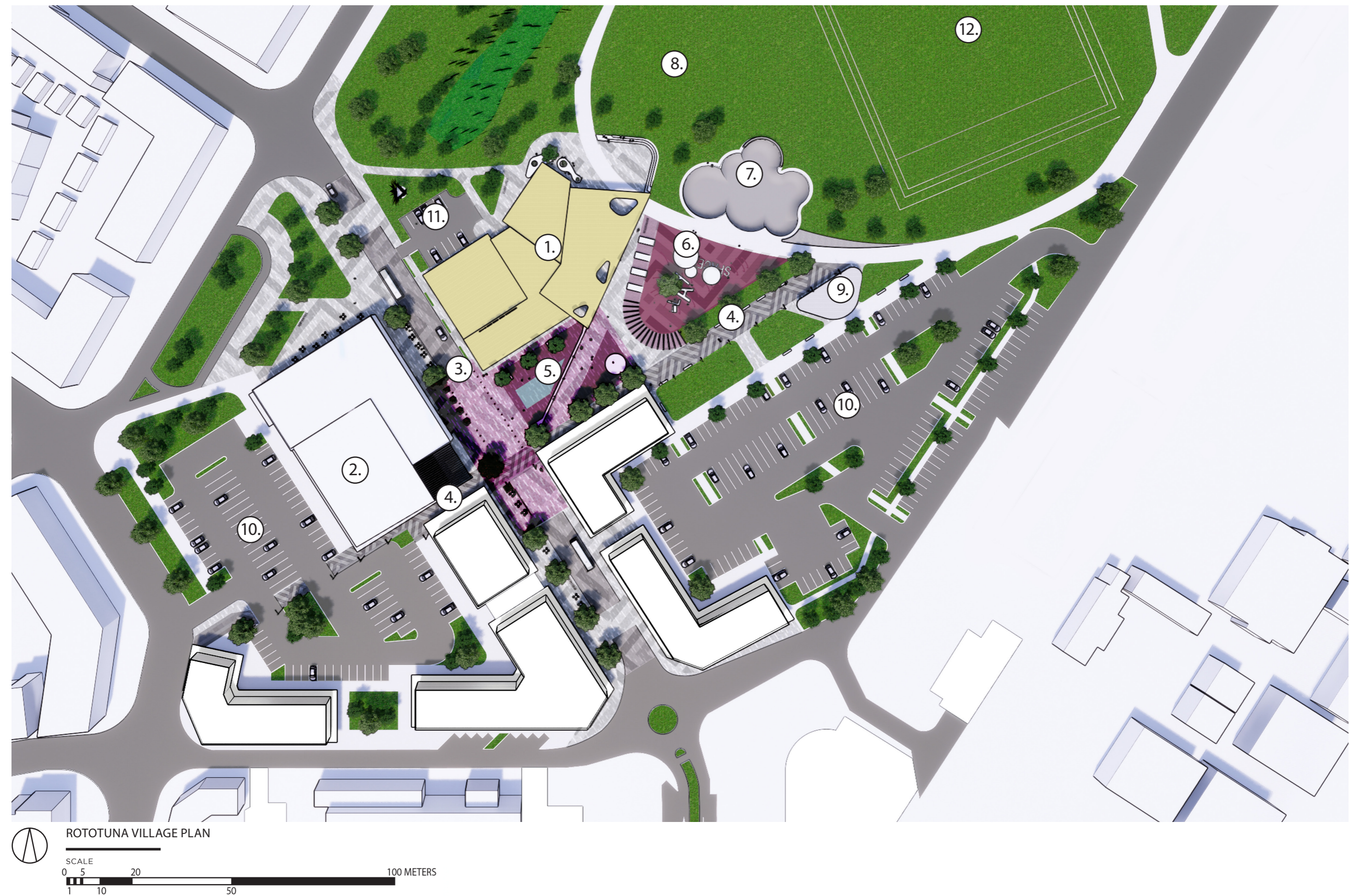
COMMUNITY FACILITIES MASTERPLAN

DESIGN REPORT
MAY 2019

BOON
 **Beca**







KEY COMPONENTS



1 ROTOTUNA COMMUNITY HUB AND LIBRARY

Artist's impression of the new Rototuna community hub and library building. Final design is to be confirmed subject to development of a detailed spatial brief. The new facility may include book collection space, bookable meeting rooms, multipurpose activity spaces, an indoor event hosting space, casual public meetings spaces and quiet reading spaces, along with the potential for a café.



2 POTENTIAL SWIMMING POOL

Artist's impression of a potential privately developed swimming pool building with entrance facing onto North City Road and village square. Final design is to be confirmed subject to agreements with a private developer and pool operator (yet to be confirmed).



3 NORTH CITY ROAD

North City Road from Fergy Place to Bourn Brook Avenue to provide a calmed traffic route through the centre of the Rototuna village. Will be designed to enhance the visual and physical connection between both sides of the road and include opportunities for safe pedestrian crossings and bicycle movement.



4 EAST WEST PEDESTRIAN & CYCLE AXIS

An important pedestrian and cycle connection linking village centre activities and visitor car parking across North City Road and future western commercial development areas to sports park, school and residential areas to east.



5 VILLAGE SQUARE

Village square layout is indicative only. Final design will achieve a flexible open space with opportunities for markets, events, and smaller scale casual and social activities. The open public space may include a water play feature and opportunities to sit, socialise, and play.



6 PLAY SPACE

New play structures and activities to cater to a variety of ages and abilities. To include sculptural elements and other design features that positively contribute to the visual and spatial qualities of public space. Final design to be confirmed.



7 SKATE PARK

New skate, scooter and bike park catering to a variety of ages and abilities. Final design to be integrated with surrounding public space features and landscaping and may include bowl, ramp, and street features



8 VILLAGE GREEN

A passive green space comprising lawn and selected trees to provide enhanced natural and visual amenity linking urban town centre and greater sports park area.

9 PUBLIC TOILET AND SHELTER CANOPY

Public and accessible toilets with integrated weather shelter canopy. Final design to be confirmed

10 MAIN PUBLIC CARPARKING

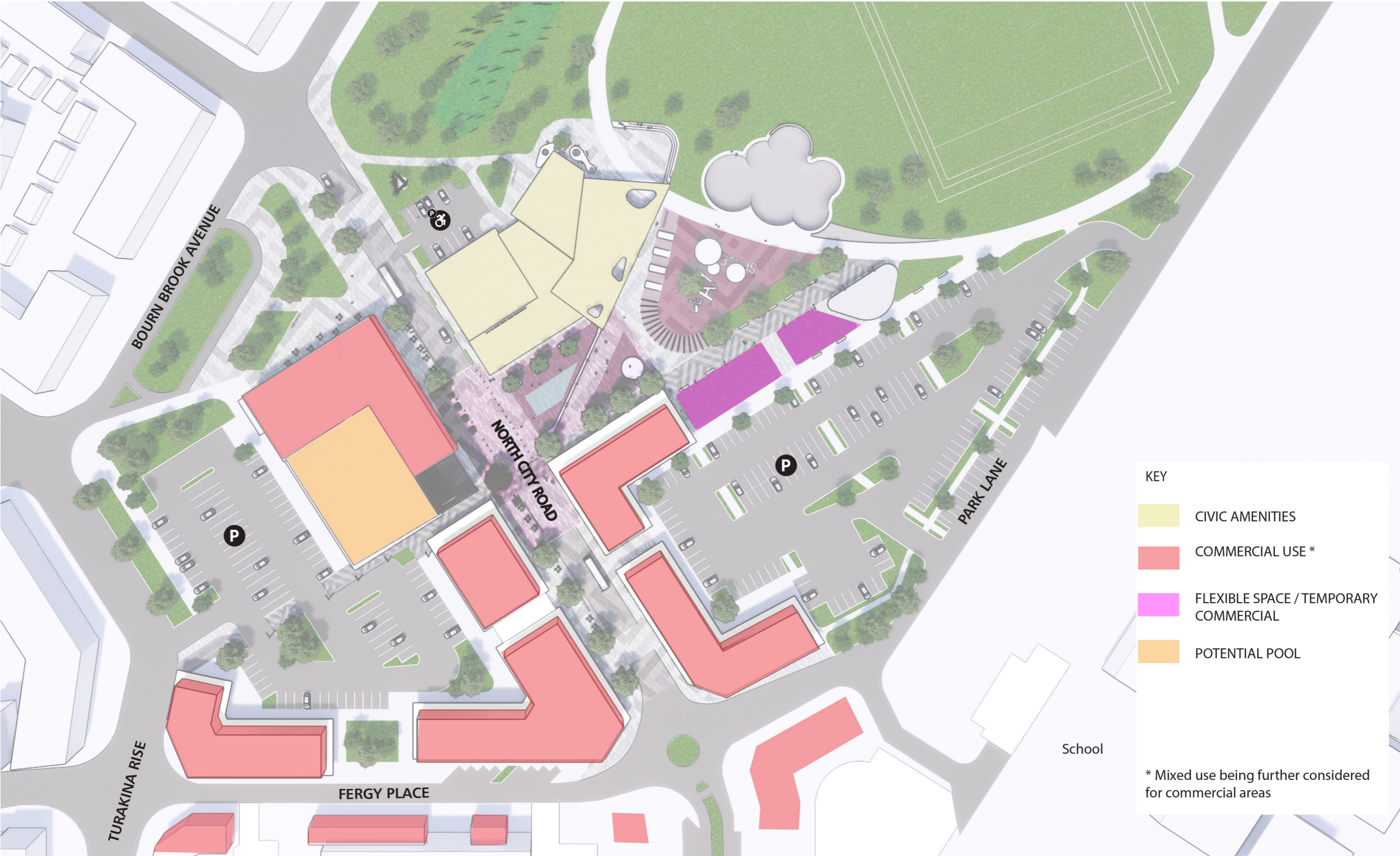
Landscaped public carparking areas servicing village public and commercial activities. Final parking layout and design detail to be confirmed (accessible carparks will be included in these areas).

11 SPECIALISED PARKING

Parking in close proximity to the Rototuna community hub and library for visitors requiring enhanced accessibility.

12 SPORTS PARK

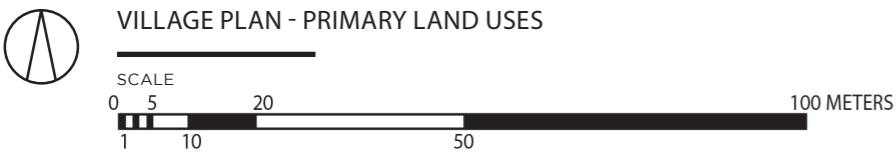
Rototuna Sports Park currently under construction and due for completion July 2019.

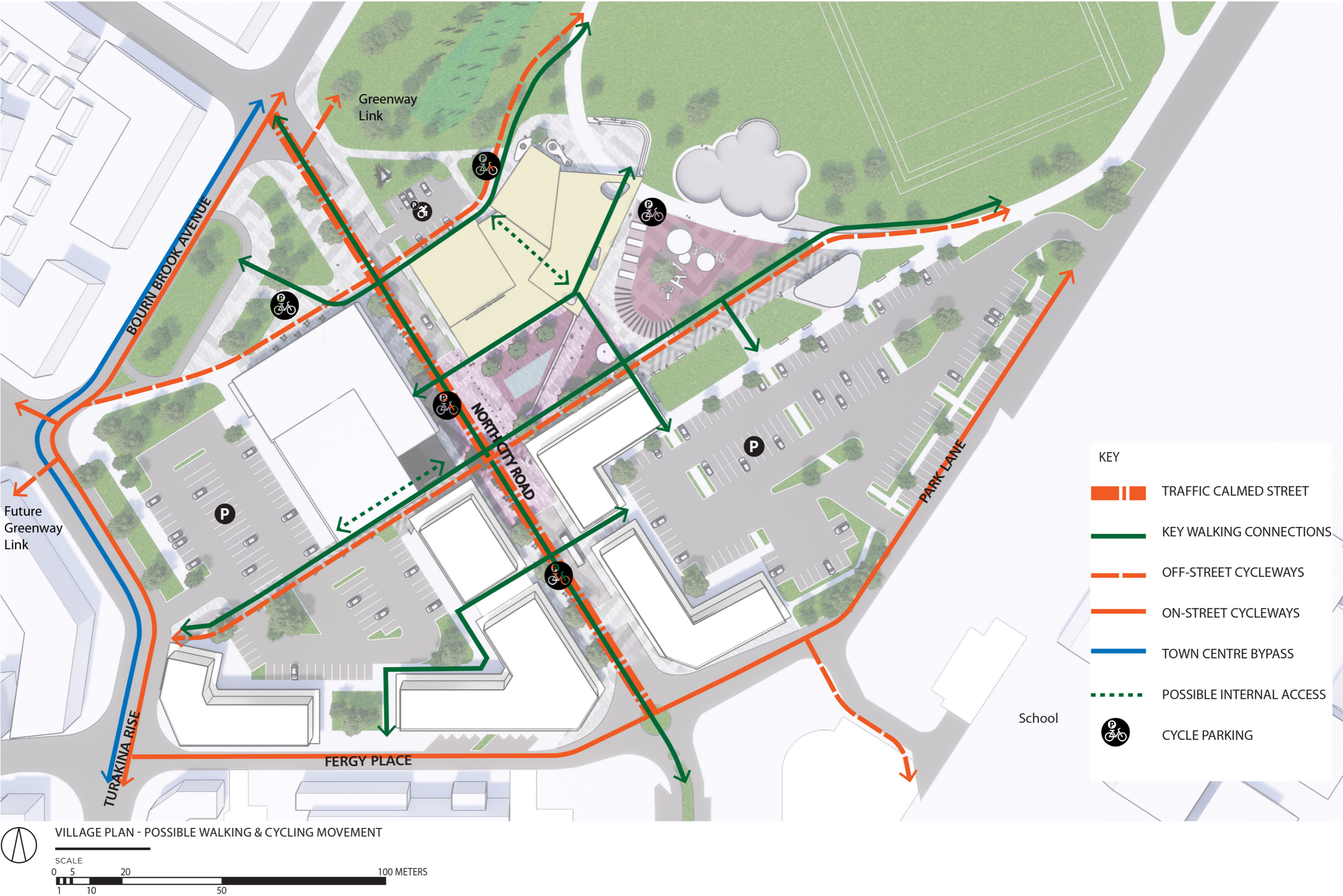


KEY

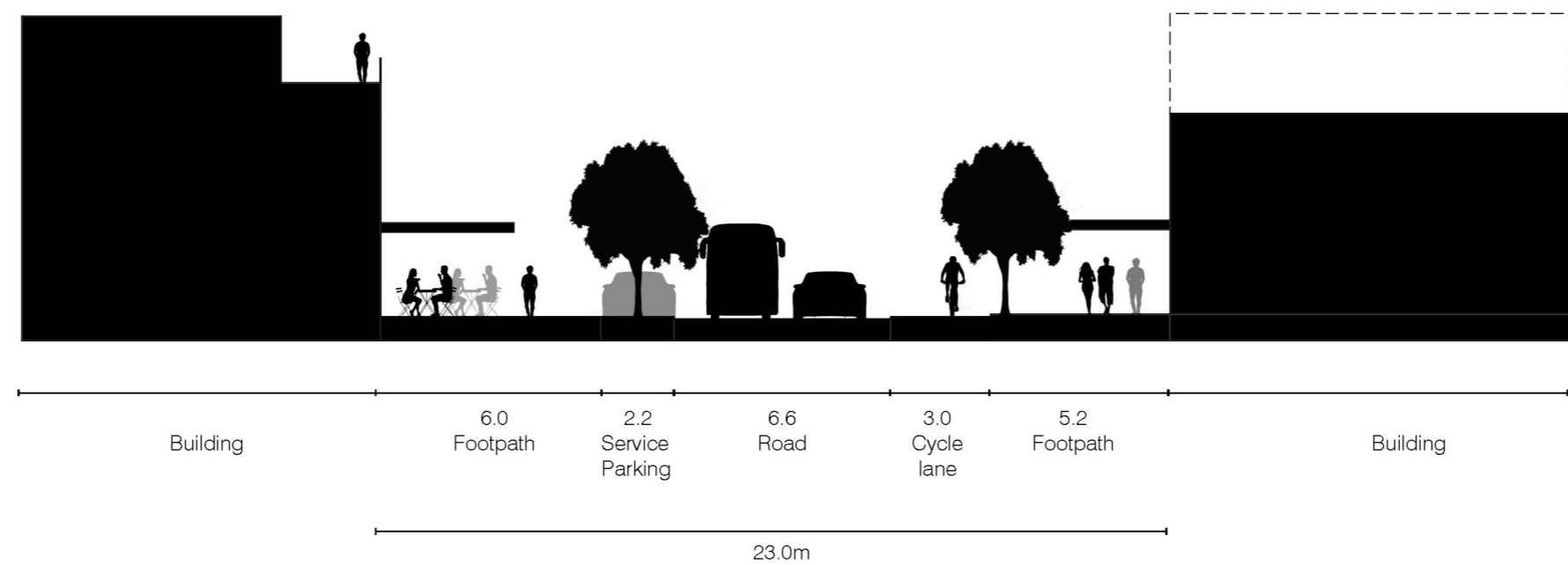
- CIVIC AMENITIES
- COMMERCIAL USE *
- FLEXIBLE SPACE / TEMPORARY COMMERCIAL
- POTENTIAL POOL

* Mixed use being further considered for commercial areas



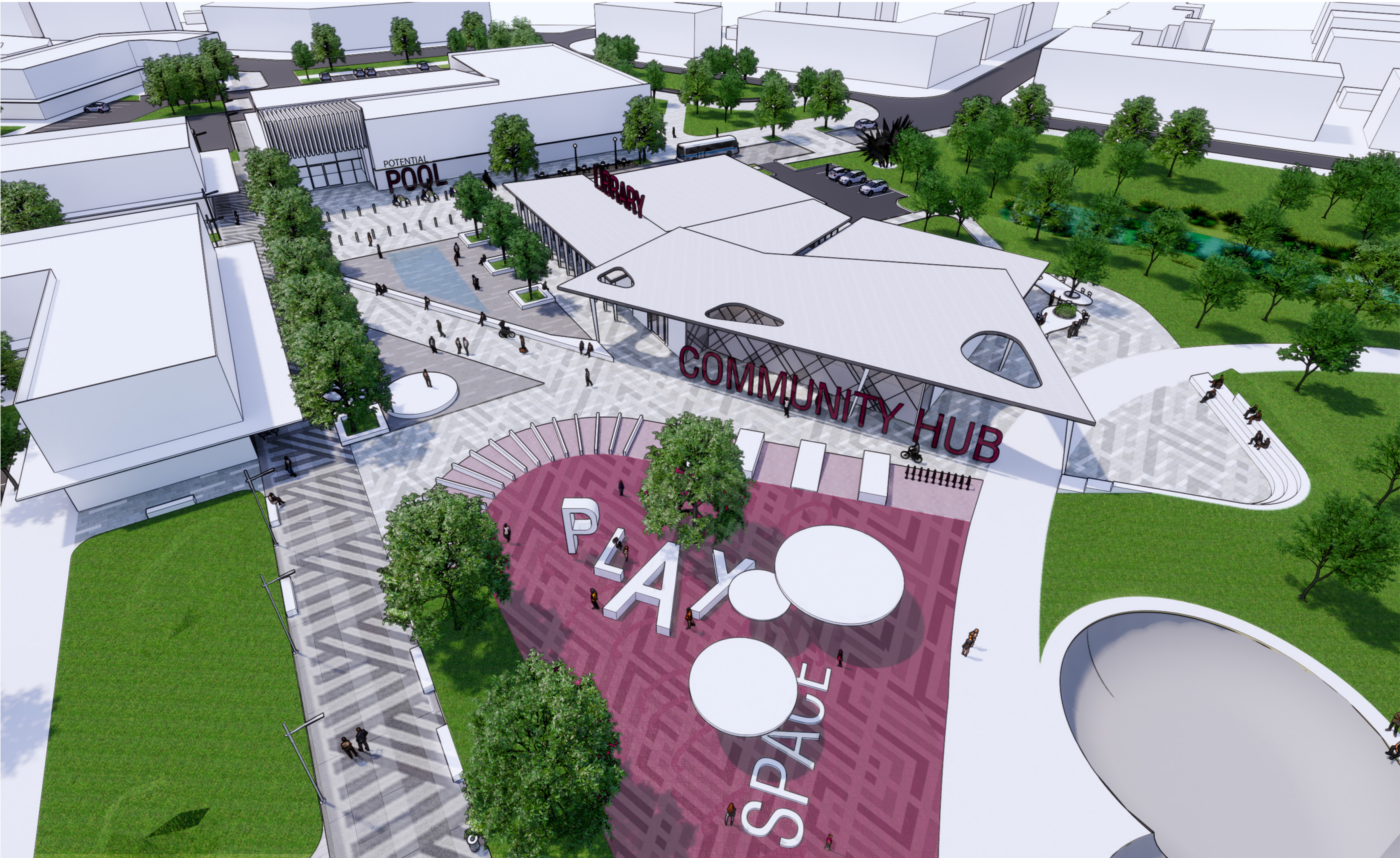


Appendix 1



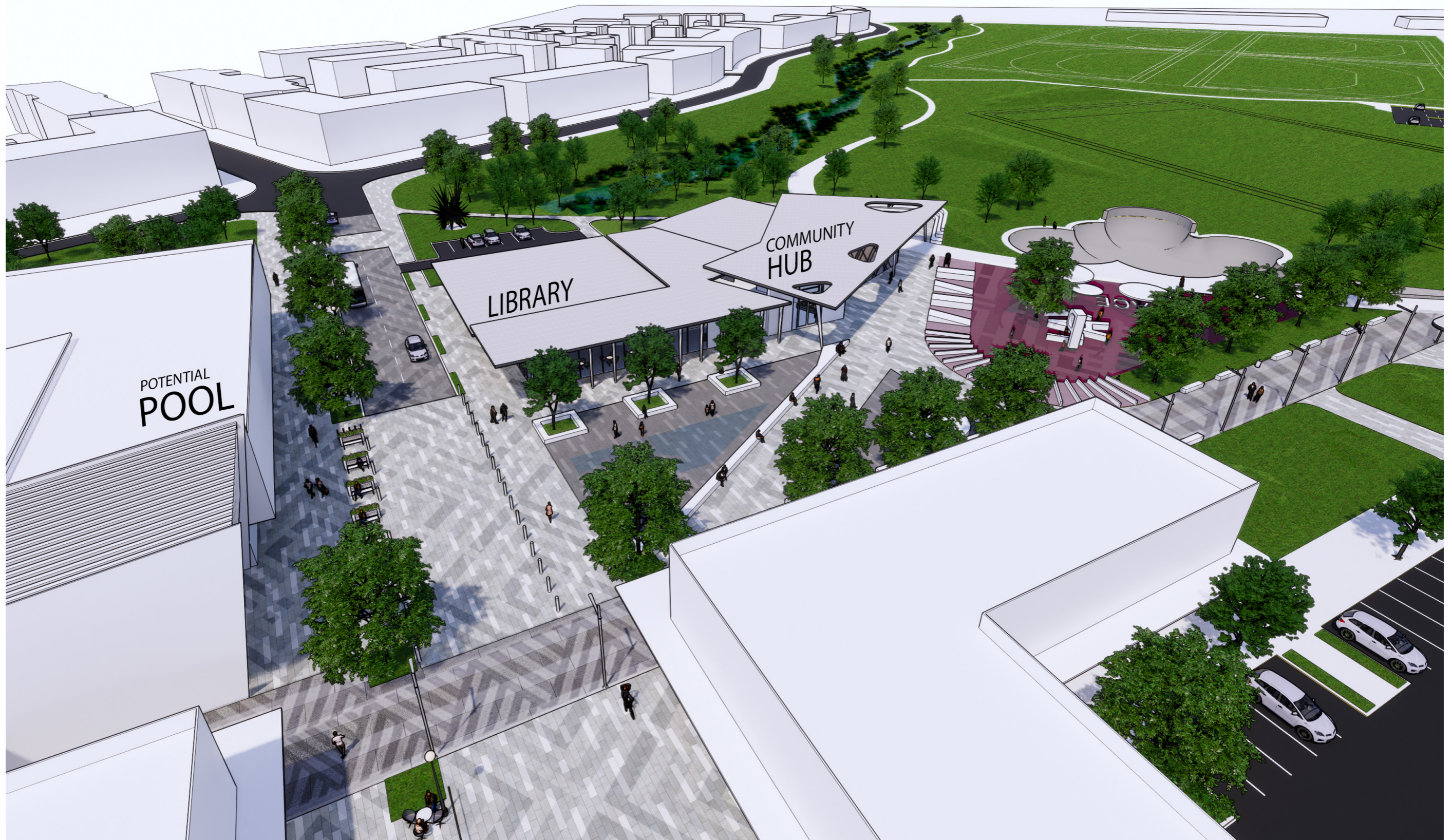
PROPOSED NORTH CITY ROAD SECTION

NOT TO SCALE



3D VIEW 1

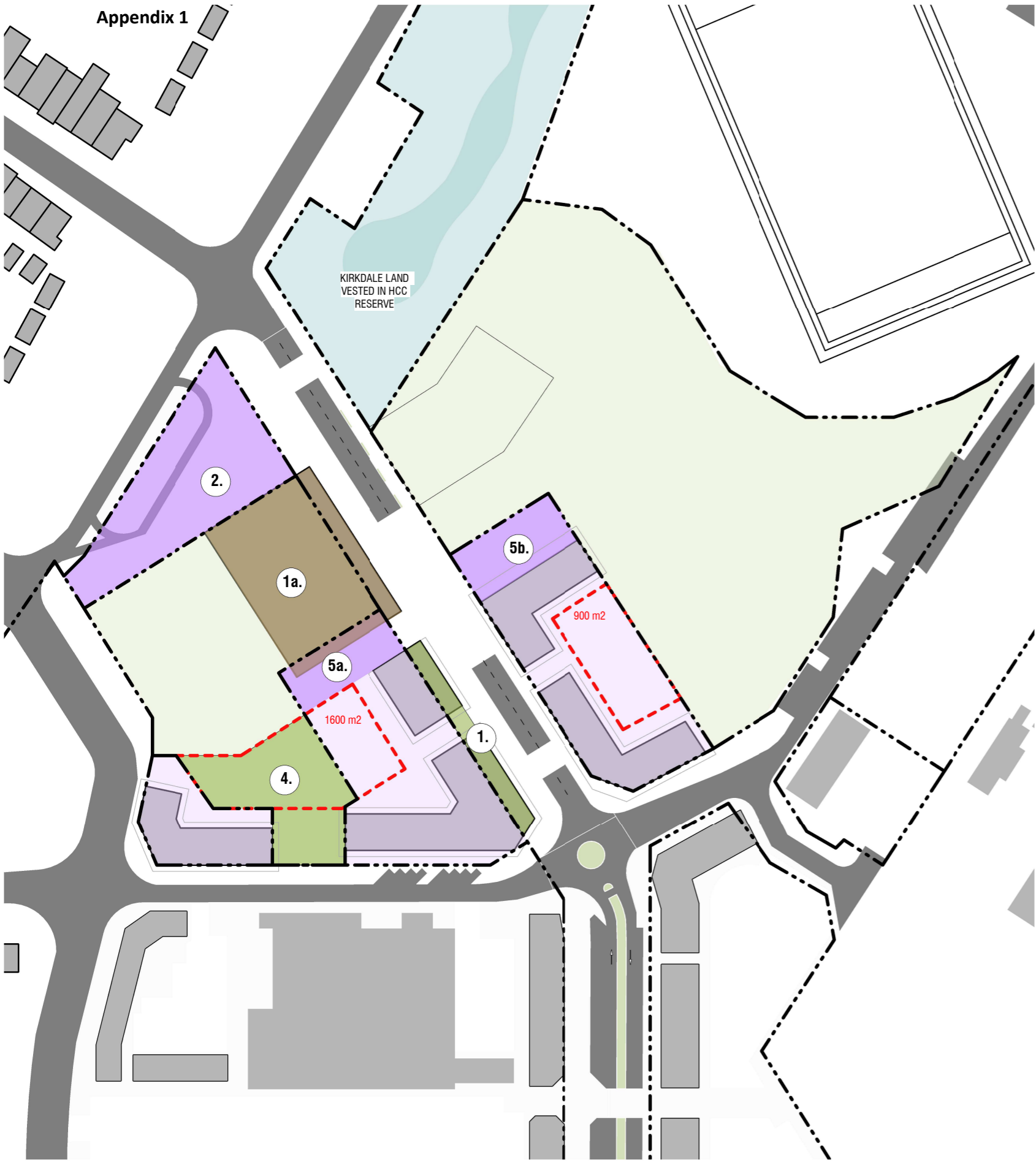
*ARTIST'S IMPRESSION OF COMMUNITY HUB AND LIBRARY BUILDING ONLY. FINAL DESIGN WILL DIFFER



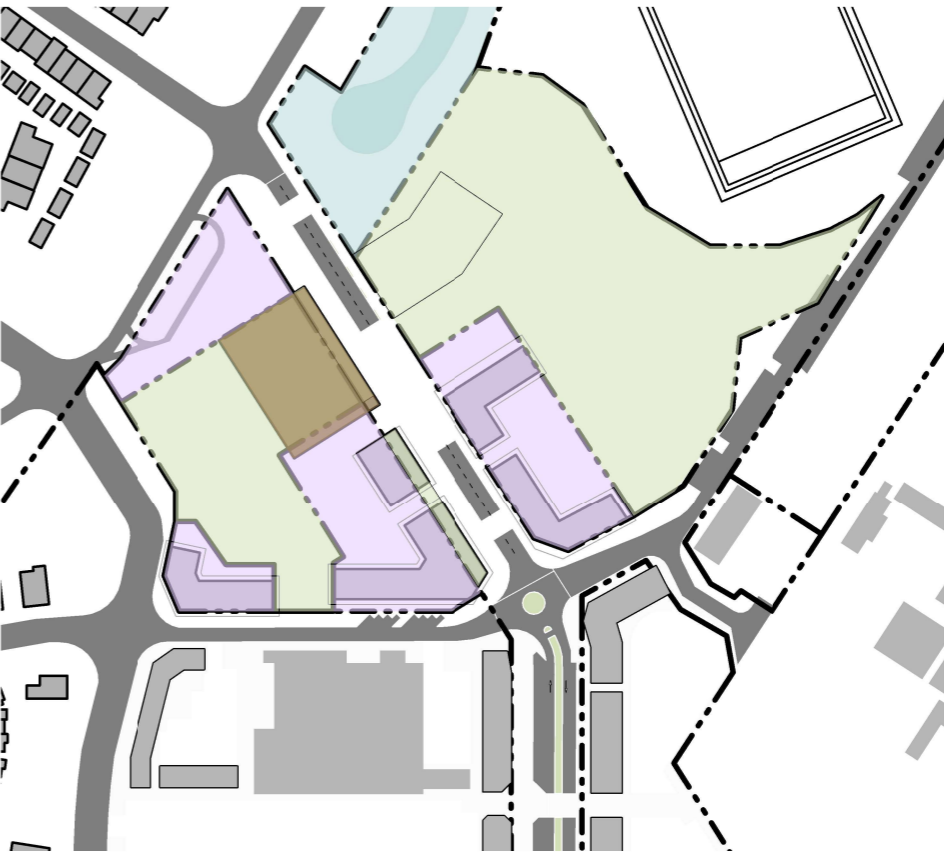
3D VIEW 2

*ARTIST'S IMPRESSION OF COMMUNITY HUB AND LIBRARY BUILDING ONLY. FINAL DESIGN WILL DIFFER

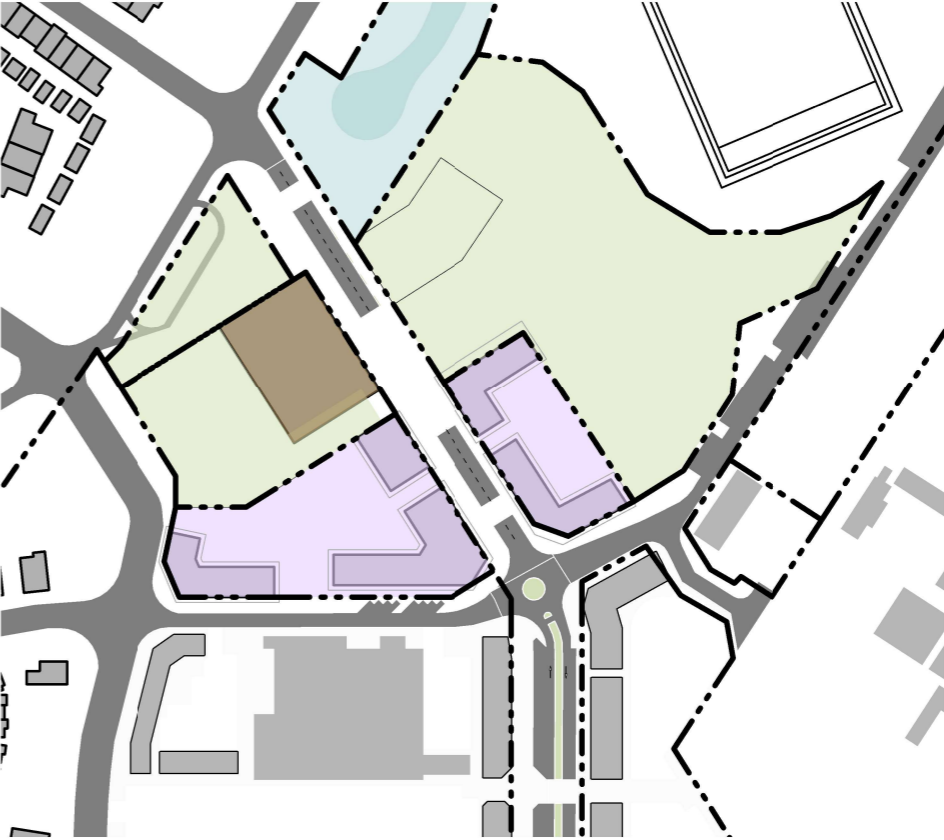
Appendix 1



Proposed Land Transfer Areas
Scale1 : 1500 (A3)





Existing Land Ownership
Scale1 : 3000 (A3)





Proposed Land Ownership
Scale1 : 3000 (A3)



Existing Ownership Land

	Kirkdale Land Total: 10530 m2
	Council Land Total: 22230 m2

Proposed Transferred Land

	Kirkdale to Council Parcel 2: 2400m2 (transport hub) Parcel 5a: 600m2 Parcel 5b: 680m2 Total: 3680 m2
	Council to Kirkdale Parcel 1: 410m2 Parcel 4: 1460m2 Total: 1870 m2

Proposed Ownership Land

	Kirkdale Land Total: 8720 m2
	Council Land Total: 24040 m2

	Kirkdale Carpark Development Total: 2500 m2
	Proposed Pool Development Land Total: 2200 m2



Beca BOON
teamarchitects

A / 131 Courtenay St, New Plymouth 4310, New Zealand
P / 06 757 3200 E / office@boon.co.nz W / boon.co.nz

Job Title
HCC Rototuna Village

Scale [A3]
As indicated

Drawing Title
Land Transfer Diagram

Rev Date Description
A 10.05.2019 Revision A

Issued for: Print Date
10/05/2019 11:11:05 AM

Job No. Drawing No. Rev
6374 SK1.04 A

ALL CONTRACTORS MUST VERIFY ALL DIMENSIONS ON THE JOB BEFORE COMMENCING ANY WORK.
DO NOT SCALE. © COPYRIGHT ON THIS DRAWING IS RESERVED.

ORIGINAL 0 40mm
SIZE : A3

Council Report

Committee: Council

Date: 15 November 2018

Author: Nicolas Wells

Authoriser: Jen Baird

Position: Strategic Property Unit
Manager

Position: General Manager City Growth

Report Name: Municipal Endowment Fund - Ward Street

Report Status	<i>This report is taken as a publicly excluded item to enable Council to carry out commercial activities without disadvantage.</i>
----------------------	--

Purpose

1. To seek approval for the Council-owned land on Ward Street described in the schedule to be offered to the open market for sale and redevelopment in conjunction with neighbouring Wintec-owned (Wintec) land.

Staff Recommendation

2. That the Council:
 - a) approves the potential sale of the land as described in the schedule, subject to:
 - (i) Council's approval of the development proposal for the land;
 - (ii) Council's final approval of the terms of sale following a public open market process;
 - b) notes that sale of the land is intended to facilitate development of Ward Street in conjunction with the Waikato Institute of Technology's adjoining land holdings;
 - c) notes that the net sale proceeds will be credited to the Municipal Endowment Fund Reserve; and
 - d) delegates the Chief Executive authority to give effect to this resolution.

SCHEDULE

First All that land legally described as an Estate in Fee Simple comprising Lot 14 Deposited Plan 17135 contained in Computer Freehold Register Identifier SA399/149 South Auckland Land Registry of 394 square meters, more or less, and physically located at **145 Ward Street**,

Second All that land legally described as an Estate in Fee Simple comprising Lot 15 Deposited Plan 17135 contained in Computer Freehold Register Identifier SA399/149 South Auckland Land Registry of 394 square meters, more or less, and physically located at **147 Ward Street**,

Third All that land legally described as an Estate in Fee Simple comprising Lot 16 Deposited Plan

17135 contained in Computer Freehold Register Identifier SA399/149 South Auckland Land Registry of 394 square meters, more or less, and physically located at 151 Ward Street,

Fourth All that land legally described as an Estate in Fee Simple comprising Lot 17 Deposited Plan 17135 contained in Computer Freehold Register Identifier SA399/149 South Auckland Land Registry of 394 square meters, more or less, and physically located at 155 Ward Street,

Fifth All that land legally described as an Estate in Fee Simple comprising Lot 23 Deposited Plan 17135 contained in Computer Freehold Register Identifier SA399/149 South Auckland Land Registry of 295 square meters, more or less, and physically located at 179 Ward Street (corner Tristram and Nisbett Streets),

Sixth All that land legally described as an Estate in Fee Simple comprising Lot 24 Deposited Plan 17135 contained in Computer Freehold Register Identifier SA399/149 South Auckland Land Registry of 295 square metres, more or less, and physically located at 179 Ward Street (corner Ward and Tristram Streets),

Executive Summary

3. Wintec has approached the Council with a proposal to combine Wintec-owned land and Council-owned land in Ward Street to facilitate a new comprehensive development (“the development site”). The development site has a total area of 4,136 square metres and is shown bordered in red on Attachment 1.
4. The Council owns the six lots shown in pink and yellow on Attachment 1 with a total area of 2,166 square metres (52% of the total development site). The land is part of the Municipal Endowment Fund and is leased to Wintec subject to four individual lease agreements. Three of the lease agreements (shown in pink) are subject to perpetual rights of renewal in favour of Wintec. [REDACTED]. The land has an estimated current market value of [REDACTED].
5. Wintec owns the five parcels of land shown in blue on Attachment 1 with a total area of 1,970 square metres (48% of the total development site). Because of the structure of the perpetual leases, Wintec “controls” 86% of the development site.
6. Staff recommend option one of two viable options available at this stage – that is selling the land in conjunction with Wintec’s adjoining land holdings at valuation to an approved developer in accordance with the District Plan (DP), as detailed below.
7. Staff consider the decision in this report has low significance and that the recommendations comply with the Council’s legal requirements.

Background

Wintec

8. Wintec has either owned or leased the development site land since the late 1980s, with their most recent purchase being 161-163 Ward Street from Tainui Group Holdings.
9. Wintec has explored various options for the development site over a number of years, including redevelopment as teaching facilities to support the main campus, and redevelopment as student accommodation. However, none of these options has progressed.
10. Wintec has now reviewed its Campus Development Master Plan and has concluded that the Ward Street land parcels are no longer required.

11. Over the past twelve months all the Wintec-owned buildings on the development site have been demolished. These substandard buildings had been vacant for some time and were both an earthquake risk and a general risk to the public.

District Plan

12. The development site is zoned as CBD, which allows a wide range of potential uses.
13. Resource Consent 010.2018.00009750.001 has been granted and permits the site to be used for temporary private carparking until 1 January 2021. After this date some type of development would need to be in progress; retaining the site for long-term carparking is not permitted by the District Plan.

Interest from Developers

14. Demolition of the old buildings has generated a large amount of interest from property developers.
15. It is anticipated that the right development has the potential to positively impact Wintec, the Ward Street area, and the wider city. The location has proven popular (Attachment 2) with developers, investors and tenants, with multiple redevelopment projects progressively confirming the desirability of the area, notably:
 - Genesis Building on Tristram Street (green)
 - Proposed redevelopment of the K-Mart Building for Waikato Regional Council (yellow)
 - New apartments and townhouses opposite Founders Theatre (blue)
 - Wintec Central City Campus (purple)
 - Redevelopment of the ex-Farmers Building for Waikato District Health Board (orange).
16. The combination of commercial and residential development confirms the desirability of the mixed-use model promoted by the District Plan in this area.

Discussion

Development Process

17. Wintec and Council staff have discussed the merits of a combined approach to the development and sale of the sites.
18. It is proposed to offer the development site to the market by way of public tender. Based on the level of interest expressed to date, this process should return both the optimum financial return and the best development result.
19. As part of the sale process, prospective buyers will be required to submit a concept development plan in addition to their tendered purchase price, to ensure that the proposed future use is of high quality and appropriate for the site.

Timetable

Date	Action
17 September 2018	Wintec approves process to sell “in principle”
4 October 2018	Council Elected Members’ briefing
16 October 2018	Wintec approves process to sell

13 November 2018	Council approves process to sell
14 November 2018	Market property
December 2018 – January 2019	Evaluate design proposals and price
February 2019	Wintec final approval of sale agreement
14 March 2019	Council final approval of sale agreement

20. Pending finalisation of the proposed development, the sale process is likely to conclude in the first quarter of 2019.

Development Evaluation

21. A design panel chaired by Wintec and including Council staff will assess the proposals received against the following requirements and weightings:

High Quality Development (35%)

The development is to be of high quality that will attract high value tenancies. The development will have an interactive relationship with the spaces around them, and will feature long-life, aesthetically pleasing materials.

Interacts with Wintec City Campus and the wider area (30%)

The development of the space should link people and activities to create a greater level of exchange between the Wintec campus, CBD, Hamilton Girls' High School, K-Mart Development and city park areas. The development should activate the Ward/Tristram Street corner, Nisbett and Ward Streets, and be a notable gateway into the CBD.

Mixed Use (15%)

A mixed use development is preferred, particularly one that provides for 24/7 use. Mixed use could include (but not be limited to) high quality retail or hospitality, accommodation, and office space. The [Auckland Design Manual](#) provides guidance on Mixed Use Development.

Encompasses the entire site (15%)

The site should be a mixture of the built development and landscaping. Landscaping should enable an appropriate relationship between the buildings, streets, and public access. Landscaping, access and gateways are to be co-ordinated and align with the Wintec Campus Development Concept Plan.

Completed and Occupied by 2022 (5%)

The buildings should be completed and tenanted by early 2022. This coincides with the timeframe for the proposed new learning building being built on the Wintec City Campus.

Development Approval Process

22. The Council-owned land shown in purple on Attachment 1 is leased to Wintec on a perpetual basis. The Council's [Freeholding of Municipal Endowment Land Policy](#) encourages sale of land ("freeholding") to the lessee.
23. The approach proposed will be similar to that used to enable the new PricewaterhouseCoopers development on the corner of Anglesea and Ward Streets. In that case, the land had remained vacant for many years until Wintec (leaseholder), McConnell Property (developer) and the Council (land-owner) partnered to facilitate the development.

Appendix 2

24. Should the Council approve the recommendations in this report, Council and Wintec staff will finalise the methodology and details of the sale and purchase agreement, and proceed to market the development site.
25. Once the proposals have been received and evaluated a recommendation will be made by the evaluation panel to both Wintec and the Council. At that stage both governing bodies will have the opportunity to confirm their approval and acceptance of the development proposal for the site.

Other Matters

26. At the briefing on this topic on 4 October 2018, Elected Members raised a number of matters relating to the proposed development site and the broader use of the Municipal Endowment Fund (MEF), specifically:
 - Once the market has responded to the offer, options for the Council to maintain an ownership interest after completion of the development will be considered.
 - Staff will prepare a report for Council in the first half of 2019 on the MEF which will provide background on the legal framework, detail the current and historic deployment of the MEF, and provide high-level options for consideration.

Options

27. Staff have assessed that there are two reasonable and viable options for the Council to consider at this stage. This assessment reflects the level of significance (see paragraph 39) and financial and District Plan implications. The options are:
28. **Option 1:** Offer the land for sale and redevelopment in conjunction with neighbouring Wintec-owned land, subject to Council approval of the development proposal for the land and the terms of sale following a public open market process;
29. **Option 2:** Retain the land and defer making a decision on its use until some stage in the future.
30. Staff recommend Option 1 because it is consistent with the Council's policy position for the Municipal Endowment Fund and supports the vision set out in the District Plan for development in the CBD. Option 1 also provides the maximum financial benefit for the Council.

Financial Considerations

31. In accordance with Council's policy, the current market value of the land based on an unencumbered freehold title excluding all lessee improvements has been assessed by a registered valuer at [REDACTED]
32. [REDACTED].
33. All proceeds from the sale of the Municipal Endowment Land are credited to the Municipal Endowment Fund Cash Reserve. The current balance of the Municipal Endowment Fund Cash Reserve is \$28.639 million (as at 31 October 2018).

Legal and Policy Considerations

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

35. Wintec confirm that the sale of their land was approved by the Ministry of Education on behalf of the Secretary of Education in 2011, in accordance with Section 192(4)(a) of the Education Act 1989.

Cultural Considerations

36. The Council and Wintec have received expert and legal advice that there are no offer-back obligations under the Waikato Raupatu Claims Settlement Act 1995 or Section 40 Public Works Act 1981.

Risks

37. Option 1 carries the risk that:
- No offers are made or that no offers are acceptable.
 - The land will not realise the full estimated market value.
38. Option 2 carries the risk that:
- The market may cool and demand for development reduce.

Significance & Engagement Policy

39. Staff have considered the key considerations under the Significance and Engagement Policy and have assessed that the matters in this report have a low level of significance and engagement is not required.

Attachments

Attachment 1 - Ward Street - Development Site - Aerial

Attachment 2 - Ward Street - Surrounding Deveopment - Aerial .





Appendix 2

13 November 2018 Council Meeting Minutes

Item C6: Municipal Endowment Fund – Ward Street

“That the Council:

a) approves the potential sale of the land as described in the schedule, subject to:

- (i) Council’s approval of the development proposal for the land;
- (ii) the Urban Design Panel’s input into the brief for the development of the site and evaluation of any proposal for the site;
- (iii) Council’s final approval of the terms of sale following a public open market process;

b) notes that sale of the land is intended to facilitate development of Ward Street in conjunction with the Waikato Institute of Technology’s adjoining land holdings;

c) notes that the net sale proceeds will be credited to the Municipal Endowment Fund Reserve; and

d) delegates the Chief Executive authority to give effect to this resolution.”