Decision released	from confide	ntial session	
Recommendation from (agenda report)	Date of meeting	Recommendation to (decision-making meeting)	Date of meeting
n/a	n/a	Council	12 August 2021

Report Title and number

Infrastructure Acceleration Fund: Council-led Expression of Interest (R26071)

Documents released

Report (R26071) and its attachments (A2714336, A2716458, A2721398 and A2716315), and the decision

Decision

Resolved CL/2021/139

That the Council

- 1. <u>Receives</u> the report Infrastructure Acceleration Fund: Council-led Expression of Interest (R26071) and its attachments (A2714336, A2716458, A2721398 and A2716315); and
- 2. <u>Approves</u> Nelson City Council's Expression of Interest to the Infrastructure Acceleration Fund for infrastructure projects to enable residential capacity within the city centre, noting that Council has yet to consult on or make a decision on the sale of 69 to 101 Achilles Avenue and 42 Rutherford Street to Kāinga Ora (A2721398 of Report R26071); and
- 3. <u>Delegates</u> the Mayor to make any necessary minor editorial amendments to the Expression of Interest prior to submission as detailed in Report R26071; and
- 4. <u>Notes</u> that a further report will be brought to Council once Kāinga Ora has decided if this Expression of Interest will be invited to respond to a Request for Proposals process detailing:
 - The required level of Council investment in infrastructure to support the qualifying development; and

- Whether or not this funding is included in the Long-Term Plan 2021-31 and which year(s); and
- The impact of prioritising any capital projects that support qualifying development on the phasing of other capital projects within the Long-Term Plan 2021-31 work programme; and
- The capacity of Council to deliver multiple additional infrastructure projects within the required timeframe; and
- 5. <u>Agrees</u> that the Report (R26071), attachments (A2714336, A2716458, A2721398 and A2716315) and the A me.

 2 All 26 decision remain confidential at this time.

Carried

Item 6: Infrastructure Acceleration Fund: Council-led Expression of Interest

Council



12 August 2021

REPORT R26071

Infrastructure Acceleration Fund: Council-led Expression of Interest

1. Purpose of Report

1.1 To approve Nelson City Council's (Council) Expression of Interest (EOI) to the Infrastructure Acceleration Fund (IAF).

2. Summary

- 2.1 Council is committed to creating affordable housing development opportunities within the city centre and, where available, using Council-owned land to enable this. Council has two sites on Achilles Avenue and Rutherford Street which have the potential for housing development. Council is working closely with Kāinga Ora on potential housing development proposals for these sites. Council has agreed to consult on the proposal to dispose of these two sites to Kāinga Ora and the public feedback documents will be coming to Council for approval on 26 August 2021.
- 2.2 Infrastructure upgrades would be required to support this development if it were to proceed. Those upgrades would also provide additional capacity for other residential development within the city centre area (whether or not the Kāinga Ora proposal proceeds). Officers have drafted an EOI seeking financial support from the IAF to help fund that infrastructure to improve housing outcomes within the city centre at a faster rate. Council approval of the EOI is required. The EOI must be submitted by 18 August 2021.
- 2.3 By itself the Kāinga Ora development would provide at least 175 new social and affordable housing units. The infrastructure identified in the EOI would also enable future development of up to 850 additional housing units within the city centre.
- 2.4 Any successful EOIs will be invited to submit a more detailed proposal in October-December 2021, at which point Council will receive further advice on any changes required to its capital works programme and how this is to be delivered.

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Item 6: Infrastructure Acceleration Fund: Council-led Expression of Interest

3. Recommendation

That the Council

- 1. <u>Receives</u> the report Infrastructure Acceleration Fund: Council-led Expression of Interest (R26071) and its attachments (A2714336, A2716458, A2721398 and A2716315); and
- 2. <u>Approves</u> Nelson City Council's Expression of Interest to the Infrastructure Acceleration Fund for infrastructure projects to enable residential capacity within the city centre, noting that Council has yet to consult on or make a decision on the sale of 69 to 101 Achilles Avenue and 42 Rutherford Street to Kāinga Ora (A2721398 of Report R26027); and
- 3. <u>Delegates</u> the Mayor to make any necessary minor editorial amendments to the Expression of Interest prior to submission as detailed in Report R26071; and
- 4. <u>Notes</u> that a further report will be brought to Council once Kāinga Ora has decided if this Expression of Interest will be invited to respond to a Request for Proposals process detailing:
 - The required level of Council investment in infrastructure to support the qualifying development; and
 - Whether or not this funding is included in the Long-Term Plan 2021-31 and which year(s); and
 - The impact of prioritising any capital projects that support qualifying development on the phasing of other capital projects within the Long-Term Plan 2021-31 work programme; and
 - The capacity of Council to deliver multiple additional infrastructure projects within the required timeframe; and
- 5. <u>Agrees</u> that the Report (R26071), attachments (A2714336, A2716458, A2721398 and A2716315) and the decision remain confidential at this time.

Item 6: Infrastructure Acceleration Fund: Council-led Expression of Interest

4. Exclusion of the Public

- 4.1 This report has been placed in the confidential part of the agenda in accordance with section 48(1)(a) and section 7 of the Local Government Official Information and Meetings Act 1987. The reason for withholding information in this report under this Act is to:
 - Section 7(2)(h) To enable the local authority to carry out, without prejudice or disadvantage, commercial activities
 - Section 7(2)(i) To enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)

5. Background

- The Housing Minister, Hon. Dr Megan Woods, announced on 22 June 2021 that at least \$1Billion of grant funding is available for territorial authorities, developers and Māori under the IAF (part of the \$3.8Billion Housing Acceleration Fund). The Minister also provided information about the objectives, eligibility, and evaluation criteria for the IAF.
- 5.2 It is expected that the IAF will receive a large number of EOIs and that the IAF criteria will be strictly applied, meaning that not every EOI will make it to the next round.
- The IAF is designed to allocate funding to new or upgraded infrastructure (primarily transport, three waters and flood management infrastructure) that unlocks housing development in the short- to medium-term (with construction by December 2029) and enables a meaningful contribution to housing outcomes in areas of need. Nelson is identified as a tier two urban area, and projects must, therefore, provide a minimum of 100 additional dwellings. In summary, the four eligibility criteria are:
 - 5.3.1 Must be for new or upgraded infrastructure;
 - 5.3.2 Wholly or primarily for dwellings;
 - 5.3.3 Minimum 100 additional dwellings (Nelson);
 - 5.3.4 Must be an eligible cost.
- The IAF funding is being administered by Kāinga Ora, which has provided further guidance on the process (see Attachment 1). The application process consists of three steps:
 - 5.4.1 An EOI to be lodged by 18 August 2021;
 - 5.4.2 Applicants with successful EOIs will receive a Request for Proposals (RFP) seeking more detailed information on their Proposals by October-December 2021;

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Item 6: Infrastructure Acceleration Fund: Council-led Expression of Interest

- 5.4.3 Applicants with successful Proposals at the RFP stage will then be progressed to negotiation prior to Ministers' final funding decisions by March-October 2022.
- 5.5 Four evaluation criteria have been developed by Kāinga Ora: They are summarised as follows:
 - 5.5.1 **Housing outcomes** (40%): how will the proposal, if delivered, contribute to the housing outcomes that are the purpose of the Infrastructure Acceleration Fund?
 - 5.5.2 **Impact of funding** (20%): how critical is this funding to advancing the infrastructure and housing development?
 - 5.5.3 **Cost and co-funding** (20%): how cost-effective is the Proposal and is everyone paying their fair share?
 - 5.5.4 **Capability and readiness** (20%): if funding is approved, how certain is it that the project will advance, and at what pace?
- 5.6 Kāinga Ora will also take account of the following broader considerations:
 - 5.6.1 Greenfield/brownfield developments;
 - 5.6.2 Timing of housing delivery;
 - 5.6.3 Construction sector capacity;
 - 5.6.4 Capacity of the fund; and
 - 5.6.5 Regional spread of funding allocation.
- 5.7 Kāinga Ora also provided an addendum on 26 July 2021 noting:
 - 5.7.1 No extension to the deadline;
 - 5.7.2 That all "internal development infrastructure" is not considered enabling infrastructure and is therefore not eligible for funding under the IAF; and
 - 517.3 That affordable housing is preferred over social housing.
- 5.8 Applicants must submit a separate EOI for each specific housing development.

6. Discussion

6.1 Council received the confidential report "Kāinga Ora Housing Developments" (R25874) on 1 July 2021. The report sets out an expression of interest from Kāinga Ora to purchase 69 to 101 Achilles Avenue and 42 Rutherford Street for social and affordable housing development. Section 6.23 of that report notes:

Item 6: Infrastructure Acceleration Fund: Council-led Expression of Interest

Any development of the Achilles Avenue and Rutherford Street sites for intensive housing will need to be supported by a capacity upgrade for water and wastewater. Intensive living in the city centre also needs to be supported by public open space and amenity upgrades. It is noted that Kāinga Ora are exempt from paying development contributions. Subject to confirmation of funding criteria, initial proposed priorities for the fund may include:

- Bridge Street Linear Park if adopted as part of Te Ara o Whakatu
- City Centre Ring Road Water Main upgrade
- Localised wastewater pipeline upgrades and possible pump station upgrades
- 6.2 The full Council resolution from that report is attached for information (Attachment 2). Relevant extracts include:

That the Council:

<u>Agrees</u> to consult on a proposal for the sale of 69 to 101 Achilles Avenue to Kāinga Ora for a social and affordable housing development, subject to confirmation of any Public Works Act offer back obligations; and

<u>Agrees</u> to consult on a proposal for the sale of 42 Rutherford Street to Kāinga Ora for a social and affordable housing development, subject to confirmation of any Public Works Act offer back obligations; and

<u>Notes</u> that officers will bring back to the 12 August 2021 Council meeting draft expressions of interest to the Infrastructure Acceleration Fund to confirm Council support; and

- 6.3 Council has been working on an EOI from Kāinga Ora for it to purchase and develop housing on Council-owned land on Achilles Avenue and Rutherford Street. Officers believe that the infrastructure required to support this proposal, if it proceeds, is a good fit with the IAF, and Council is asked to approve the Council-led EOI (Attachment 3). In summary:
 - 6.3.1 The proposal identifies that housing developments on the two Council sites combined may enable approximately 175 new housing units (a conservative estimate), comprised of a mix of social and affordable housing, through a developer such as Kāinga Ora;
 - 6.3.2 Investment in the following infrastructure is required to service the Kāinga Ora development (refer Attachment 4):

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- City centre (potable) water supply upgrade construction of a water supply ring main from the trunk main on Bridge Street near Tasman Street along Bridge Street, Rutherford Street, Halifax Street and Collingwood Street; and
- City centre stormwater upgrade construction of a new stormwater main along Bridge Street and associated green infrastructure, and a new flood gate for the Halifax Street stormwater outfall into Saltwater Creek;
- City centre wastewater upgrade Pump Station Upgrade on Paru Paru Road and renewal/upgrade on Rutherford Street, Achilles Avenue and Bridge Street wastewater infrastructure;
- Linear Active Transport Corridor a corridor to enable residents to safety access the city centre east to west, offering access to high-quality, well-maintained green public spaces is proven to improve our physical and mental health by encouraging higher levels of walking and cycling, along with increased passive activity and sociability.
- 6.4 The total cost (all figures uninflated) of the infrastructure, as part of this EOI, is approximately \$62 million, of which approximately \$29.4 million is currently provided for within the Long Term Plan (LTP) as detailed below:
 - Transport/CBD development total cost \$27.5 million of which approximately \$8 million is included in the LTP over years 2023 to 2026;
 - Water total cost \$7.3 million, of which approximately \$6.1 million is included in the LTP, over years 2026 to 2030;
 - Wastewater total cost of \$22.7 million, of which approximately \$14.9 million is included in the LTP, over years 2024 to 2031; and
 - Stormwater/Flood Protection total cost of \$4.5 million, of which approximately \$400,000 is included in the LTP over years 2024 to 2026.
- An amount of approximately \$32.6 million is being applied for as part of the Council's EOI to the IAF this being the shortfall between the cost estimate and what's currently in the LTP.
- 6.6 However, by submitting this EOI, Council will need to consider rephasing some of this work in order to meet the IAF timelines (construction completed by 2029). Should Council's EOI be approved, Council will be invited to submit a fuller proposal (current timeline: October-December 2021). Officers will bring a further report to Council at that time with further analysis of the impacts on the LTP work programme and delivery thereof.

Item 6: Infrastructure Acceleration Fund: Council-led Expression of Interest

6.7 The infrastructure covered by the EOI would support this project if it proceeds. It would also however provide additional capacity for other residential development within the city centre area, whether or not the Kāinga Ora proposal proceeds. As well as providing capacity for at least 175 new social and affordable housing units as contemplated by the Kāinga Ora proposal, it would also support future development of up to 850 additional housing units within the central city over the longer term. To realise this additional housing capacity, additional works on Council's Infrastructure (water and sewer) estimated at \$2 million will be required. This is not part of this EOI to Kāinga Ora.

7. Options

7.1 Council is presented with two options with respect to its own EOI – approve or not approve. Officers support option 1 approve the draft EOI, without modification and acknowledging that Council has yet to seek and consider the views of the community on the proposal to sell 69 to 101 Achilles Avenue and 42 Rutherford Street to Kāinga Ora and that following any decision to sell, sale and purchase negotiations with Kāinga Ora would occur. By the time RFPs are requested for the successful EOIs, Council would have made a decision on whether to divest the land or not.

Option 1: Approve	the draft EOI - Recommended option
Advantages	 Consistent with previous Council decisions Consistent with Council priorities in relation to housing affordability, infrastructure and partnership working with central government Brings central government funding into the city to assist with infrastructure development The infrastructure provided will enable future central city residential development at a faster pace. It will also contribute to the City Centre Programme Plan key moves
Risks and Disadvantages	 Council is yet to seek community views and make a final decision on the Kāinga Ora proposal If the EOI is successful, further work will be required in October-December 2021 to prepare a more detailed response to the next stage RFP. This will impact on the workload of key staff and ability to deliver this year's capital work programme. If the RFP is successful, Council will potentially need to amend its LTP to reflect changes in the phasing of proposed infrastructure to align with the 2024-2029

Item 6: Infrastructure Acceleration Fund: Council-led Expression of Interest

	deadline. This may mean that other infrastructure projects have to be deferred
Option 2: Decline t	the draft EOI
Advantages	No immediate impact on Council's LTP programme
Risks and Disadvantages	 Lost opportunity to fund infrastructure that will provide significant benefits to the central city infrastructure and development potential Council will not receive central government funding for infrastructure upgrades that Council is planning to do in the future

8. Conclusion

8.1 The timeline for responding to the IAF has been limited and officers have focused on developing an EOI that provides the infrastructure to support not only the Council-led affordable housing development (in partnership with Kāinga Ora for two Council sites) if it proceeds, but also to unlock further development and intensification in the city centre generally that will deliver significant benefits to Nelson.

9. Next Steps

- 9.1 Kāinga Ora will assess each EOI and invite successful applicants to respond to a detailed RFP process (October-December 2021).
- 9.2 Officers will report to Council on this application and provide Council with information on the impacts of those projects on Council's capital works programme as set out in the LTP.
- 9.3 Officers will identify what additional resource is required to develop detailed proposals, and the implication for the current year's work programme.
- 9.4 Kāinga Ora will negotiate with Council (and developers) for funding and delivery of any proposals that are approved. At that stage Council may have to consult on changes to its LTP if significant changes are required to its capital works programme.

Author: Alec Louverdis, Group Manager Infrastructure

Item 6: Infrastructure Acceleration Fund: Council-led Expression of Interest

Attachments

Attachment 1: A2714336 - Infrastructure Acceleration Fund EOI Addendum 1 -

26 July 2021

Attachment 2: A2716458 - Council Confidential Resolution 01July2021

Attachment 3: A2721398 - NCC IAF EOI

Released from confidential 26 August 2021

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Item 6: Infrastructure Acceleration Fund: Council-led Expression of Interest

Important considerations for decision making

1. Fit with purpose of Local Government

The Government has specifically asked territorial authorities to participate in this EOI process. Affordable housing development supported by good quality local infrastructure promotes social, economic, and environmental wellbeing.

2. Consistency with community outcomes and Council policy

The recommendations in this report fit with the following community outcomes:

- Our urban and rural environments are people friendly, well planned and sustainably managed
- Our infrastructure is efficient, cost effective and meets current and future needs
- Our communities are healthy, safe, and resilient
- Our Council provides leadership and fosters partnerships, a regional perspective, and community engagement

3. Risk

The IAF process is a two-stage process and there is no guarantee that any EOI submitted by Council will be successful. There will be additional officer time required if this EOI is successful in moving to the second stage RFP. This could impact on Council's wider work programme for this financial year, particularly for the City Development Team and Council's Infrastructure Asset Managers and Capital Projects team.

4. Financial impact

This EOI has a requirement for infrastructure to be provided by Council to support the development objectives. For some work, budget has been provided in the LTP. If the application is successful, Council may have to re-prioritise and re-phase its infrastructural programme over the next 5-10 years. Further analysis of these impacts will need to be undertaken for the next phase.

There are significant positive financial impacts if Council is successful in attracting central government funding for its infrastructure programme

5. Degree of significance and level of engagement

This matter is of low significance to the community given the stage in the process. This decision is in line with Council's LTP priorities of housing intensification and affordability, using Council land and partnering with

Item 6: Infrastructure Acceleration Fund: Council-led Expression of Interest

government including Kāinga Ora to bring housing supply to the market in Nelson. Council has already agreed to consult further on the Kāinga Ora development. Further consultation may be required if any of the other projects proceed to the RFP stage, depending on the level of investment in infrastructure that is required from Council.

6. Climate impact

Climate change impact will need to be considered during the design phase of any development that progresses. For this EOI sustainability and climate resilience have been included in the design outcomes sought by Council. Council will work with Kāinga Ora In determining design options that address climate change impact in the development of their concept plans

7. Inclusion of Māori in the decision-making process

Māori have not been involved in preparing this report.

8. Delegations

This matter is a cross-committee matter as it falls within the delegations of both the Infrastructure Committee, and the Urban Development Subcommittee and is therefore a matter for Council.

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Infrastructure Acceleration Fund - Expressions of Interest Update Notice 1.0

Title: Infrastructure Acceleration Fund – Expressions of Interest

Date: 26 July 2021

Dear Applicants

As each of you will know, the **5pm**, **18 August 2021** due date for Expressions of Interest to the Infrastructure Acceleration Fund (IAF) is approaching, and will be strictly enforced.

The purpose of this Addendum is to reinforce a few of the key themes identified in the Invitation for EOIs and answer some common questions that we have received from Applicants.

We would also like to take this opportunity to encourage Applicants to only submit EOI Responses for Proposals that are strongly aligned to the Eligibility Criteria (Section 2.2 and 2.3 in the EOI), as well as the Evaluation Criteria (Section 2.4). Applicants should take into consideration the volume of Proposals that will be seeking funding through the IAF and prioritise their strongest Proposals for submission.

(1) Key themes

Due diligence

The evaluation of Proposals at EOI Stage will primarily focus on establishing indicative compliance with the Eligibility Criteria and indicative alignment with the Evaluation Criteria. Käinga Ora will therefore primarily rely, at face-value, on Applicants' high-level responses as set out in their EOI Response Form when evaluating Proposals.

In circumstances where Applicants' responses warrant further investigation, however, Kāinga Ora reserves the right to conduct due diligence on certain aspects of Applicants' Proposals at EOI Stage.

The RFP Stage will focus on verifying statements made by Applicants at the EOI Stage using a due diligence process and taking an evidence-based approach to evaluation. To the extent statements made at EOI Stage cannot be verified and supported by evidence, this will be a key consideration in evaluating Proposals at RFP Stage. Applicants should therefore consider this when submitting Proposals.

This concept is particularly relevant to statements relating to the housing outcomes of the Proposal (e.g. timing and scale) at EOI Stage. Applicants are forewarned that these aspects of their Proposal will at RFP Stage be (amongst other considerations):

A2714336

Council-led Expression of Interest: Attachment 1



- scrutinised and tested with due diligence; and
- evaluated in light of the corresponding level of contractual commitment/s to delivering the housing outcomes.

Enabling infrastructure

Kāinga Ora reinforces that the infrastructure for which IAF funding is sought is "enabling infrastructure". In the context of the IAF, "enabling infrastructure" should be taken to mean network infrastructure that is:

- (a) controlled by a territorial authority or council controlled organisation (as defined in section 6 of the Local Government Act 2002); and
- (b) typically delivered by territorial authorities or Waka Kotahi.

"Enabling infrastructure" is therefore the type of infrastructure which *enables* the particular subdivision or housing development that is the subject of the Applicant's Proposal.

IAF funding is not concerned with funding infrastructure within the boundaries of that particular subdivision (e.g., local roads and local water connections), which is infrastructure typically funded by developers.

Tier one and two urban environments

As noted on page 18 of the Invitation for EOIs, in order to be eligible for IAF funding, the relevant infrastructure must enable at least:

- (i) 200 additional dwellings in Tier One urban environments (under the National Policy Statement on Urban Development;
- (ii) 100 additional dwellings in Tier Two urban environments; and
- (iii) 30 additional dwellings elsewhere.

The National Policy Statement on Urban Development (NPS-UD) applies to different "tiers" of local authorities. Where these local authorities have jurisdiction over "urban environments", they are required to implement the requirements of the NPS-UD that apply specifically to their tier 1 or tier 2 urban environments.

Urban environment" is defined under the NPS-UD as:

Any area of land (regardless of size, and irrespective of local authority or statistical boundaries that:

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¹ As described in Eligibility Criteria 2.2 (Eligible Infrastructure Projects), paragraph (a), page 18 of the invitation for EOIs.

Item 6: Infrastructure Acceleration Fund: Council-led Expression of Interest: Attachment 1



- (a) is, or is intended to be, predominantly urban in character; and
- (b) is, or is intended to be, part of a housing and labour market of at least 10,000 people.

Tier One urban environments are defined under the NPS-UD as one of the following urban centres:

- Auckland;
- Hamilton;
- Tauranga;
- Wellington; and
- Christchurch.

Tier Two urban environments are defined under the NPS-UD as one of the following urban centres:

- Whangārei;
- Rotorua;
- New Plymouth;
- Napier Hastings;
- Palmerston North;
- Nelson Tasman;
- Queenstown; and
- Dunedin.

The NPS-UD does not describe these urban centres in any further detail, but notes the relevant local authorities that have jurisdiction in respect of those urban areas (see the second column in Tables 1 and 2 of the Appendix to the NPS-UD).

What constitutes a tier one or tier two urban environment, and the precise boundaries of that urban environment will ultimately be decided having regard to the definition of "urban environment" in the NPS-UD. In such cases, we suggest that Applicants enquire with the territorial authority with jurisdiction over the particular area of the housing development to confirm whether their housing development is part of an "urban environment".

Tier 1 and tier 2 local authorities will be undertaking work on their Housing and Business Development Capacity Assessments (HBA) as required under the NPS-UD (in relation to housing), for public release by 31 July 2021. HBAs are likely to provide further guidance on the applicable boundaries for tier 1 and tier 2 urban environments.

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Council-led Expression of Interest: Attachment 1



Short to medium-term housing delivery

As noted on page 18 of the Invitation for EOIs, in order to be eligible for IAF funding, the relevant infrastructure must "enable the building of new or additional dwellings in the short to medium term (meaning, in most cases, that a material number of those dwellings are built (to completion) by December 2029".

By way of clarification, "a material number of those dwellings" should not be read as a requirement that Applicants have delivered a majority of the proposed dwellings within that timeframe. What we are looking for is for meaningful number of dwellings in the development are being built within that seven-year timeframe.

(2) Common questions

Responses to some of the common questions that have been raised by Applicants are set out below.

Q1) Kāinga Ora material interests in housing developments

Certain Proposals will enable housing development on land that is owned or is being developed by Kāinga Ora. How will this be accounted for in the evaluation of Proposals?

Response

As noted on pages 6 and 8 of the Invitation for EOIs, a process is in place for any Proposals in which Kāinga Ora has a material interest. Therefore, please do not determine not to submit a Proposal for that reason.

In such cases, Ministers² will receive (1) second opinion advice from the Ministry of Housing and Urban Development, and (2) other government departments in relation to the investment decision (which will be relevant at both the EOI and RFP Stage).

Q2) Eligibility requirements for affordable and/or social housing

In order to be eligible to apply to the IAF, is it a requirement that a minimum number of the dwellings enabled by the Eligible Infrastructure Project(s) are:

- affordable; and/or
- suitable for social housing?

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² Being the Minister of Finance and the Minister of Housing and Urban Development.

Item 6: Infrastructure Acceleration Fund: Council-led Expression of Interest: Attachment 1



Response

There are no such minimum requirements in order to be eligible for IAF funding.

Proposals will, however, be evaluated against Sub-criteria 1.2. This assessment focuses on the proportion of lower cost houses that are enabled by the Eligible Infrastructure Project(s), with reference to the proposed typology of those dwellings.

Released from confidential 26 kills Released from confidential 26 The Evaluation Criteria do not refer to social or public housing. Applicants should note that the role of Kāinga Ora in administering the IAF has been set by Cabinet. This role does not

A2714336

Resolved CL/2021/119

That the Council

- Receives the report Kāinga Ora Housing Developments (R25874) and its attachments (A2680037, A2684427);
- Agrees to consult on a proposal for the sale of 69 to 101 Achilles Avenue to Kāinga Ora for a social and affordable housing development, subject to confirmation of any Public Works Act offer back obligations; and/or
- Agrees to consult on a proposal for the sale of 42 Rutherford Street to Kāinga Ora for a social and affordable development, housing subject confirmation of any Public Works Act offer back obligations; and
- <u>Directs</u> officers to work collaboratively with Kāinga Ora to prepare a public feedback document on the proposal to sell 69 to 101 Achilles Avenue and 42 Rutherford Street to Kāinga Ora for social and affordable housing developments that meets the requirements of the Local Government Act 2002 including the principles of consultation as set out in section 82; and
- Directs officers to bring back to Council for approval the public feedback documents and proposed consultation approach (including a timeline) incorporating any feedback from the Strategic Development and Property Committee; and
- <u>Confirms</u> the design outcomes sought for any development on the sites are as follows: 20/02/500
 - High quality, high amenity, interactive and (i) accessible design to street and laneway edges
 - Design compatibility with the adjacent public (ii) spaces and central city location
 - (iii) The use of appropriately scaled and wellmodulated/articulated architectural design elements and an appropriate provision of space, openings and materiality
 - (iv) Integration of vehicle, public transport and pedestrian circulation with adjoining street frontages and Wakatu Square with minimal provision of on-site carparking

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Council-led Expression of Interest: Attachment 2

- (v) Inclusion of quality, climate resilient, sustainable, design and building practices
- (vi) A maximum of 50% of household units will be for social housing, the remainder will be a mix of affordable housing types
- (vii) Demonstrates consistency with the 6 key moves of the City Centre Programme Plan
- (viii) Minimise, as far as practicable, shading effects that lead to safety hazards on public streets, areas and footpaths.
- (ix) Provide appropriate cycle storage and servicing facilities.
- (x) Within these outcomes, maximise housing yield.
- 7. <u>Delegates</u> authority to a Kāinga Ora Governance Reference Group comprising Mayor Reese, the Chair of the Urban Development Subcommittee (Councillor Edgar), the Chair City Centre Engagement Group (Councillor Courtney), the Chair Strategic Development and Property Subcommittee (Gaile Noonan), Council's Urban Design Champion (Councillor Rainey) and Deputy Chair Infrastructure Committee (Rohan O'Neill-Stevens) to provide governance oversight to officers on social and affordable housing development proposals of Council property that have been approved by Council to be delivered through partnership with Kāinga Ora, and that the Governance Reference Group's Terms of Reference be amended accordingly; and
- 8. Approves the terms of reference for the Kāinga Ora Governance Reference Group as per Attachment 2 (A2684427) of Report R25874 as amended at the 1 July 2021 Council meeting; and
- 9. Notes that any final decision to proceed with the sale of 69 to 101 Achilles Avenue and/or 42 Rutherford Street to Kāinga Ora for a social and affordable housing development, or not, will come back to Council for approval subject to confirmation of any Public Works Act offer back obligations and following the outcome of the public feedback process;
- 10. <u>Notes</u> that officers will bring back to the 12 August 2021 Council meeting draft expressions of interest to the Infrastructure Acceleration Fund to confirm Council support; and

Council-led Expression of Interest: Attachment 2

11. Agrees that Report (R25874), Attachments (A2680037, Released from confidential 26 August 2021 A2684427) and the decision remain confidential at this

A2716458

Council-led Expression of Interest: Attachment 3 - A2721398



Date

Attention: Kāinga Ora - Infrastructure Acceleration Fund

Tēnā koutou,

Nelson City Council - Expression of Interest to the Infrastructure Acceleration Fund.

Nelson City Council plays a key role in investigating ways to provide affordable housing in our region. Housing in Nelson is some of the least affordable in New Zealand. In its 2021 – 2031 Long Term Plan, Council identified strategies to help improve this situation. This included partnering and working with central government, the private sector, and community housing providers to provide a range of housing solutions to the housing crisis.

This work has identified significant opportunities that are available within Nelson's city centre. I am pleased to show our Council's support for our Expression of Interest (EOI) to develop the Linear Active Transport Corridor along with essential three waters infrastructure. This project will enable housing development to occur and will have a significant positive impact on delivering urgent housing outcomes for the Nelson region.

This project will directly enable housing development to occur faster than is currently possible. It will directly enable the development of 175 dwellings, all of which are classified as affordable housing. It will also enable a significant number of future dwellings to be developed through the improvements to infrastructure in the city centre.

We look forward to working with Kāinga Ora and to progress our EOI to the Request for Proposal stage, including the re-prioritising of necessary infrastructure to deliver on the project.

Nāku iti noa nā

Rachel Reese

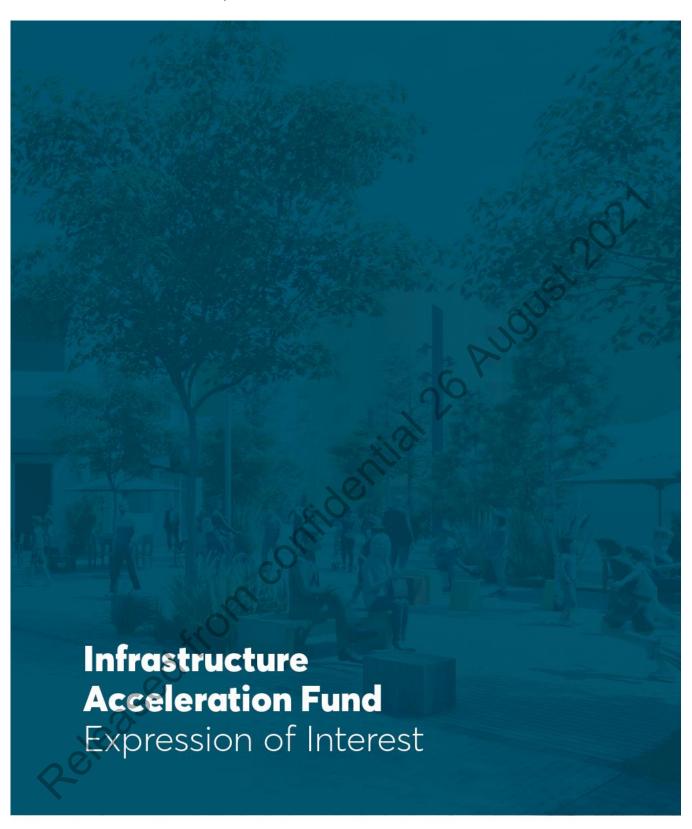
Mayor of Nelson: Te Koromatua o Whakatū

Nelson The Smart Little City He tāone tōrire a Whakatū



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Nelson needs more housing

A lack of affordable housing close to our city centre is an issue that is raised time and time again by our community as one that Nelson City Council needs to address. Working with partners on addressing these needs can help alleviate Nelson's housing crisis faster.

Accelerating development in the Nelson city centre is a priority for Council in its Long Term Plan (LTP). Our shared 30-year vision is to create a place for people. To achieve this vision, housing intensification in the city centre is critical. This vision was endorsed through feedback from over 80 community meetings in 2021. It is included in a draft spatial plan strategy to activate and revitalise the city centre – Te Ara ō Whakatū, that is proposed to be consulted on in August/September 2021.

To accelerate housing intensification in Nelson's city centre, supporting infrastructure is needed. With support from the Infrastructure Acceleration Fund (IAF) Nelson will be able to bring infrastructure projects forward to facilitate much needed housing developments faster.

A key focus of Council's IAF application is through fast-tracking a significant and transformative project - the Linear Active Transport Corridor (Corridor). Concept images are shown throughout this document. The corridor focuses on creating a space for people whilst improving active transport that will also allow the upgrade of critical below ground three waters infrastructure.

The corridor proposal will run through the heart of Nelson, connecting Anzac Park in the west to Queens Gardens in the east - two of Nelson's highly valued places in the city. It will create an environment that connects people to places and enables effective, safe, healthy and rewarding movement from one side of our city to the other. It will exemplify Nelson's transformation into a place for people and provide the infrastructure necessary for the city's new residents.

By partnering with the IAF, Council will be able to deliver the bulk of this corridor significantly earlier than planned and will realise many benefits for our community including improving and encouraging active modes of transport in our city. It will enable developments (such as the potential housing development by Kāinga Ora on land currently owned by Council) to build on a stable and secure infrastructure base. The associated infrastructure upgrades will have an added benefit of providing confidence to other developers in our city centre that the network is capable of supporting new developments.

Council is committed to creating affordable housing development opportunities within the

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city centre and, where available, using Councilowned land to enable this. Two potential sites are Achilles Avenue and Rutherford Street - both of which are at the western end of the Linear Active Transport Corridor and are being considered by Council to be sold to Kāinga Ora to provide at least 175 new affordable housing units, subject to a public feedback process running from 30 August to 24 September 2021.

With IAF support, Council will be able to futureproof the critical underground three waters infrastructure in that area. This will enable the Kāinga Ora housing development (if final decisions are made to proceed) to accelerate, delivering all the transport benefits of the corridor. It will also accelerate the future development and provide a significant pathway to unlocking up to 850 additional housing units within this part of the city centre (regardless of whether the Kāinga Ora housing development proceeds).

Improving Living and Active Transport

Residents and visitors say they find it shallenging, and often intimidating, to use active transport to move through and within our city centre, despite its compact size and good connectivity from the suburbs.

Their desire is for a city centre that has people focused streets and walkways. To achieve this, slow speed transport corridors are both desirable and necessary. This will allow a wide range of transport options to be used, including micro mobility, bicycles, walking, buses and cars for those that require them.

Residents have also told Council that they value the greening of the urban environment and the shade it brings, for both practical, environmental and mental health benefits. They want the city's streets to be a more pleasant place to spend time, which in turn has a positive impact on the culture of our community and the performance of Nelson's retail and hospitality sectors.

The goal of increasing city centre living from the current count of less than 100 residents to over 2,000 is one that has wide community support. As well as enabling Nelson to address its chronic housing shortage and housing affordability challenges, it would also bring life and energy to the city centre 24/7.

Nelson needs to transform its city centre from a place where people primarily drive in to work or shop, to one where they also live, connect, socialise, play, relax and gather to celebrate and enjoy life. An increase in city centre living and the subsequent reduction in car use and ownership provides an opportunity to rebalance the dominance of motor vehicles in favour of a range of active transport options. The corridor will become the front garden for many of our city's new residents, as well as being a beautiful, relaxing and safe active transport corridor.

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Developing our three waters infrastructure

To enable use of Council land for accelerated housing developments, such as the potential Käinga Ora housing development, and to lay the pathway for future growth within the city centre, Nelson's three waters infrastructure needs to be applieded.

Water

Intensification within the city centre is expected to result in a greater number of buildings that are four storeys or higher. To make sure that these types of buildings have adequate flow and pressure (for both domestic use, sprinklers and firefighting purposes), it is necessary to upgrade the water ring main around the lower portion of the city centre. This IAF proposal is for funding to upgrade the existing 150-200mm diameter pipes with a 300mm diameter trunk main in Bridge, Rutherford, Halifax and Collingwood Streets, that will provide network resilience both operationally and to natural hazards such as earthquakes and liquefaction.

Wastewater

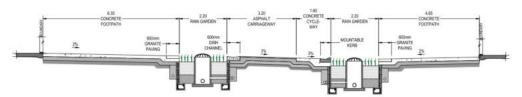
Council has already prioritised intensification within the city centre and the surrounding communities including Washington Valley, Victory, Waimea Road and Nelson South. The wastewater from these areas drain to

the city centre. The potential Kāinga Ora housing developments sites in the city centre are located at the downstream point of the wastewater network. This network is under capacity for wet weather events, and an upgrade is needed to enable this potential development, or other future intensification, to occur.

The upgrades are also critical for reducing the likelihood of wastewater overflows entering the Maitai River and the coastal marine area during times of heavy rainfall.

The proposed works included in the bid for IAF funding include upgrading the wastewater pump station on Paru Paru Road and wastewater upgrades on Rutherford Street, Achilles Avenue and Bridge Street.

The pump station upgrade also provides the added benefit of providing greater wastewater storage to enable network resilience in the event of network failure and natural hazards such as earthquakes.



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Stormwater

The land around the potential Kāinga Ora housing development sites is subject to flooding during specific high tides and weather events. During these events, the tide tracks up the existing stormwater network and emerges at the lowest points around the city centre, typically along Vanguard Street and Wakatu Square car park.

To reduce the likelihood of these areas flooding during high tides and tidal surges, it is proposed that new flood gates are installed on the outlets of the stormwater network at Saltwater Creek on Halifax Street.

A large focus for the active transport corridor will be improving stormwater quality from the road and surrounding catchment. This will be achieved through the installation of treatment devices such as rain gardens and tree pits to improve stormwater quality prior to discharging into the Maitai River. As part of this work the stormwater network on Bridge Street will be upgraded at the same time.

Enabling housing development and timing

Nelson is excited by the opportunity provided by the IAF to enable supporting infrastructure to improve housing supply in Nelson. Not only will this assist in enabling the potential Kāinga Ora housing development to occur sooner (if final decisions are made to proceed), it will also provide infrastructure that will enable other future housing projects in the city centre to be accelerated.

In terms of timing, it is possible for the transport corridor to be staged if that approach is preferred by the IAF. This would mean that Council would focus on the development of the ANZAC Park end of the corridor and the infrastructure needed to enable the Kāinga Ora project to progress (if final decisions are made to proceed). This would also include street and transport improvements through to Trafalgar Street (the halfway point from east to west).

Further stages (with IAF funding) would continue to extend the corridor to its final destination at Queens Gardens in the east. This would complete the transport corridor project and deliver a significant boost to Nelson's social, cultural and economic development.

Council is pleased to submit its expression of interest seeking financial support from the IAF to help fund the Linear Active Transport Corridor and associated three waters infrastructure. If successful, the transport corridor will form the centerpiece of Nelson's active transport infrastructure and create the foundations needed to address Nelson's significant affordable housing needs.



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EOI Response Form Infrastructure Acceleration Fund

How to respond to the Expression of Interest Invitation

Applicants should complete this EOI Response Form to submit an EOI and Proposal in response to the EOI Invitation released on 30 June 2021. Applicants must also complete the Applicant Declaration and submit it with their EOI and Proposal.

Please complete this EOI Response Form in relation to one specific housing development and the infrastructure required to enable that housing development.

Applicants may submit a separate EOI and Proposal by completing a separate EOI Response Form for a distinctly different scenario if it involves materially different housing outcomes.

Applicants can contact IAF@kaingaora.govt.nz if there are any queries.

Content

The EOI Response Form has the following parts:

- · Part A- General Information: seeking basic information about the Applicant
- Part B- Proposal Information: seeking high level information about the housing development and the infrastructure required to enable the housing development

Part B MUST BE COMPLETED IN NO MORE THAN 7 PAGES

• Part C- Criteria Responses: seeking high-level responses to the Eligibility and Evaluation Criteria.

Part C MUST BE COMPLETED IN NO MORE THAN 25 PAGES

Applicants should note that these page limits incorporate the table format of this EOI Response Form (including various check-boxes). Free text responses will make up only a fraction of the total pages in a completed EOI Response Form.

Applicants must complete this form **using size 10 font**. Capitalised terms in this EOI Response Form shall have their meaning as set out in the Appendix of the EOI Invitation.

Supporting Material

Where a particular question in this EOI Response Form indicates that further material and/or evidence (Supporting Material) may be uploaded (to the extent the Applicant has such information available), Applicants may refer to that Supporting Material in their responses.

The Supporting Material is in addition to the page limits specified above. It should be limited to information specific to the Proposal that will support its evaluation (do not submit generic marketing information for example).

Use the table below to outline what Supporting Material (if any) has been included in the Proposal in support of each question.

	Question	Reference to supporting material? [insert name of attachment]
	Part B question 1	Attachment 1 – Mayor's letter
		Attachment 2 - Supporting information on
		Development project
ĺ	Part C Eligibility Criteria 2: Eligible Infrastructure	Attachment 3 - Infrastructure Development Map
	Project/s – dwellings enabled and timeframes	Attachment 4 – Long Term Plan Funding
	question (c)	spreadsheet
		Attachment 5 – Programme breakdown for projects

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Part A- General Information

1. Enter the following details (if a Territorial Authority lead Applicant).

Territorial Authority name (including council	Choose a Territorial Authority: Nelson City
controlled organisations)	OR
	If council controlled organisation: Click or tap here
	to enter text.
Provide a contact person for this EOI:	Alec Louverdis
- Full name	Group Manager Infrastructure
- Position	Nelson City Council / Te Kaunihera o Whakatū
- Contact number	03 546 0271
- Email address	alec.louverdis@ncc.govt.nz

OR

1. Enter the following details (if a developer or Māori lead Applicant).

About your organisation	Response
Organisation name	• Click or tap here to enter text.
Organisation website	Click or tap here to enter text.
NZBN/NZBM Māori identifier	Click or tap here to enter text.
Address	Click or tap here to enter text.
Region	Click or tap here to enter text.
Post code	Click or tap here to enter text.
Type of organisation	Choose a type of organisation.
Tax residency	Click or tap here to enter text.
Owners / Shareholders	Click or tap here to enter text.
Directors / Trustees	Click or tap here to enter text.
Identify iwi affiliation (if relevant)	Click or tap here to enter text.
Provide a contact person for this EOI:	Click or tap here to enter text.
- Full name	
- Position	
- Contact number	
- Email address	

2. Please list the names of each known housing developer expected to be involved in the housing development. [note: "housing development" is referring to the additional dwellings being enabled by the Eligible Infrastructure Project(s)]

Kāinga Ora – Homes and Communities and their partner(s)

3. Please enter the following details about the housing development:

Name:	Achilles Avenue and Rutherford Street Affordable
	Housing Development

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Location (suburb and city):

Territorial Authority region:

Brownfield / Greenfield:

[note, if the housing development is a mix or if the category is unclear, choose the type which best describes the housing development].

Nelson

Category

Greenfields OR

Brownfields

✓

- 4. IAF Funding sought: \$ 32,460,000
- 5. Timing when IAF funding is expected to be drawn:

		2022	2023	2024	2025	2026	2027	2028	2029	2030	2031 – onward s
	Amount (\$)	\$0	\$200,00 0	\$460,00 0	\$11,850 ,000	\$12,500 000	\$4,450, 000	\$3,000, 000	\$0	\$0	\$0
Re			KOK								

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Kainga Ora

Part B - Proposak Information

Please describe:

the housing development and associated housing outcomes; (a)

to use it's property portfolio to leverage housing affordability and intensification in partnership with others, a key priority supported by the community and identified in Käinga Ora for the development of affordable housing see Attachment 1 – Supporting Information on the Development project). This is part of Council's commitment Nelson City Council is currently in the process of seeking the views of the community on an exciting opportunity to divest two well located city centre properties to Council's recently adopted Long Term Plan 2021-2031 (LTP)

The outcome of the partnership between Nelson City Councl and Kainga Ora will be the delivery of at least 175 homes for people with a range of housing needs, along with the potential for a range of community spaces and commercial uses. The development will create good quality, mixed use residential apartments that have sustainability and community wellbeing at the forefront. Spread over two sites, the developments would be an asset to both the central city and the wider area providing a unique living environment and contributing to the vitality of the Nelson city centre. The timing of the development proposal, and the potential to support it via the Infrastructure Acceleration Fund together with the Council's focus on place and people infrastructure investment have the potential to unlock unmet demand for city centre living at a range of price points before 2029. The infrastructure which could be accelerated through funding support will also allow for further development and intensffication, up to a further 850 dwellings over the longer term.

(b) all of the infrastructure required to enable the housing development; and

The Council has identified the City Centre as a priority area for housing intensification within Counell's LTP and Infrastructure Strategy. Council has allowed for significant infrastructure upgrades to enable this development over the next 30 years. The IAF provides opportutity to bring those projects forward to realise accelerated housing supply. The upgrades included within this submission not only enable the development of the Käinga Ora development (approximately 175) homes but also significantly more developments to occur at a rate faster than Council's debt cap allows for infrastructure upgrades, IAF funding is needed for upgrades to the existing transport, water, homes within the city centre by providing capacity for a much larger redevelopment area (expected to be an additional 850 homes). To enable the majority of wastewater and stormwater networks in the city centre. Why the infrastructure is required to enable the Käinga Ora's city centre development to be accelerated at the same time as providing sufficient infrastructure to enable other future residential development in the city centre, is described below and illustrated on the attached Infrastructure Development map (see Attachment 3).



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Linear Active Transport Corridor (Cinear Corridor) - The proposed Kāinga Ora development is located in an area where there is a gap in the active walk/cycle network for Linear Corridor provides for a safe and climate resilient response to transport and includes several infrastructure amenities. Not your typical infrastructure project, the centre to places of work, schools, shops, hospitality services, government agencies, public amenity services and recreational facilities such as parks and libraries. The east west movement across Nelson's City Centre. The Linear Corridor directly links the site of the Käinga Ora development via active transport mode across the city Linear Corridor incorporates traditional infrastructure services under it as described below:

four storeys or higher. To ensure these types of buildings have adequate flow and pressure (for both domestic use, sprinklers and firefighting purposes), an upgrade of the ring main around the lower portion of the city centre is required. This ring main would see the existing 150-200mm diameter pipelines replaced with a new 300mm Water – Intensification, including the Käinga Ora affordable housing development, within the city centre is expected to result in a greater number of buildings that are diameter trunk main and will run along Bridge Street, Rutherford Street, Halifax Street and Collingwood Street. This work also provides network resilience both operationally and to natural hazards such as earthquakes and liquefaction (through pipe material selection and latest design techniques). Wastewater - The Council has prioritised intensification within the city centre and the surrounding communities including Washington Valley, Victory, Waimea Road and wastewater network. This network is under capacity for wet weather events, and an apgrade is needed to enable this development to occur. Due to the location of the during times of heavy rainfall. The proposed works include upgrading the wastewater pump station on Paru Paru Road and wastewater upgrades on Rutherford Street, proposed Käinga Ora development, it is critical that the associated upgrades allow for future development growth from the identified intensification areas draining to resilience in the event of network failure and natural hazards such as earthquakes. The upgrade on Bridge Street complements potential growth within the city centre Achilles Avenue and Bridge Street. The pump station upgrade also provides the added benefit of providing greater wastewater storage to enable improved network the city centre. Furthermore, these upgrades are critical for reducing the likelihood of wastewater overflows entering the Maitai River and the Coastal Marine area Nelson South. The wastewater from these areas drain to the city centre. The proposed Käinga Ora developments are located at the downstream point of the and it is appropriate and efficient to construct it when undertaking works on the Linear Corridor.

envisioned that treatment devices such as rain gardens and tree pits will be utilised to improve stormwater quality prior to discharging into the Maitai River. As part of Stormwater - The localised land around the proposed Kāinga Ora development is subject to flooding during specific high tides and weather events. During high tides, the tide tracks up the existing stormwater network and emerges at the lowest points around the city centre, typically along Vanguard Street and Wakatu car park. To network at Saltwater Creek on Halifax Street. A focus for the Linear Corridor will be improving stormwater quality from the road and surrounding catchment. It is reduce the likelihood of these areas flooding during high tides and tidal surges, it is proposed that new flood gates are installed on the outlets of the stormwater the Linear Corridor upgrade, it is intended to upgrade the stormwater network on Bridge Street at the same time.



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(c) current status and timing

this recognises a shared objective to address the lack of affordable housing in the Nelson region through a collaborative approach that enhances the overall economic, through the divestment of Council's community housing portfolio to Kāinga Ora in March 2021. Both organisations have entered into a Relationship Agreement and proposal to sell 69 to 101 Achilies Avenue and 42 Rutherford Sreet to Kāinga Ora. The proposal builds on an existing relationship between the two partners created This partnership opportunity is at the initial stages of Kāinga Ora completing due diligence and Nelson City Council will be seeking the views of the community on a social, environmental, and cultural well-being of current and future generations. Following the decision of Council on whether to sell the properties to Käinga Ora expected on 28 October 2021, Kāinga Ora intend to complete their development within

Please attach any Supporting Material which will assist us in gaining an understanding of the Proposal

2. Please complete the following tables showing the total cost for all infrastructure required to enable the housing development (broken down by type of cost and infrastructure category). The final table is requesting information from Applicants on their proposed funding sources for the total cost of the infrastructure. Please complete the table below by breaking down the estimated total enabling infrastructure cost for the housing development into the "type of cost" categories below.

2a. Total enabling infrastructure cost for the housing development (breakdown by type of cost)

Type of cost of costs already incurred should be excluded] (\$) Comment on the degree of confidence the Applicant has in the estimate costs already incurred should be excluded] (\$) Comment on the degree of confidence the Applicant has in the estimate costs already incurred should be excluded] (\$) Costs already incurred should be casted and incurred should be excluded] (\$) Costs in the relevant category Feasibility costs and other early stage planning work \$ 900,000 Medium Estimates include optioneering and preliminary design. \$ 200,000 Costs of designing, consenting and tendering and tendering and tendering. \$ 4,000,000 Medium Estimates include detailed design. \$ 200,000		Estimated total cost of			Amount of IAF funding
excluded) (\$) Soo,000 Medium Estimates include optioneering and preliminary design and are based on similar infrastructure projects undertaken in the city centre, with allowance for active transport expertise to assist in the delivery of the Linear Corridor Soundertaken in the city centre, with allowance for active transport expertise to assist in the delivery of the Linear Corridor Corridor Estimates include detailed design, consenting and tendering, and are based on a high level concept design.	Type of cost	: (excl GST) incurred sh	Comment on the de	egree of confidence the Applicant has in the estimate	sought (\$) for the Eligible Costs in the relevant
\$ 900,000 Medium Estimates include optioneering and preliminary design and are based on similar infrastructure projects undertaken in the city centre, with allowance for active transport expertise to assist in the delivery of the Linear Corridor Estimates include detailed design, consenting and tendering, and are based on a high level concept design.		excluded/(\$)		\(\frac{1}{2}\)	category
\$ 4,000,000 Medium Estimates include detailed design, consenting and tendering, and are based on a high level concept design.	Feasibility costs and other early- stage planning work	\$ 900,000	Medium	Estimates include optioneering and preliminary design and are based on similar infrastructure projects undertaken in the city centre, with allowance for active transport expertise to assist in the delivery of the Linear Corridor	\$ 200,000
	Costs of designing, consenting and tendering	\$ 4,000,000	Medium	Estimates include detailed design, consenting and tendering, and are based on a high level concept design.	\$ 200,000

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High	Medium	<u> </u>	\$ 90,000 [provide a breakdown of these other costs, i.e., BAU administrative costs]	\$ 62,000,000 [total should equal amount in table 2b below]	y breaking down the estimated tot e cost for the housing developmen	Estimated total cost of Comment infrastructure (excl GST) (\$)	Low	Low	Low	
No land purchase required for infrastructure, Council currently owns the land which it intends to sell to Kainga Ora for the housing development	Estimates are based on high level concept design and accuracy will also be influenced by availability of contractors in Nelson and material costs at the time. Allows for approx. 30% contingency.	Costs based on utilising existing Council processes and procedures.	Communications and engagement, legal, LGA processes – estimates are based on previous projects		Please complete the table below by breaking down the estimated total enabling infrastructure cost for the housing development into the "infrastructure categories" below. 2b. Total enabling infrastructure cost for the housing development (breakdown by category of infrastructure, aggregating as appropriate)	Comment on the degree of confidence the Applicant has in the estimate	Estimates are based on high level concept design, tested against similar projects in Auckland factored with a Nelson construction rate	Estimates are based on high level concept designs	Estimates are based on high level concept designs	
\$ 0 [note, costs under this category must be wholly required for Eligible Infrastructure Projects to be eligible for IAF funding]	\$ 32,060,000	\$ 0	[note, costs that are not in one of the categories above are not eligible for IAF funding. See "Eligible Costs"].	\$ 32,460,000	nfrastructure categories" belov e)	Amount of IAF funding sought (\$)	\$ 19,500,000	\$ 12,960,000	0\$	022

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Other Eligible \$90,000	\$90,000	Low	Communications and engagement, legal, LGA processes –	\$ 0
Costs ¹			estimates are based on previous projects	
	\$ 10,000 [Please provide a	Medium	As above	[note, projects that are not
() to d+O	breakdown of these other costs,			one of the types above are
Ourer (mon- Fligible Ceets)	i.e., for community infrastructure			not eligible for IAF funding.
(sison aidigina	not funded under the IAFJ			See "Eligible Infrastructure
				Project".]
Total	\$ 62,000,000 [total should equal			\$ 32,460,000
10.0	amount in table 2a above]			

Please complete the table below by identifying the funding sources for the estimated total enabling infrastructure cost for the housing development into the "source of funding" categories below.

2c. Funding sources	2c. Funding sources for total infrastructure cost for the housing development	lopment
Source of funding	Estimated amount (\$)	Confirm status of the funding sources [describe any key assumptions and issues regarding these funding sources (both received and applied for)]
Territorial Authority (not recovered from development contributions)	\$ 29,440,000 [note, this should exclude amounts paid for by the Territorial Authority and recovered through development contributions]	This is funding that is currently allocated in the Council's 2021-31 Long Term Plan however the timing of the funding would need to be brought forward to match Infrastructure Acceleration Funding.
Territorial Authority (anticipated to be recovered via development contributions)	\$0 [note, this should only include amounts paid for by the Territorial Authority but which are expected to be recovered through development contributions]	Kāinga Ora as a Crown Entity is exempt from payment of development contributions. For the proposed development this equates to a loss of approximately \$1.8 million excluding GST
Developer / landowner (other than from development contributions)	\$0 [note, include any other amounts paid for by the developer(s) and landowners other than via development contributions or IFF levies]	As the development is two apartment buildings there are no developer infrastructure costs over and above that of the building construction
Waka Kotahi	\$0	Not eligible for Funding Assistance Rate funding

¹ These are Eligible Costs that enable Eligible Infrastructure Project(s) but are not directly attributable to one category of Eligible Infrastructure Project.

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Council-led Expression of Interest: Attachment 3 – A2721398

	No DIA three waters funding has been applied for or allocated to this development	No IFF funding allocated to this development	5804	No other non-government funding has been applied for or allocated to this development	9,440,000	Not applicable	\$ 32,460,000 [note should equal amount in Not amilicable	مناعمه استسم اماسوام معم	Listo, you finds, should equal total cost in Not applicable les 2a and 2b above]		please describe any engagement/funding arrangements with central government on the infrastructure and/or housing development to date (including which	agencies have been engaged and the status of those discussions); and	The Council has actively been engaging with the regional office of Kāinga Ora in relation to this development, and whilst not required, intends to undertake a public	consultation process in the next few months with the community to seek their views on the sale of these two sites to Käinga Ora for affordable housing. The Council and Käinga Ora have entered into the Relationship Agreement to work together on delivering social and affordable housing in Nelson.	-financial powers of central government (e.g. Ministerial RMA powers, RMA fast-track, Urban Development Act powers) could complement	lise the outcomes.	The site of the development is in the city centre where the Nelson Plan provisions fully support it. The construction of the supporting infrastructure could be streamlined through fast tracking any required Reserves Act process (required for the proposed new location of the wastewater pump station which would be in a reserve).	5°
0	DIA Three Waters \$0 funding	IFF funding \$0	Other central \$0 government funding (e.g., CIP shovel ready funding)	Other non-\$0 government funding	Sub-total \$ 29,440,000	(excluding IAF Funding)	ding	Sought table 2a above)		Other matters:	(a) please describe any engagement/fun	agencies have been engaged and the	he Council has actively been engaging with t	consultation process in the next few months with the Käinga Ora have entered into the Relationship Agreer	(b) identify how non-financial powers of central	funding to maximise the outcomes.	he site of the development is in the city cent hrough fast tracking any required Reserves A	0 000

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Please outline the nature and extent of the Applicant's interests in the relevant land (being the land upon which the housing development Identify the number of additional dwellings that are expected to be enabled by the Eligible Infrastructure Project(s) referred to in the The table below sets out the criteria which must be satisfied for a Proposal to be eligible for funding. Failure to satisfy any of these criteria will result in the Proposal being This Part C relates to (i) the Eligibility Criteria and (ii) the Evaluation Criteria, which will be considered to determine which Proposals are to proceed to the RFP stage. Only developer and Māori Applicants are required to respond to this question. Part C – Eligibility and Evaluation Criteria Responses will be built, not the infrastructure). Applicant response 1,75t,hth,850 Proposal. N/A 2. Eligible Infrastructure Project/s -Project(s) for which the Applicant is seeking funding must be expected proportion of the land) upon sufficient rights in, or access (minimum housing outcomes) development will be built. to, the land (or a material (a) a Territorial Authority; or (b) Māori/ a developer with **Eligibility Criteria** The Eligible Infrastructure which the housing The Applicant is either: 1. Eligible Applicant to enable at least: **Eligibility Criteria** Introduction Page 10 unsuccessful.

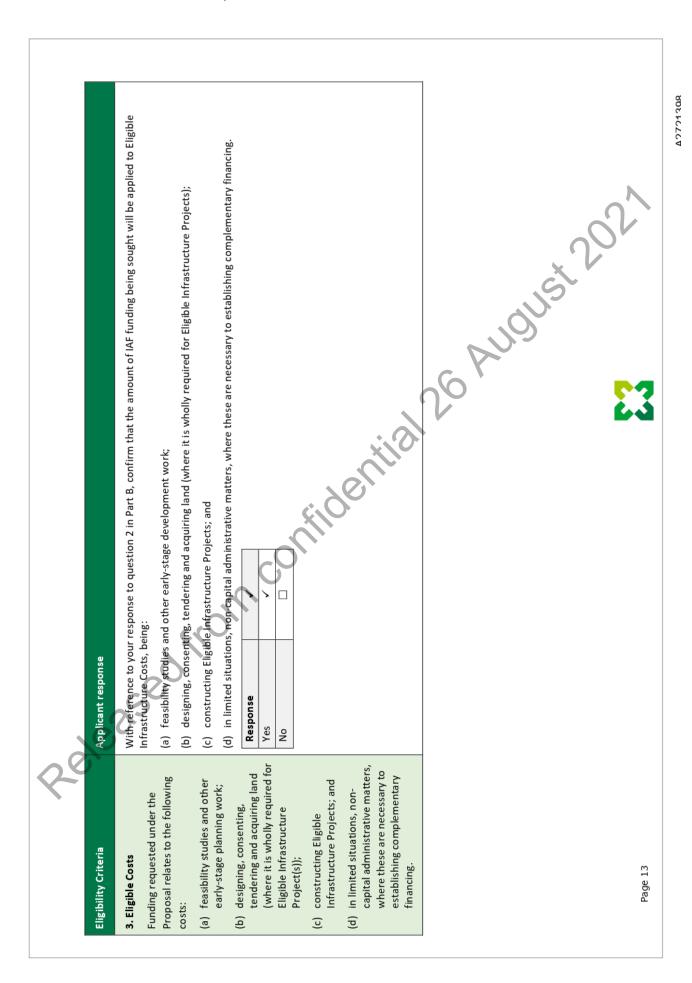
Council-led Expression of Interest: Attachment 3 – A2721398

Applicant response	With reference to your response to question 2 in Part B, confirm that the amount of IAF funding being sought will be applied to Eligible Infrastructure Project(s). Response	 * Auckland (Auckland Council), Hamilton (Waikato Regional Council, Hamilton City Council, Waikato District Council), Valuange (Bay of Plenty Regional Council), Wellington Regional Council, Wellington City Council, Mostern Bay of Plenty District Council), Wellington Regional Council, Wellington City Council, Mainnakariri District Council). * Whanganei (Northland Regional Council), Christchurch (Canterbury Regional Council), Regional Council, Wainnakariri District Council), Napier Hastings (Hawke's Bay Regional Council), Rapina District Council), Napier Hastings (Hawke's Bay Regional Council, Mapier City Council), Napier Hastings (Hawke's Bay Regional Council, Mapier City Council), Napier Hastings (Hawke's Bay Regional Council), Napier Hastings District Council), Palmerston North City Council), Napier City Council, Napier City Council, Queenstown (Otago Regional Council), Queenstown Lakes District Council), Dunedin City Council).
Eligibility Criteria (i) 200 additional dwellings in tier one urban environments²; (ii) 100 additional dwellings in tier two urban environments³; or (iii) 30 additional dwellings elsewhere.	Eligible Infrastructure Project/s (type) The Eligible Infrastructure Project(s) for which the Applicant is seeking funding must be of the type traditionally paid for by local authorities and be for new or upgraded enabling infrastructure in the form of transport (including local roading, state highways, public transport infrastructure, footpaths and cycleways), three waters (water supply, wastewater and stormwater) and flood-management infrastructure.	² Auckland (Auckland Council), Hamilton (Waikato Regional C Tauranga City Council, Western Bay Plenty District Council), Christchurch (Canterbu Souncil, Kāpiti Coast District Council), Christchurch (Canterbu Whangārei (Northland Regional Council, Whangarei District Plymouth District Council), Napier Hastings (Hawke's Bay Reg Palmerston North City Council), Nelson Tasman (Nelson City (Regional Council, Dunedin City Council).

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	enabling	2035		pportin _{	
	pose of	2034		e any Su Further	0^
	the pur	2033		d provid	001
	arily for	2032		mes, and within 5	S
	/ or prim	2031		ng outco veloped year.	,01/3
	additional dwellings. sponse State the expected number of additional dwellings to be built (to completion) over each year:	2030		c) Comment on the basis for the figures above, the degree of risk around these housing outcomes, and provide any Supporting Material that you are relying on. Indicative timelines from Kāinga Ora will result in the two apartment buildings being developed within 5 years. Further yield will be enabled across the city centre from these infrastructure projects, anticipated at 50 per year.	
	ought ar	2029		Sund the vuildings	23
	ding is souilt (to o	2028		frisk arc rtment b cts, antic	
	which fur	2027	(2)	degree o two apa	
	t(s) for v	2026	130	ove, the Ilt in the	
	re Projec	2025	0	gures abo will resu hese inf	
	astructu	2024	25	or the figure or the figure or the from	
	lings.	2023		ie basis f ying on. from Kā city cent	
sponse	confirm the Eligible Ir additional dwellings. ponse	2022		Comment on the basis f that you are relying on. cative timelines from Kā bled across the city cent	
Applicant response	additional	7	No. Dwellin gs (within each period)	Comme that yo icative ti	
Appl	(a) Reg No No No (b)			(c) Indi	
8-	ject/s – plicant is holly or	short to	m in this ses, that lings are cember		
	d and d and ructure h the Ap ust be w	ing of ne	dium ter most ca: r of dwel n) by De		
Criteria	frastructes eable es) le Infrast for which inding more in the properties of the prop	he build I dwelling erm.	rt to mer leans, in I number ompletio		Page 12
Eligibility Criteria	Eligible Infrastructure Project/s – (dwellings enabled and timeframes) The Eligible Infrastructure Project(s) for which the Applicant is seeking funding must be wholly or primarily for the purpose of	enabling the building of new or additional dwellings in the short to medium term.	Nate: short to medium term in this context means, in most cases, that a material number of dwellings are built (to completion) by December 2029.		Page
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The table below sets out the Evaluation Criteria to be applied to determine which Proposals are to proceed to the RFP Stage.

ii) Evaluation Criteria

carefully consider their prospects of success before submitting an EOI in response to this EOI Invitation having regard to the Evaluation Criteria below (noting that more It is important to note that progression to the RFP stage does not mean that the Proposal will ultimately receive funding. Applicants themselves should therefore fulsome information about the Proposal will be requested, and due diligence undertaken, at RFP Stage).

Eval 40%	Evaluation Criteria – Housing Outcomes 40%	Applicant response
1.1	The number of additional dwellings that the funding will enable relative	Please describe how the scale of the housing development will deliver a number of dwellings that is significant relative to demand in the area (being the region of the relevant Territorial Authority).
	to demand in that area.	The development's additional 175 homes will provide a significant start to meeting Nelson's unmet
		demand within the city centre, particularly at the proposed rental typology and affordable price point.
		Nelson currently has an estimated unmet demand of 217 households (as per Housing and Business
		Capacity Assessment 2021) that has resulted from high population growth over the last 10 years of over
		10% and insufficient housing supply.
		When taking into consideration average wages in Nelson, the city is one of New Zealand's least affordable,
		with growing numbers of households experiencing affordability stress. Moreover, most residents who do
		not own their own home may now be unable to afford even a lower quartile price point house. Nelson
		quick statistics (refer below) further demonstrate how the scale of this development has potential to
		signficantly address demand in terms of housing numbers; but also price points, location and
		demonstrating an exemplar style of development different to that normally supplied in Nelson:
		Median house prices have continued to increase and are now 88% more expensive when compared
		with five years ago.
		 The number of applicants on the Ministry of Social Development's housing register has increased by
		48% compared with 12 months ago (253 households as at 30 December 2020).
		 Although affordability has improved over the last 12 months, according to the latest Massey
		University Index published in December 2020, Nelson continues to be the third least affordable region in

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Applicant response	 Total building consents for new dwellings have reduced in Nelson to 253 for the year ending 31 December 2020, down from 312 from the previous calendar year but up from 254 for the 2018 year. Total building consents for new dwellings have reduced in Nelson to 253 for the year ending 31 becember 2020, down from 312 from the previous calendar year but up from 254 for the 2018 year. Total new residential sections have also decreased for the year with a drop from 221 sections in 2019 to 211 sections for the year ending 30 June 2020 but up from 154 sections for the 2018 year. Total resource consents have also reduced from 703 lots for the year ending 30 June 2019, to 385 lots for the year ending 30 June 2020. The greatest unmer demand for housing in Nelson is for houses in the lower price brackets. Analysis of the 2018 census data against the willingness of banks to lend shows that over 60% of residents living in a home they don't own are not catered for in the market if they wished to purchase their own home. Of these, 43% are unable to get a mortgage from the bank with the remaining 18% able to get a mortgage but not enough to purchase any house in the current market. An additional 8% might be able to purchase a home at the bottom of the market depending on where they sit within the price band and what happens to come to the market at any one time in the current who live in a house they don't own can realistically hope to afford their own home in the current market although this proportion is likely to reduce over time as house prices move further out of reach. 	Please: (a) describe the expected typology of the proposed dwellings, such as the proportion of dwellings that are standalone, terraced, and/or apartments and section sizes; The development will include a mix of types, from one through to three bedroom apartments, pitched at meeting the needs of the housing register and those seeking affordable rental and market accommodation.	23
Evaluation Criteria – Housing Outcomes A0%	58	1.2 The proportion of lower-cost houses expected to be enabled by the Eligible Infrastructure Project(s) (primarily informed by typology of housing expected to be built). Note to Applicants: to the extent that this information cannot be provided because a willing	Page 15

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	(b) outline the planned number of dwellings that will be within the First Home Grant price cap (by region)*, and Whilst Käinga Ora have yet to finalise a design and model, they will seek to partner with community housing providers to deliver a mix of affordable rental and home buyer options. Käinga Ora have committed via the Relationship Agreement with Nelson City Council that any development will be for up to 50% social housing and the remainder affordable housing. (c) describe any level of commitment to the lower-cost outcomes referred to in paragraph (b) from a developer or other relevant party to the housing development.	Nelson currently has an estimated unmet demand in the particular location of the housing development. Nelson currently has an estimated unmet demand of 217 households resulting from the last ten years worth of high growth of over 10% not being matched by housing supply. While there is sufficient housing capacity in the short to medium term (1 to 10 years) this supply is not being brought to the market, and the supply is not of a type and price point that can match Nelson's demand. From a geographical spread perspective, Nelson City has a compact urban form that provides opportunities to live close to services and facilities regardless of where in the area housing is located. Based on household income data from the 2018 census, around 43% of households, currently living in a home they don't own, are ineligible for any mortgage due to their living expenses being the same or more than their income. These households are those that are likely to be lifelong renters and require ongoing support to retain some form of housing. Describe the proximity (including a description of the distance in kilometres) of the proposed dwellings to each of the types of amenity listed in the table below. Include a commett on the nature of the access to the amenity (e.g. via public transport and/or active transport).	ty-criteria/
Applicant response	 (b) outline the planned number of dwellings that will Whilst Käinga Ora have yet to finalise a design and m to deliver a mix of affordable rental and home buyer Agreement with Nelson City Council that any develop affordable housing. (c) describe any level of commitment to the lower-co other relevant party to the housing development. Käinga Ora have a statutory mandate and are commit 	(a) Please describe the extent of unmet demand in the particul. Nelson currently has an estimated unmet demand of 217 hous growth of over 10% not being matched by housing supply. Whe medium term (1 to 10 years) this supply is not being brought to point that can match Nelson's demand. From a geographical spread perspective, Nelson City has a comclose to services and facilities regardless of where in the area h from the 2018 census, around 43% of households, currently liv mortgage due to their living expenses being the same or more likely to be lifelong renters and require ongoing support to retter the types of amenity listed in the table below. Include a convia public transport and/or active transport). Type of amenity and opportunity (both existing and planned)	
Evaluation Criteria – Housing Outcomes Apple	developer(s) has not yet been engaged, respond to this 1.2 with what you consider to be reasonably achievable with regard to similar housing developments in the particular area. Note that further due diligence will be undertaken to verify statements made above at the RFP Stage.]	The extent to which the location where housing will be enabled has unmet demand and provides access to amenity and opportunity.	operty criteria :: https://kaingaora.govt.nz/hor

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Evalı 40%	Evaluation Criteria – Housing Outcomes 40%	Applicant response	
		(i) employment opportunities (i.e., local industry and employment bases); (ii) educational facilities (i.e., local primary schools and secondary schools); and schools); and context and excreation and cultural facilities and retail and shopping).	The site is well located within the city centre which contains considerable employment opportunties in Nelson. In addition the site is within active transport distance of the Nelson Port and marina, the Hospital, Nelson City Council, Sealords, Sanfords and Talleys fisheries, NMIT, the Cawthron Institute, a compilation of the largest employers in the region. Port Nelson in collaboration with the Cawthron Institute, is looking to develop a Science and Technology Precinct within the city centre alongside SH6, which will attract new companies and employment opportunities. Auckland Point Primary School is closest to the site, a 620 metre distance which is able to be achieved by very safe active mode off road via Rutherford Park. In addition the site is located within walking and cycling distance of Nelson Central School, Saint Josephs School, Nelson Intermediate, Nelson College for Girls, Nelson College, the Nelson School of Music and Nelson Marlborough Institute for Technology (NMIT). The furtherest of these facilities (Nelson College) is a 1.6km walk/cycle route from the site. The site is also located on a bus route to all of those educational facilities. The site is located in the centre of Nelson City - a high amenity commercial, social, recreational and artistic hub. It is within a short walk of retailers, four supermarkets, a medical precinct, the library, riverside pop up area (skate park), several regional parks, the Maitai River, the Nelson harbour, a stadium, theatre, multiple art galleries, Neslon Centre of Musical Arts, the great taste cycle trail and several churches.
1.4	The extent to which the Eligible Infrastructure Project(s) supports intensification, in particular that required to be enabled by councils under the National Policy Statement on Urban Development (i.e. typology	With regard to the typology of the ho development described in 1.3, please Project(s) supports intensification, in Development.	With regard to the typology of the housing development described in 1.2, and the location of the particular housing development described in 1.3, please outline the extent to which the housing enabled by the Eligible Infrastructure Project(s) supports intensification, in particular that required under the National Policy Statement on Urban Development.
Page 17	7		23

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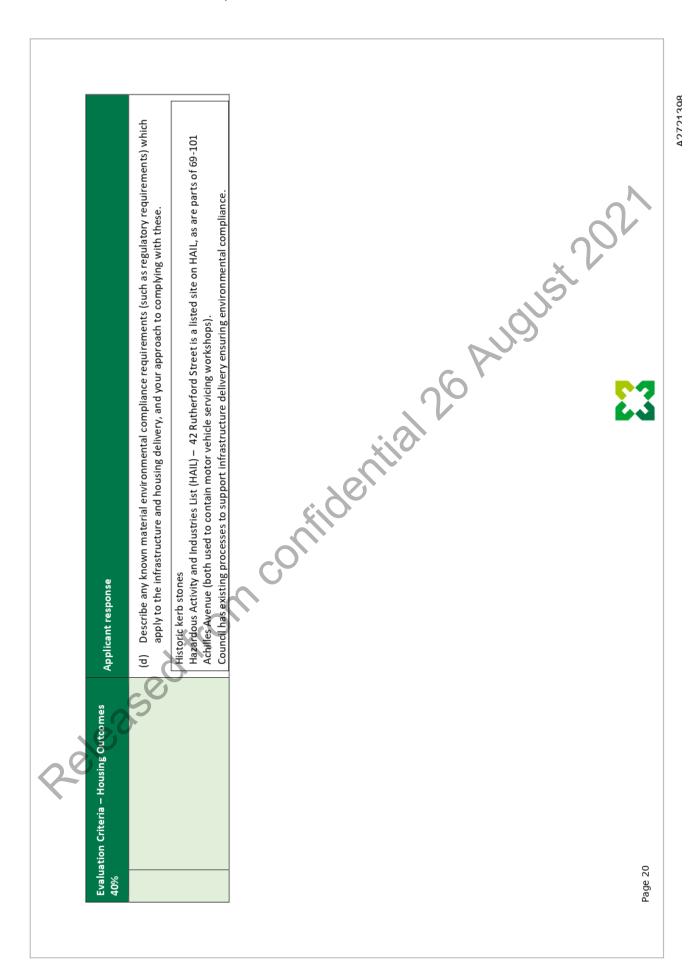
Item 6: Infrastructure Acceleration Fund: Council-led Expression of Interest: Attachment 3 – A2721398

land owned by Maori and to which mana whenua have been involved developing the proposed solution. The extent to which the Proposal supports housing development that through reduced private vehicle us lower risks from climate change (si as coastal inundation), and supporting water quality and biodiversity.	osal (Inton. Inton. Inton. Inton. Inton. Inton. Including cle use, ige (such	The proposed housing is two high density apartment buildings of up to 8 stories located in the centre of the city, right on active and public transport networks and as such represents an exemplar development reflecting the direction of the National Policy Statement for Urban Development. (a) Please comment on the extent to which the proposal supports housing development on land owned by Māori. The proposal does not involve Maori land (b) Please comment on the extent to which mana whenua have been involved (or will be involved) in developing the proposed solution. (b) Please comment on the extent to which mana whenua on the proposal, and continue to invite their input. (c) Please comment on the extent to which mana whenua on the proposal, and continue to invite their input. (d) Please comment on the extent to which mana whenua on the proposal, and continue to invite their input. (a) Please comment on the extent to which mana whenua on the proposal, and continue to invite their input. (a) Please comment on the extent to which mana whenua on the proposal, and continue to invite their input. (a) Please comment on the extent to buildings. (a) Describe the proximity of the housing development to public transport, both existing and planned (in kilometres). The 2018 Census results clearly demonstrate that most employed New Zealanders rely on cars for travelling to work. This development, and the active transport corridor that will serve it, has potential to unlock mode shift. With regard to Public Transport the development will be well served and is a short 400 metre walk from the proposed inner city interchange and major bus routes pass by the housing development. Historically, Nelson has embraced active transport and the census data shows it to be well ahead of the national averages for active journeys to work, and even higher for journeys to education.	Nelson is well served with active transport corridors to the north and south of the city centre. Permeability through the city centre for active modes has however been identified as poor through previous studies (Heart of Nelson study and a past Safe City audit). Road space has traditionally been prioritised for the motor vehicle and it is uncomfortable to cycle through the city centre and travel east to west due to car
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Item 6: Infrastructure Acceleration Fund: Council-led Expression of Interest: Attachment 3 – A2721398





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Item 6: Infrastructure Acceleration Fund: Council-led Expression of Interest: Attachment 3 – A2721398

To the extent that the housing development is set to be delivered without funding, then describe how the delivery of The proposed Kāinga Ora development can occur without this funding, however infrastructure costs would transfer to the developer i.e wastewater storage, water pump station, greater provision of on sites amenity which is not ideal nor city centre. The proposed Kāngā Ora developments are located at the downstream point of the wastewater network. including Washington Valley, Victory, Waimea Road and Nelson South. The wastewater from these areas drain to the enabling signal to developers wishing to invest. The additional funding is essential to enable the Council to accelerate detention and pressure systems at individual buildings. T<u>his is n</u>ot considered to be the most efficient way to ensure centre. This ring main would see the existing 150-200mm diameter pipelines replaced with a new 300mm diameter occur. Due to the location of the proposed Kainga Ora development, it is critical that the associated upgrades allow Council currently has \$8million of funding allocated in the LTP to contribute to the Linear Active Transport Corridor. sprinklers and irrefighting purposes), it is proposed to upgrade the ring main around the lower portion of the city Wastewater – The Council has prioritised intensification within the city centre and the surrounding communities This network is under capacity for wet weather events, and an upgrade is needed to enable this development to Water - Intensification within the city centre is expected to result in a greater number of buildings that are four storeys or higher. To ensure these types of buildings have adequate flow and pressure (for both domestic use, adequate infrastructure is in place to support residential development in the city centre and does not send an housing will be accelerated, with reference to the timeframes and scale for housing delivery with funding. The project can occur with this funding at a smaller scale, and in a piecemeal manner relying more on on-site for future development growth from the identified intensification areas draining to the city centre. (a) Describe how the Eligible Infrastructure Project(s) are critical to the housing development. (b) Describe how the IAF funding requested is critical to the delivery of that infrastructure. the uptake of residents living in the city centre. Applicant response trunk main. (C) Evaluation Criteria – Impact of funding have on the housing development The impact that this funding will advancing, or on the pace and compared to what is currently scale at which it will advance Kainga Ora 20% 2.1

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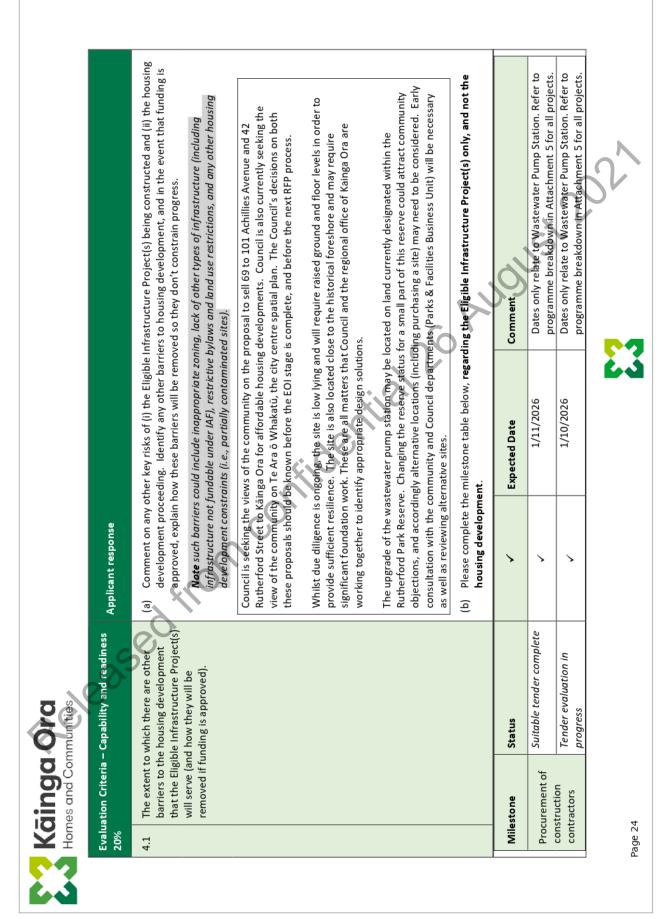
	Evaluation Criteria – Impact of funding Applicant response Applicant response	proposed and the development would not benefit from safe and efficient active transport corridor east west across the city.	Demonstration that other means (a) Describe how other means to fund the Eligible Infrastructure Project(s) have been explored, including rate rises, prudent to fund the Eligible Infrastructure borrowing, development agreements, and/or use of the IFF framework over the last 3 years ⁵ .	Project(s) without displacement of Due to Council's debt cap we are unable to fund this additional infrastructure earlier without other projects in the LTP investment elsewhere (i.e. rate	the IFF framework) have been (b) Describe why IAF funding is a last option for bridging the gap for funding the Eligible Infrastructure Project(s), and does exhausted. Characteristics of the second control of the circumstances.	Due to Council's debt cap we are unable to fund this additional infrastructure earlier without other projects in the LTP being affected.	(c) Provide a copy or link to the 2021 Long Term, Plan (in its most recent form), and describe any funding in the Long Term Plan which relates to the Eligible Infrastructure Project(s). ⁶	http://www.nelson.govt.nz/council/plans-strategies-policies/long-term-plans/long-term-plan-2021-2031/	See spreadsheet (attachment 4) with regard to Long Term Plan funding relating to enabling infrastructure.	G RUIGUS C	⁵ Developer and Mãori Applicants should describe their engagement with the relevant Territorial Authority on funding the Eligible Infrastructure Project(s). ⁶ Developer and Mãori Applicants should provide the most recent Long Term Plan publicly available, and answer this to the best of their knowledge.	
*	Evaluation Criteria – Impac 20%		2.2 Demonstration that of to fund the Eligible In	Project(s) without dis investment elsewher	the IFF framework) his exhausted.						eveloper and Mãori Applicants s eveloper and Mãori Applicants s	Page 22
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Response to the enabled by the Eligble Infrastructure expected to be enabled by the Eligble Infrastructure expected to be enabled by the Eligble Infrastructure expected to be enabled by the Eligble Infrastructure as well and owners should be poying a similar state of the case of the Infrastructure expected to be enabled by the Eligble Infrastructure so would be to enabled by the Eligble Infrastructure so would be to enabled by the Eligble Infrastructure of the Intervent of the Linear Active Transport Corridor from Marker Potential Infrastructure cost (in some case this contribution contribution contribution should be commitments to submanial relational Harber Infrastructure cost (in some case this contribution should be similar in value to the Joregone Jinancial contribution). The expected Lobestal Districture of the Linear Active Transport Corridor from Marker Potential Infrastructure is generally the reasonable 'growth foortion of the total under the lattice of Stages (single or of a looking gir.). The expected Lobestal Districture of the Linear Active Transport Corridor from Marker Potential Infrastructure is generally the reasonable 'growth foortion of the total and acquisition as well as contribution should be commitment to be non-linearial (e.g. land or commitments to sub-indigent of the foreign of the color of the marker housing). But any such contribution is and and according to the marker housing in the proposal sendence of developers and landowners' preparedness to make such a contribution; and in all Proposals, evidence of developers and Indianamental Proposals, evidence of developers and landowners' preparedness to make such a contribution; and in most cases, co-investment from Territorial Authorities.	/a	Evaluation Criteria – Cost and co-funding 20%	Applicant response
Alignment with co-funding principles for the Fund. Note: Key principles of the IAF are: developers and landowners should be paying a similar share of the costs of the infrastructure as would be the case if the Eligible Infrastructure Project(s) was funded by traditional means through the local authority, which is generally the reasonable 'growth' portion of the total infrastructure cost (in some cases this contribution can be non-financial (e.g. land or commitments to submarket housing), but any such contribution should be similar in value to the foregone financial contribution); and Territorial Authorities should be co-investing to the maximum extent possible. At this EOI Stage, Käinga Ora is looking for: in all Proposals, evidence of developers and landowners' preparedness to make such a contribution; and in most cases, co-investment from Territorial Authorities.	3.1		Response not required – Proposals will be evaluated on the basis of Applicants' response to question 2 in Part B.
	3.2	aying a similar as would be the t(s) was funded authority, which rtion of the total ontribution can ents to sub-tion should be all contribution); sting to the sting to the incorribution; and landowners' ion; and itorial Authorities.	Please outline your intentions in relation to: a) the extent to which these principles are accepted by the relevant parties; The co-funding principles are accepted by the parties. The proposal is for Council to co-fund to 50% of the costs of the enabling infrastructure for the Linear Active Transport Corridor from Anzac Park to Trafalgar Street. The first developer to benefit from this infrastructure is Käinga Ora for the proposed housing development. The remainder of the funding is sought from IAF. The Developer will have land acquisition as well as construction costs. (b) the expected quantum of such co-funding; and \$\$ 29.44M from Council \$\$ 29.44M from Council \$\$ 29.44M from Council \$\$ Agreement Such Council and Kainga Ora Agreement between Council and Kainga Ora

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Item 6: Infrastructure Acceleration Fund: Council-led Expression of Interest: Attachment 3 – A2721398



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efer to ojects.			ame for	dwellings	
Dates only relate to Wastewater Pump Station. Refer to programme breakdown in Attachment 5 for all projects.	N/A	N/A	Please comment on the following based on your knowledge of the developer(s) expected to be involved in the housing development: (a) the anticipated sales plan and any evidence of commitment from the developer(s) to the (funded) timeframe for housing delivery; and Both Council and Käinga Ora are very motivated and excited to bring housing supply to Nelson.	 (b) what conditions would likely be applicable to the developer(s) commitment to delivering the additional dwellings within the timeframes indicated in your response to table (b) in Eligible Infrastructure Project/s – (dwellings enabled and timeframes) and the other housing outcomes referred to in this Response Form. Sale and purchase agreement, design outcomes, timeframe to bring houses to the market 	ob August 202
1/07/2022	N/A	N/A	ollowing based on your knowle plan and any evidence of comr 1 Ora are very motivated and ex	d likely be applicable to the de is indicated in your response to nes) and the other housing out ment, design outcomes, timef	Nijal' L
`			Please comment on the f housing development: (a) the anticipated sales housing delivery; and	(b) what conditions wou within the timeframe enabled and timeframe Sale and purchase agree	
Underway	None	(i.e. Council committee, Waka Kotahi approvals)	The degree of developer commitment or interest in building housing quickly.		
*		Other approvals	commit building		

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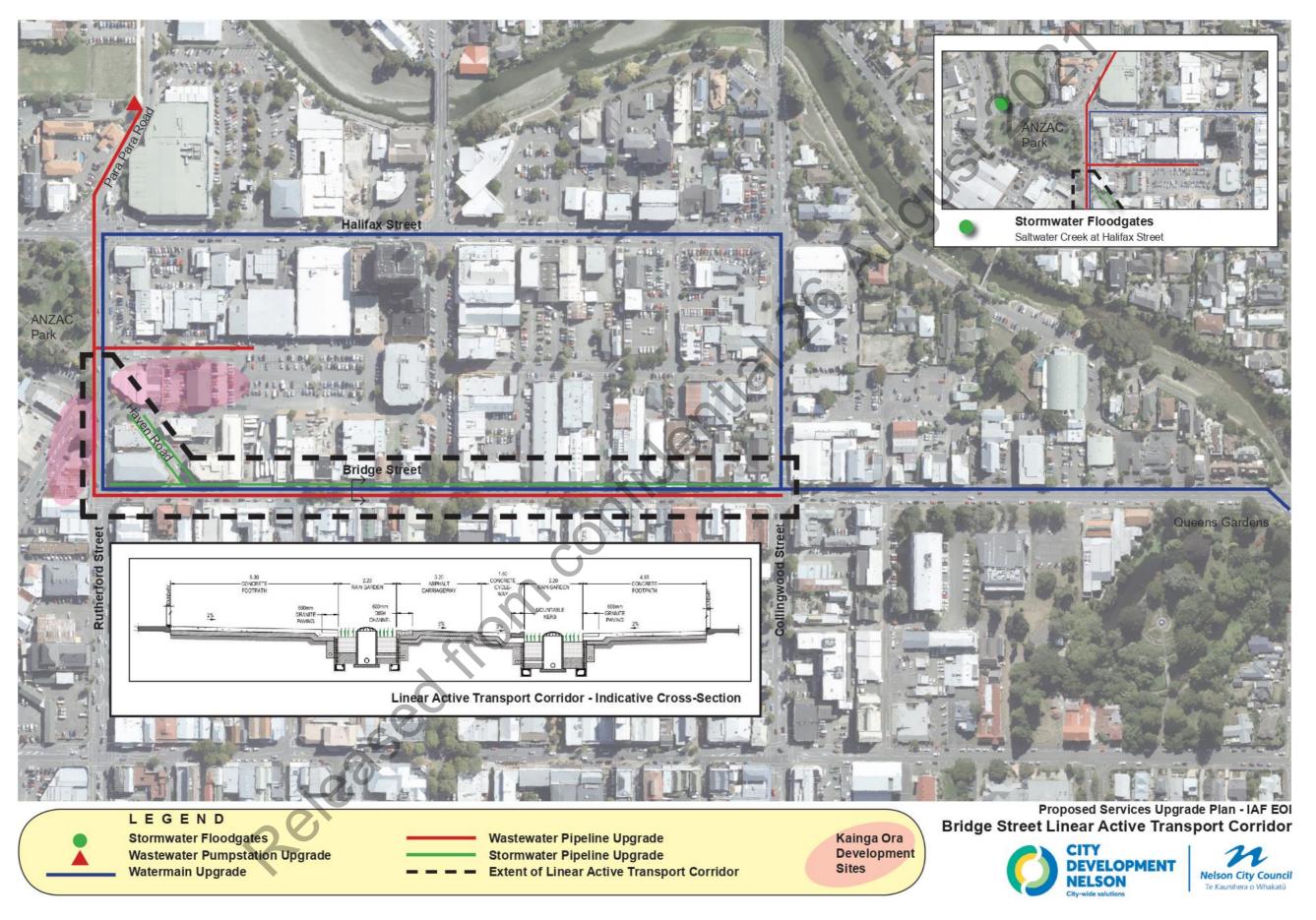
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(a) Territorial Authorities; Council has entered in to a Relationship Agreement with Kainga Ora in relation to the housing development and is therefore aligned in purpose with the developer, noting Council also has a regulatory role in administering development through the Resource Management Act 1991, Local Government Act 2002 and Building Act 2004. (b) Regional Councils; Nelson Cityris a unitary authority (c) mana whenua; Council and Kainga Ora are engaging with the iwi of Tetauihu and Kainga Ora are exloring partnership opportunities with iwi in Afe-design, build and occupation of the development. (d) developers (to the extent possible); and Kainga Ora and Council are aligned in this commitment to bring affordable housing to Nelson and have entered in to the Relationship Agreement of Commisse this. (e) any others, No with Supporting Material where necessary (e.g., letters of Support or Intent). (a) Describe the capability of the Applicant to deliver the Eligible infrastructure Project(s) and/or housing developments for each of the relevant parties in delivering infrastructure and/or housing developments within an accelerated timeframe.	Demonstrated alignment between all parties including Ferritorial
	Authorities, Regional Councils, mana whenua and developers needed to advance the housing development.
Council has the ability to deliver infrastructure and Kainga Ora has the ability to deliver housing (b) Provide prior examples for each of the relevant parties in delivering infrastructure and/or housing developm within an accelerated timeframe.	Confidence in the ability of all parties to deliver the Eligible
	Infrastructure Project(s) and housing development as proposed.

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Note: Kāinga Ora understands that many Applicants do not themselves have experience in delivering infrastructure and/or housing developments. Proposals can still pass this criterion if Applicants can demonstrate that suitable parties have been engaged, and are willing to participate in the Proposal to deliver the infrastructure and/or housing (or sections).	Infrastructure experience	Describe prior example [insert name, location, number of dwellings]	Nelson City Council has a dedicated Capital Projects delivery team, who are responsible for delivering Council's Capital Programme. This team utilitises a panel of five engineering consultancies who each have vast experience in delivering major infrastructure projects.	Council has significant experience with designing and constructing three waters infrastructure, including major pump station (PS) upgrades at Neale Park PS, Corder Park PS and Awatea PS.	Council has significant experience designing and constructing active transport corridors, including dedicated separate facilities (such as St Vincent Street and Muritai Street) and has been constructing shared pathways for decades. Recent works converting traditional road space so that it is more suitable for active modes includes Upper Trafalgar Street	and the award wining Nelson South Innovative Streets trial. N/A N/A	N/A N/A	Housing development experience	Relevant party Describe prior example [insert name, location, number of dwellings]	2022
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Programme Summary for IAF EOI

Trogramme Summary jor Irit											
	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	Total	LTP Funding	Shortfall
Total Summary	1,140,000	7,795,400	3,434,400	22,030,200	16,500,000	8,000,000	3,000,000	0	61,900,000	29,440,000	32,460,000
Wastewater											
Stage	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	Total	LTP Funding	Shortfall
Pump Station	Optioneering	Prelim design	Detail design	Detail design /consent	Tender/Construct	Construct	Construct	.			
	200,000	200,000	300,000	300,000	4,000,000	8,000,000	3,000,000		16,000,000	8,550,000	
Bridge Street		Consult	Design	Construct				.60			
		40,000	110,000	2,450,000					2,600,000	2,600,000	
Rutherford	Design	Construct	<u> </u>	· · ·						<u> </u>	
	150,000	3,300,000					. (3,450,000	3,450,000	
Achilles	,	Design	Construct					\mathcal{O}		 	
		40,000	560,000				N		600,000	340,000	
Wastewater Total	350,000	3,580,000	970,000	2,750,000	4,000,000	8,000,000	3,000,000	0	22,650,000	14,940,000	7,710,000
Water							,				
Stage	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	Total	LTP Funding	Shortfall
Bridge Street		Consult	Design	Construct							
		60,000	150,000	3,080,200					3,290,200	<u> </u>	
Rutherford		Design	Construct	-,,					,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	1	
		80,000	814,400			7			894,400	1	
Halifax & Collingwood	Design	Construct								 	
	240,000	2,825,400							3,065,400	1	
Water Total	240,000	2,965,400	964,400	3,080,200	0	0	0	0	7,250,000	6,100,000	1,150,000
			-								<u> </u>
Stormwater										 	
Stage	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	Total	LTP Funding	Shortfall
Flood Gate	Design	Design/Consent	Construct)						
	50,000	50,000	300,000						400,000	400,000	
Bridge Street		Consult	Design	Construct					,	100,000	
		200,000	200,000	3,700,000					4,100,000	0	
Stormwater Total	50,000	250,000	500,000	3,700,000	-	-	-	-	4,500,000	400,000	4,100,000
										 	
Transport		 			1	 		 	 	 	
Stage	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	Total	LTP Funding	Shortfall
	Engagement/Concept/					,					
Linear Corridor	Prelim	Design	Design	Tender/Construct	Construct						
	500,000	1,000,000	1,000,000	12,500,000	12,500,000				27,500,000	 	
Linear Corridor Total	500,000	1,000,000	1,000,000	12,500,000	12,500,000	0	0	0	27,500,000	8.000.000	19,500,000
Emical contidor fotal	300,000	1,000,000	1,000,000	12,550,000	12,550,000				27,500,000	0,000,000	12,550,000

Council-led Expression of Interest: Attachment 3 – A2721398

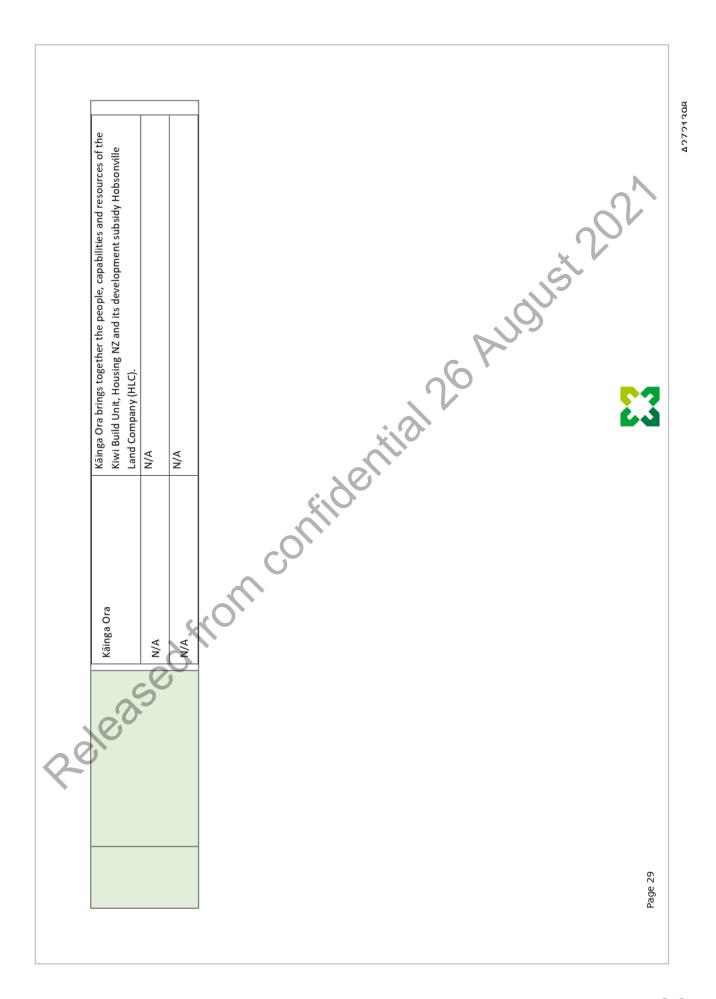
Table	T:-	runaing	Source from LTP	_

Tubic II Tulidili	Source From ETP									_			
Activity	Project	LTP Account	LTP 2021-31 Year1 2021/22	LTP 2021-31 Year2 2022/23	LTP 2021-31 Year3 2023/24	LTP 2021-31 Year4 2024/25	LTP 2021-31 Year5 2025/26	LTP 2021-31 Year6 2026/27	LTP 2021-31 Year7 2027/28	LTP 2021-31 Year8 2028/29	LTP 2021-31 Year9 2029/30	LTP 2021-31 Year10 2030/31	LTP Total
Wastewater	Bridge street upgrade	640573101564. Wastewater Pipe Renewals*	0	0	0	40,000	110,000	2,200,000	250,000	0	0	0	2,600,000
Wastewater	Rutherford & Achilles Ave	640576153322. Intensification City Centre (Maitai Precinct) N270	0	0	50,000	140,000	200,000	400,000	750,000	750,000	750,000	750,000	3,790,000
Wastewater	Paru Paru PS Upgrade	640576203355. Pump Station upgrades	50,000	200,000	300,000	1,250,000	1,250,000	1,250,000	1,250,000	500,000	1,250,000	1,250,000	8,550,000
Water	Ring Main (Bridge, Rutherford, Collingwood, Halifax)	700576153322. City Centre N270 Maitai Precinct Intensification Growth proj	0	0	100,000	100,000	100,000	1,000,000	2,000,000	2,000,000	800,000	0	6,100,000
Flood Protection	Flood Gates	652079101178. Maitai flood management*	0	0	0	0	0	0	0	50,000	50,000	300,000	400,000
Stormwater	Bridge Street Upgrade	Not allowed for in LTP	0	0	0	0	0	0	0	0	0	0	0
Transport	Linear Corridor	450879953000. CBD Enhancements*	0	0	0	0	4,450,000	3,550,000	0	0	0	0	8,000,000
Table 2:- Funding Line Summary from LTP													
Wastewater	Bridge Street Upgrade	640573101564. Wastewater Pipe Renewals	1,800,000	1,500,000	2,000,000	2,000,000	2,200,000	2,200,000	2,150,000	2,060,000	1,600,000	1,000,000	18,510,000
Flood Protection	Flood Gates	652079101178. Maitai flood management	200,000	250,000	350,000	750,000	1,000,000	1,000,000	1,000,000	1,000,000	1,500,000	2,000,000	9,050,000
Transport	Linear Corridor	450879953000. CBD Enhancements	300,000	489,000	100,000	600,000	4,750,000	3,850,000	750,000	200,000	200,000	200,000	11,439,000

Note:

- 1) All figures are uninflated
 2) *Represents funding lines. Figures shown only represent costs allocated for specific projects and do not account for all funds within the funding line. Refer to Table 2 for full summary of funding line figures
- 3) LTP Figures may need to be brought forward to suit proposed programme

Item 6: Infrastructure Acceleration Fund:
Council-led Expression of Interest: Attachment 3 – A2721398



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Item 6: Infrastructure Acceleration Fund: Council-led Expression of Interest: Attachment 4

