

Notice of Meeting:

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

Date: Thursday 17 August 2023
Time: 9.30am
Meeting Room: Council Chamber and Audio Visual Link
Venue: Municipal Building, Garden Place, Hamilton

Lance Vervoort
Chief Executive

Strategic Growth and District Plan Committee

Komiti Rautaki

OPEN AGENDA

Membership

Chairperson Cr Sarah Thomson
Heamana

Deputy Chairperson Cr Ewan Wilson
Heamana Tuarua

Members

Mayor Paula Southgate	Cr Mark Donovan
Deputy Mayor Angela O’Leary	Cr Louise Hutt
Cr Kesh Naidoo-Rauf	Cr Andrew Bydder
Cr Anna Casey-Cox	Cr Geoff Taylor
Cr Maxine van Oosten	Cr Emma Pike
Cr Moko Tauariki	Cr Melaina Huaki

Quorum: A majority of members (including vacancies)

Meeting Frequency: Six weekly

Amy Viggers
Mana Whakahaere
Governance Lead

8 August 2023

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Purpose

The Strategic Growth and District Plan 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.
3. Providing Governance leadership and direction to staff to develop amendments to the Hamilton City Operative District Plan 2017.

In addition to the common delegations on page 10, the Strategic Growth and District Plan Committee is delegated the following Terms of Reference and powers:

Terms of Reference:

4. 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.
5. To provide direction and monitor Council's approach to the levying and use of rates for growth, as well as development contributions.
6. To provide direction on and assess proposals for seeking alternative funding models, such as special purpose vehicles and infrastructure funding and financing.
7. To provide direction on strategic priorities for network infrastructure aligned to city development, and oversight of strategic projects associated with those activities.
8. To provide advice on the development and implementation of the Long Term Infrastructure Strategy.
9. To assess proposals for Private Developer Agreements that exceed the Chief Executive's delegations for Unfunded Growth Projects¹ and, if appropriate for Unfunded Growth Projects¹, to recommend such agreements to the Council for approval.
10. 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).
11. To consider the impacts of land use and urban development on the environment.
12. 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.
13. To provide and approve broad strategic direction to inform and guide the development of the District Plan amendments programme of work.
14. To prepare and approve a draft set of District Plan amendments for the purpose of obtaining initial feedback and comment from the community, stakeholder, and tangata whenua groups.
15. To recommend any proposed District Plan amendments to the Council for adoption and release for formal notification.
16. To provide regular updates to the Council on the progress of the District Plan amendments programme of work.
17. To appoint representation to relevant regional strategy groups as required.

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.
- Approval of matters determined by the Committee within its Terms of Reference.

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 and Monitoring Committee.
- Approval of city boundary changes to the Council, including in respect of Strategic Boundary Land Use Agreements.
- The Committee may make recommendations to Council and other Committees.

Recommendatory Oversight of Strategies and Plans:

- Hamilton Urban Growth Strategy
- Central City Transformation and River Plan(s)

Recommendatory Oversight of Policies and Bylaws:

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

¹ 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 whaipaaanga*

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

Committee: Strategic Growth and District Plan Committee **Date:** 17 August 2023

Author: Nicholas Hawtin **Authoriser:** Michelle Hawthorne

Position: Governance Advisor **Position:** Governance and Assurance Manager

Report Name: Confirmation of the Strategic Growth and District Plan Committee Open Minutes 14 June 2023

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

That the Strategic Growth and District Plan Committee confirms the Open Minutes of the Strategic Growth and District Plan Committee Meeting held on 14 June 2023 as a true and correct record.

Attachments - *Ngaa taapirihanga*

Attachment 1 - Strategic Growth and District Plan Committee Open Unconfirmed Minutes 14 June 2023

Strategic Growth and District Plan Committee *Te Komiti Rautaki Tipu me Maahere Rautaki aa Rohe* OPEN MINUTES

Minutes of a meeting of the Strategic Growth and District Plan Committee held in the Council Chamber and via Audio Visual Link , Municipal Building, Garden Place, Hamilton on Wednesday 14 June 2023 at 9.37am.

PRESENT

Chairperson Cr Ryan Hamilton
Heamana

Deputy Chairperson Cr Sarah Thomson
Heamana Tuarua

Members: Deputy Mayor Angela O’Leary (Via Audio-Visual Link)
Cr Anna Casey-Cox
Cr Moko Tauariki
Cr Ewan Wilson
Cr Mark Donovan
Cr Andrew Bydder
Cr Emma Pike
Cr Melaina Huaki

In Attendance: Blair Bowcott – General Manager Growth
Chris Allen – General Manager Development
Mark Davey – City Planning Unit Manager
Jackie Colliar – Strategic Waters Unit Manager
Karen Saunders – Growth Programmes Manager
Greg Carstens - Growth, Funding and Analytics Unit Manager
Phil Haizelden – Transport Strategy Principal
Tilly Murcott – Programme Manager, Central City
Mark Roberts - Team Leader, City Planning
Robert Brodnax – Future Proof Advisor

Governance Staff: Amy Viggers – Governance Lead
Nicholas Hawtin and Arnold Andrews – Governance Advisors

The Chair opened the meeting with a karakia

1. Apologies – *Tono aroha*

Resolved: (Cr Hamilton/Cr Thomson)

That the apologies for absence from Mayor Southgate, Cr Naidoo-Rauf, Cr van Oosten, Cr Hutt, Cr Taylor, and for lateness from Deputy Mayor O’Leary are accepted.

Strategic Growth and District Plan Committee 14 JUNE 2023 - OPEN

2. **Confirmation of Agenda – *Whakatau raarangi take***
Resolved: (Cr Hamilton/Cr Wilson)
That the agenda is confirmed.
3. **Declarations of Interest – *Tauaakii whaipaaanga***
The General Manager Growth and General Manager Development noted that they had recorded interests in Item C3 (Scoping Studies for Emerging areas) and that they had no conflict.
4. **Public Forum – *Aatea Zorero***
No members of the public wished to speak.
5. **Confirmation of the Strategic Growth and District Plan Committee Open Minutes 20 April 2023**
Resolved: (Cr Wilson/Cr Pike)
That the Strategic Growth and District Plan Committee confirms the Open Minutes of the Strategic Growth and District Plan Committee Meeting held on 20 April 2023 as a true and correct record.
6. **Chair’s Report**

The Chair introduced his report, reflecting on the last 18 months of Council, with a focus on affordable housing.
Resolved: (Cr Hamilton/Cr Bydder)
That the Strategic Growth and District Plan Committee receives the report.
7. **General Manager’s Report**

The General Manager Growth introduced the report noting the Long Term Plan and the potential of Hamilton in regards to growth and economic benefits. He responded to questions from Members concerning the current status of industrial and residential developers, the Duplex Policy, the rise of brownfield versus greenfield developments and development opportunities with Kāinga Ora.
Resolved: (Cr Thomson/Cr Donovan)
That the Strategic Growth and District Plan Committee receives the report.
8. **Strategic Issues**

The City Planning Unit Manager introduced the report and highlighted infrastructure and industrial land supply, and updates to the regional policy. He responded to questions from Members concerning the housing business assessment, the shortfall in house prices and its impact on zoning decisions, Future Proof and Plan Change 12.

The Transport Strategy Principal took the report as read. He responded to questions from Members concerning Anglesea Street infrastructure, the Metro Spatial Plan, the Freight Study, the construction priority of the Long Term Plan and improving the visualisation of mass transport plans for the community.

The Strategic Waters Unit Manager introduced the report and highlighted funding challenges, technical site reviews, the Cambridge discharge consent process and Plan Change 12 hearings.

The Growth, Funding and Analytics Unit Manager introduced the report and highlighted financial impacts and future decisions of Council. He responded to questions from Members concerning financing mechanisms, water treatment plants, the levies’ process, project management and

Rotokauri.

The Growth Programmes Manager introduced the report and highlighted Peacockes sustainability and development interest, infrastructure delivery and interest savings. She responded to questions from Members concerning the Infrastructure Acceleration Fund, the Sonning car park development, reputational risks and Peacockes housing affordability agreement and Southern Links 1 (SL1).

Resolved (Cr Hamilton/Cr Wilson)

That the Strategic Growth and District Plan Committee:

- a) receives the report;
- b) notes that:
 - i. Government agencies working with staff to develop an Infrastructure Funding and Financing (IFF) facility/levy for Hamilton are recommending that that a citywide component be introduced into Hamilton's IFF proposal, in addition to the Peacockes greenfield component; and
 - ii. staff are scheduling a drop in session for councillors interested in the citywide IFF component, due to its materiality and the need for Council direction in relation to it as the 2024-2034 Long Term Plan is developed.

Deputy Mayor O'Leary joined the meeting (10:35am) during the discussion of the above item.

Deputy Mayor O'Leary left the meeting (11:05am) during the discussion of the above item. She was not present when the item was voted on.

The meeting was adjourned from 11:33am to 11:53am.

Deputy Mayor O'Leary re-joined the meeting during the above adjournment.

9. District Plan Update - June 2023

The City Planning Unit Manager introduced the report and highlighted issues related to Plan Change 12.

Resolved: (Cr Thomson/Cr Casey-Cox)

That the Strategic Growth and District Plan Committee:

- a) receives the report; and
- b) notes that staff are looking to seek an extension from the Minister for the Environment to the decision-making deadline on Plan Change 12 – Enabling Housing (currently 31 March 2024) as the current deadline does not allow sufficient time for Plan Change 14 – Flood Hazards to be advanced prior to decisions on Plan Change 12 being due;
- c) requests staff seek from the Independent Hearing Panel on Plan Change 12 a delay to the hearings currently scheduled for September 2023 to a date after Plan Change 14 is publicly notified. This deferral of the PC12 hearings will ensure that the evidence considered by the Independent Hearing Panel hearing on Plan Change 12 will incorporate the most up to date flood hazard information publicly available to all submitters and stakeholders; and
- d) requests staff investigate prioritising the inclusionary zoning plan change if Plan Change 12 hearings are delayed. Requests staff align the timing of the Inclusionary Zoning Plan Change with Waipā District Council and Waikato District Council and if possible undertake a joint

hearing.

10. 2024-34 Long-Term Plan Growth Projections

The Growth, Funding and Analytics Unit Manager introduced the report and highlighted future long term growth projections. He responded to questions from Members concerning future projections related to climate change through migration, Papakainga and Remits.

Resolved: (Cr Wilson/Cr Hamilton)

That the Strategic Growth Committee:

- a) receives the report; and
- b) approves use of the University of Waikato National Institute of Demographic and Economic Analysis (NIDEA) High 2021 demographic projections for Hamilton for the 2024-34 Long Term Plan (**Option 1** in the Staff Report).

Deputy Mayor O’Leary retired from the meeting (12.14pm) at the conclusion of the above item. She was present when the item was voted on.

11. General Updates

The General Manager Growth took the report as read.

Resolved: (Cr Wilson/ Cr Donovan)

That the Strategic Growth and District Plan Committee receives the report.

12. Resolution to Exclude the Public

Resolved: (Cr Hamilton/ Cr Wilson)

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 and District Plan Committee Public Excluded Minutes 20 April 2023) Good reason to withhold information exists under Section 7 Local Government Official Information and Meetings Act 1987	Section 48(1)(a)
C2. Strategic Issues (Public Excluded))	
C3. Scoping Studies for Emerging areas		

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 the effective conduct of public affairs through protecting persons from improper pressure or harassment | Section 7 (2) (f) (ii)
Section 7 (2) (g) |
| | to maintain legal professional privilege | Section 7 (2) (h)
Section 7 (2) (i) |
| | to enable Council to carry out commercial activities without disadvantage | Section 7 (2) (j) |
| | to enable Council to carry out negotiations | |
| Item C3. | to prevent the disclosure or use of official information for improper gain or improper advantage | |
| | to enable Council to carry out commercial activities without disadvantage | Section 7 (2) (h)
Section 7 (2) (i) |
| | to enable Council to carry out negotiations | Section 7 (2) (j) |
| | to prevent the disclosure or use of official information for improper gain or improper advantage | |

The meeting moved into public excluded session at 12:16pm.

The meeting was declared closed at 1.28pm.

Council Report

Committee: Strategic Growth and District Plan Committee

Date: 17 August 2023

Author: Nicholas Hawtin

Authoriser: Michelle Hawthorne

Position: Governance Advisor

Position: Governance and Assurance Manager

Report Name: Chair's Report

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

That the Strategic Growth and District Plan Committee receives the report.

Attachments - *Ngaa taapirihanga*

Attachment 1 - Chair's Report



Chair's Report

In the next thirty years, approx. 87,000 additional people will call this city home. Looking further ahead, the Metro Spatial Plan forecasts that there will be half a million people living in the wider metro area within 50-100 years. If high levels of immigration continue, we may reach this milestone even sooner.

The upshot of this is that we need to be making decisions with a much bigger city in mind. How do we ensure future residents enjoy the good things that come with more people—increased vibrancy, innovation and opportunity—while minimising the negative impacts of growth?

Without bold investment in alternative transport modes, road traffic congestion will significantly worsen over the next 30 years, increasing delays by as much as 133% in the evening peak periods.¹ This would turn a 30-minute journey home from work into one hour and 10 minutes.

Congestion will also significantly affect the efficiency of freight movements during interpeak periods to the point of doubling delays (or more) in the next 30 years.²

Lamenting lost opportunities

In 1963, the Auckland Regional Authority commissioned a report which recommended investment in both motorways and rapid transit. Mayor Robbie campaigned for the government to help fund a revolutionary rapid rail scheme, nick-named “Robbie’s rapid rail”. It included a five line electrified rapid rail system with a central city underground loop, fed by integrated bus feeders and park-n-ride and a focus on development around key nodes.³ The report estimated a cost of £21m to build the programme.

The scheme would have been transformational, shaping the way Auckland developed over the next forty years. But it was ill-fated. The Labour government reneged on an election promise to fund it and the subsequent Muldoon government scrapped it completely. Most of the motorways were built; the rapid transit was not.

¹ Hamilton-Waikato Metro Spatial Plan Transport Programme Business Case, pages 73-74
<https://futureproof.org.nz/h2a/metrosatialplan/>.

² Hamilton-Waikato Metro Spatial Plan Transport Programme Business Case, page 76

³ Greater Auckland <https://www.greaterauckland.org.nz/2016/04/19/sir-dove-myer-robinson-on-his-rapid-transit-scheme-part-1/>



A cartoon from the New Zealand Herald, which was supportive of rail at the time.⁴

Today, Aucklanders spend on average 5 days a year in traffic and the city is playing catch up with projects like the City Rail Link—a 3.45km twin-tunnel underground rail link in the central city, with latest cost estimates at \$5.493b.

The Metro Spatial Plan

Here in Hamilton, the Metro Spatial Plan sets out a pathway toward a multi-modal transport network. It includes bus rapid transit (BRT) along key corridors with buses running every 10 minutes in dedicated lanes; a wider grid of direct and frequent bus routes running at least every 15 minutes; improved roading for low emissions cars and freight, such as Southern Links; enhanced rail; and safe, connected walking, biking and scootering.

Roading infrastructure will remain important as we shift to low emission vehicles. However, investing in other modes like rapid transit is key to enabling more people and goods to move about within the limited space we have—a BRT lane can move 6,000-8000 people while a general traffic lane can move about 1,800—and ensure that the capacity of our transport system doesn't become a constraint on economic activity or access to opportunity.

⁴ <https://www.cityraillink.co.nz/rapid-rail-vs-motorways>

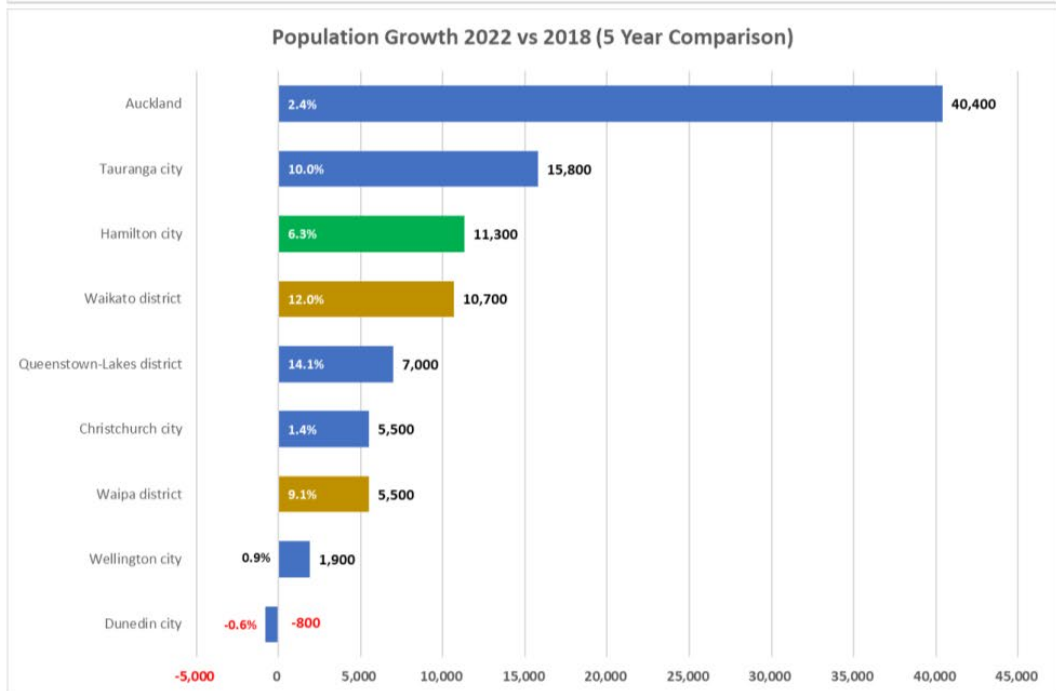
We've reached a critical juncture in Kirikiriroa Hamilton's development and if there's one lesson to learn from our neighbouring city, it's this: building the infrastructure we need won't be cheap or easy, but it'll never be cheaper or easier than it is right now.

Chair's Recommendation

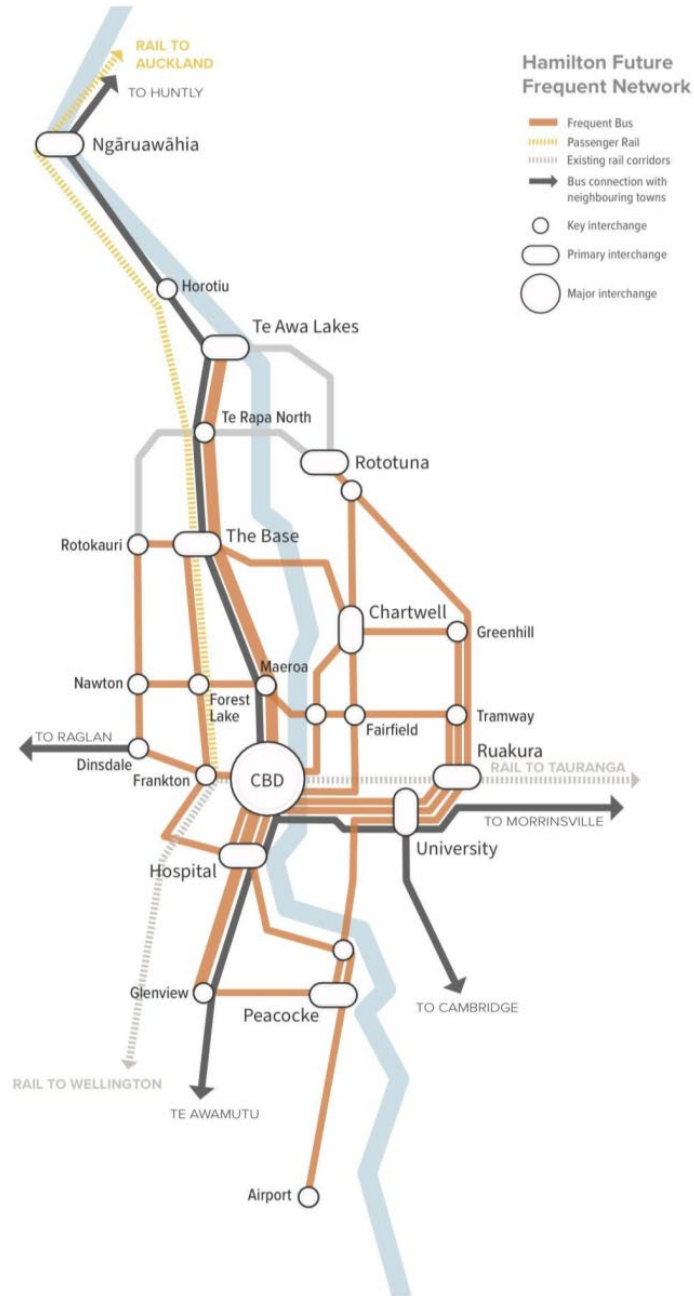
That the Strategic Growth and District Plan Committee receives the report.

Sarah Thomson

Chair Strategic Growth and District Plan Committee

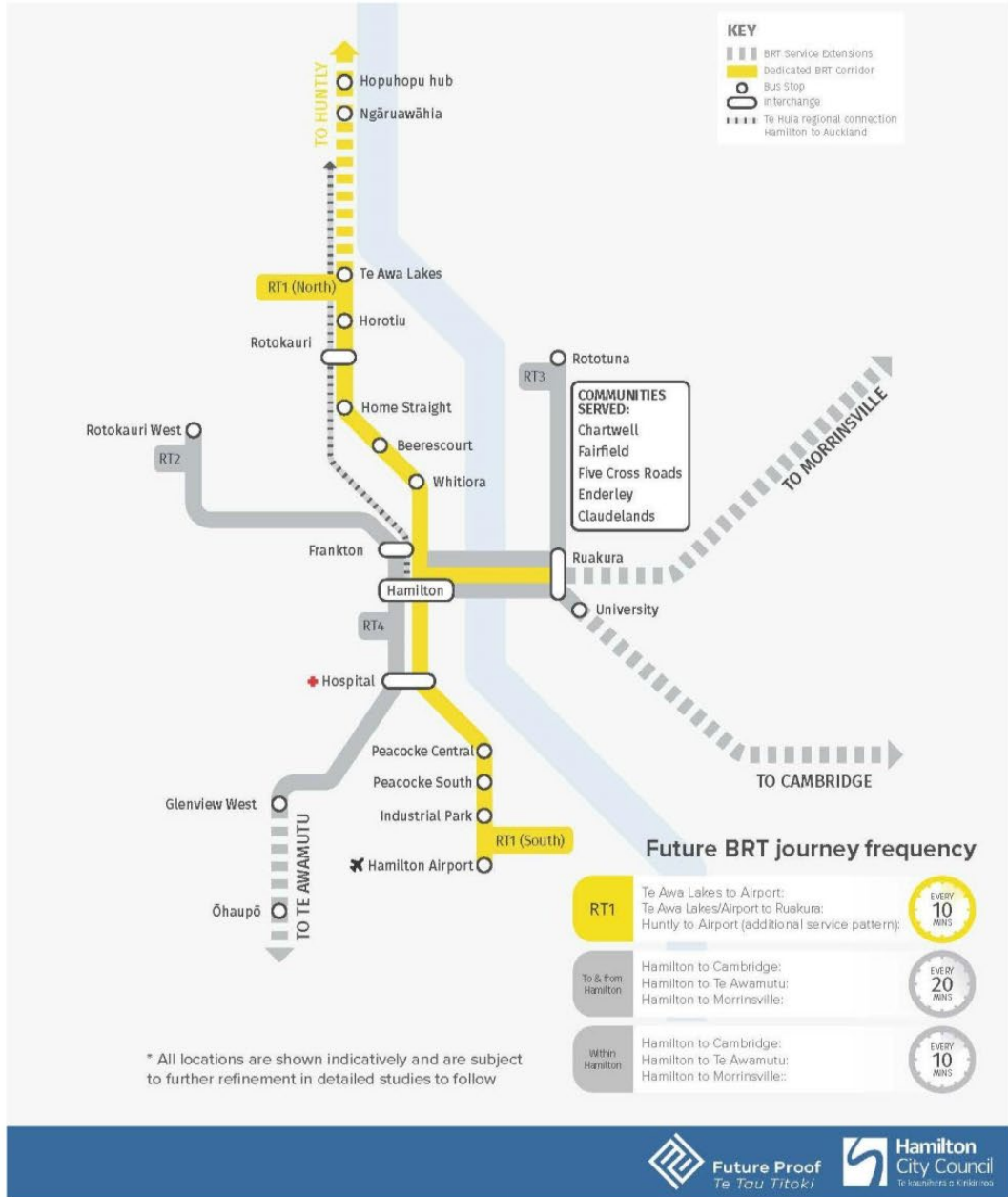


Map of the Hamilton future frequent bus network to be implemented over 10 years - Waikato Regional Public Transport Plan 2022-2032



WAIKATO REGIONAL PUBLIC TRANSPORT PLAN 2022-2032

Map of future Bus Rapid Transit routes to be implemented within 30 years



Council Report

Item 7

Committee: Strategic Growth and District Plan Committee
Date: 17 August 2023

Author: Blair Bowcott
Authoriser: Blair Bowcott

Position: General Manager Strategy, Growth and Planning
Position: General Manager Strategy, Growth and Planning

Report Name: General Manager's Report

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

1. To inform the Strategic Growth and District Plan Committee of issues of high significance and areas of interest as indicated by the General Manager, Growth, that are not covered elsewhere in this agenda.

Staff Recommendation - Tuutohu-aa-kaimahi

2. That the Strategic Growth and District Plan Committee receives the report.

Executive Summary - Whakaraapopotanga matua

3. A summary KPI report is being developed to show progress against the various targeted outcomes that form part of the work programme overseen by this Committee.
4. This report provides an outline of the 21 August 2023 Infrastructure and Urban Policy Study Tour to Australia, which will be attended by representatives from Hamilton City Council, Tauranga City Council and Queenstown Lakes District Council. Our representatives include Andrew Parsons, General Manager of Infrastructure and Assets; Greg Carstens, Growth Funding & Analytics Manager; and Robert Brodnax, Future Proof Implementation Advisor.
5. The purpose of the visit is to learn from the experience and collaborate with Australian experts and stakeholders around transformative city/regional partnerships and apply those learnings to our metro and sub-regional context, to ultimately promote and progress city/regional partnership deals for Hamilton and our Future Proof sub-region and realise the benefits of scale investment partnerships.
6. Staff consider the decisions in the report is of low significance and that the recommendations comply with Council's legal requirements.

Discussion

Targeted Outcomes and KPI Strategy

7. The Strategic Growth and District Plan Committee oversees a significant work programme, with significant outcomes themed around land use planning, District Plan, strategic infrastructure, Housing, Funding and Financing, PDA's, Growth Programmes and collaboration/relationships. Following a similar approach to the Economic Development Committee, a summary KPI report is being developed to show progress against these targeted outcomes. A first draft of this summary KPI report is expected to be included in the October Committee reports.

Infrastructure and Urban Policy Study Tour to Australia

8. Senior staff from growth councils and sub-regional partnerships across Auckland, the Bay of Plenty and the Waikato will visit Australia for six days from 21-26 August. The delegation will comprise representatives from urban planning, economic development, and infrastructure fields. Additionally, renowned experts in city governance and development will accompany the delegation to provide specialized insights.
9. The itinerary for the trip includes meetings with Australian city/regional partnership deal architects, city mayors, and regional stakeholders who have first-hand experience in successfully implementing city/regional deals. Site visits to cities that have undergone transformative urban development through such initiatives are also scheduled. These visits will provide valuable opportunities for the delegation to observe the practical implications of city/regional partnership deals and witness their positive impact on local communities.
10. Staff will take the opportunity to learn about innovative solutions and strategies in advancing the growth and wellbeing across our cities and regions. The ambition and purpose of the trip is to collaborate with Australian experts and stakeholders around development of transformative city/regional partnership deals in New Zealand, aligning with our Long-Term Plan and addressing the ever-changing policy and legislative landscape.
11. After the trip, a report will be compiled outlining the key takeaways, learnings, and recommendations to inform our approach to potential city/regional partnership deals to guide policy decisions for the future.

Financial Considerations - *Whaiwhakaaro Puutea*

12. The study tour is being funded through existing budgets.

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

13. Staff confirm that this matter complies with Council's legal and policy requirements.
14. Staff have considered the key considerations under the Climate Change Policy and have determined that an adaptation assessment and emissions assessment is not required for the matter(s) in this report.

Climate Change Impact Statement

15. Staff have assessed this option and determined that no adaptation assessment is required for the matters in this report.

Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga*

16. 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').
17. The subject matter of this report has been evaluated in terms of the 4 wellbeings during the process of developing this report. The recommendations set out in this report are consistent with that purpose.
18. There are no specific social, economic, environmental, or cultural considerations associated with the matters covered in this report.
19. However, the Strategic Growth and District Plan Committee supports the wider organisation in delivering key objectives that enhance the 4 wellbeings by being responsible for:
- i. 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; and
 - ii. driving collaboration with neighbouring Councils, Iwi, private sector and central government to meet Hamilton's growth ambitions; and
 - iii. providing Governance leadership and direction to staff to develop amendments to the Hamilton City Operative District Plan 2017.

Risks - *Tuuraru*

20. There are no known risks associated with the decision being sought in this report.

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

21. 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

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

Attachments - *Ngaa taapirihanga*

There are no attachments for this report.

Council Report

Committee:	Strategic Growth and District Plan Committee	Date:	17 August 2023
Author:	Blair Bowcott	Authoriser:	Blair Bowcott
Position:	General Manager Strategy, Growth and Planning	Position:	General Manager Strategy, Growth and Planning
Report Name:	Strategic Issues		

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

- To inform and discuss with the Strategic Growth and District Plan Committee issues of high significance and areas of concern that need to be brought to Members' attention, but do not warrant a separate report.

Staff Recommendation - *Tuutohu-aa-kaimahi*

- That the Strategic Growth and District Plan Committee:
 - receives the report; and
 - approves the establishment of a Housing Working Group comprising Cr Sarah Thompson, Cr Anna Casey-Cox, Cr Mark Donovan, Cr Moko Tauariki and the CEO of the Waikato Housing Initiative Aksel Bech (or nominee) for the purposes of overseeing and prioritising the delivery of the housing work programme.

Executive Summary - *Whakaraapopotanga matua*

- This report provides information to the Strategic Growth and District Plan Committee on issues grouped under the following themes:

Theme	Topic
Land use planning	Future Proof and Future Development Strategy (FDS) Housing and Business Capacity Assessment (HBA) Council's submission to the Airport Northern Precinct Extension private plan change (Change 20 to the Waipa District Plan) Council's submission to the variation on the Waikato Regional Policy Statement (WRPS)
Strategic infrastructure	Metro Spatial Plan Transport Programme update Southern Wastewater Treatment Plant Southern Links
Housing	Update on housing initiatives

Theme	Topic
Funding / financing	Infrastructure Funding and Financing (IFF) Loan/Levy
	Metro Prospectus
	'White paper' on funding principles
Growth programmes	<ul style="list-style-type: none"> i. Central City ii. Peacocke iii. Rotokauri-Northwest iv. Ruakura v. Emerging areas vi. Strategic Development Forum

4. Committee members will notice that the Metro Spatial Plan transport reporting has changed for August 2023.
5. The development and implementation of the Metro Spatial Plan Transport recommended programme were – and continue to be – complicated tasks. This report includes updates and a simplified table to give the Committee a clearer perspective on current workload and tasks being undertaken by the Future Proof Transport Working Group, all focused on delivering the recommended programme. **Attachment 1** is designed to give elected members some context as to how we have got to the point we are currently at with the transport tasks associated with the Metro Spatial Plan.
6. Staff are currently working with Future Proof Partners to develop an Inclusionary Zoning plan change. This is one of the potential initiatives proposed in the Martin Udale report (full report and summary included in **Attachment 2 & 3**) that the Council could pursue to support affordable housing in the city. A visual representation to show progress on the initiatives will be prepared for future reports.
7. Staff have developed a Hamilton Metro Prospectus, which outlines Hamilton's value proposition and why Central Government should partner with and invest in Hamilton and the Metro area. It is intended to raise Hamilton to the forefront of political discussions in the lead-up to the general election and drive consistent messaging about the Hamilton Metro opportunity. It gives effect to the Key Stakeholder Engagement Plan (KSEP) that was developed in 2022 (**Attachment 4**).
8. A 'White Paper' is being also currently developed by Hamilton City Council, in partnership with other growth councils – Tauranga City Council and Queenstown Lakes District Council. Its purpose is to recommend a set of funding principles that need to be established as the basis for long-term growth infrastructure and funding partnerships and associated loan structures between Central Government and high growth councils/sub-regional partnerships.
9. Staff consider the decisions in the report is of low significance and that the recommendations comply with Council's legal requirements.

Discussion – *Matapaki*

LAND USE PLANNING

Future Proof and Future Development Strategy (FDS) work programme

10. A further update to the Future Proof Strategy needs to be undertaken prior to 2024 to meet the NPS-UD requirement to develop a Future Development Strategy (FDS). Technical work to support the development of this FDS update is currently underway.

11. The FDS must be subject to public engagement. A formal consultation period is planned to take place in October-December 2023, as per the Special Consultative Procedure (SCP) in the Local Government Act 2002. This will provide an opportunity for the public and stakeholders to submit on the update and attend a hearing prior to finalising the Strategy update.
12. Following the FDS update, the Future Proof Partnership will move on to preparing an implementation plan for the FDS. The purpose of the implementation plan will be to set out details on the activities/actions identified in the FDS and how these will be undertaken.

Housing and Business Development Capacity Assessment (HBA)

13. Future Proof partners are currently undertaking a further assessment of development capacity for the sub-region, which is expected to be completed by late August 2023. This assessment of the available development capacity for residential and business growth ensures that the level of planned supply is sufficient to meet the projected levels of demand. The findings of the HBA will inform the development of the FDS and decisions on the 2024 LTP.

Council's submission to the Airport Northern Precinct Extension Private Plan Change

14. On 28 October 2022, Hamilton City Council made a submission to the Proposed Private Plan Change 20 (PC20) to the Waipa District Plan regarding the Airport Northern Precinct Extension. Council's submission generally supports the plan change.
15. Council identified certain elements of the plan change where further refinement was sought to safeguard the city's and sub-region's interests on matters relating to land use, infrastructure and ecology.
16. The Airport and surrounding locality is an important regional asset and a destination gateway for Hamiltonians and visitors. Council's evidence identified the importance of industrial land adjoining the Airport to be considered a 'scarce resource' that should be developed to its full industrial potential, leveraging the strategic locational advantages provided by the Airport and associated linkages.
17. Commissioners Antoine Coffin and Alan Withy (Chair) were appointed for the Waipa District Council PC20 Hearings held 15-17 March 2023. Council presented expert evidence on transport, retail and planning related matters.
18. On 22 June 2023, Waipā District Council gave notice that commissioner decisions to PC20 were publicly available. Staff have analysed the Commissioner panel's decision report and found that Hamilton City Council was largely unsuccessful in the outcomes sought.
19. A summary of panel decisions to Hamilton City Council's main submission points are as follows:
 - i. **No significant relief to retail concerns**
HCC's retail economic evidence found that the quantum of retail proposed by the Airport company would compete with existing and planned retail centres within Hamilton and would potentially generate out-of-centre trips. HCC sought a reduction in the quantum of retail from 5,000GFA to 1,000GFA;
 - ii. **No relief to land-use related matters**
HCC's planning evidence sought stronger land use controls be adopted to promote only higher value industrial activities occurring within the precinct and those that are able to leverage the locational advantages of establishing nearby an airport. Few other localities within the upper North Island offer this strategic opportunity;
 - iii. **No relief regarding the proposed walking and cycling shared path**
HCC's planning and infrastructure evidence opposed the walking/cycling route which dissects the potential future Southern Metro Wastewater Treatment Plant (SMWTP) site which HCC has purchased for its development. The proposal jeopardizes the development of this site; and

- iv. **No relief seeking strengthened commitment to (SMWTP) when available**
HCC's planning evidence sought stronger controls regarding wastewater servicing to require the precinct to connect to the SMWTP when operational. Until such time the development will rely on a tanker solution. In order to operate efficiently, the SMWTP would rely on sub-regional flows from developments such as the Northern Precinct.
- 20. For further commentary on the proposed walking/cycling path, see paragraphs 52-53.
- 21. More details of Council's submission on PC20 were reported previously to the Committee on 14 June 2023 and can be found [here](#).
- 22. Following the Commissioners decision, staff have met with the Airport management and have agreed to address our expectations for the Northern Precinct Extension via the letter of expectation to the WRAL Board which is an annual letter sent by shareholders to help inform the Boards development of the Statement of Intent.

Council's submission to the variation on the Waikato Regional Policy Statement

- 23. Waikato Regional Council notified an update to the Waikato Regional Policy Statement (WRPS) in October 2022. The WRPS required amendments to incorporate the requirements of the National Policy Statement on Urban Development (NPS-UD) 2020 and to also reflect the 2022 update to the Future Proof Strategy.
- 24. Council submitted on the proposed WRPS variation, largely in support, with submission points on urban form and density provisions. Hearings were held on 8-10 May 2023.
- 25. The hearings panel is reviewing the evidence received from submitters and is likely to announce any further direction via a hearing panel minute. At the time of writing this report, Council has not been directed to provide any further evidence and awaits further direction from the hearing panel.

STRATEGIC INFRASTRUCTURE

Hamilton-Waikato Metro Spatial Plan – Implementing the Recommended Programme

- 26. The composition of this Metro Spatial Plan transport focused reporting has changed for August 2023.
- 27. The following pages and simplified table aim to give the Committee a perspective on current workload and tasks being undertaken by the Future Proof Transport Working Group, all focused on delivering the Metro Spatial Plan Transport recommended programme.
- 28. **Attachment 1** to this report provides background information designed to add some historical context to both Future Proof and the transport workstream that produced the Hamilton-Waikato Metro Spatial Plan Transport Programme Business Case in 2022.
- 29. The development and implementation of the recommended programme were, and continue to be, complicated tasks. The attachment is designed to give elected members some context as to how we have got to the point we are currently at with the transport tasks associated with the Metro Spatial Plan. It contains some new graphics related to programme and core Bus Rapid Transit network, all consistent with the work presented in June 2022.

Current Tasks

- 30. One of the Future Proof Strategy's transformational moves is "a radical transport shift to a multi-modal transport network shaped around where and how communities will grow."

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31. The Future Proof Transport Working Group (TWG) was established to oversee implementation of this aspect of the strategy. In the last triennium, its key deliverable was the Metro Spatial Plan (MSP) Transport Programme Business Case, which sets out how the strategy will be achieved within the MSP area in the form of a 30-year investment programme aligned to land use to realise benefits identified.
32. The Transport Working Group has, and continues to be, an excellent collaborative working model that demonstrates we can achieve more when working in tandem with our partners on shared goals and objectives.
33. We are currently working in a space where we are undertaking implementation of specific projects and undertaking further business cases into key areas that deliver on the recommended programme. The programme was developed so we could balance delivery with further planning, design and engagement and not enter into a continuous circle of investigations and little or no implementation.
34. The early years of the 30-year programme, from a HCC delivery perspective, is focused on delivering our walking and cycling programme, continuing investment in our public transport infrastructure and safety programmes. There is also a focus on our partner, Waikato Regional Council, to increase bus frequencies on key routes – all setting the scene for that long-term bus rapid transit vision, supported by good land use outcomes and active mode networks.
35. For the last 12 months the Transport Working Group has been developing a way forward to deliver the recommended programme. Previous reporting to this Committee has gone into some detail on the current status and content of these tasks. Whilst we won't go into that detail here, a short summary of tasks is shown below noting the comments above about the MSP including the work we are already undertaking in a safety, infrastructure and active mode space.

Project	TWG Lead	Key Scope Elements	Status
Freight & Logistics Study	Phil Haizelden / Tony Denton (HCC)	<ul style="list-style-type: none"> • Largely a HCC requirement to update our freight knowledge but also designed to address Metro area matters. • Focus on operational understanding and post Waikato Expressway freight outcomes. 	Contract award early August 23
Bus Rapid Transit – Feasibility & Design Proof of Concept	Phil Haizelden / Tony Denton (HCC)	<ul style="list-style-type: none"> • Integrated with transport task of Infrastructure Acceleration Fund (IAF) • Design, operational, costs for BRT network and integration with IAF work on Anglesea Street. 	Scope finalised Procurement planned late July
Funding the Transport Programme – 2024 LTP Requirements	Sarah Loynes (WRC) / Phil Haizelden (HCC)	<ul style="list-style-type: none"> • Task to develop a specific project guidance for all partner Councils to show levels of projects required to meet programme benefit realisation aspirations e.g., to stay on course to deliver on the 30-year programme • Plan is for the Future Proof PT Sub-Ctte to discuss at next meeting. 	Underway, will be an agenda item at 18 August 2023 PT Sub-Ctte.
Indicative Business Case –	Phil Haizelden (HCC) / Sarah	<ul style="list-style-type: none"> • A significant piece of work primarily funded by CERF via the Urban VKT 	Scoping 80%

<p>PT Pathways <i>(title to be confirmed)</i></p>	<p>Loynes (WRC)</p>	<p>Reduction Programme via the Expression of Interest compiled by the TWG in April 2023.</p> <ul style="list-style-type: none"> • Focus on developing several scenarios to implement the recommended programme and inform LTP planning • Will be the key document that gives direction to the recommended programme implementation and factors in dependencies with other constraints and considerations • Will include direction on content and timing related to: <ul style="list-style-type: none"> ○ Future frequent bus network Planning ○ Future bus rapid transit network planning (the detail) ○ Staging and sequencing of the 30-year programme – this includes alignment with land use and active modes, realising opportunities and working in with what else we are doing across the city. 	<p>complete Procurement process planned to commence in mid-August 23.</p>
<p>Rural Access Programme</p>	<p>Shane Solomon Ngā Karu Atua o te Waka & Tbc (replacing Julian Svadlnek) Tainui With Waikato Regional Council</p>	<ul style="list-style-type: none"> • Focused on working with rural Iwi and people living around the rural Marae, it seeks to understand the needs of these communities in the context of wider MSP Transport objectives • Goal to maintain and to see whether Marae and their communities can work to ensure that rural people are served well by future transport investment • Scoping still in early stages • Is associated with existing WRC workstreams focused on community transport 	<p>To be confirmed</p>
<p>Funding Agreements</p>	<p>Robert Brodnax Future Proof implementation Advisor and TWG</p>	<ul style="list-style-type: none"> • Update to the multi-party funding agreement that ended with the completion of the Programme Business Case • Working draft on “next steps agreement” is underway and is being discussed at CEAG level. 	<p>New draft thinking being presented to next CEAG session 31 August 2023</p>
<p>Waikato VKT Expression of Activities (related</p>	<p>Future Proof Transport Working Group</p>	<ul style="list-style-type: none"> • VKT Programme Management & Co-ordination (\$200K) 	<p>\$200K of “establishment funding”</p>

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to MSP recommended programme) <i>Based on full EOI funding be granted</i>	Mark Rushworth (Waka Kotahi)	<ul style="list-style-type: none"> • Comms and Engagement (\$350K) • Data Gathering (\$60K) • PT Pathways Indicative Business Case (see description above) (\$600K) • North Waikato and River Communities business cases (\$200K) • Rural Access Programme (see description above) (\$150K) 	has been awarded and the remainder is expected within next 4 weeks.
Comms & Engagement Strategy	Robert Brodnax Future Proof implementation Advisor & TWG	<ul style="list-style-type: none"> • Recently created role, multiple engagement tasks being scoped and will be presented to FP Sub-Ctte for feedback. • Tasks include specific transport related communications guidance. 	n/a

36. There will be other tasks and actions undertaken as part of the work led by the Transport Working Group that will be reported through to respective Council and Future Proof Committees as appropriate.

Southern Wastewater Treatment Plant update

37. Key project activities since the last project update to the Strategic Growth and District Plan Committee in June 2023 are highlighted below.

Site feasibility and due diligence

38. The site feasibility and due diligence investigations are continuing. Multi-Criteria Assessment workshops have been completed with Iwi/Mana Whenua representatives and Council subject matter experts. Two short-listed site location options have been identified for further consideration in order to identify the preferred site location. The additional investigations include delivery of Phase 1 of Tangata Whenua Effects Assessments report.

Mana whenua engagement and project governance representation

39. Several hui of mana whenua representatives who hold cultural and historical interest in the project area have now been held and a Kaitiaki Roopu established to facilitate direct involvement and co-design into the project. The Kaitiaki Roopu terms of reference have been confirmed, and confirmation of the representatives received from their respective entities (e.g. Iwi, Hapuu, Collectives, Marae).
40. Two of the Kaitiaki Roopu members have been nominated to prepare Cultural Impact Assessments for the site selection and discharge consenting and notice of requirement processes. This work will be phased, with the first phase to support identification of the preferred wastewater treatment plant site.

Project Funding

41. Staff included the Southern Sub-Regional WWTP in the Capital Investment submission to the DIA in March 2023. As part of the submission, Stage 2 and 3 upgrades are proposed to occur earlier than outlined in the Detailed Business Case (DBC). Increased costs from those outlined in the Southern Metro WW DBC have also been included in order to provide for adequate environmental, cultural and social mitigation measures/enhancements that could be expected through the consenting process.

42. Meanwhile, we are continuing with pre-implementation activities and preparing documentation to procure professional services to deliver the designation and consenting applications using current LTP funding. The funding shortfall to complete the pre-implementation activities was noted at the June 2023 meeting and staff tasked with identifying a funding solution.
43. The estimated funding shortfall to complete the proposed work in this current financial year is \$2M. This funding will likely be sought through re-allocating funding from other projects within the approved capital programme. This re-allocation will be reported through the capital financial monitoring report to the Finance Committee.
44. The additional costs needed to complete the pre-implementation and design activities and the initial construction enabling works will likely be included in Years 1 and 2 of the Long-Term Plan.

Project Management and Communications Planning

45. The project management plan will be considered for approval by the project governance group in August 2023.
46. The project management plan for the Pukete WWTP discharge consent renewal project is currently being updated. The update seeks to formally co-ordinate and integrate delivery of the Southern WWTP Notice of Requirement (NoR) and resource consent applications with the Pukete WWTP discharge consent renewals currently underway. This will include aligning reporting; governance structures and delivery of technical investigations, communications, planning and engagement.
47. This approach is necessary to reflect the integrated nature of these two plants and discharge activities and across the Metro Area. Co-ordinating these two strategic planning and consent projects will make best use of time and resources.

Professional Services for Notice of Requirement (NoR) and Resource Consent Applications

48. A procurement plan has been prepared for the technical assessments and project work needed to progress the project, identify the preferred site, assess and evaluate discharge options and methods, and complete the activities necessary to support NoR and resource consent applications.
49. As part of the procurement process, requests for proposal will be sought from suitably qualified consultants to:
 - i. confirm the preferred treatment plant site and discharge methods and locations;
 - ii. prepare site master plan for the phased development of the site;
 - iii. prepare concept and preliminary designs for the site, discharge and specific ecological, social, cultural enhancement and mitigation features;
 - iv. work with mana whenua to confirm the location, form and requirements of the treatment plant and discharges;
 - v. complete technical investigations and assessments required to support the NoR and resource consent applications; and
 - vi. prepare and lodge the NoR and resource consent applications.
50. Project planning to formally co-ordinate and integrate delivery of the Southern WWTP NoR and resource consent applications with the Pukete WWTP discharge consent renewals is currently underway. This will include aligning reporting; governance structures and delivery of technical investigations, communications, planning and engagement.
51. This approach is necessary to reflect the integrated nature of these two plants and discharge activities and across the Metro Area. Co-ordinating these two strategic planning and consent projects will make best use of time and resources.

Waikato Regional Airport and Cambridge Wastewater Treatment Plant Consenting

52. Hamilton City Council presented its submission on the Waikato Regional Airport Private Plan Change in March 2023. One key area of interest for HCC is the level of commitment from WRAL to ultimately discharge to the Southern Wastewater Treatment Facility. Council continues to advance pre-implementation activities on the basis that WRAL will connect as soon as the wastewater plant is commissioned. Another key area of interest is that the plan change proposes construction of a new walking and cycling shared path through Faiping Road, which cuts through the property purchased by Council in September 2023.
53. The decision was released in June 2023 and the detail of the submission and decision are outlined earlier in this report.
54. The Cambridge Wastewater Treatment Plant consent application is currently being processed. The key aspects of our submission on the application are included in the June 2023 report.

Southern Links

55. The Committee was provided a comprehensive update as part of the [Strategic Issues report](#) to the 20 April 2023 meeting (see Item 8), including the background to the Southern Links project and the subsequent Form and Function review being led by Waka Kotahi.
56. Part of the Form and Function review is to consider the new policy context that exists now but not at the time of developing Southern Links. Part of the policy change is the emergence of the Metro Spatial Plan and its associated agreed settlement pattern (land use) and the transport programme business case.
57. Waka Kotahi has now completed all the transport modelling for the various network options including sensitivity testing of additional SL1 and SL2 land use and completed a report summarising the outcomes.
58. While this report is still being reviewed by the technical teams, some of the high-level outcomes emerging are that:
 - i. staged development of Southern Links is likely to be required to address identified network constraints, safety matters and improvements to facilitate current best practice; and
 - ii. Waka Kotahi will be considering further business case work for funding in the Regional Land Transport Plan and the 2024-27 National Land Transport Programme to reflect any staging proposal of Southern Links and any associated local transport networks that might be agreed.
59. This study report and its findings will be discussed with the Southern Links Working Group and then presented to the next Strategic Growth and District Plan Committee meeting on 10 October 2023.

HOUSING

60. Staff are currently working with Future Proof Partners to develop an Inclusionary Zoning plan change. The Waikato Housing Initiative has developed a draft policy for use by the Partnership. The basis of this policy is to collect financial contributions from developments to fund affordable housing.
61. A Housing Working Group is proposed to be established for the purposes of overseeing and prioritising the delivery of the housing work programme.

62. For reference for the Committee, attached is the full Martin Udale report (**Attachment 2**) and summary document (**Attachment 3**) which outlines a range of potential initiatives which the Council could pursue to support affordable housing in the city. Staff are actively involved in several of the initiatives proposed; these are outlined in the table below. Staff note that a visual representation (dashboard) will be created for future reports based on the table of initiatives. Staff intend to work with the proposed Housing Working Group to determine which of the initiatives below are advanced and prioritised.

Regulatory Tools and Levers including:	Summary	Comments/status
1. Inclusionary Zoning	Use of planning regulations to require a certain portion of developments to be affordable or provision of land or money to support affordable housing.	Being actioned
2. Development Bonuses	Additional development rights, could be financial incentives, provided if affordable housing outcomes are provided for	Not currently being investigated due to the Resource Management (Enabling Housing Supply and Other Matters) Amendment Bill
3. District Plans rules and Development Controls	Enabling different forms of residential development in the right places connected to jobs and amenities.	Being addressed through Plan Change 12.
4. Consenting Processes	Ensuring consenting processes support affordable housing development schemes	Not currently being investigated
5. A Sub-regional Response		Being actioned regarding IZ.
Financial Tools and Levers including:	Summary	Comments/status
6. Infrastructure Investment	Investing in locations that unlock housing options	Currently underway eg Peacocke, Rotokauri and Central City (through IAF)
7. Development Contributions	Differential development contributions to incentivise affordable housing	Being investigated
8. An Affordable Housing Fund	Linked to inclusionary zoning and the Municipal Endowment Fund	Inclusionary zoning is the enabler of this.
'Direct' Action including:	Summary	Comments/status
9. Exemplar Projects	For example Sonning Carpark proposal	Requires funding
10. City Centre revitalisation/IAF		Underway
11. Strategic Land Acquisitions		Requires funding
12. Effective Partnerships		Currently underway
13. Grow Council Capability and Knowledge of Development		On-going

Fairfield-Enderley including:	Summary	Comments/status
14. Redevelopment vs Regeneration		HCC is currently working with KO regarding a redevelopment plan for KO sites. Opportunity to broaden this and advocate for mixed tenure options.
15. An Effective HCC KO Partnership		On-going. Impacted by Government funding and policy direction.
16. Council LTP and Resource Alignment.		Underway.

FUNDING / FINANCING

Infrastructure Funding and Financing (IFF) Facility/Levy

63. On 30 March 2022, the Housing and Finance Ministers directed government agencies to support Hamilton City Council to further investigate using the Infrastructure Funding and Financing (IFF) Act 2020 in Peacocke, which could provide around \$100M in balance sheet debt headroom.
64. For context, an IFF facility/levy is a funding and financing mechanism that enables loans/debt associated with infrastructure to be held by a separate entity from the Council that benefits from the infrastructure. This debt remains “off balance sheet” from Council and therefore doesn’t affect the Council’s debt ratios. The entity charges an annual levy (like a targeted rate) to fund the loan/debt facility to each property that benefits from the infrastructure.
65. The funding headroom created by successfully deploying the IFF in Hamilton is required to be directed to infrastructure investment to support new housing. Rotokauri Stage 1 growth area has been a prominent option discussed with Elected Members previously, in addition to an obligation created under Council’s Infrastructure Acceleration Fund (IAF) grant to use part of any IFF funding secured to fund specified trunk water mains in the Central City. The latter is subject to confirmation of water reform legislation.
66. Staff have progressed the IFF with Government agencies and it is going well. Staff have largely fulfilled Crown Infrastructure Partners’ (CIP) initial information requirements and are working closely with CIP and Mafic (Treasury’s financiers) to develop the proposal into a framework which, if approved by government agencies and the Council, will inform an IFF facility and levy.
67. During recent meetings (following IFF deals completed by Tauranga City Council and Wellington City Council) CIP have expressed a preference to include a substantial ‘citywide’ element into an IFF deal with Hamilton. In addition to the greenfield Peacocke component of the IFF facility, this involves a second component which uses assets that have a citywide function to underpin an IFF facility and levy. The outcome of this is a small levy of the order of \$100, as compared to the \$1,500 to \$2,000 in the greenfield, payable by all households across the city. This combination may generate balance sheet headroom of \$50-70M, in addition to the \$50-80M created through the greenfield component.
68. Staff consider there is merit in this citywide component in part because the citywide levy is low and yet it generates a substantial facility and balance sheet debt headroom.

69. Staff included detail about a citywide IFF component in the 14 June 2023 Strategic Issues report to the Strategic Growth and District Plan meeting, where the following resolution was passed:

That the Strategic Growth and District Plan Committee:

- a) *receives the report;*
- b) *notes that:*
 - i. *Government agencies working with staff to develop an Infrastructure Funding and Financing (IFF) facility/levy for Hamilton are recommending that that a citywide component be introduced into Hamilton’s IFF proposal, in addition to the Peacockes greenfield component; and*
 - ii. *staff are scheduling a briefing with Elected Members [confirmed for 9 August] on the citywide IFF component, due to its materiality and the need for Council direction in relation to it as the 2024-2034 Long Term Plan is developed.*

70. Staff note that – regardless of the above citywide component – CIP will soon engage developers in the Peacocke area as part of its next steps to ultimately take the proposal to the CIP Board for approval to proceed.
71. Updates on this in-principle framework and outcomes of developer meetings will be reported in due course. The Council will have the opportunity to approve or otherwise through the 2024-34 LTP process before a levy is confirmed, and deployment phases begin.

Metro Prospectus

72. Staff have developed a Hamilton Metro Prospectus to give effect to the Key Stakeholder Engagement Plan (KSEP) that was developed in 2022. A copy of the Stakeholder Engagement Plan is included as **Attachment 4**.
73. The KSEP sets out our approach to engagement with key decision makers –
“To influence policy settings or progress priority projects for Hamilton City Council in its purpose to improve the wellbeing of Hamiltonians”.
74. We are aiming to form deeper relationships, influence legislation and policy, and to increase knowledge and awareness of Hamilton’s key issues and opportunities.
75. The Hamilton Metro Prospectus itself outlines Hamilton’s value proposition and why Central Government should partner with and invest in Hamilton and the Metro area.
76. The document is intended to raise Hamilton to the forefront of political discussions in the lead-up to the general election and drive consistent messaging about the Hamilton Metro opportunity.
77. It sets the scene for what Hamilton might like to see included in any subsequent Funding Partnership or deal.
78. The key messages in the prospectus include:
 - i. **Why Hamilton?** We have a track record of successful delivery, and we have an agreed plan for the future (Future Proof); and
 - ii. **We need:** Investment certainty, new and innovative ways to fund our strategic priorities, and a high-trust long-term partnership deal.
79. It outlines our priority projects and programmes of work that require partnership commitment to progress, including sub-regional priorities agreed through Future Proof.

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80. Staff will send a copy of the prospectus to all political parties with an invitation to discuss the content in more detail in advance of the general election.

81. A copy of the prospectus has also been circulated to all Elected Members in advance of this meeting.

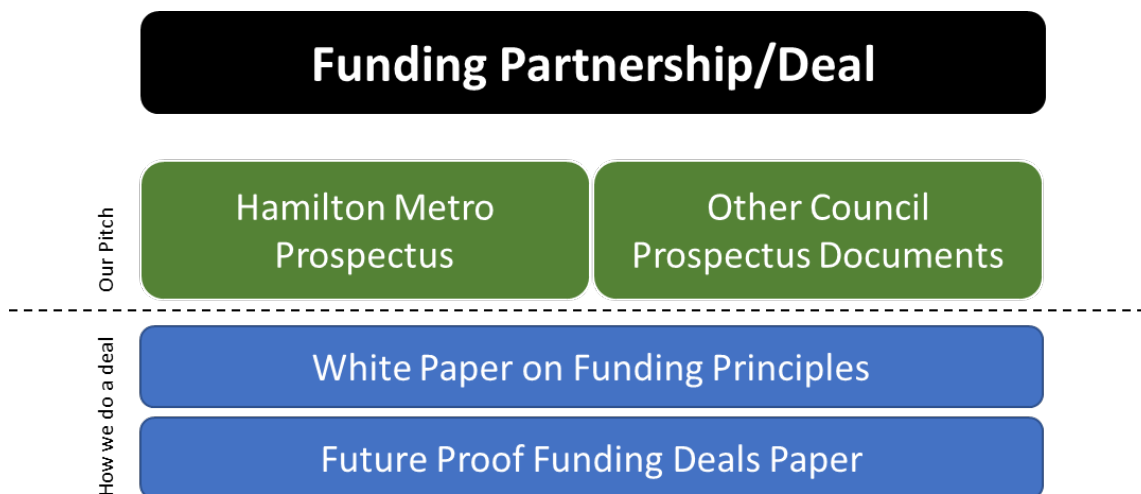
‘White paper’ on funding principles

82. A ‘white paper’ is being developed by Hamilton City Council, in partnership with Tauranga City Council and Queenstown Lakes District Council (growth councils). The purpose of the paper is to recommend a set of funding principles that need to be established as the basis for long-term growth infrastructure and funding partnerships and associated loan structures between Central Government and high growth councils/sub-regional partnerships.

83. The white paper is currently circulating the growth councils seeking feedback and will be finalised through the respective chief executives by the end of August 2023; it will be reported to Elected Members in due course.

84. Essentially, the prospectus sets out what we see as the priorities for any funding partnership or deal as well as why Hamilton is the best option, and it outlines ‘how’ the deal would need to be developed (with policy/technical information).

85. Below is a diagram showing how the Metro Prospectus and white paper are both parts of a wider ‘funding/partnership deal’ conversation.



GROWTH PROGRAMMES

86. This section provides an update of strategic growth activity in the Central City, Peacocke, Rotokauri-Northwest, Ruakura and emerging areas. Updates on each of these areas were provided to the Strategic Growth Committee on 14 June 2023.

87. These updates provide strategic growth-related activities. For a comprehensive view of activities and projects taking place in the growth programmes areas visit the programme webpages:

- i. Central City: www.hamilton.govt.nz/centralcity
- ii. Peacocke: www.hamilton.govt.nz/Peacocke
- iii. Rotokauri: www.hamilton.govt.nz/Rotokauri
- iv. Ruakura: www.hamilton.govt.nz/Ruakura

Central City Transformation

88. The vision for the central city is to ‘shape a central city where people love to be’.
89. The [Hamilton Urban Growth Strategy](#) (HUGS) was adopted in April 2023 and identifies the Central City as a key priority strategic growth area.
90. Along with providing a place for commercial, cultural and economic growth, the central city will be a place to call home for around 4,000 homes for up to 10,000 people in the next 10-15 years.
91. The [Central City Transformation Plan](#) identifies a number of key projects to deliver transformational outcomes. Staff are currently exploring options for bringing a comprehensive update to Elected Members on how we are tracking against the Central City Transformation Plan outcomes.
92. The 2024-34 Long Term Plan is a good opportunity to align key investments to support the transformation of the Central City.
93. Residential Development Activity since 2020, as at July 2023, in the central city and 800m Walkable Catchment includes:
 - i. **170** sections have been granted subdivision consent;
 - ii. **56** sections have been titled;
 - iii. **82** homes were granted building consent but are not yet completed; and
 - iv. **604** homes completed, including **158** completed in the immediate central city area.
94. Notable development activity in the central city since June 2023 includes:
 - i. **Amohia Ake (ACC Building)** – opened in April 2023, constructed by Tainui Group Holdings (TGH) the 8,500m² office building will bring around 800 ACC staff into the central city. This is a significant development for Waikato-Tainui and the Central City. A tour of the building was recently held on 19 July 2023. Of note were the end-of-trip facilities, no staff parking on site and the success of the surrounding transport improvements to support safe transport choices for the staff;
 - ii. **Union Square** – this development will provide 23,000m² of office space over five buildings. The newly completed carpark for 350 cars opened in April 2023, and the third building (Building E) is expected to be completed in August 2023; and
 - iii. **Waikato Regional Theatre** – excavation activities continue along with the installation of the first composite floor, construction of the shear walls, large amounts of reinforcing steel and foundation slabs. Council is currently planning the work to rejuvenate the surrounding areas of the theatre precinct including the adjacent park. The completion of the Waikato Regional Theatre represents a significant opportunity to realise transformational outcomes in the Central City.
95. A map showing locations of planned or actual development activity is in **Attachment 5**.
96. A number of transport, community and economic development activities have taken place in the central city since June 2023; these will be reported through the relevant committees.
97. Key programme risks include:
 - i. Market conditions may impact on the timing of developers delivering homes and commercial builds in the central city. Staff are closely monitoring the growth activity and continue to regularly engage with key developers alongside seeking solutions to enable growth. Agreements are in place with key developers to support Infrastructure Acceleration Fund (IAF) housing outcomes; and

- ii. Misaligned or lack of investment into the central city may affect the timing, quality or delivery of the Central City Transformation Plan outcomes. Staff are working to align investment to strategic outcomes through the Long-Term Plan and working with government agencies and partners to ensure alignment and funding is directed to the right projects at the right time.

Infrastructure Acceleration Fund (IAF) Delivery update

- 98. To achieve the central city housing outcomes, the IAF Infrastructure Programme, funded primarily by Kainga Ora, will deliver:
 - i. a new water reservoir and pump station;
 - ii. an active modes river crossing;
 - iii. three waters upsizing reactive works to enable development commitments;
 - iv. investigation and planning the local three waters network to cater for an increased central city population; and
 - v. planning for long-term transport infrastructure on Anglesea Street arising out of the Metro Spatial Plan Transport work.
- 99. The projects are in the planning phase, except for the three waters upsizing reactive works, which is on hold pending completion of the three waters network investigation and planning (item iv. above).
- 100. Elected Members will be updated on engagement points following completion of the planning phase, with input required on location and macroscope approvals for the reservoir and bridge.
- 101. Overall, the programme remains on track to achieve the IAF deliverables. Risks have not substantially changed since they were reported to the June 2023 Strategic Growth and District Plan committee.

Peacocke

- 102. The vision for Peacocke is to enable the development of an attractive and sustainable community. Enabled by the Housing Infrastructure Fund, Peacocke will provide up to 7,400 homes for up to 20,000 people in the next 40 years.
- 103. With Plan Change 5 and construction of the bridge and wastewater pump station progressing well and on track to be completed by the end of 2023, the programme focus is shifting to support developers through the pre-application and consent process to ensure best practice urban design and community outcomes are achieved.
- 104. Residential Development Activity, as at July 2023, in the Peacocke area includes:
 - i. **405** sections with subdivision consents in progress;
 - ii. **1303** sections have been granted subdivision consent;
 - iii. **91** homes granted building consent but not yet completed; and
 - iv. **334** homes completed.
- 105. A map showing locations of planned or actual development activity is in **Attachment 6**.
- 106. Notable development activity in Peacocke since May 2023 includes:
 - i. **The Jones Group** has lodged multiple land use and subdivision consents for approximately 211 dwellings at Aurora and further subdivision consents for approximately 130 lots, associated earthworks, infrastructure, etc. This new suite of applications totals approximately 650 new homes. The developer has confirmed that 60% of Aurora Stage 4 is proposed to within the range of the Kainga Ora 'low cost' homes criteria.

Plan Change 5 (Peacocke Structure Plan)

107. At the close of the appeal period on 14 April 2023, five appeals had been lodged with the Environment Court. Staff have been directed by the Court to start undertaking court assisted mediation with the appellants over the next two months.

HIF Strategic Infrastructure Delivery Update

108. The Waikato River bridge and Peacocke wastewater transfer station projects are progressing towards completion this financial year. An unprecedented wet 2022/23 construction summer season, cyclone Gabrielle and recent large storm events have meant that final stages of earthworks, as well as most of the critical pavement works, were not able to be completed and will be delayed.
109. Staff are working through a process with the contractor to reprogramme these activities into the upcoming season. This will mean completion is now expected to be pushed into early 2024 so road sealing can take place during drier warmer months. We now know an increase to the Approved Contract Sum will be required as a result, and once a confirmed programme for completion (and opening) and a confirmed cost impact value is available, this will be brought to Council for approval.
110. Staff are working to manage costs within the overall programme allocation and are also seeking adjustment of budget timing to match current cost demands and engaging in the LTP development process where necessary to manage contingency level.
111. Capital project cost escalation continues to be a risk to the Peacocke programme. Staff shortages across the construction industry is increasing pressure. Further details are reported through the Finance Committee as part of the Capital Projects Report.
112. Another three properties are now on track for acquisition by agreement making 36 of the 39 properties acquired by agreement with the remaining three still expected to proceed through the LVT process with the first set for later this year.
113. **Waikato River bridge and surrounding transport network** – Bridge deck works continue to progress with shared path panels and balustrade installation underway. Kerbing and pavement work continue where possible during winter months but severe adverse weather may mean delays in sealing until summer.
114. **Peacockes Road Urban Upgrade** – South and Whatukooruru Drive - Stage 2A – Gully bridge piling - a major project milestone - is now complete and above-ground structural works are progressing. The recent extreme weather events have meant much less winter productivity has been realised than hoped, although overall the works are still on programme for the early-2025 completion. Two recent large storm events have resulted in some failures of erosion controls on site which has resulted in some sediment discharges into the Mangakootukutuku Stream. Staff and contractors are working with the Waikato Regional Council on investigations and on progressing works in smaller portions over the remaining winter period.
115. **North-south wastewater pipeline and shared pathway** – Works are well underway with piling for the two gully bridges well progressed. Offsite construction of the two bridges is also underway. Earthworks had been progressing well, but two recent large storm events have caused substantial erosion control failures resulting in sediment discharge to the Mangakootukutuku Stream. Earthworks have now been shut down for the remaining winter period to minimise further risk. Staff and contractors are working with the Waikato Regional Council on investigations.

116. **Whatukooruru Drive - Stage 3** – Council is undertaking early contractor involvement (ECI) with existing contractors in Peacocke as a procurement model option for the final stage of Whatukooruru Drive (from Hall Road through to Ohaupo Road (SH3)). An ECI process has many benefits including access to current contractors' expertise and experience gained from working in the Peacocke area in developing methodologies that respond to site challenges. Staff are currently in commercial negotiations.
117. **Peacocke Sport Park** – The acquisition of the 14ha Adare block has now been completed. Staff have commenced the acquisition of the 0.5ha Koppen's block which is the final land parcel required for the sport park.

Rotokauri-Northwest

118. The vision for Rotokauri-Northwest is to enable the development of connected, vibrant, attractive and prosperous northwest community. When complete, Rotokauri-Northwest will have up to 8,700 homes for up to 22,000 people in the next 50 years.
119. Overall, programme activity across Rotokauri-Northwest continues to focus on working with developers to unlock new development.
120. Rotokauri-Northwest currently has developer ready land for **209** homes.
121. Residential Development Activity, as at July 2023, in the Rotokauri-Northwest area includes:
- i. **618** sections with subdivision consents in progress*;
 - ii. **432** sections have been granted subdivision consent;
 - iii. **17** homes granted building consent but not yet completed; and
 - iv. **237** homes completed (mostly in Stage 1).

** 479 sections in Rotokauri Stage 1 are waiting for strategic infrastructure to be in place before resource consent can be granted*

122. A map showing locations of planned or actual development activity is in **Attachment 7**.
123. Notable development activity in the central city since June 2023 includes:
- i. **Hounsell Holdings Ltd** have lodged a land use and subdivision consent for earthworks, subdivision to create 62 allotments and 6 super lots at 75 Lee Road in Burbush, Rotokauri.

Strategic Infrastructure Delivery Update

124. **Rotokauri Arterial Transport Network** – The Notice of Requirement (NoR) for this designation is scheduled for July/August 2023.
125. **Rotokauri Greenway** – Hounsell Holdings is progressing well with the detailed design for this project. In July 2023, the Minister for the Environment gave approval to use the COVID-19 Fast Track Consent process, which has the potential to streamline the consent process from years down to months for this piece of strategic infrastructure in Rotokauri.
126. **Te Wetini Drive Extension** – On 7 July 2023, after final works and road vesting were completed, the Te Wetini Drive extension was officially opened to the public. The new section of road is a step closer to unlocking our city's next big growth area.
127. **Community Park** – On 13 June 2023, The Community and Natural Environment Committee approved the acquisition of 14ha of land within Rotokauri North for a future community park. The acquisition was successfully completed mid-July 2023.

128. **Neighbourhood Park** – A 0.6ha piece of land will be vested for a neighbourhood park at the same time as the new section of the Te Wetini Drive extension. The park is being developed to a basic level now and will be fully developed once the surrounding area is urbanised. The park will be open to the public once vested.

Ruakura

129. The vision for Ruakura is to partner to ensure Hamiltonians enjoy a connected, vibrant, attractive and prosperous Ruakura Community. Ruakura is an engine for economic growth, providing thousands of jobs alongside approximately 3,300 homes for up to 8000 people in the next 30 years.
130. Stage One of Ruakura Superhub is well advanced, with 23ha out of the 37ha of employment land already committed, and practical completion being awarded for the new roads and associated waters and utility infrastructure between the Waikato Expressway, the Ruakura Inland Port, and Ruakura Road. This has been developed in a partnership between Council, Tainui Group Holdings (TGH) and Central Government, with funding from the Provincial Growth Fund (PGF) and Crown Infrastructure Partners (CIP).
131. Programme attention is shifting to plan and prepare for further development of the Ruakura growth area through the Eastern Transport Corridor (ETC) Business Case and strengthening relationships with other key stakeholders in the area.
132. Ruakura currently has developer-ready land for 576 homes.
133. Residential Development Activity, as at July 2023, in the Ruakura area includes:
- i. **2** sections with subdivision consents in progress;
 - ii. **451** sections have been granted subdivision consent;
 - iii. **146** sections have been titled;
 - iv. **86** homes granted building consent but not yet completed; and
 - v. **674** homes completed.
134. Notable development activity in Ruakura since June 2023 includes:
- i. Development of the Pā at the University of Waikato was recently completed and was formally opened following a dawn ceremony in mid-July 2023. The university's largest capital delivery project in its history, the Pā houses the university's new student hub, executive staff headquarters, a performance venue and presentation space, as well as the Faculty of Maaori and Indigenous Studies. The Pā is also now home to the university's wharenui, named Ko Te Tangata, which means "We the People", and is taken from the University of Waikato's motto; and
 - ii. Following the completion of more than 600 residential sections at Greenhill Park, Chedworth Properties has recently begun development on the next stages of the community.
135. A map showing locations of planned or actual development activity is in **Attachment 8**.

Strategic Infrastructure Delivery Update

136. **Eastern Transport Corridor (ETC) Detailed Business Case** – The ETC is key to unlocking the full potential of Ruakura inland port and enabling the full development of up to 1300 homes at Tuumata.
137. Council staff continue to work closely with TGH and other partners through a Waka Kotahi Business Case process to identify a preferred design option and investigate the possibility of securing funding from the National Land Transport Fund to assist the next phases of design and delivery.

138. The Strategic Case component of the Business Case application was submitted to Waka Kotahi in June 2023. Upon feedback from Waka Kotahi, the Preferred Option Assessment process, Benefits Analysis, and final Business Case compilation will be completed for final submission to Waka Kotahi in November 2023.
139. The design of the ETC will be progressed ahead of the completion of the Waka Kotahi Business Case and will be integrated into the Preferred Option once this is confirmed through the Business Case process.
140. A more detailed report on the ETC Business Case will be brought to the 10 October 2023 Strategic Growth and District Plan Committee meeting, prior to submission to Waka Kotahi.
141. Stormwater – Mangaonua Gully protection works, jointly funded by Council and Central Government, involves erosion control work to protect the stream bed and banks, improve the stream habitat, and protect stormwater infrastructure. DOC-style access tracks have also been created throughout the gully, accessible to the public, and will connect to boardwalks being created by TGH in the neighbouring wetland. Planting is now underway, with more than 100,000 native plants to be planted, being led by Ngāti Hauā Mahi Trust.

Emerging Areas

142. Staff have been progressing the scoping studies for WA, R2, SL1, Ruakura East and HT1 to support the Future Development Strategy. An update on this work was reported in the Public Excluded part of the 14 June 2023 Strategic Growth and District Plan Committee meeting.
143. Alongside the scoping studies, a high-level assessment has been undertaken to identify longer-term (+30 year) land supply options for industrial activities.
144. This work will inform the scoping studies/emerging areas work programme and Hamilton's position on the upcoming FDS update to the Future Proof Strategy.

Strategic Development Forum

145. Developers have indicated that they wish to continue with the forum under the new Council and dates for meetings are currently being planned for August/September 2023. The Council membership of the forum was reviewed at the last Strategic Growth and District Plan Committee meeting and now includes Councillors Mark Donovan, Anna Casey-Cox and Mayor Paula Southgate (with Councillor Ryan Hamilton now on leave).
146. Staff and the developers' representative have met and have agreed on several actions including for both Council and the developers. These include:
- i. Developers to advocate, engage and submit on key policies and plans to support alignment on strategic outcomes; and
 - ii. Trialling a case-led approach for key industrial developments that meet certain criteria (e.g. economic outcomes, size, scale and complexity). The intended benefits of the case-led approach include early issues identification, shared understanding of strategic outcomes and an overall smoother and more efficient consenting and development process.

Financial Considerations – *Whaiwhakaaro Puutea*

147. All of the topics covered in this report are funded by existing budgets. There are no financial implications in relation to the information provided in this report.

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

148. Staff confirm that this matter complies with Council's legal and policy requirements.

Climate Change Impact Statement

149. Staff have assessed this option and determined that no adaptation assessment is required for the matters in this report.

Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga*

150. 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').
151. The subject matter of this report has been evaluated in terms of the 4 wellbeings during the process of developing this report. The recommendations set out in this report are consistent with that purpose.

Social

152. As more people live and work in the city, we need to make sure the benefits of living in Hamilton Kirikiriroa grow alongside the new homes and businesses. While we don't determine how much growth occurs in Hamilton, we can determine what kind of city Hamilton Kirikiriroa aspires to be. We want to create a liveable city, an attractive lifestyle and improve the wellbeing of current and future residents.
153. This means creating accessible, equitable quality spaces and places for our communities such as parks, green space, playgrounds, education, health, libraries, pools and other community facilities. It also means expanding opportunities for people to engage in arts, culture and creativity in diverse and meaningful ways.
154. A key consideration for growth is ensuring that growth is planned close to places where people can access their daily needs, with genuine travel choices.

Economic

155. As part of delivering economic growth outcomes, Council proactively works with existing and prospective businesses to expand or establish operations creating investment and employment opportunities.
156. As our city grows, so too do opportunities for expanding and attracting tourism and economic growth while continuing to raise the city's reputation and profile as a great place to live and visit.
157. In order to attract more jobs to our city, more industrial land is required. Studies are underway to help determine the needs, best locations and actions required.
158. Delivery of key growth areas contributes to economic wellbeing through delivery of major infrastructure and residential and commercial construction activities.

Environmental

159. As we grow it's important that we balance the need for housing alongside the need to protect and enhance our biodiversity. It's also important that we make the best use of our limited natural resources such as water.
160. Nature in the City strategy outcomes is a key consideration for growth. Access to nature, parks and open spaces and protection and restoration of significant natural areas key outcomes alongside delivering new homes and jobs.
161. The Waikato River is at the heart of Hamilton Kirikiriroa. It supports life throughout the city and region, it is central to our culture and has shaped the form of our city. As we continue to grow, we must put the health and wellbeing of the River at the heart of everything we do.

162. As the city grows, this means we need to promote investment that protects and restores the Waikato River and delivers on our obligation under Te Ture Whaimana o Te Awa o Waikato and targeting growth areas services by, or planned to be serviced by, high quality three waters infrastructure.
163. Our approach to growth needs to enable our city to reduce carbon emissions while adapting to the changing climate to improve our resilience. This means enabling growth of homes and jobs in areas that can easily access public and/or active transport modes. It also means guiding growth that builds our resilience to climate change impacts, such as avoiding areas where there are flooding and other natural hazards.

Cultural

164. 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.
165. 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.
166. 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 and staff consider relevant sections of the Waikato-Tainui Environmental Plan when planning growth projects.
167. 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 growth programmes areas.

Risks - *Tuuraru*

168. There are no known risks associated with the matters covered in this report, other than those relating to specific items in the body of the report.

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

Significance

169. 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

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

Attachments - *Ngaa taapirihanga*

Attachment 1 - MSP Update August 2023 - Background Information

Attachment 2 - Advancing Affordable Housing In Hamilton FINAL 2023 - Essentia Consulting

Attachment 3 - Advancing Affordable Housing Outcomes in Hamilton - SUMMARY DOC 2023 - Essentia Consulting

Attachment 4 - Key Stakeholder Engagement Plan - June 2022 FINAL

Attachment 5 - Central City

Attachment 6 - Peacocke

Attachment 7 - Rotokauri-Northwest

Attachment 8 - Ruakura

Future Proof – background to how we got to the recommended programme

1. Future Proof | Te Tau Tiitoki is a joint project set up to consider how the Hamilton, Waipā and Waikato sub-region should develop into the future.
2. The Future Proof partnership is made up of Waikato Regional Council, along with Waikato Iwi, Hamilton City Council, Waka Kotahi (NZ Transport Agency), Waipa District Council, Waikato District Council, Waikato DHB and Matamata-Piako District Council (who joined in 2021). The Future Proof Partnership was expanded in 2019 to include central government, Auckland Iwi and Auckland Council in respect of matters relating to the Auckland to Hamilton corridor.
3. For more information the Future Proof website can be found at [Knowing our future by planning today – Future Proof.](#)

Future Proof Transformational Moves – 2019-20 and the “Metro Spatial Plan”

4. The purpose of the Hamilton-Waikato Metro Spatial Plan is to determine a shared 100 year vision and spatial framework for the emerging Hamilton-Waikato-Waipā area, with a 30 year plan for priority development areas and enabling investment, regardless of territorial boundaries.
5. Growth principles contained in the Metro Spatial Plan:
 - Metropolitan core, supported and connected to its surrounding settlements
 - One core CBD
 - Transit-orientated and well-connected development
 - Affordable housing choices
 - Densities that are not BAU
 - High quality, livework-play environments
 - A protected and enhanced natural environment
 - Room for growth (up and out)
6. Future Proof has more than just a transport focus. Other core workstreams are focused on water (the work being led for us by Jackie Collier) and land use strategy and Priority Development Areas (the work being led for us by the Growth team).
 - Iwi aspirations: enhancing the health and wellbeing of the Waikato River in accordance with Te Ture Whaimana, the Vision and Strategy, and iwi place-based aspirations
 - Putting the Waikato River at the heart of planning
 - A radical transport shift to a multi-modal transport network shaped around where and how communities will grow
 - A vibrant metro core and lively metropolitan centres
 - A strong and productive economic corridor at the heart of the metro area
 - Thriving communities and neighbourhoods including quality, denser housing options that allow natural and built environments to co-exist and increase housing affordability and choice
 - Growing and fostering water-wise communities through a radical shift in urban water planning, ensuring urban water management is sensitive to natural hydrological and ecological



Example of Bus Rapid Transit vehicles and storage

The Business Case Process

7. In order to maximise funding opportunities whilst remaining aligned to overall project objectives, primarily from the National Land Transport Fund, a great deal of work has to be undertaken using the Waka Kotahi Business Case process, this is typical of the majority of projects that are not sole funded by Hamilton City Council. This is why you will see a great deal of reference to various stages in a business case process e.g. Programme Business Case, as these are stages of investigation, we are required to go through to produce a funded optimal response to a problem identified e.g. a project!
8. Each level of investigation goes into a greater level of detail, whether design or cost estimated related and always will bring in a greater level of engagement with the public and key stakeholders.

The work in 2021-22 – the “Programme Business Case”

9. Following the work undertaken in 2019 and the need identified for a strategic transport plan for the metro area. A Transport Programme Business Case (PBC) was commissioned to determine which public transport and supporting options could promote the urban form set in the Hamilton-Waikato Metro Spatial Plan and could achieve equitable access, tackle our climate challenges and embrace kaitiakitanga across the sub-region. The purpose of this Programme Business Case was to:
 - Determine if rapid transit is the right method to achieve the desired outcomes.
 - Determine any triggers, broad timings and urgency of investigating rapid transit and the supporting demand management, optimisation of existing transport infrastructure and the requirements for new and improved micromobility and bus services provisions.
 - Identify the corridors/alignments that should be considered and protected.

- Identify a range of transport modes that might be considered.
 - Consider how long-term land use outcomes identified by Future Proof can be delivered with transport investments.
10. In June-August 2022 Hamilton City Council and all other Future Proof partners endorsed the recommended programme from the Programme Business Case. The exemption was Waka Kotahi whose Board endorsed the “strategic direction” of the Programme Business Case in November 2022. In July 2023 the Waka Kotahi Board **endorsed** the Hamilton-Waikato Metro Spatial Plan and Transport Programme Business Case. This Board decision did note that Waka Kotahi funding approval will be sought from the National Land Transport Programme for 2024-27 for the priority actions set out in the programme, subject to priority in the relevant activity class and funding availability.



Example of Bus Rapid Transit vehicle

Objectives and Benefits

11. In 2021, at the commencement of the Programme Business Case we revisited the Metro Spatial Plan objectives and benefits with elected members across all the Future Proof partners. In summary, elected members found the objectives from (insert date) still relevant and the PBC recommended programme was based on a:
- Reduction in deaths and injuries
 - Providing reliable and efficient freight movements
 - Delivering alternative mode outcomes
 - Supporting a compact urban form and utilise existing infrastructure
 - Reducing carbon emissions
 - Providing equitable transport options for all
12. At that same time in 2021, as it still is, it was concluded the outcomes sought by the Future Proof Strategy (soon to become the Future Development Strategy) could not be achieved by a business-as-usual approach, with the partners view being that carrying on with the same approach would give:
- Poor outcomes against the objectives. The accessibility issues, poor choice of alternatives and worsening climate change will remain, and the transport system will not support high quality compact urban form.

- An inability to meet strategic goals as well as climate change commitments through a lack of significant mode shift
- Poor ability to effectively manage access and transport choice for people living in the metropolitan area to access social and economic opportunities
- Growth and development will not be adequately supported by transport systems that promote compact urban form outcomes and benefits

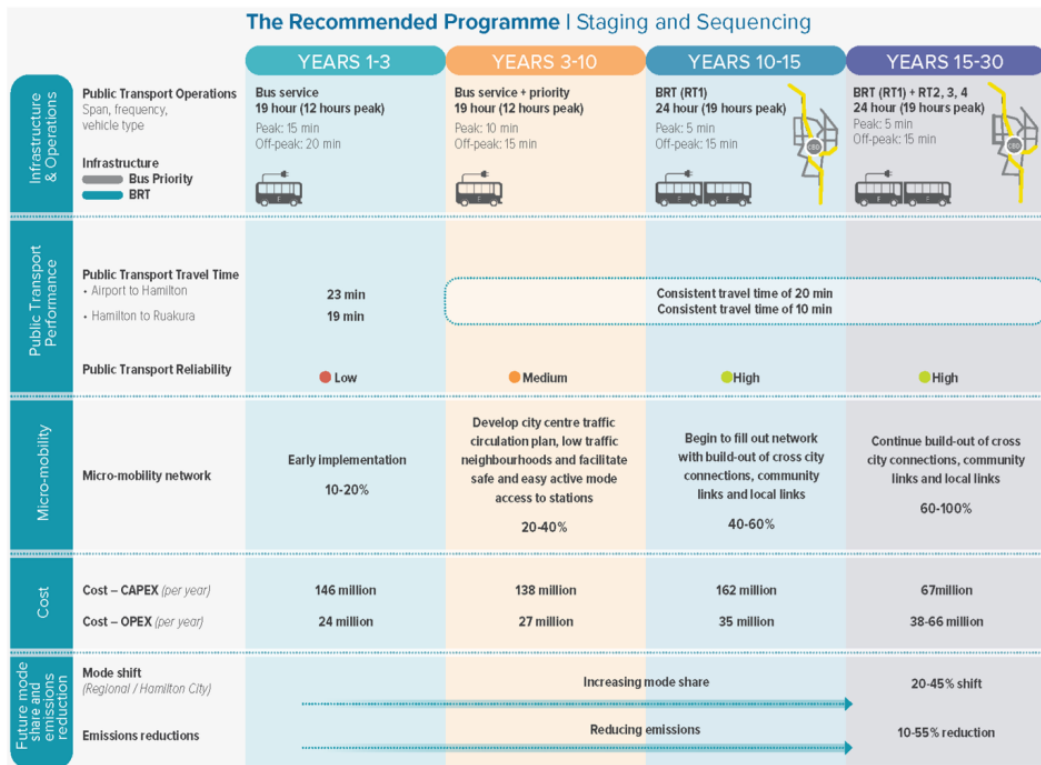
A Summary of the “Recommended Programme”

13. Whilst work and thinking has progressed since the Programme Business Case recommendations were adopted by Council last year, key messages from the recommended programme were a:
 - Recognition of Te Ture Whaimana
 - Development of a safe and healthier transport networks (maintain our focus on road safety / Road to Zero)
 - Programme Business Case concluded the Metro Area could sustain a Rapid Transit Public Transport system focused on frequent bus and bus rapid transit (BRT) options operating on existing road corridors (utilising road space reallocation and new infrastructure) enabling the greatest opportunities for scalability and stagibility.
14. Development of a network designed to deliver accessibility and transport network density while providing the best frequency of services which will be able to compete with or ‘simulate’ car based journeys. - A frequency over capacity approach.
 - The need to focus on road space reallocation (better managing existing space)
 - Route protection (protecting future transport corridors)
 - Micromobility (delivering our biking and micromobility business case network)
 - Focus on our frequent bus routes and planning and delivering more based around a core Bus Rapid Transit (BRT) network (see plan)
 - A continuing focus on Travel Demand Management in all its forms and optimising our existing transport networks
 - Integrating our transport network development with our land use aspirations e.g. a mix of medium-high density residential in our current greenfields and residential intensification along brownfield transport corridors and existing communities (as identified in HUGS and the current Future Proof Strategy).
 - Maximising Freight opportunities, particularly around shared roadspace and embracing new innovations in logistics
 - Staging and Sequencing – develop a demand linked programme response to the challenge we face (very much a focus for the remainder of 2023 and early 2024, see the PT Pathways scoping work outlined in next pages). The programme image on the following page gives an indication of service and implementation level changes across our investment period.
 - Protect ability to shift to rail (including Light Rail) if population and economics allow and support current and future inter-regional rail services
 - Institutional and governance arrangements to facilitate the change (one product of this is the newly formed Future Proof PT Sub-Committee)

15. The 2022 Programme Business Case developed a future bus network, with a core bus rapid transit focus (yellow) supported by existing and new frequent networks of which are subject to existing infrastructure development and will be implemented as per the guidance from this and future Regional Transport Plans.



Proposed Future Bus Rapid Transit Network (and selected high frequency bus corridors)



Recommended Programme – staging and sequencing

Costs

16. The cost of the 30-year programme as stated in June 2022 was put in the range of between \$3-6.5 billion. This figure included HCC future costs related to asset management and maintenance of future infrastructure over 30 years. Omitting this the actual programme amount over a 30 year investment period is (2024-2054) is \$4.4 billion. This includes \$3.3 billion for capital expenditure and \$1.1 billion for opex.
17. These costs will be refined as part of the further business case work being undertaken later this year. Whilst these costs in a Waikato context are large, note it is a 30 year investment period where a great deal of transport related spending would already be occurring, costs will be split across Hamilton City Council (for infrastructure), Waikato Regional Council (for public transport operations), other Future Proof partners and the majority coming from the National Land Transport Fund or other Crown sources e.g. CERF.
18. Costs include operational expenditure (funding of bus service operations) as well as capital works and further investigations.
19. Funding is subject to individual Councils and other partners to approve.
20. The programme shows the Bus Rapid Transit Lines (RT1 north, east and south) being delivered between year 5 and 15. This can be changed to go faster as well as slower based on direction from LTP discussions or a need to go faster based on a greater need to address vehicle emission reductions than envisaged in mid 2022, or for any other change in policy or strategic direction.
21. For the programme to realise the benefits the Programme Business Case outlined, the bike and micro-mobility programme will need to be progressed at pace as well as programmes

around the optimisation of existing infrastructure, road space reallocation for the bus and freight lanes and travel demand management that supports this mode shift aspiration. In this case, the 10-year spend expected to deliver this would be between \$1.0-1.5bn to create outcomes for all the above (e.g. BRT, bus and freight lanes, walking and cycling improvements, land costs and associated optimisation measures for the network).

22. Conversations with the government about alternative funding mechanisms to support emissions reduction targets and provision of housing have occurred since 2022 and need to be continued.
23. We noted in June last year that these programme costs are comparable to a near identical project being undertaken for Tauranga and surrounding area as part of the SmartGrowth programme. The BAY OF Plenty programme identified a similar network approach to support growth with a cost of around \$8billion to deliver the “Connected Centres” programme over the next 50 -100 years.
24. It is acknowledged that implementation challenges from a funding, governance and market perspective will be considerable and is the subject of on-going work to refine the programme and maximise benefits.

Direction from Council and Future Proof post Programme Endorsement 2022

25. In June 2022 the Future Proof Implementation Committee (FPIC) endorsed the Metro Spatial Plan (MSP) Transport Programme Business Case recommended programme. Since that occasion the Future Proof Transport Working Group has been scoping out the next phases of work and developing a financial approach to implement the recommended tasks. This work is ongoing with some tasks procured and underway, and others being scoped.
26. As a reminder of the position taken by the partners last year, the recommendations endorsed in June 2002 were:

That FPIC:

1. Receive the report titled Endorsement of the Metro Spatial Plan Transport Business Case Recommended Programme (Future Proof Implementation Committee 16 June 2022).
2. Note alignment of draft business case with Metro Spatial Plan expectation of a *“a radical transport shift to a multi-modal transport network shaped around where and how communities will grow”* which is to be achieved through development of a rapid transit network aligned with land use and completion of micromobility networks in our urban centres.
3. Note alignment of draft business case with government’s outcomes for housing supply and transport emission reduction including contributing toward a 20% decrease in vehicle kilometres travelled by the light vehicle fleet by 2035.
4. Note that the draft business case contributes to Te Ture Whaimana through establishing a principle that the transport network is designed in a way that supports the restoration and protection of the Waikato River and through a proposed rural access programme to enhance access for mana whenua to opportunities whilst recognising that the specific detail of how the river will be restored and protected will need to be expanded in subsequent more detailed business cases.
5. Notes the importance of aligning land use decisions with the proposed rapid transit corridors including:

- a. Enabling higher rates of intensification along rapid transit corridors and at key transport nodes along those corridors with an aim of achieving the majority growth of in Hamilton through intensification over the course of the 30 year programme
 - b. Requiring that new greenfield developments are integrated with the rapid transit network and deliver at least medium density residential development.
 - c. Encouraging mixed use development and the concept of twenty minute neighbourhoods aligned with key nodes along the rapid transit corridors and micro-mobility networks.
6. Note that implementation will require a range of infrastructure and policy interventions including re-allocating space on the transport corridors, providing for bus priority, completing micro-mobility networks, reviewing parking policies and developing network optimisation programmes.
 7. Note that costs are still being refined but are currently estimated to be \$3.3bn CAPEX and \$1.1bn for OPEX' for a total cost of \$4.4 billion (assuming a 50th percentile infrastructure cost estimate). These estimates include \$3.1 billion of transport improvements already identified in the partners 30 year infrastructure strategies noting these are largely unfunded to date.
 8. Note that the detailed funding and implementation plan (including the Management Case, Commercial Case and Financial Case) are still being finalised and will be presented to the Futureproof Implementation Committee at the September 2022 meeting.
 9. Notes that the business case will not preclude a transition to a rail based public transport system in the future if appropriate.
 10. Notes that all future investigations related to these programme recommendations will be required to consider implications of emerging transport technologies.
 11. Supports and endorses in principle the proposed Recommended Programme of the Hamilton Waikato Metro Spatial Plan Transport Programme Business Case as the basis for future investment and planning decisions subject to further detail on implementation and funding/financing options.
 12. Recommends that the partner organisations begin planning for early deliver of the key programme elements including completing micro mobility networks, bus priority implementation, reviewing design standards and investigations around new/different river crossings in the next 3-5 years.

Communications and Engagement

27. Future Proof has recently engaged a Communications specialist to work on both general Future Proof communications across all the workstreams and to develop communications around the transport workstream as a multitude of tasks develop across the remainder of the year and into 2024.
28. Communications and Engagement needs to step up in pace as our investigations progress and we will be required to undertake engagement with effected parties on some of our key corridors.

29. There are some concerns amongst staff and elected members that we are not addressing adequately the Hamilton “growth story” with the work we are doing in an infrastructure space to address these issues. We need to develop a strategy that address’s why we are developing new and improved water and transport networks in the face of the growth of the city and metro area.

Governance of Future Proof – a summary

30. The Transport Working Group led the technical development of the MSP Transport Programme Business Case. This group comprises of technical staff from across the partners were possible and is chaired by Phil Haizelden from Hamilton City Council and Sarah Loynes from Waikato Regional Council. This group reported to a Senior Managers Steering Group (SMSG) for technical review and guidance and interface with other future workstreams.
31. In May 2023 a new Project Control Group was formed to replace the SMSG for transport guidance only. The SMSG reports up to the Chief Executive level to a Group known as CEAG, the Chief Executive Advisory Group where HCC is represented by Blair Bowcott. Elected Members and Mayors, Government Ministers and other partner leaders make up the Future Proof Implementation Committee (FPIC). This group approved the Programme Business Case recommendations in June 2022 which was subsequently endorsed by THE Strategic Growth Committee shortly after.
32. Similar arrangements exist for other technical land use, growth and water based Future Proof workstreams.
33. In March 2023, in part based on recommendations from the Programme Business Case, the Future Proof Public Transport Sub-Committee was set up. The Committee has an operational and strategic function with part of its remit to make implementing the recommended MSP strategy easier by making recommendations back to partner Councils for consideration.

Advancing Affordable Housing Outcomes in Hamilton

Hamilton City Council

February 2023

Essentia Consulting Group Limited

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Background and Introduction

Following the recent local Government elections, the Hamilton Mayor, Paula Southgate, has made housing, and particularly housing affordability a key priority for this triennium (2022- 2025) of Council. At the top of the Mayor's housing priority is HCCs involvement in the Fairfield- Enderley urban renewal/regeneration programme and also more broadly its role in terms of advancing affordable housing outcomes across the City.

A recent Treasury report analysed the housing system in the Hamilton-Waikato area and presented some stark findings regarding housing affordability in the sub-region – while these challenges are not unique to Hamilton, the effect on Hamiltonians is profound. HCC considers it has a key role to play in the housing eco-system given its role and functions and its ability to influence outcomes.

Based on this renewed political imperative, the adoption of the Housing Strategy, and growing issues regarding housing unaffordability in the City, HCC is seeking to ensure that it is setup for success in this space and able to respond to the current political demands and housing drivers

HCC engaged Essentia Consulting Group (Martin Udale) and tasked it to undertake a review of HCC's role in the housing market, with a particular focus on 'affordable' housing. The scope of the review is focused on gaining a high level understanding of the current housing landscape in Hamilton and surrounding region and HCC's current role involvement in this. In particular we have been tasked to address how HCC might better enable and facilitate the delivery of more affordable housing. Subsequent to this paper HCC will then separately consider how it might best organise itself with internal and other resources to respond to the Recommendations and Next Steps in this paper.

The review was largely undertaken through a series of 'conversations' with a diverse range of stakeholders active in the Hamilton housing markets - these included for profit developers, HCC Mayor and Councillors, Community Housing Providers (CHP's), Kainga Ora, Waikato Tainui Council staff, and the Ministry for Housing and Urban Development (HUD). In addition to these conversations, we have reviewed various background documents provided by HCC as well as researching other relevant material to assist in informing our review and conclusions

Executive Summary

We have been tasked to undertake a review of Councils current housing objectives, with a particular focus on advancing Affordable Housing (AH) outcomes in Hamilton.

There is broad consensus that the current Housing Strategy and Action Plan are ineffective in delivering on the ground results, are not targeted, are under resourced / under-funded and thus ineffectual. There is a common view that there is a need to focus on a few key areas of opportunity that Council can pro-actively effect and organise accordingly.

Our own experience and research as well as conversations held through this review suggests that whilst the Housing Strategy is broadly 'on-track' nevertheless there are some aspects of it that need to be reviewed and updated. On the other hand we find the Action Plan itself is insufficiently focused with too many actions, that are not outcome oriented. The Action Plan should be re-set with greater focus on fewer actions and 'getting stuff done'. We have been provided with a draft HCC internal review report on the Action Plan and note this report identifies that many of the actions proposed are 'on hold', through lack of resourcing, and it appears from our discussions with stakeholders that there is a lack of 'ownership' within and across Council as to the outcomes sought and actions necessary to achieve them.

On the plus side there is broad support for AH initiatives from a wide cross section of stakeholders from developers and CHP's to Council staff and body politic. Whilst there are different views as to specific actions and priorities that Council might adopt there is also a high degree of alignment that what is required are fewer actions and more focus to get results on the ground. These actions need to be focused on enabling actions that can have impactful results over the short medium and long term.

There was broad agreement that there is a need, through catalyst projects or actions, to demonstrate outcomes in the short to medium term to build credibility and confidence among all players in the AH sector. Finding willing and aligned partners to work with on such catalyst actions and projects is likely to be more beneficial than trying to force this upon those not so willing to engage.

It needs to be recognised that achieving substantive gains in AH outcomes will take time and constancy of purpose. This should be viewed as 'generational change' with a 10-25 year horizon such that getting the settings and focus right today to achieve long term outcomes and success is critical.

We have identified a series of themes and possible actions under each theme that Council may consider to enable and facilitate AH outcomes more effectively. These are:

1.0 Regulatory Tools and Levers including:

- Inclusionary Zoning
- Development Bonuses
- District Plans rules and Development Controls
- Consenting Processes
- A Sub-regional Response

2.0 Financial Tools & Levers including:

- Infrastructure Investment
- Development Contributions
- An Affordable Housing Fund

3.0 'Direct' Action including:

- Exemplar Projects
- City Centre revitalisation/IAF
- Strategic Land Acquisitions
- Effective Partnerships
- Grow Council Capability and Knowledge of Development

4.0 Fairfield-Enderly including:

- Redevelopment vs Regeneration
- An Effective HCC KO Partnership
- Council LTP and Resource Alignment

Location matters. The location of AH with ready access to local amenities and services (schools, healthcare, retail, open space), proximity to work opportunities, and with accessible and affordable transport options all make for more affordable living for those on low to moderate incomes.

Finally, the ongoing role and purpose of the Community Lands Trust was raised by a number of stakeholders with a common view that it is 'setup to fail' under current conditions and either needs to be properly resourced with capital and human resource or otherwise restructured / re-purposed or wound up with funds applied elsewhere to support AH initiatives.

Areas of opportunity for focus by HCC to deliver AH outcomes

There are a range of statutory and non-statutory levers and tools available to Council to enable it to more proactively impact the housing market and with a particular focus on enabling and facilitating a greater level of Affordable Housing (AH) outcomes. Many of these are being, and in some cases have been for a long period of time, used by local and regional governments in different jurisdictions to address the issues of housing supply and affordability

Historically the role of local government could be seen as that of asset planner, manager, and regulator; much of that founded from the beginnings of local government in Great Britain arising from the realisation that the growing cities of the industrial revolution required as a basic necessity better health and sanitation infrastructure.

Today, arguably the role of local government has evolved, or needs to, from that of that of asset planner, manager and regulator to that of an active manager and champion for a competitive city providing a wide range of economic, social and environmental outcomes to meet the needs of its population over time – in effect a more proactive and leadership driven role that is outcomes focused, co-ordinated internally, and can operate collaboratively externally, to achieve desired outcomes for all stakeholders. As such Local Government has a legitimate interest and role to play in a range of issues with housing being one of those where it can have a significant effect.

In the context of enabling and encouraging greater AH supply in Hamilton the following key themes and elements have been identified through this review that Council might choose to adopt in totality or selectively for further development and action.

The following 4 thematic areas of focus have been identified through the review process as being those where there is most opportunity to achieve an impactful result:

These are

1. Regulatory tools and levers
2. Financial tools and levers
3. Direct opportunities
4. Fairfield-Enderly creating an effective 'regeneration' partnership

Each of these are expanded upon below and where appropriate to provide examples of where and how HCC might more effectively target its efforts in terms of improved AH outcomes over time:

1. REGULATORY TOOLS AND LEVERS

1.1 Inclusionary Zoning (IZ)

"IZ is a means of using the planning system to create affordable housing and foster social inclusion by capturing resources created through the marketplace. The term refers to a program, regulation, or law that requires or provides incentives to private developers to incorporate affordable or social housing as part of market driven developments. This can be achieved either by incorporating the affordable housing into the same development, building it elsewhere, or contributing money or land for the production of social or affordable housing in lieu of construction." (World Bank)

Many jurisdictions around the world now require provisions of affordable housing in new developments which are enabled under IZ provisions within planning schemes - these can be either voluntary or mandatory in nature although there is an increasing movement towards mandatory schemes. Well-designed IZ schemes can achieve a win:win between planning authorities and the market driven developments sector through a mix of well targeted requirements and incentives. Regionally relevant examples to Hamilton include that by Queenstown Lake District Council (QLDC), until now a largely voluntary scheme but now moving to become mandatory, and a similar scheme that has been operating in South Australia (SA) for some years; both with reasonable levels of success in delivering AH outcomes.

There are numerous other examples around the world that provide examples of how IZ might be structured - there is no one size fits all so designing a scheme for Hamilton should take the learnings for these and determine how an IZ scheme for Hamilton might be best structured in the context of local conditions.

Both QLDC and SA schemes provide definitions of affordability that combine both a level of overall household income spent on housing and the level of income itself

- in the case of QLDC this is described as a "household spends no more than 35% of their gross income on rent or mortgage (principal and interest) payments..... and for the purposes of these provisions, 120% of the District's Median Household Income for the most recent 12 months is used to define a low to moderate income."

- in the case of SA affordable housing means 'dwellings appropriate to the needs of households with low and moderate incomes (i.e., up to 120% of the state's gross annual median income)' and is priced to cost people no more than 30% of their gross income if they are on a low or moderate income.

Both QLDC and SA schemes require or target a 15% AH provision within significant new projects and have 'retention' and monitoring mechanisms to ensure agreed AH outcomes are achieved. This level of provision is broadly typical in many AH schemes and under different jurisdictions which typically target a 15-20% AH outcome.

Triggers to ensure AH outcomes are delivered could be built in to IZ provisions - e.g., further stage consents being dependent on prior development stages demonstrating the delivery of AH outcomes to agreed levels. Such triggers could provide for both a stage and project level cumulative effect to provide some flexibility to manage AH delivery within wider project requirements and constraints.

1.2 Development Bonuses for AH

Similar in many respects to IZ, density bonuses allow additional development potential, but only if the development includes an affordable housing contribution. The rationale for this type of incentive is that additional density might be acceptable in specific circumstances but is not unilaterally desired for all areas or for all developments within a neighbourhood.

Therefore, in areas where development bonuses are available to market developers only the developments opting to gain additional density under the defined circumstances are expected to include affordable housing in exchange for the additional development rights conferred - as such these often operate as voluntary rather than mandatory schemes but are set at such a level that the additional development rights act as an incentive for the provision of AH as on a net:net basis the market developer achieves a better project outcome and return than under the base level of development otherwise permissible

Arguably density bonus regimes are most appropriate where there is opportunity for selective densification rather than wholesale up-zoning of an area. Development bonuses are often set around additional floor area or height benefits where the additional area allowed might be say twice the requirement for AH space provision within a development thereby providing an incentive to market developers to provide AH within a project whilst still delivering AH outcomes within overall project viability.

Whilst the recent introduction of the Medium Density Residential Standards (MDRS) requirements may have limited the opportunity for introduction of development bonuses in suburban areas with residential zonings the opportunity to introduce these in to the City Centre and fringe city areas (e.g. Frankton) with Mixed Use or Commercial zonings remains and could be adopted to encourage greater residential development within or in close proximity to the City Centre. If the MDRS rules are too restrictive even within this context then a suite of incentives and bonus provisions e.g. site amalgamation bonuses, or additional height/density, to encourage the provision of 'affordable' housing could be considered.

1.3 Application of IZ and Development Bonuses for Hamilton

In New Zealand it is at the plan-making stage that development rights are primarily assigned, such that development consistent with land use zoning requirements and development controls (lot size, density, height etc) will usually be approved. In this context, land use value 'uplift' occurs when planning rules change, rather than when development consent is granted (as is the case in the UK). For this reason, there are strong arguments to embed affordable housing requirements when land is rezoned for new or higher density residential developments. This is particularly so when the rezoning process is part of a wider process of development, renewal or gentrification that raises land values, benefiting the landowner. In the Hamilton context this might be more applicable for new greenfield developments although could also be applied where there is an intended wider process of renewal and regeneration- e.g., Frankton?

Density bonuses would allow additional development potential, but only if the development includes an AH contribution. The rationale for this type of incentive is that additional density might be acceptable in specific circumstances but is not unilaterally desired for the general precinct or neighbourhood. Therefore, only the developments opting to gain additional development rights under the defined circumstances should also be expected to include affordable housing. In the context of Hamilton this might be more applicable and relevant to city fringes and central city areas and could potentially support greater housing supply by making developments more viable whilst still delivering AH outcomes, especially as multi-unit residential development is still in its early stage of maturity in such locations.

Whilst a review of the current District Plan is beyond the scope of this paper it is understood that there are currently no provisions for AH requirement in either greenfield or brownfield locations. As such in the short to medium term Council could:

- through voluntary agreements in new greenfield area plan changes require the provision of a percentage of AH as part of the overall development outcome. There is clearly precedent for this through previous Special Housing Area (SHA) legislation and that was accepted by the market at the time although a more nuanced and targeted definition of AH could be provided for along the lines of QLDC and SA rather than the simple definition adopted in most SHA projects rezonings or development approvals.

Council has substantial leverage at the time of rezoning (especially where such landowners or developers are seeking to have such land incorporated within the Hamilton City boundary) and is arguably in its strongest position to negotiate for such outcomes at this stage in the development process.

- through voluntary agreements provide for additional development rights in brownfield locations. This might require amendments to the current district plan to enable such bonuses to be offered, and taken up, and to provide a statutory basis for such agreements - further advice should be taken in this regard.

In the medium to long term Council could:

- amend its District Plan (DP) residential rules to require on a mandatory basis that any development over a certain size would be required to provide an AH contribution either through the provision of AH dwellings within the development or the payment of an AH financial contribution to a 'ring fenced' AH fund managed by HCC and which in turn could then be provided to Community Housing providers (CHP) to support provision of affordable housing outcomes on other sites within the city.
- amend its rules to provide that all new housing development be required to pay an AH contribution to a Council (to capture smaller projects not covered by the above)
- suitable monitoring processes and resources would be required within Council to ensure the provision of AH outcomes in the first instance and the ongoing 'retention' of such AH over time

1.4 District Plans rules and Development Controls

Council should undertake a review of current DP rules and development controls (e.g. minimum lot size, site coverage, HIRB, height etc) to ensure that they are not inadvertently restricting the ability of developers to deliver both an absolute increase in numbers of dwellings developed but also more affordable home typologies; thereby causing inadvertent outcomes to Councils broader housing and AH objectives - and, we would argue, that such DP rules should contain a bias to desired future form outcomes rather than protection of the housing status quo, especially in areas already identified for intensification or development.

As above, whilst the introduction of MDRS to some degree might limit the impact of this our understanding is that these apply only to developments with a maximum of 3 dwellings so that larger developments in existing areas identified for intensification and renewal could benefit from a mix of well targeted planning controls and development bonuses being introduced and which might in turn encourage both greater housing supply and supply of AH outcomes in such areas.

1.5 Consenting processes

Not surprisingly a number of the market developers with whom conversations were held for this review raised the issues of the time, inconsistency, siloed approach to issues, and complexity of dealing with Council through the project consenting process with consequential delay and cost flow-on's to project outcome - often, in the developers' view, adding significant costs and delay that need to be absorbed within a project feasibility and funding parameters for little or no discernible benefit.

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It was also raised that the level of detailed information required in the early stages of the consenting process are not justified nor required (e.g., geotechnical reports and peer review for RC purposes) the impact being that any changes required to the design by Council take a significant period of time and cost to then respond to given the extent of detail design that needs to be amended. Developers expressed a view that many consenting officers lack experience, are not pragmatic in their approach, and are not prepared to make decisions or give clear direction on requirements - the consequence being that the only way to resolve matters is to escalate them to a more senior level where they are then often resolved quite quickly but only having incurred costs and time delay along the way.

These comments are no doubt familiar to Council and reflect a natural point of tensions between developer and consenting authorities. However, on the basis there 'is no smoke without fire' Council could review its current processes and for major or more complex projects establish a case management approach to provide an internal project management function which would be charged with ensuring a consistent and timely approach to consent processing and requirements across multiple Council departments and that any issues are raised and dealt with expediently. A clear escalation pathway should be available if such matters cannot be resolved in the first instance. Under the SHA regime Auckland Council established the Housing Project office (HPO) to provide such a function across all eligible SHA projects - this was generally seen by the development sector to be a successful model.

Whilst better consenting processes would benefit all housing projects Council could as an initial step look to provide 'fast-track' consenting and approvals processes and case management, along the lines of the HPO, for projects meeting AH objectives and criteria. This could act as part of a suite of incentives to developers to provide for AH within developments.

1.6 A Sub-Regional Response

Developing a common and consistent approach to IZ and to a lesser degree Development Bonuses at a sub-regional level, for example with Waipa, Waikato and Matamata Piako District Councils, might have some merit particularly in light of the Future Proof Partnership around housing supply.

A common and consistent approach would provide certainty of application for developers within the sub-region and limit opportunities for 'cherry picking' new greenfield development opportunities to avoid any HCC AH requirements by moving their development activities to adjoining Council areas. It would also make for more efficient assessment and delivery of such projects over time.

2. FINANCIAL TOOLS & LEVERS

2.1 Infrastructure Investment

Recognise that Council investment influences the long-term strategy and the delivery of development outcomes on the ground. Understand at a granular level these influences and impacts and bring these into the decision-making processes for investment in infrastructure of all types – pipes, drains, roads, parks, community facilities and so forth - that support wider development enablement and outcomes.

Linked with IZ provisions (whether voluntary or mandatory) the enablement and provision of infrastructure to new development areas is a key consideration in development viability and certainty. This provision, or enablement, of infrastructure is a key leverage point for Council especially when linked to voluntary AH agreements for new greenfield rezonings or amendments to the City boundary to bring in land currently outside the city boundary. These arrangements can be contracted for through the use of Private Developer Agreements, or similar, and should 'run with the land' through a suitable legal instrument to ensure their effect over time and in the case of changing ownership of land.

2.2 Development Contributions (DC)

Related to 1.2 above Council could introduce a differential (lower) DC for projects providing AH outcomes as agreed with Council through the rezoning or consenting process. Where AH outcomes are not provided within a project there could be a financial or land contribution made by the developer which in turn would then be directed by Council to eligible parties to deliver AH outcomes.

Over time a suitably 'ring fenced' AH fund could provide significant funding levels via Council to CHP's for the provision of other forms of 'more affordable' housing outcomes that market developers are unable or unwilling to provide even with the initiatives in place as discussed above.

In addition to DC's Council could provide for some form of maximum or rebated consenting/approval fee (RC, BC, engineering approvals and inspections, 224c etc) per dwelling where projects provide for an agreed level of AH - this would be most appropriate as part of 'kit of parts' and incentives for the negotiation and agreement of voluntary AH agreements in the short to medium term

2.3 Rating Tools

Rating tools provide an effective, and existing, mechanism by which Council can collect funding to provide for targeted outcomes. An AH targeted rate could be introduced as a means to fund AH outcomes. The extent of application of such a rate could be applied to all ratepayers with the HCC area or could be restricted to new developments only, and perhaps those where AH outcomes are not otherwise provided for by the developer.

2.4 Establishing an Affordable Housing Fund

As noted above Council could consider establishing a contestable AH fund, funded through DC's, IZ contributions and other mechanisms which in turn could then invest in, or provide funding to, AH projects being undertaken by or in partnership with a panel of accredited CHP's. Potentially the fund could also be open to market developers where they are providing a significant component of AH within agreed criteria although 'ring fencing' any such funding to the AH component in any such projects could prove problematic - a better variation to accommodate market developers providing AH outcomes might be where a market developer and CHP formed a consortium and then such funding could be directed to the CHP whilst effectively still contributing to the overall project viability and success of wider housing outcomes.

Again, were such a fund to be established this could prove a useful tool to promote voluntary AH agreements with market developer/CHP consortiums.

Related to this, and through several of the conversations held to inform this paper, it was suggested by various stakeholders that Council could establish such a contestable AH fund with seed funding from the Endowment Fund; rolling up the existing Community Lands Trust to provide seed funding to such a fund; or by Council raising or underwriting an AH Bond.

It is beyond the scope of this paper to consider in any detail how such a fund might be structured and funded however there are a number of options and funding channels that Council could more fully consider should it wish to pursue such a fund initiative.

3.0 'DIRECT' ACTION

3.1 Exemplar Projects

Council could set up a number of exemplar, or catalyst, AH projects to demonstrate that good AH outcomes are both achievable and viable and to create momentum and build understanding and confidence both within Council but also in the wider developer sector that AH outcomes can be achieved without sacrificing project viability given the implicit subsidy that AH outcomes typically require.

We would recommend that in the first instance Council undertake a stock-take of its operational and non-operational property portfolio to identify currently surplus sites that would be suitable for housing development. This review could also establish a pipeline of such sites to provide a multi-year opportunity to the developer and CHP sectors. A similar approach might be taken with the Council Endowment Fund property holdings subject to the terms and investment requirements of that Fund.

The immediate benefit of Council owning the land and seeking AH development partners is that Council in its 'go to market' approach gets to set the criteria which must be achieved in terms of AH and overall housing outcomes. Council in turn may then consider how its land investment

might be structured in to any such arrangement - e.g., deferred payments; land left in for a period of time to support AH outcomes with future payment on agreed basis, as equity.

Such an approach to utilising 'government' landholdings to stimulate desired outcomes is standard operating procedure and widely undertaken across many jurisdictions, including a number in New Zealand.

3.2 City Centre revitalisation/IAF

The City Centre presents a significant opportunity for Council to implement a revitalisation approach and to partner with private sector developers and investors to achieve mutually beneficial outcomes. In particular the recent announcement of the \$150M Infrastructure Acceleration Fund (IAF) grant funding for enabling infrastructure to support the delivery of 4,000 dwellings in and around the city centre between now and 2034 can potentially reshape how people perceive and live, work and play within the city centre. The IAF investment is further supported by a similar level of funding within the LTP of \$129.3M for the period 2021-2031.

Whilst funding alone is important to achieve this level of outcome unlocking the anticipated \$2BN+ of private sector investment required to deliver the ambitious outcomes for the city centre will also require a different way of working as between the Council, Crown Iwi, and private sector players. Many of the actions discussed elsewhere in this paper could assist in achieving better order outcomes, more quickly than traditional ways of doing things and working together might otherwise deliver. Council will need to pro-actively work with all its possible partners and deploy a range of different approaches and initiatives to achieve desired outcomes.

3.3 Strategic Land Acquisition

Strategic land acquisition for AH purposes could provide Council the ability to acquire key landholdings with a medium to long term view for such land to be developed, rezoned, or up-zoned for housing purposes and subject to the usual rezoning requirements, tests and processes.

The benefits of such a strategic acquisition approach are

1. Council participates in and value gain through zoning or development process
2. Council's 'go to market' approach enables it to determine AH and wider outcomes required
3. A long term programme of strategic land acquisition would allow Council to continue to top up its AH pipeline

Through the conversations held several of the stakeholders supported the idea of Council taking a more pro-active and direct involvement through exemplar projects, and strategic land acquisition. The value uplift achieved over initial acquisition costs could provide an equity

contribution by Council that could remain in the project for some time to support AH outcomes whilst enabling Council to recycle its initial acquisition investment. Again, there are a number of ways these arrangements could be structured to align with and support a number of the initiatives above.

3.4 Create Effective Partnerships

Creating effective partnerships between Council and partner organisations focused on delivering AH outcomes will assist in growing the capability and capacity for AH delivery over the medium to long term. In saying this it should be realised that effective partnerships require time and commitment to achieve shared outcomes and must be pragmatic, adaptable and considerate of the needs of the other partner - successful partnerships require a win:win approach to at the forefront at all times. However, whilst bringing challenges to make work well, well-structured partnerships can and do deliver superior outcomes because they leverage the combined capabilities and resources of the partner organisation.

Successful and effective partnerships require seniority, with commercial acumen, in representation; they need to be fostered and continuously refined and re-calibrated and must be founded on the application of strong commercial disciplines to ensure their success.

Effective partners, by way of example, could be aligned landowners (Churches); those with knowledge, capability and resources in this sector (CHP's / developers); funders and financiers (charitable trusts, philanthropy, trading banks) Iwi, and Crown (Kainga Ora, HUD).

Different partners will suit different aspects of AH delivery, and at different times - a well-constructed market sounding process could assist Council in identifying early partnering opportunities and partners for them.

3.5 Grow Council Capability in Development Knowledge and Experience

Use the opportunity through a combination of the above initiatives to grow Council's knowledge and experience in the dynamics of development to assist it in better understanding the opportunities that may present themselves in the AH sector as well as the challenges that developers and CHP's face in delivering in this space. From this better and more effective measures could be fine-tuned by Council over time to achieve its broader and AH objectives.

At a bare minimum giving effect to well-structured exemplar / catalyst projects; and establishing effective partnerships with others requires a sound understanding of the other party's drivers and the complexities of delivery in this sector. Better knowledge and understanding can also ensure that settings in IZ or Development Bonuses are set such that they are sufficiently attractive and viable for others to then respond to.

4.0 FAIRFIED-ENDERLY (FE) REGENERATION PROJECT

The FE regeneration project, led by Kainga Ora (KO) is one of the most significant housing projects being undertaken in Hamilton and is its largest social and affordable renewal and regeneration programme. It is also a key focus for the Mayor in the HCC response to advancing AH outcomes in Hamilton.

Whilst KO and Council have been 'partners' in this programme for some time it appears from various comments and discussions with a number of stakeholders that there is potential misalignment, misunderstanding and a lacking of effective partnering principles and practice.

A review and reset of the programme partnering approach appears to us to be warranted to achieve shared principles and desired outcomes; clear expectations of partner organisations in terms of what each does, and what each brings to the programme; and the management and governance arrangements at a programme and partnership level.

At the moment stakeholder views range from FE is going to be 100% social housing redevelopment with a further concentration of deprivation that the city will be left to deal with once the housing is built; through to this is going to be a mixed tenure regeneration programme providing a range of housing choices both in form and tenure options. Clearly there is some misalignment or missing communications around the intent for FE.

4.1 Redevelopment vs Regeneration

In the context of FE it is important to recognise the difference between Urban Development (or Renewal) and Urban Regeneration.

Urban Redevelopment usually refers to large scale clearance and redevelopment of physically and economically degraded precincts or neighbourhoods taking account of other elements such as heritage preservation but essentially focused on physical and spatial reconstruction.

Urban Regeneration, on the other hand, is a comprehensive integration of vision and actions aimed at resolving the multi-faceted and complex problems of deprived urban areas to improve the quality of life and opportunity for the community that lives there. Urban regeneration typically aims to address physical, social, economic and cultural transformation. Large scale regeneration programmes are complex and take time, but the benefits can be life changing.

Delivering regeneration outcomes in FE requires aligned objectives and an effective partnership between the city and the state (Crown).

4.2 An Effective HCC KO Partnership

Key factors behind successful partnerships include

- consistent leadership;
- a clear and shared vision and purpose;
- translating vision into workable programmes and actions;
- meaningful engagement with the community and businesses;
- the necessary human and capital resources.

Successful partnerships require a partnership culture. Successful partnerships can be formalised through agreements and legal structures or informally through aligned and like-minded organisations coming together to achieve mutually agreed outcomes and leveraging the capabilities and resources of the partner organisations to best effect. This is not only about achieving regeneration aims but about the underlying partnership quality including attitudes and values, reflected in working practices, which partners bring to the table. These are the elements of organisational culture, which can be altered to embrace partnership.

Partnerships can lose direction or fall apart upon divergent views and expectations between partners who fail to develop a common agenda. Some are wound up, but this is not a viable option for high profile projects such as FE. Failure is not a crime, but the lessons of experience must be addressed in an honest manner and new, mutually agreeable ways of working set-in place before a partnership is relaunched. Hearts and minds can be focused on the necessary steps through a relaunch.

Setting, or re-setting, the partnering approach to FE between KO and Council is recommended to assist in better aligning respective understanding, expectations and the needs and resources needing to be brought to the programme by each of Council and KO respectively. Whilst the key partners in the FE partnership are KO and Council there are also a number of other important stakeholders and partners who may have at times a differing agenda, with an interest in the outcomes of the project. The role and relationships as between these parties and the key partners are important and should be addressed in any re-set.

In concert with the above Council should develop its relationship at a senior leadership level with KO, in Auckland and Wellington, to ensure clearer understanding of programme outcomes and respective expectations. A number of stakeholders noted that the relationship with KO at a regional level is good and broadly aligned but that much of the direction comes from Auckland or Wellington offices with little regard for local conditions and without opportunity for Council (or regional KO management) to input or influence such direction or decision.

4.3 Council LTP and Resourcing Alignment with KO Programme

There is a need to align Council infrastructure, community, open space and streetscape investment and resourcing with the overall KO development programme and to be clear with KO as to what is possible and what is not. An aligned investment programme will help ensure that expectations are met or managed accordingly

5.0 OTHER ISSUES

5.1 Community Lands Trust (CLT)

There were a number of stakeholders that commented on the CLT, its effectiveness and ongoing purpose.

Most of these pointed out that the CLT was "set up to fail" and has neither the available capital or human resources to go forward and in its current state if effectively stalled. We would support that view.

Whilst not a Council decision, as we understand it, a review and either further enablement or effective winding up of the CLT would seem warranted. We have noted above some options whereby the CLT could partner with others, the current funds held by the CLT be utilised to deliver AH outcomes through other means, or the existing CLT entity re-purposed as a funding provider that could receive AH contributions from IZ and other sources and distribute these monies to eligible parties for the development of AH.

5.2 Waikato Regional Housing Initiative (WRHI)

The WHRI has established itself over the last few years as a credible and capable organisation in the wider housing eco-system in the Waikato region. As such it is seen to be a key regional partner for HCC going forward. However, it is not entirely clear to us where it sees its role going forward. To date it has been largely focused on developing a robust data and being an effective advocate for greater investment by Local and Central Governments in housing and its related infrastructure for the region. It is generally seen to have had some success in that regard.

Going forward, it will be important for HCC to clearly establish where the WHRI sees itself in the future and as a key regional partner how the Council and WHRI might best work together for mutually desired outcomes. Whilst it is understood that the WHRI has now been registered as a Charitable Trust it is not clear at this stage if it sees itself as over-time building an asset base (and becoming a CHP?) or if it sees its role as that of an advocate and 'source of truth' for all matters housing in the region - this needs to be clarified with them.

5.3 HCC Resourcing to Advance AH outcomes

Whilst beyond the scope of this initial review of the 'what' Council might do we would suggest Council consider establishing a small specialist team, with appropriate mix of skills (planning, development, financial, other) focused on the issues and tasked with achieving greater levels AH development within and around the city centre and in suburban areas and more widely. This team would create a cross Council approach to some of the matters noted above - develop workplans, programmes and resourcing needs to support these and from that determine priorities for implementation recognising that both human and capital resources are always constrained no matter the organisation or the times.

Any team established for this purpose should have an appropriately senior manager within Council who has both 'commercial acumen' and the ability to build and maintain strong relationships and partnerships with the multiple stakeholders and partners having an interest in AH outcomes in the HCC area and sub-region.

5.4 Location Matters

As much as focus on AH in itself is important it is also important that AH is considered within a wider affordable living context. The location of AH with ready access to local amenities and services (schools, healthcare, retail, open space), proximity to work opportunities with accessible and affordable transport options all make for more affordable living. An 'affordable' house distant from good quality local amenities and services does not necessarily deliver affordable living outcomes for those on low to moderate incomes and can lead to a more fractured and disconnected community that struggles to get by.

Stakeholder Feedback

Key comments and issues identified through the stakeholder conversations included the following. Many of the ideas, thoughts and comments were common across multiple conversations and those reflected below are an amalgamation of comments around the key themes that emerged:-

"Housing focus - putting the people who need it most into better housing"

"Focus needs to be on community building, not just building houses"

"Housing Strategy and Action Plan largely unfunded; not aligned to LTP. Next LTP operative July 2024 - vital housing priorities and actions aligned to and funded by LTP"

"Housing Strategy lacks substance in current form"

"Housing Action Plan - 2 out of 12 actions have had focus; lacks momentum"

"Need for focus and prioritisation; understand which actions compliment others to create greater leverage"

"Be clear on what is trying to be solved - what does 'affordable' housing mean for HCC; which part of the market is it targeting. "What is practically in the HCC wheelhouse"

"Kainga Ora (KO) predominantly see the job in Fairfield-Enderly is the delivery of more houses; Council interested in community wellbeing long term"

"A 3:1 uplift in Fairfield - Enderly will only increase concentration of deprivation; needs to be 1/3:1/3:1/3 social, affordable, market"

"Need to establish a strong community partnership between HCC and KO that focuses on long term community wellbeing - social, economic, environmental - housing is the platform not the answer for community wellbeing"

"Players are well aligned in terms of intent but not so well aligned in terms of impactful delivery"

"Saying 'no' more' often and focusing on things Council can and will do. Lots of political noise without clear focus; be clear about the role and outcomes"

"Unrealistic expectations and deadlines driven by political considerations; recognition at the political level that this is long term generational change and needs commitment and funding to match"

"Achieving desired housing outcomes requires flexibility and pragmatism from Council"

"Favourable zoning and financial settings to support affordable housing - inclusionary zoning, development bonuses, DC's levels"

"Need for some exemplar projects - "can't sell a secret""

"Council don't understand development - too many people you have to deal with, no decision makers, takes too long; less detail and cost upfront and condition"

"Time costs money - long delays for no benefit in dealing with Council; often contrary decisions/requirements between different part of Council that the developer then has to sort out - "don't they ever talk to each other!"

"Community Lands Trust - "set up to fail"; "a headache"; "where's it going, how does it succeed?"

"Council needs to be more user friendly and open to new ideas; Council should take an enabling role between developers and Council to achieve housing outcomes - a bit like the role Panuku plays in Auckland"

"Make space for innovation - commercial model/structure; product; funding"

"Unrealistic expectations of what can be achieved - too many actions and targets, too thin on the ground to deliver (resources)"

"MDRS has given away' a lot of incentive or leverage opportunity for Council to require more affordable housing to be provided in these areas - everywhere at the same time"

"There's no infrastructure head room so important to understand priorities and locations and to commit to human and financial resourcing over time"

"HCC does lots of consultation with different parties but there's never any feedback as to what's been implemented and why"

"IAF for City centre infrastructure not tagged to any specific outcomes - a lost opportunity for affordable housing leverage."

"IAF is helpful but what's the plan to activate 4,000 dwellings in the city centre and what's the plan for affordable housing in the city centre? Needs an aligned strategy between Council and private sector"

"Land component of development has moved from 28% 5 years ago to 55% +/- today - largely land price change over that time rather than infrastructure costs"

"Is the HCC relationship with KO one of advocacy or partnering? Needs better alignment and a stronger partnering approach. A stronger HCC representation in Wellington needed to get better outcome"

"There are opportunities out there for Council to more effectively partner with developers to achieve housing outcomes - prepared to provide for a level of affordable housing requirement as part of overall zoning and consenting agreements. Council needs to see developers as clients and partners - not the enemy"

"A bias by Council political body (and others) to the interests of existing housing rather than to the supply of new, more intensive, and affordable housing"

"Planning rules in DP are rigid and consent team are not flexible - innovation requires ability to do things differently based on merit rather than what the rules say"

"There needs to be a programme of infrastructure funding matched to as pipeline of projects - IAF for city centre a good start, but needs \$200M a year for 5 years"

"Need some catalyst brownfield and greenfield projects to demonstrate success and build confidence"

"Delivery on policy and monitoring of performance against agreed outcomes needed to inform future decisions and changes to settings"

"If you want more affordable housing to occur you need to recognise this is one of the hardest parts of the housing market to operate in for developers and you need to plan and organise accordingly"

Appendix

Short, Medium & Long Term Actions

	Action	Short Term 1-2 Years	Medium Term 3-5	Long term 6 - 10 Years
Regulatory Tools & Levers	Inclusionary Zoning	Voluntary - by agreement	Mandatory - amend DP	Ongoing
	Development Bonuses	By negotiation	DP Amendments	Review as needed
	DP Rules/Dev Controls	Review	DP Amendments	Review as needed
	A Sub-regional response	Test appetite for sub-regional IZ initiative	Develop / implement common IZ approach	Maintain
Financial Tools & Levers	Infrastructure Investment	Voluntary agreements		
	Development Contributions & Rating	Review DC policy and potential for targeted rate	Amend following review	Review as required
	Affordable Housing Fund	Options, preferred, implementation plan	Implement	Maintain
Direct Action	Exemplar Projects	Review site opportunities, develop 'go to market'	Deliver first project(s) Identify further sites	Known pipeline and forward commitments
	Strategic Land Acquisition	Review policy and funding, identify land	Acquire land	Bring to market
	Effective partnerships	Identify willing partners, agree basis of any AH partnership arrangements	Maintain/grow ongoing partnerships - CHP's, developers, Iwi, Crown et	Maintain
	Grow capability and knowledge	Develop understanding of development process / project viability - apply	Empowered team, permission to act, scope to develop	In house capability in development drivers and partnering developed
Fairfield-Enderley	Redevelopment or Regeneration	Agree principles & scope of FE programme, expectations, roles 7 responsibilities	Implement/maintain regeneration focus & outcomes	Regeneration programme complete
	Effective HCC KO partnership	Re-set partnership principles, parameters, management, governance	Maintain	Maintain
	HCC LTP / Resource alignment	Align HCC resources & investment in FE to Annual Plan/next LTP	LTP includes long term investment in FE	Review/update AP/LTP as required

Advancing Affordable Housing Outcomes in Hamilton - Summary Recommendations & Next Steps

Hamilton City Council

February 2023

Essentia Consulting Group Limited

Background and Introduction

HCC engaged Essentia Consulting Group (Martin Udale) and tasked it to undertake a review of HCC's role in the housing market, with a particular focus on 'affordable' housing. The scope of the review was focused on gaining a high level understanding of the current housing landscape in Hamilton and surrounding region and HCC's current role involvement in this. In particular we have been tasked to address how HCC might better enable and facilitate the delivery of more affordable housing. Subsequent to Recommendations from the review HCC will then separately consider how it might best organise itself with internal and other resources to respond to these and agree next steps

Executive Summary

We have identified a series of themes and possible actions under each theme that Council may consider to enable and facilitate AH outcomes more effectively. These are:

<p>1.0 Regulatory Tools and Levers including:</p> <ul style="list-style-type: none"> - Inclusionary Zoning - Development Bonuses - District Plans rules and Development Controls - Consenting Processes - A Sub-regional Response 	<p>3.0 'Direct' Action including:</p> <ul style="list-style-type: none"> - Exemplar Projects - City Centre revitalisation/IAF - Strategic Land Acquisitions - Effective Partnerships - Grow Council Capability in development
<p>2.0 Financial Tools & Levers including:</p> <ul style="list-style-type: none"> - Infrastructure Investment - Development Contributions - An Affordable Housing Fund 	<p>4.0 Fairfield-Enderly including:</p> <ul style="list-style-type: none"> -Redevelopment vs Regeneration - An Effective HCC KO Partnership - Council LTP and Resource Alignment

A number of Other Issues were also identified through the review process and are addressed in section **5.Other Issues**.

These 'themes' and associated actions identified in the main paper are summarised in the following Table 1:

Table 1: Short, Medium & Long Term Actions

	Action	Short Term 1-2 Years	Medium Term 3-5	Long term 6 - 10 Years
1.Regulatory Tools & Levers	Inclusionary Zoning	Voluntary - by agreement	Mandatory - amend DP	Ongoing
	Development Bonuses	By negotiation	DP Amendments	Review as needed
	DP Rules/Dev Controls	Review	DP Amendments	Review as needed
	A Sub-regional response	Test appetite for sub-regional IZ initiative	Develop / implement common IZ approach	Maintain
2.Financial Tools & Levers	Infrastructure Investment	Voluntary agreements		
	Development Contributions & Rating	Review DC policy and potential for targeted rate	Amend following review	Review as required
	Affordable Housing Fund	Options, preferred, implementation plan	Implement	Maintain
3.Direct Action	Exemplar Projects	Review site opportunities, develop 'go to market'	Deliver first project(s) Identify further sites	Known pipeline and forward commitments
	City Centre revitalisation/IAF	Overall strategy and implementation plan developed to leverage IAF/others funds	Establish collaborative partnerships with Crown, Iwi, private investors/developers to deliver CC outcomes	Maintain revitalisation focus
	Strategic Land Acquisition	Review policy and funding, identify land	Acquire land Rezone/other	Bring to market
	Effective partnerships	Identify willing partners, agree basis of any AH partnership arrangements	Maintain/grow ongoing partnerships - CHP's, developers, Iwi, Crown et	Maintain
	Grow capability and knowledge	Develop understanding of development process / project viability - apply	Empowered team, permission to act, scope to develop	In house capability in development drivers and partnering developed
4.Fairfield-Enderley	Redevelopment or Regeneration	Agree principles & scope of FE programme, expectations, roles 7 responsibilities	Implement/maintain regeneration focus & outcomes	Regeneration programme complete
	Effective HCC KO partnership	Re-set partnership principles, parameters, management, governance	Maintain	Maintain

	HCC LTP / Resource alignment	Align HCC resources & investment in FE to Annual Plan/next LTP	LTP includes long term investment in FE	Review/update AP/LTP as required
5. Other Issues	Community Lands Trust	Decision on ongoing HCC support and purpose	Subject to decision	Subject to decision
	Waikato Regional Housing Initiative	Clarify role & purpose of WRHI Clarify partnering and collaboration WRHI/HCC	Maintain relationship	Maintain relationship
	HCC resourcing	Review internal resourcing and structure for effective impact	Grow effective partnerships Grow capability	Maintain
	Location Matters	Location considerations to address 'affordable living'	Maintain	Maintain

Recognising that these 5 main themes with a total of 19 actions cannot all be initiated at the same time, and that human and financial resources are always scarce, we have identified those key actions within each theme that we consider could and should be the initial focus with others to follow as time and resources allow. We would note that there are a number of actions that carry across more than one theme or action.

These key actions are identified as they can potentially be activated in the short to medium term and are considered likely to have a positive impact on advancing AH outcomes in Hamilton. Briefly these are:

1. Develop and implement an Inclusionary Zoning (IZ) plan - initially on a voluntary basis and then in time through mandatory provisions within the District Plan. Recent proposals in QLDC in this regard, along with similar provisions in South Australia provide possible models to follow
2. Recognise infrastructure enablement as a key leverage point develop for new development areas and develop funding mechanisms and approaches in concert with IZ provisions
3. Identify and bring to market exemplar projects including within City Centre linked to IAF and LTP funding to enable housing outcomes
4. Reset the partnership expectations, management and governance of the Fairfield-Enderly project with Kainga Ora to ensure long term alignment
5. Decision required on ongoing support by HCC of Community Lands Trust; clarify relationship with and role of the WHRI
6. Review internal resources and organisation structure to enable effective implementation focused on delivering agreed outcomes

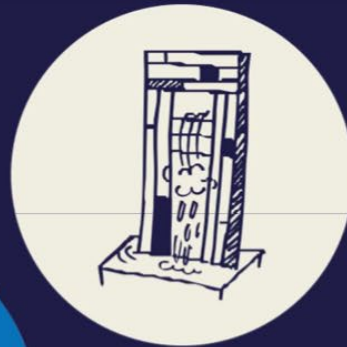
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The following Table 2 short-lists the suggested focus actions from the long list in table 1

Table 1: 'Short-List' of Short, Medium & Long Term Actions

	Action	Short Term 1-2 Years	Medium Term 3-5	Long term 6 - 10 Years
1.Regulatory Tools & Levers	Inclusionary Zoning	Voluntary - by agreement	Mandatory - amend DP	Ongoing
	A Sub-regional response	Test appetite for sub-regional IZ initiative	Develop / implement common IZ approach	Maintain
2.Financial Tools & Levers	Infrastructure Investment	Voluntary agreements	Voluntary/mandatory	Voluntary/mandatory
	Affordable Housing Fund	Options, preferred, implementation plan	Implement	Maintain
3.Direct Action	Exemplar Projects	Review site opportunities, develop 'go to market'	Deliver first project(s) Identify further sites	Known pipeline and forward commitments
	City Centre revitalisation/IAF	Overall strategy and implementation plan developed to leverage IAF/others funds	Establish collaborative partnerships with Crown, Iwi, private investors/developers to deliver CC outcomes	Maintain revitalisation focus
4.Fairfield-Enderley	Redevelopment or Regeneration	Agree principles & scope of FE programme, expectations, roles 7 responsibilities	Implement/maintain regeneration focus & outcomes	Regeneration programme complete
	Effective HCC KO partnership	Re-set partnership principles, parameters, management, governance	Maintain	Maintain
5.Other Issues	Community Lands Trust	Decision on ongoing HCC support and purpose	Subject to decision	Subject to decision
	Waikato Regional Housing Initiative	Clarify role/purpose of WRHI Clarify partnering and collaboration WRHI/HCC	Maintain relationship	Maintain relationship
	HCC resourcing	Review internal resourcing and structure for effective impact	Grow effective partnerships Grow capability	Maintain

Key Stakeholder Engagement Plan



Hamilton
City Council
Te kaunihera o Kirikiriroa

What the plan is...

This Plan provides guidance on how we engage with Key Central Government Stakeholders who can influence policy settings or progress priority projects for Hamilton City Council in its purpose to “*Improve the Wellbeing of Hamiltonians*”.

The Plan is for use by Hamilton City Council’s Elected Members and General Managers to guide engagement with key stakeholders.



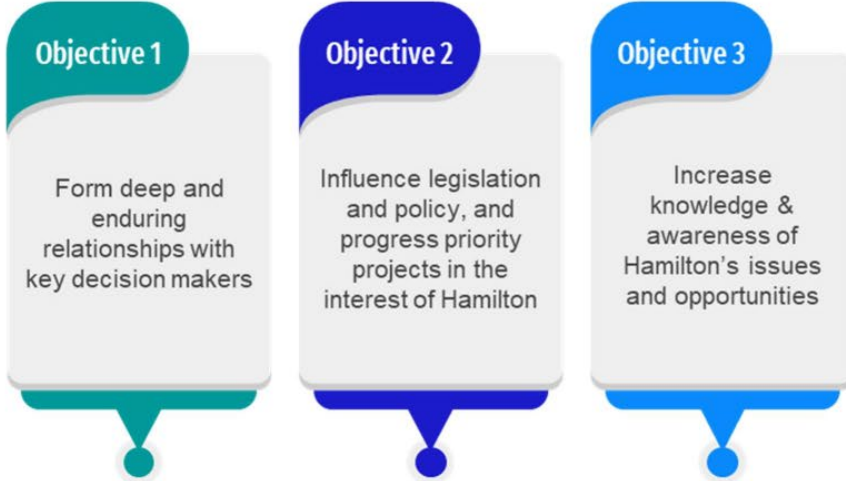
What the plan isn't....

- It does not apply to **all** stakeholder groups – it is only for **key** central government stakeholders
- A CRM system
- A database or record of all meeting interactions
- It doesn't address all projects (individual comms and engagement strategies will deal with these)

June 2022

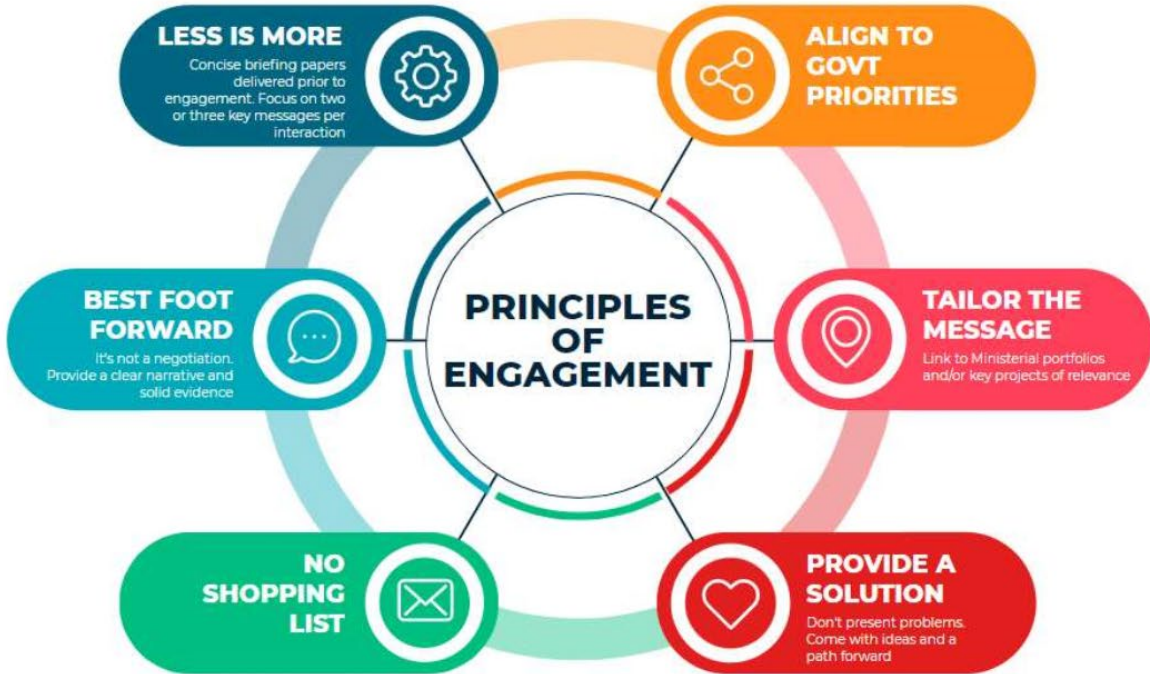
Objectives

We have three objectives for our engagement with Key Stakeholders:



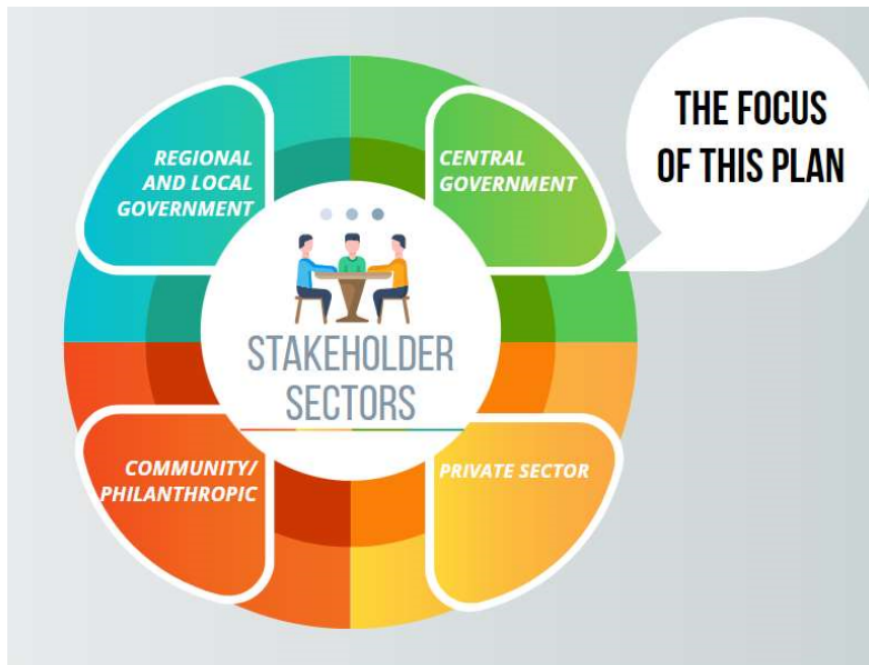
Principles of Engagement

Every engagement with Key Stakeholders will be guided by 6 principles:



June 2022

Who is important?



Central Government stakeholders, both at a political and executive level, are the focus for the Plan as they are the key actors who influence policy and/or funding settings.

Other groups of stakeholders are (or will be) well captured by existing or planned interactions and structures so have not been included in this Plan. They are more appropriately captured in individual project communications documents.

How will we do it?

We will take a quarterly approach to implementing this plan to align with reporting on the success of the plan back to ELT. At the beginning of each quarter, we'll identify a focus area, relevant stakeholders and relationship lead to implement this plan.

Engagement actions will be entered into an engagement tracker to help record progress, minutes from meetings, collateral used etc to support future conversations with the same stakeholders.

Progress will be reported to the Executive Leadership Team at the end of each quarter to show progress against objectives. Endorsement for the focus of the next quarter will also be sought.

June 2022

Appendix 1: Key Messages

Item 8

Attachment 4

June 2022

Appendix 2: Key Contacts

June 2022

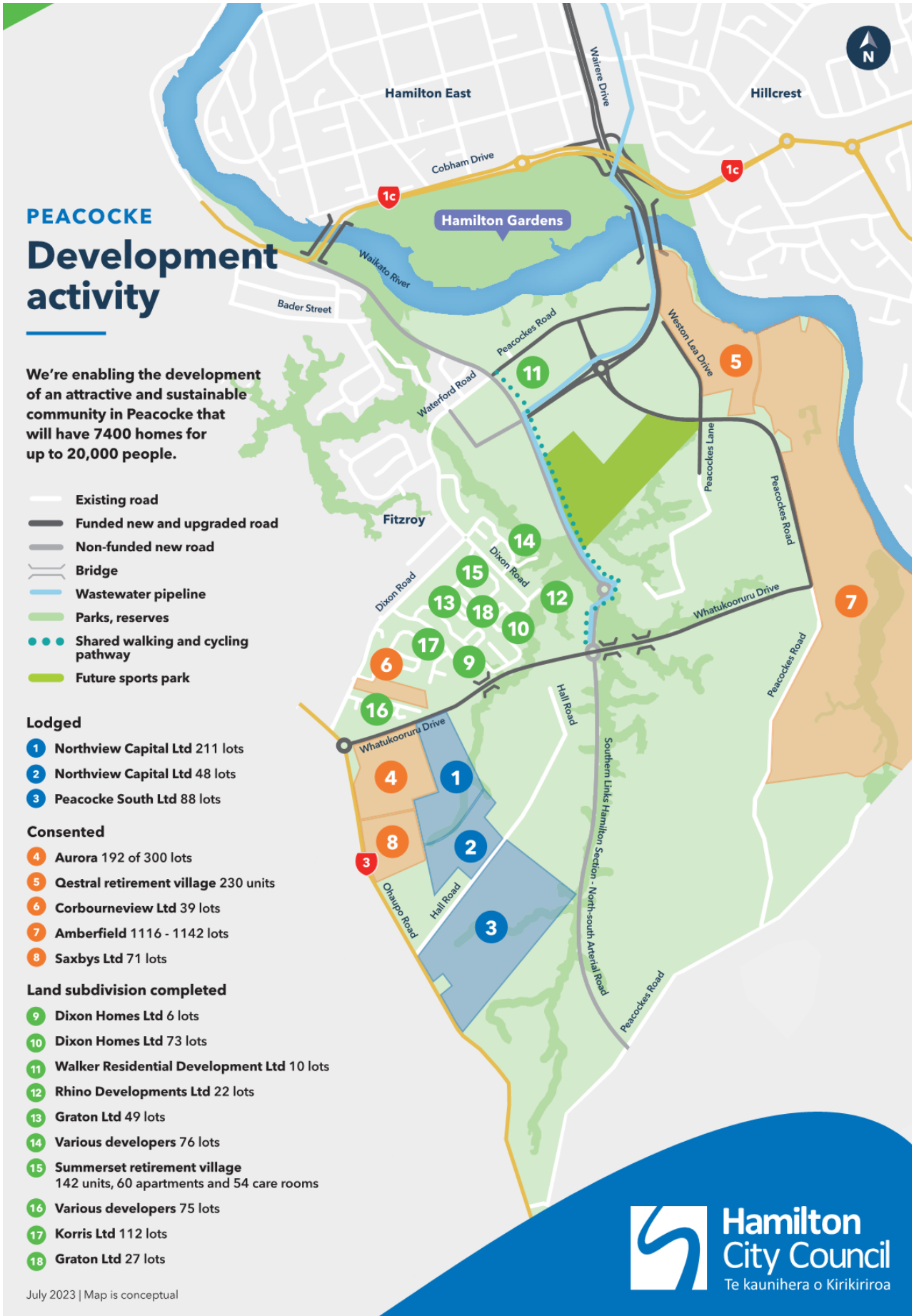


CENTRAL CITY Development Activity

July 2023

- 1** Northern Green
Mixed use 27 apartments / 1659 GFA
- 2** NZ Blood Development
Commercial / retail
- 3** Ward Street Hotel
Residential 70 apartments
- 4** K'aute Pasifika Pan Pacific
Community Hub Community Facility
- 5** 31 Opoia Road
Residential 26 apartments
- 6** 143 Clarence Street
Residential 12 apartments
- 7** One Cook Street
Mixed use 9 apartments
- 8** Union Square
Commercial / retail 24,000 GFA
- 9** Waikato Regional Theatre
Community facility
- 10** Waikato Regional Theatre
Commercial / retail 2200 GFA
- 12** Made of Hamilton East
Mixed use retail / commercial
- 13** Hills
Mixed use 42 apartments
- 14** Tuapapa
Mixed use residential / commercial
- 15** 189 Collingwood Street
Commercial / retail 1000 GFA
- 16** High Street
Mixed use 60 apartments
- 17** 1 Puutikitiki Street
Residential 23 apartments
- 18** 461 Victoria Street
Mixed use offices / retail

Central city proposal area
 Area within 800m from the Central city
 Consenting process
 In construction



ROTKAURI-NORTHWEST Development activity

Rotokauri-northwest is a key area for growth in Hamilton and has a total capacity of 8700 homes for up to 22,000 people.

- ● ● Rotokauri Stage 1
- ● ● Rotokauri Stage 2
- Rotokauri North Private Plan Change
- ● ● Te Rapa North Plan Change 10
- State Highway
- - - Proposed road
- - - Proposed bridge
- Rotokauri Greenway
- Residential
- Industrial
- Research and education

Lodged

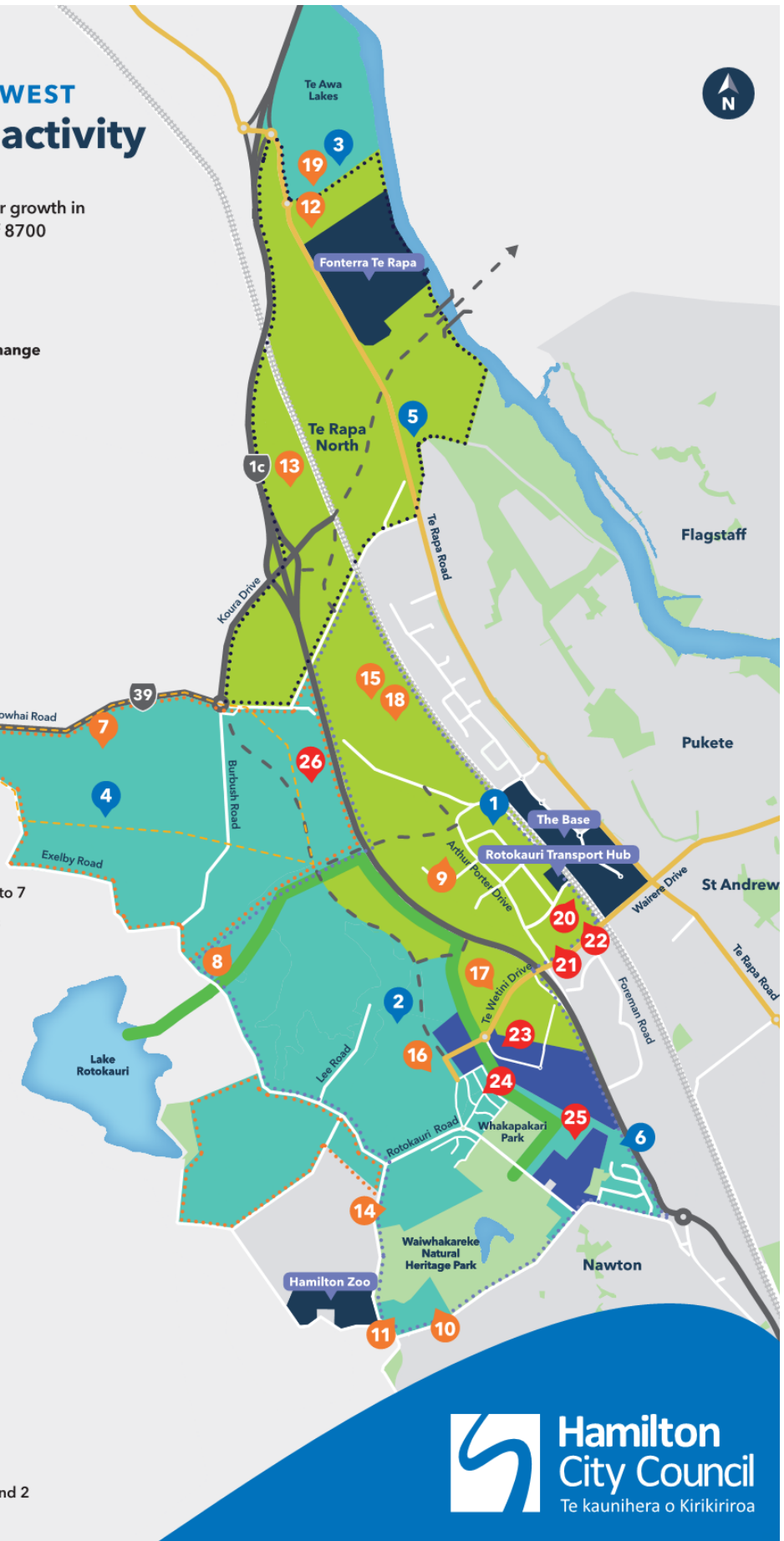
- 1 Te Rapa Gateway 176 residential units and retail units
- 2 Hounsell Holdings 83 lots
- 3 Te Awa Lakes 79 homes and neighbourhood centre
- 4 Rotokauri North Holdings 2 lots

Consented

- 5 Downey Construction 9 lots
- 6 Everton Heights 114 lots - Stage 3 to 7
- 7 Rotokauri North Holdings 314 lots
- 8 WEL Networks 2 lots
- 9 Te Rapa Gateway 116 lots
- 10 AJKL 39 lots
- 11 Max Verran 18 lots
- 12 Te Awa Lakes 10 lots
- 13 Empire 7 lots
- 14 Empire 196 lots
- 15 Porter Properties 61 lots
- 16 RDL 197 lots
- 17 Te Wetini Development 5 lots
- 18 Various owners 41 lots
- 19 Horotiu Farms 4 lots
- 20 WTS Tasman Ltd 11 lots

Land subdivision completed

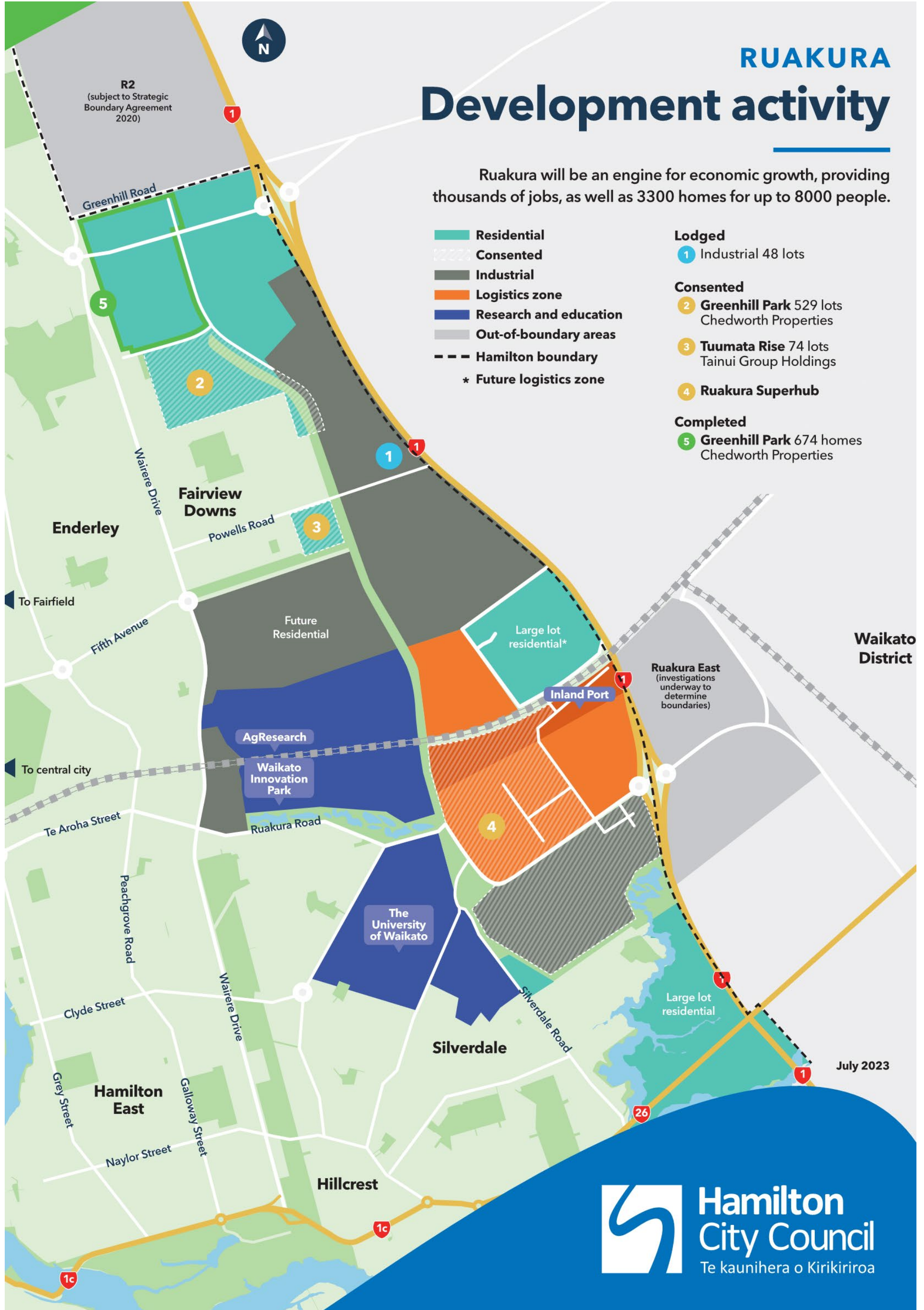
- 21 AP Trust 15 lots
- 22 Gilbek Developments 12 lots
- 23 Tristar One 6 lots
- 24 RDL 183 lots
- 25 Everton Heights 39 lots - Stage 1 and 2
- 26 Te Rapa Gateway 5 lots



RUAKURA

Development activity

Ruakura will be an engine for economic growth, providing thousands of jobs, as well as 3300 homes for up to 8000 people.



Lodged

- 1 Industrial 48 lots

Consented

- 2 Greenhill Park 529 lots
Chedworth Properties
- 3 Tuumata Rise 74 lots
Tainui Group Holdings
- 4 Ruakura Superhub

Completed

- 5 Greenhill Park 674 homes
Chedworth Properties

July 2023



Hamilton City Council
Te kaunihera o Kirikiriroa

Council Report

Item 9

Committee: Strategic Growth and District Plan Committee
Date: 17 August 2023
Author: Mark Davey
Authoriser: Blair Bowcott
Position: City Planning Manager
Position: General Manager Strategy, Growth and Planning

Report Name: District Plan Update - August 2023

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

1. To inform the Strategic Growth and District Plan Committee of District Plan matters that need to be brought to the Members' attention, but which do not necessitate a separate report.

Staff Recommendation - *Tuutohu-aa-kaimahi*

2. That the Strategic Growth and District Plan Committee:
 - a) receives the report;
 - b) requests that staff and the Independent Hearing Panel ensure that Plan Change 12 – Enabling Housing does not proceed to any further hearings in advance of Plan Change 14 – Flood Hazards being publicly notified; and
 - c) notes that:
 - i. staff have received an extension from the Minister for the Environment regarding Council's request to extend the decision-making deadline on Plan Change 12 – Enabling Housing to 20 December 2024);
 - ii. the Rototuna Town Centre plan requires updating in the District Plan to allow development to proceed in an integrated manner, which will require a change to the District Plan; and
 - iii. staff will collaborate with the developer regarding this potential plan change for the Rototuna Town Centre, and document the agreement in a draft MOU and report this back to this Committee for approval.

Executive Summary - *Whakaraapopototanga matua*

3. This report provides updates to the Strategic Growth and District Plan Committee on aspects of the District Plan Change Programme (DP Programme), private plan changes, and other planning matters including:
 - i. Plan Change 5 (Peacocke);
 - ii. Plan Change 9 (Historic Heritage and Natural Environment);
 - iii. Plan Change 10 (Te Rapa Deferred Industrial land);
 - iv. Plan Change 12 (Enabling Housing);

- v. Plan Change 13 (Te Rapa Racecourse private plan change);
 - vi. Plan Change 14 (Flood Hazards);
 - vii. Plan change 15 (Tuumata private plan change by TGH);
 - viii. Inclusionary Zoning plan change;
 - ix. Rototuna Town Centre Plan Change;
 - x. the Fairfield-Enderley Urban Development Partnership;
 - xi. Central city development, including internal planning, land use and infrastructure alignment to support the delivery of the Central City Transformation Plan; and
 - xii. National Planning Standards.
4. A large focus of the District Plan programme continues to be responding to Central Government directives stemming from the National Policy Statement on Urban Development (NPS-UD) (2020) and the Resource Management (Enabling Housing Supply and Other Matters) Amendment Act (HSAA) (2021).
 5. PC13 (Te Rapa Racecourse) commences hearings on 23 August 2023. The further submissions phase on PC13 has now concluded. A new hearing date has not yet been confirmed; this is likely to be 2024.
 6. At the time of writing, staff are still awaiting a response from the Minister for the Environment regarding an extension to the decision-making timeframe on PC12.
 7. Staff have engaged additional resource to support with the advancing of the Inclusionary Zoning plan change, to assist with the supply of affordable housing in the city and are working with Waikato District Council and Waipa District Council on this.
 8. Plan Change 9 (tranche 2) is entering hearings on 6 November 2023, with the evidence exchange processes commencing late August. There remains an active debate regarding how heritage in the city is protected and the thresholds for determining if a place or area warrants protection. These matters will be addressed in the lead-up and during the hearings in November.
 9. The Rototuna Town Centre plan change is a recent addition to the list of key planning projects noted above. Council and the major developer in this locality have identified aspects of the planning for this town centre that need updating in order to enable development to occur in an integrated manner. Staff propose collaborating with the developer to update the Rototuna Town Centre Concept Plan and update the District Plan accordingly.

Background - *Koorero whaimaarama*

10. Council has a wide-reaching District Plan work schedule currently underway, which includes eight plan changes to the District Plan. Two of these changes have been requested from parties outside of Council, namely Tainui Group Holdings (TGH) and the Waikato Racing Club Incorporated (WRCI), Private Plan Changes PC13 and PC15 respectively.
11. All plan changes and other key District Plan related matters specific to the Hamilton District Plan are listed below, and explained in more detail in the [23 February 2023 District Plan update](#) to Council.
12. This report focuses on key updates, given the minor changes to timeframes and deliverables since the June 2023 report.

Discussion – Matapaki

13. Key updates to District Plan Change Programme only.

Plan Change/project	Status	Commentary
Plan Change 5 (Peacocke)	Appeal period closed 14 April 2023. Commissioners' decisions and appeals received are available here .	5 appeals to the plan change have been lodged with the Environment Court, along with an additional two s274 parties. Staff are now engaging with appellants through court-assisted mediation, this process is set down to start in late August 2023
Plan Change 9 (Historic Heritage and Natural Environment)	First tranche of hearings completed 22 May-2 June 2023, on the topics of notable trees, significant natural areas and historic heritage areas. Second tranche of hearings set down for 6-15 November for the remaining topics of built heritage and archaeological sites.	The Panel adjourned the hearing for the historic heritage areas topic in June and the Panel indicated further expert conferencing on the identification of historic heritage areas is required. This conferencing is being arranged for late August. The hearing of this topic will resume in November as part of the second tranche. The Panel might issue an interim decision on the first tranche of topics (other than historic heritage areas).
Plan Change 10 (Te Rapa Deferred Industrial land)	Progressing	Staff are now engaging with the major landowner on their land use intentions. Based on the outcome of these discussions, these will be recorded in an MOU between the parties and reported back to this Committee for approval at which time staff would then proceed with the plan change or advise the Committee otherwise.
Plan Change 12 (Enabling Housing)	September 2023 hearing dates have been vacated. Hearing is postponed to Mid-2024	Technical reports are being prepared. Expert conferencing did not commence. Postponement allows for alignment with PC14 strategy. HCC are still awaiting a response from the Minister for the Environment regarding extending the decision-making deadline.
Plan Change 13 (Te Rapa Racecourse private plan change)	Hearings set down for 23 – 25 August 2023.	26 submissions were received. Further submission period has now closed. The exchange of evidence is underway in response to the Hearing Panel Direction #1.

Item 9

Item 9

Plan Change/project	Status	Commentary
Plan Change 14 (Flood Hazards)	The flood modelling is underway, and planning provisions are being developed for initial public engagement in October 2023, with hearings expected in 2024. No changes have occurred since the previous update.	A letter has been sent to the Minister of the Environment requesting an extension on PC12 due to potential implications of PC14. HCC is currently awaiting a response.
Plan Change 15 (Tuumata private plan change by TGH)	Further submissions period closed 10 July 2023. 12 submissions were received including a submission on behalf of Hamilton City Council.	There were some residual issues which HCC was not able to resolve with TGH prior to lodgement and as such will address these through the formal hearing process. TGH has requested a change to the hearing date for this plan change. HCC are working to find alternate hearing dates, likely to be in 2024.
Inclusionary Zoning plan change	At the 14 June Strategic Growth and District Plan Committee resolutions sought the prioritising of a inclusionary zoning plan change.	Work has commenced to put staff and consultants in place to establish a work program to progress a plan change. Staff are working with Waipa and Waikato district councils and Waikato Housing Initiative.
Rototuna Town Centre Plan Change	Progressing	Staff are engaging with major landowners to establish a work program to progress a collaborative plan change.
Fairfield-Enderley Urban Development Partnership	Progressing	A steering group comprising Kainga Ora and HCC staff has been established to oversee a consultant brief to develop a redevelopment plan for Kainga Ora land holdings in this locality. HCC are awaiting an update from the Kainga Ora consultant team.
Central city development, including internal planning, land use and infrastructure alignment to support the delivery of the Central City Transformation Plan (CCTP).	Internal alignment phase for CCTP actions and AMP delivery. Together with IAF/Housing outcomes agreements	Scoping what further work is required to inform the 2024-2034 Long Term Plan and associated asset management plans.
National Planning Standards	On hold	The implementation of National Planning Standards into district plans are required by 2024. Staff are seeking an exemption from this deadline due to the process constraints of implementing these standards at the same time as significant changes are being made to the district plan under PC12 and PC9.

Plan Change/project	Status	Commentary
Sites and areas of significance to Maaori	On hold	Awaiting input from Waikato-Tainui. HCC will then commence a review of work undertaken to date and will work with Waikato-Tainui regarding possible options for progressing.

Relationship between Plan Changes 12 and 14

14. Work on certain aspects of Plan Change 12 are progressing in response to submissions despite a delay to hearings. This is focused on Council's response to Policy 3 (intensification around centres) and financial contributions. Staff have progressed the analysis of submitters' requests, and development of topic evidence as far as practicable in the absence of PC14 development. Once the flood hazard data and policy direction for PC14 is confirmed, staff can then consider what consequential changes might be required to PC12 as a result.
15. There is an important relationship between the mapping of flood hazards city-wide, the management of these flood hazards as part of PC14, and residential intensification being enabled under PC12.
16. Given this relationship, it is important that the new flood hazard information and management approaches are considered by the Independent Hearing Panel on PC12. To allow this to occur, Council requested and have had granted an extension of the decision-making deadline on PC12 from the Minister for the Environment. The new deadline is now 20 December 2024, previously it was 31 March 2024.
17. Staff are currently preparing a communication strategy for PC14. This will include pre-notification consultation between October-December 2023 to key stakeholders and the wider community followed by formal notification of the plan change in early 2024. More detail related to this will be shared at the 10 October 2023 Committee meeting. An information session is scheduled with elected members for 16 August 2023 to discuss the PC14 in more detail.

Rototuna Town Centre

18. The Rototuna area was brought into the City in 1989 to facilitate Hamilton's expansion. Since then, the area has been developed predominantly for residential uses and has experienced strong growth rates. The total area of the Rototuna growth cell is approximately 1,100 ha and its population is around 16,000.
19. The Rototuna Town Centre is located north-east of Hamilton's central city at the corner of Resolution Drive and Borman Road and is approximately 47ha in extent. The purpose of the Town Centre is a mixed-use development that aims to provide the local community with easy access to various goods and services which includes residential, retail, community, and recreational facilities to cater to the daily needs of the community. The Town centre is proposed to be the largest suburban centre in Hamilton, with retail and office offering of approximately 25,000m² Gross Floor Area, The Base and Chartwell, recognised as sub-regional centres, are the only larger centres outside the Central City.
20. Staff propose a joint opportunity to progress a plan change that will update aspects of the District Plan to reflect current roading, land use and stormwater activities within the Rototuna Town Centre. A collaboration will ensure Council and landowners contribute to a plan change process. The benefit to Hamilton is that development can proceed in an integrated manner; the benefit to the developer is that the resource consenting pathway will be streamlined provided development proposals align to the town centre plan.

21. Currently, there are challenges to achieving the plan for the Rototuna Town Centre as it is in the district plan due to on-the-ground constraints. To overcome these constraints to enable development to proceed, staff propose a collaborative plan change process. Part of these issues have arisen from the new National Policy Statement for freshwater management (2020).
22. The factors behind progressing a plan change include:
 - i. Stormwater – an open swale exists, which creates a challenge in developing other zones, potentially resulting in a disjointed connection from the remainder of the Town Centre. The effects would need to be considered and mitigated through a careful re-design of the concept plan to factor in current stormwater activity.
 - ii. Current road layout versus concept plan – the roading network around the Rototuna Village deviates from the Town Centre concept plan. The plans underpinnings are outdated and require a refresh to ensure the Town Centre road layout, land use and environmental factors are integrated and aligned.
 - iii. Hamilton City Council assets – the open drain hinders the efficiency of the proposed transport hub, public transport network, Library/community hub and future aquatic centre.
 - iv. Land Use – land use composition will need to be re-configured to respond to an updated roading layout and to achieve the overall vision for the town centre.
23. Staff intend to document the commitments of both parties through a Memorandum of Understanding (MOU) which would be signed by Council and the developer to ensure commitment in progressing the plan change and a sharing of costs. Staff will bring a draft MOU to this Committee for approval.

Plan Change 9 – Historic Heritage and Natural Environment

24. The project team is now preparing for the second tranche of hearings in November 2023 for the remaining topics. The Government has also released the National Policy Statement on Indigenous Biodiversity, which is highly relevant to the significant natural areas (SNAs) topic as it directs how local authorities identify and protect significant natural areas.
25. The Panel has sought responses from the Council and other submitters on how parties consider the plan change needs to respond to the policy statement (if at all). The project team has been analysing the extent to which PC9 is consistent with the policy statement and what the required response is. The preliminary position is that PC9 is well positioned in response to the policy statement, with minimal change.
26. Debates related to heritage continue among submitters. Much of the debate stems from differences of heritage expert opinion regarding the method used to identify heritage and the appropriate threshold that is to be applied to determine if a place is afforded heritage protection or not. This discourse is reflective of heritage as a discipline as the legal frameworks surrounding it under the RMA are broad. For example, there are locality specific expert judgements that are required to determine if something is deemed as having heritage value in its local context. Staff continue to work through the plan change process to resolve these issues in order to get robust outcome to protect heritage in the City. Part of this involves proposing alternative processes to the Hearing Panel to follow to resolve these issues.

Inclusionary zoning plan change

27. An update on planning work to progress an inclusionary zoning plan change is included in the housing section of the Strategic Issues report on this agenda.

Risks - Tuuraru

28. Risks are tracked at both project and programme level and are reviewed and updated regularly with the wider team and key stakeholders. Key programme risks are outlined below. Risks 2 and 4 will now be reported to the Strategic Risk and Assurance Committee.

Risk ID	Risk Description	Likelihood (residual)	Consequence (residual)	Risk rating	Owner
1	Resourcing Resourcing levels are improving. The recent extension granted on PC12 by the Minister for the Environment provides further time to progress this work.	Likely (4)	Major (4)	Very High 12	Mark Davey
2	Meeting statutory obligations The plan change processes are challenged on the basis it doesn't comply with the Amendment Act and broader RMA and statutory requirements, which could require a rework of plan provisions resulting in a negative impact on reputation, budget, and stakeholder expectations.	Possible (3)	Major (4)	Very high 12	Mark Davey
3	Staff engagement Due to heavy workload pressures and rapidly changing government directives staff engagement may decline.	Possible (3)	Major (4)	Very high 12	Mark Davey
4	Adverse reaction by affected property owners There are numerous aspects to the various plan changes that are likely to alter existing property rights, which is likely to result in adverse reactions from some landowners.	Almost Certain (5)	Serious (3)	Very high 15	Mark Davey
5	Balancing competing priorities Due to the legislative requirements and trade-offs required in the agreed plan change approach, Council may not be seen to support other organisational priorities such as affordable housing leading to negative publicity.	Possible (3)	Major (4)	Very High 12	Mark Davey

Financial Considerations - Whaiwhakaaro Puutea

29. The District Plan Programme is funded through the 2021-31 Long Term Plan. The overall budget for the 10-year period is \$13 million, noting that PC5 is separate to the approved District Plan Programme funding. Council recoups the majority of costs incurred for processing private plan changes post-lodgement from the applicants.
30. A financial update for FY24 is presented below as at 31 July 2023. Staff have increasing risk on budgets and these will be reassessed in 24/34 Long Term Plan.

31. It is important to note that the delay of hearings on PC12 will result in the associated hearing costs in turn being delayed to a subsequent year. This will likely lead to a budget variance in that given year.

FY23	YTD Actuals (as at 30 June 2023)	Sum of Annual Budget (FY2023)
District Plan Change Programme	\$2,735,966	\$2,464,004

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

32. Staff confirm that these matters comply with Council’s legal and policy requirements. Overall, staff operate within the RMA 1991 for these plan changes and comply with the relevant processes.
33. Council, along with their Future Proof partners, sought legal advice on the correct application of Te Ture Whaimana – the Vision and Strategy for the Waikato River as a qualifying matter related to PC12. Staff have considered this advice in the context of Hamilton, and this is reflected in the proposed planning approach through PC12.
34. Staff confirm that the District Plan Programme responds to the National Policy Statement on Urban Development (NPD-UD) (2020) and the Resource Management (Enabling Housing Supply and Other Matters) Amendment Act (HSAA) (2021).
35. Staff note that advice is being sought from the Ministry for the Environment officials regarding the requirement to implement the National Planning Standards by 2024 and a possible extension to the decision-making deadline of 31 March 2024 on Hamilton’s IPI (Plan Change 12).

Climate Change Impact Statement

36. Staff have assessed this option and determined that no adaption assessment is required. However, climate change is addressed in each of the plan changes referred to in this report.

Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga*

37. 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’).
38. The subject matter of this report has been evaluated in terms of the 4 wellbeings during the process of developing this report.
39. The recommendations set out in this report are consistent with that purpose.

Social

40. 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.
41. The proposed approach aligns with ‘Our vision for Hamilton Kirikiriroa’, which provides direction for shaping a city that’s easy to live in, where people love to be, a central city where people love to be, and a fun city with lots to do.

Economic

42. Economic wellbeing is defined as the capacity of the economy to generate employment and wealth necessary for present and future financial security.
43. The NPS-UD recognises the national significance of providing sufficient development capacity to meet the different needs of people and communities and adequate opportunities for land to be developed to meet community business and housing needs.

44. The NPS-UD and the HSAA require that district plans make room for growth both 'up' and 'out', and that rules are not unnecessarily constraining growth. The intensification directed by Central Government will have a direct impact on housing pressure in Hamilton.
45. Significant investment in infrastructure to support the ongoing growth and development of the city will be required. Decisions which confer additional development rights and enable growth (e.g. PC12), must take into account key factors including environmental limits, legal/policy obligations and infrastructure current and planned capacity which are fundamental considerations to support and enable this growth.

Environmental

46. 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.
47. Elected Members have agreed the vision to shape Hamilton as a green city.
48. The increases in intensification directed through the HSAA, given effect to through PC12, will place greater pressure on the city's 3-water networks which in turn will necessitate increased investment. Without commensurate levels of investment to support intensification, adverse effects on the Waikato River are likely, which in turn will breach the City's obligations under Te Ture Whaimana.
49. Increases in intensification directed through the HSAA will also lead to greater urban stormwater generation and its effects. PC14 seeks to implement a new management regime to specifically address how new development responds to flood hazards. PC12 introduces new 'green policies' that aim to mitigate the effects of intensification with respect to urban runoff.

Cultural

50. The NPS-UD and HSAA require councils to plan well for growth and ensure a well-functioning urban environment for all people, communities, and future generations. This includes ensuring urban development occurs in a way that considers the principles of the Treaty of Waitangi (te Tiriti o Waitangi) and issues of concern to hapū and iwi e.g. Te Ture Whaimana – the Vision & Strategy for the Waikato River.
51. Hamilton City Council, under the Joint Management Agreement with Waikato Tainui, has a process in place for collaborating and engaging with Waikato-Tainui in the preparation on plan changes.

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

52. 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*

There are no attachments for this report.

Council Report

Committee: Strategic Growth and District Plan Committee
Date: 17 August 2023

Author: Hannah Windle
Authoriser: Blair Bowcott

Position: Special Projects Manager
Position: General Manager Strategy, Growth and Planning

Report Name: General Updates

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

- To inform the Strategic Growth and District Plan Committee of general updates and matters that staff want to bring to Members' attention, but that do not require discussion. The report is taken as having been read.

Staff Recommendation - *Tuutohu-aa-kaimahi*

- That the Strategic Growth and District Plan Committee receives the report.

Executive Summary - *Whakaraapopototanga matua*

- This report provides general updates to Strategic Growth and District Plan Committee Members on activities, actions or projects for which this Committee and the relevant General Managers have responsibility.
- Topics are grouped under themes as follows:

Theme	Topic
Strategic infrastructure	<i>See the Strategic Issues report for an update on items including the Southern Wastewater Treatment Plant</i>
Housing	<i>See the Strategic Issues report for an update on the 31 May 2023 Housing briefing and the Udale report initiatives</i>
Funding / financing	<i>See the Strategic Issues report for an update on Infrastructure Funding & Financing (IFF), a 'white paper' on funding principles and the Metro Prospectus</i>
Collaborative relationships	Regional round-up
Others	Development Contributions remissions – quarterly report

- Elected Members and staff continue to participate in several collaborative forums across the sub-region, region and at a national level.

6. These meetings consider a range of topics, including central government reform, opportunities for shared work programmes (related to the upcoming LTP), and information sharing.
7. Staff consider the decisions in this report have low significance and that the recommendations comply with Council's legal requirements.

Discussion - *Matapaki*

Collaborative relationships

8. Elected Members and staff continue to participate in several collaborative forums across the sub-region, region and at a national level.
9. These meetings consider a range of topics, including central government reform, opportunities for shared work programmes (related to the upcoming LTP), and information sharing.
10. The groups that Council participates in include:
 - i. Waikato Mayoral Forum;
 - ii. Waikato Plan;
 - iii. Upper North Island Strategic Alliance (UNISA);
 - iv. Zone 2;
 - v. Metro Sector; and
 - vi. Cross-boundary discussions with Waikato District Council, Waipa District Council and Waikato Regional Council.

Regional relationships

Waikato Mayoral Forum

11. The last Waikato Mayoral Forum was held on 22 May 2023 with the next meeting scheduled for 7 August 2023.
12. Agenda items include a discussion on the Mayoral Forum work programme, funding tools, spatial planning and working together across the region.
13. A verbal update can be provided at the meeting.

Waikato Plan

14. The future of the Waikato Plan is currently being considered by Waikato Regional Council.

UNISA

15. There have been ongoing discussions between UNISA partners on the scope of the forward work programme.
16. Hamilton City Council staff have been providing guidance to the secretariat on pieces of collaborative work that would add value and are of an Upper North Island scale.

Zone 2

17. The last Zone 2 meeting was held on 13 May 2023 and an update was provided at the last SGDP meeting. The next meeting is scheduled for 13 November 2023.

Metro Sector

18. The last combined Sector Meeting was held on 24/25 May 2023 and an update was provided at the last SGDP meeting. The next meeting is scheduled for 27 October 2023.

Cross-council governance meetings

19. The last Waipa District Council and HCC governance meeting was held on 23 June 2023.

20. Discussion topics included long-term plan priorities and sub-regional opportunities, shared messaging in the lead-up to the general election, and updates on central government reform.
21. An update on the Waipa Spatial Plan, Ahu Ake was provided, followed by a discussion regarding a collaborative approach to consenting activities located within the land covered by the Strategic Land Agreement.
22. The last Waikato Regional Council and HCC meeting was held on 20 June 2023. Discussions at the meeting covered long-term plan priorities and regional opportunities, shared messaging in the lead-up to the general election, and updates on central government reform.
23. A presentation on Project Watershed and the Service Level Agreement was given by WRC staff.
24. The last Waikato District Council and Hamilton City Council Governance meeting was held on Tuesday 4 July 2023.
25. The key topics discussed at the meeting were interactions with Central Government in the lead-up to the general election, progress made on legislative reform, a collective response to the LGNZ Future for Local Government Review Report and Affordable Housing.

Central Government Meetings

26. Meetings with the Act and Green parties were held subsequent to the WDC/HCC governance meeting, and shared Future Proof messaging was communicated to both Simon Court and Julie Anne Genter.
27. Key messages included the need for high-trust and enduring partnership funding agreements, certainty for delivering strategic infrastructure, and giving effect to the priorities identified through the Future Proof Strategy.
28. Additional meetings and opportunities to connect with central government were noted, including the LGNZ conference which was held on the 27-28 July 2023 in Christchurch, Chamber of Commerce events, and other Waikato-based initiatives.
29. Staff from all councils continue to liaise on matters of mutual interest, including development on and around the city boundary, LTP development and opportunities for sharing information.

Other

Development Contributions (DC) remission quarterly report

30. All remissions in this report have been determined in accordance with the DC Policy and delegated authority.
31. All DC amounts in this report are exclusive of GST.

Remissions

32. In Q4 2022/23, four DC remissions were approved with a total value of \$4,953,752 (see **Attachment 1**).
33. The remissions consisted of:
 - i. 2 x actual demand remissions totalling \$58,656;
 - ii. 2 x PDA remissions totalling \$4,895,096.
34. DC remissions are calculated by individual activity components. The table below shows the dollars and percentages of the total remissions granted attributed to each DC activity.

REMISSIONS Q4 2023						
	Water	Wastewater	Stormwater	Transport	Community	Reserves
Remitted \$ per activity	\$ 299,979	\$ 988,568	\$ -	\$ 3,665,205	\$ -	\$ -
% of total remitted \$	6%	20%	0%	74%	0%	0%

35. The PDA remissions were calculated in accordance with the 2017 Council approved PDA between Council, Chedworth Properties Limited and Ruakura Limited, and are included in this report for noting purposes only. 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.

Other remissions update

36. On 14 September 2022, Council resolved to delegate authority to the Chief Executive to finalise the DC remission for the Broadwater Retirement Village in accordance with section 17 of Council's 2020/21 Development Contributions Policy.
37. Staff are in the process of finalising the remission and seeking financial authorisation from the Chief Executive.
38. The final remission will be reported to this Committee in the relevant quarterly remissions report as per standard process.

Financial Considerations - *Whaiwhakaaro Puutea*

39. There are no financial implications in relation to the updates provided in this report.

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

40. Staff confirm that this matter complies with Council's legal and policy requirements.

Climate Change Impact Statement

41. Staff have considered the key considerations under the Climate Change Policy and have determined that an adaptation assessment and emissions assessment is not required for the matter(s) in this report.

Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga*

42. 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').
43. The subject matter of this report has been evaluated in terms of the 4 wellbeings during the process of developing this report. The recommendations set out in this report are consistent with that purpose.

Social

44. DCs help to fund city infrastructure such as roads and reserves, which help to link whanau and communities and provide places for them to connect.
45. Collaborative relationships between councils and other groups enable the sharing of ideas, work programmes and the identification of opportunities to deliver better outcomes for communities.

Economic

46. DCs support investment in critical infrastructure for both residential and non-residential development activity. Once a growth cell, or existing areas in the city, are enabled through infrastructure, economic benefits can be realised. New development creates jobs and wealth both now and, in the future, supporting our communities' economic wellbeing.
47. Collaborative relationships between councils and other groups can identify opportunities for shared services or work programmes which save the local government sector, and therefore ratepayers, money.

Environmental

48. DCs help to fund reserves as well as certain environmentally friendly infrastructure, particularly stormwater and wastewater. These help to protect our waterways and ecosystems, while also providing spaces where people can enjoy their local environment.
49. Collaboration between councils and other groups allows for cross-boundary and sub-regional discussions regarding big-picture issues such as inter-regional transport, water quality and allocation and emissions reduction.

Cultural

50. Cultural wellbeing is enabled by projects that acknowledge and support their local communities' shared cultural attributes. DCs also help to fund projects such as those that enhance the wellbeing of the Waikato River and support Te Ture Whaimana o Te Awa o Waikato.

Risks - *Tuuraru*

51. There are no known risks associated with the matter contained in this report.

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

52. 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 - 2023 Q4 Remissions Report

Attachment 1: 2023 Q4 Remissions Report

Address	Developer	Development description & Development Contributions Officer details/comments Consent Number		Applicable policy	Original DC assessment	Amount remitted (\$ excl. GST)							Final DC assessment	Remission granted
						Water	Wastewater	Stormwater	Transport	Community	Reserves			
24 Gilbek Place	Sanju's Investments Limited	Proposal to construct an industrial building with associated offices.	007.2023.00045581.001	2017/2018	\$ 109,098	\$ -	\$ -	\$ -	\$ 6,662	\$ -	\$ -	\$ -	\$ 102,436	\$ 6,662
310 Ruakura Road	Ruakura Port Limited	Proposal to construct a new cool store distribution warehouse for Big Chill.	010.2021.00012046.001	2021/2022	\$ 1,222,973	\$ -	\$ -	\$ -	\$ 898,922	\$ -	\$ -	\$ -	\$ 324,051	\$ 898,922
310 Ruakura Road	Ruakura Port Limited	Proposal to construct a new industrial building for Kmart for distribution purposes, with associated offices.	010.2021.00011807.001	2021/2022	\$ 5,268,164	\$ 299,979	\$ 988,568	\$ -	\$ 2,707,627	\$ -	\$ -	\$ -	\$ 1,271,990	\$ 3,996,174
130 Knighton Road	University of Waikato	Proposal to remove an existing building and construct a new two-storey building for new large scale labs at the University of Waikato.	007.2022.00044458.001	2021/2022	\$ 147,343	\$ -	\$ -	\$ -	\$ 51,994	\$ -	\$ -	\$ -	\$ 95,349	\$ 51,994
					\$ 6,747,578	\$ 299,979	\$ 988,568	\$ -	\$ 3,665,205	\$ -	\$ -	\$ -	\$ 1,793,826	\$ 4,953,752

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 and District Plan Committee Public Excluded Minutes 14 June 2023) Good reason to withhold information exists under Section 7 Local Government Official Information and Meetings Act 1987	Section 48(1)(a)
C2. Rotokauri Arterial Designation – Update		

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 enable Council to carry out commercial activities without disadvantage	Section 7 (2) (h)
	to enable Council to carry out negotiations	Section 7 (2) (i)