

Agenda for a meeting of the Development Agreements Committee to be held in the Council Chambers, District Office, 15 Galileo Street, Ngaaruawaahia on **WEDNESDAY, 29 NOVEMBER 2023** commencing at **1.00pm**.

1. APOLOGIES AND LEAVE OF ABSENCE

2. CONFIRMATION OF STATUS OF AGENDA

3. DISCLOSURES OF INTEREST

The register of interests is no longer included on agendas; however members still have a duty to disclose any interests under this item.

4. CONFIRMATION OF MINUTES

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5. REPORTS

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CHIEF EXECUTIVE

Development Agreements Committee

Reports to:	Council
Chairperson:	Mr Peter Stubbs
Deputy Chairperson:	Cr Janet Gibb
Membership:	Her Worship the Mayor Deputy Mayor Carolyn Eyre Cr Peter Thomson Cr Eugene Patterson Mr Greg Akehurst (Independent Member)
Meeting frequency:	As and when required
Quorum:	A majority of members (including vacancies).

Purpose

1. To assist the Chief Executive and officers to make timely decisions on any matters relating to development agreements.

The Subcommittee is delegated the following powers to act:

6. To make decisions in relation to any direction sought by the Chief Executive and/or officers in relation to any matters relating to:
 - a) Development agreements; and
 - b) Any objections or other proceedings relating to Council's Development Contributions Policy

NOTE: The authority under paragraphs 1 a) and b) includes the power to direct the Chief Executive or officers to engage any expert or legal counsel.

7. To determine an approach for objection or other proceedings on Council's Development Contributions Policy.
8. To authorise the Chief Executive, or his delegate, together with any other member of the Executive Leadership Team, to negotiate and approve, within any parameters given by the Subcommittee, the content of any development agreement where infrastructure budgets are allowed for in the Long-Term Plan.
9. To recommend to Council any development agreement where infrastructure budgets are not currently allowed for in the Long-Term Plan.
10. To report to the Council on a six-monthly basis (as a minimum) with a summary of the development agreements in progress and decisions made by the Subcommittee.

To	Development Agreements Committee
Report title	Confirmation of Minutes
Date:	Thursday, 9 November 2023
Report Author:	Elizabeth Saunders – Senior Democracy Advisor
Authorised by:	Gaylene Kanawa – Democracy Manager

1. Purpose of the report

Te Take moo te puurongo

To confirm the minutes for a meeting of the Development Agreements (DAC) Committee held on Tuesday, 24 October 2023.

2. Staff recommendations

Tuutohu-aa-kaimahi

THAT the minutes for a meeting of the Development Agreements Committee held on Tuesday, 24 October 2023 be confirmed as a true and correct record.

3. Attachments

Ngaa taapirihanga

Attachment 1 – DAC Minutes – Tuesday, 24 October 2023.

MINUTES for a meeting of the Development Agreements Committee held in Committee Rooms 1 & 2, District Office, 15 Galileo Street, Ngaaruawaahia on **TUESDAY, 24 OCTOBER 2023** commencing at **1.30pm**.

Present:

Mr P Stubbs (Chairperson)
Mr G Akehurst (Independent Member)
Her Worship the Mayor, Mrs JA Church
Cr C Eyre (Deputy Mayor)
Cr J Gibb
Cr E Patterson
Cr P Thomson

Attending:

Cr M Raumati
Cr V Reeve
Cr T Turner
Ms A Diaz (Chief Financial Officer)
Mr W Gauntlett (Acting General Manager – Community Growth)
Mrs H Coalter (Acting Growth & Analytics Manager)
Mr C Bailey (Finance Manager)
Ms K Nicholson (Infrastructure Development Manager)
Ms A Plumpton (Growth Funding Team Leader)
Mr L Chen (Growth Funding Officer)
Mr R Cooper (Growth Funding Officer)
Mrs T Forsyth (Growth Funding Officer)
Ms E Saunders (Senior Democracy Advisor)

APOLOGIES AND LEAVE OF ABSENCE

Resolved: (Her Worship the Mayor, Mrs JA Church/Cr Patterson)

THAT the Development Agreements Committee:

- a. **accepts the apologies from Cr C Eyre for non-attendance.**

CARRIED

DAC2310/01

CONFIRMATION OF STATUS OF AGENDA ITEMS

Resolved: (Her Worship the Mayor, Mrs JA Church/Cr Patterson)

THAT the agenda for a meeting of the Development Agreements Committee held on Tuesday, 24 October 2023 be confirmed:

- a. with all items therein being considered in open meeting with the exception of those items detailed at agenda items 4, which shall be considered with the public excluded; and
- b. all reports be received.

CARRIED

DAC2310/02

DISCLOSURES OF INTEREST

Her Worship the Mayor, Mrs JA Church and Cr Patterson noted that would declare a non-financial interest in the Festival Way, Ngaaruawaahia development project.

CONFIRMATION OF MINUTES

Resolved: (Cr Thomson/Mr Akehurst)

THAT the minutes for a meeting of the Development Agreements Committee held on Wednesday, 6 September 2023 be confirmed as a true and correct record, with the following amendments:

- *The Actions from previous meetings need to be captured in a formal template to ensure all actions are tracked.*

CARRIED

DAC2310/03

EXCLUSION OF THE PUBLIC

Agenda Item 5

Resolved: (Crs Gibb/Patterson)

- a. **THAT** the public be excluded from the following parts of the proceedings of this meeting:

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

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
Item PEX 2.1 Development Agreements Status Update	Good reason to withhold exists under Section 6 or Section 7 Local Government Official Information and Meetings Act 1987	Section 48(1)(a)
Item PEX 2.2 Development Contribution Payment Plans		

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

Item No.	Section	Interest
Item PEX 2.1 Development Agreements Status Update	7(2)(b)(ii)	To enable negotiations to carry on without prejudice or disadvantage.
Item PEX 2.2 Development Contribution Payment Plans	7(2)(g)	To maintain legal professional privilege

CARRIED**DAC2310/04**

Resolutions DAC2310/05 to DAC2310/07 are contained in the public excluded section of these minutes.

Having resumed open meeting and there being no further business the meeting was declared closed at 1.32pm.

Minutes approved and confirmed this 24th day of October 2023.

Mr Peter Stubbs
CHAIRPERSON

To	Development Agreements Committee
Report title	Fragmented Land Project
Date:	27 November 2023
Report Author:	Hazel Coalter - Acting Growth & Analytics Manager
Authorised by:	William Gauntlett - General Manager Community Growth

1. Purpose of the report

Te Take moo te puurongo

To inform the Committee about work being undertaken to explore options for Council's approach to enabling or constraining development of non-serviced residential land, as well as identify any potential risks or poor development outcomes that may result from the current approach or any alternative options.

2. Executive summary

Whakaraapopototanga matua

There are some areas of residentially zoned land in the Waikato District where numerous small landholdings exist but there are no local infrastructure services. Effectively (historical) subdivision has occurred without local infrastructure being installed (roads, footpaths, telecoms, power, three waters).

It is important to differentiate local servicing from trunk servicing; Council plans and delivers trunk infrastructure to enable zoned land to be developed, but local infrastructure is the responsibility of private developers. This is set out in Council's Infrastructure Strategy.

There is currently no direction available for Council staff on how to respond to enquiries about development of land that is significantly fragmented, residentially zoned and not serviced with local infrastructure.

It is important that Council determines the desired outcome and therefore its role in these situations, which will enable staff to provide clear guidance to the community.

Council staff have commissioned property and development consultants, Veros Property (Veros), to undertake the necessary work to consider the development scenarios and enquiries that council have received, and to assist in determining what our role is when responding. This work is underway.

The outcome anticipated from the work is a 'decision tree' that will provide staff with a consideration pathway to determine the type of response the enquiry demands.

The Discussion section of this report provides more detail on the approach and various roles that Council can play in these areas of the district.

3. Staff recommendations **Tuutohu-aa-kaimahi**

THAT the Development Agreements Committee receives the Fragmented Land Project report.

4. Background **Koorero whaimaarama**

Waikato District Council (WDC) has engaged Veros to explore the options available to Council to respond to development enquiries in relation to subdivided residential land that is currently not serviced. This work will also identify the benefits and risks of any options identified.

The predominant area of the district where this arises is in the old Franklin district. There have been several enquiries made by landowners and potential developers trying to understand how the land can be developed.

The primary example being explored is in Tuakau west, an area which comprises land that is zoned for residential development, with freehold titles, but is not adequately serviced or appropriate to accommodate new housing.

Development enquiries for these areas 'bounce' around the organisation with no department expressly responsible for resolving the matter. This creates frustration for the enquirer and many hours are spent by staff trying to provide advice and support the customer.

This report is presented in anticipation of forthcoming viability analyses for development and delves into the probable options available to WDC, contingent on the outcomes of subsequent hypothetical development scenarios.

5. Discussion **Matapaki**

Herein we have summarised a brief overview of several potential courses of action available to Council in response to non-serviced residentially zoned land. These represent a broad summary and it's likely that additional options, including combinations or hybrids of those outlined, are available to Council.

Figure 1, below, is a map of the example area in Tuakau.



Figure 1 – Example area (Tuakau)

Option 1 - Actively Inhibit:

In this approach, Council would take a proactive stance against development. This could involve implementing measures such as down-zoning (changing the zoning regulations to restrict certain types of development) or creating policies that make it difficult for development to proceed, such as stringent requirements for connections, building consents, or utilities. The goal here is to actively prevent or inhibit residential development in the subject area.

Actively inhibiting development can have implications for the local economy and housing market. While it might address concerns in terms of poor development outcomes, it will also stifle growth and limit housing availability for land that has been zoned for this use. This approach is likely to face resistance from developers and property owners who see it as a hindrance to their investment. Striking a balance between controlled development and preserving the local environment and infrastructure integrity is crucial.

Option 2 – Enhanced Status Quo:

This option involves a more passive approach where Council acknowledges the issue but doesn't actively encourage or impede development. While not actively hindering development, Council understands that there may be negative outcomes. This is effectively the status quo – but with an intentional decision made to determine our position.

Enhancements to the status quo could include issuing fact sheets or warnings to potential purchasers to inform them about potential challenges or risks associated with the current development situation.

Accepting the status quo might provide a more hands-off approach, allowing the market to dictate development trends. However, it also means accepting potential negative outcomes, such as inefficient land use or inadequate infrastructure planning. Council may need to carefully communicate the risks to the community and explore ways to mitigate any adverse impacts.

Option 3 – Encourage:

In this approach, Council actively supports and promotes development, whilst remaining 'hands-off'. This can be achieved by setting clear expectations for developers and offering incentives, such as development agreements that provide benefits or concessions for meeting certain criteria. The focus is on fostering a positive environment for development without investing capital or resources to solving challenges.

Actively encouraging development can support economic activity and housing delivery. However, the challenge lies in maintaining a balance between growth, quality development and investment. Council will need to establish clear guidelines and expectations to ensure that developers contribute positively to the community.

Option 4 – Facilitate:

Facilitating development involves a more hands-on role for Council. This could include actively approaching potential developers, providing funding for projects, and offering incentives through the joint funding of infrastructure. Council might also explore supporting or underwriting other funding pathways, such as the Infrastructure Financing Facility (IFF), to make development more feasible.

Careful financial planning is essential to manage the risks associated when funding developments. Council may need to explore partnerships with central government, private entities or leverage external funding sources to facilitate projects successfully.

Option 5 – Lead / Participate / Deliver:

This is the most active role, where Council not only encourages but directly engages in development activities. This could involve purchasing land, funding or co-funding development projects, and using special targeted levies to stimulate and generate funds for specific development purposes. Council would essentially take on the role of a developer, ensuring that development aligns with its vision and expectations.

Taking on a direct role in development allows Council to have more control over the outcomes. However, it also comes with significant responsibilities and potential financial and reputational risks. Council must act as a responsible developer, ensuring that projects align with community values and needs. Open communication with the community and transparent decision-making processes are vital for the success of this option.

Summary

If it is found that the development on a site is highly constrained and is unviable then it is likely that Options 1 or 2 will be recommended. On the contrary, if the development is seen to be viable and provides a robust financial solution with quality outcomes then options 3, 4 and 5 are more likely to be recommended for further investigation.

The choice among these options will depend on various factors, including the local context, community needs, and Council's long-term goals, funding availability, and resources. Each option comes with its own set of challenges and opportunities, and Council's decision will likely involve a careful consideration of these factors.

By undertaking hypothetical development designs and feasibility assessments across the designated development areas, Veros aims to offer a comprehensive understanding of the viability of each precinct. These insights will encompass conceptual subdivision designs, cost/return analyses, topographical limitations, risks, and potential outcomes. Armed with this tangible information, Council will be better equipped to make informed decisions regarding their preferred stance in relation with the options.

6. Next steps

Ahu whakamua

The outcomes of the discussion during the Committee meeting will be shared with Veros, to focus the direction of the work being undertaken.

Veros will complete the development feasibility work to help guide the decision.

Staff will provide another update on the work at the first Committee meeting in 2024. It is anticipated that Veros will be invited to present the work directly at that meeting.

7. Attachments

Ngaa taapirihanga

There are no attachments for this report.

To | **Development Agreements Committee**

Report title | **Exclusion of the Public**

Date: | Friday, 17 November 2023

Report Author: | Elizabeth Saunders, Senior Democracy Advisor

Authorised by: | Gaylene Kanawa, Democracy Manager

1. Staff recommendations

Tuutohu-aa-kaimahi

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

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
Item PEX 1 – Confirmation of Minutes – 24 October 2023	Refer previous agenda for reasons.	
Item PEX 2 – Actions Register	Refer previous agenda for reasons.	
Item PEX 3.1 2024 DC Policy Review – Assessment of Retirement Villages	Good reason to withhold exists under Section 6 or Section 7 Local Government Official Information and Meetings Act 1987	Section 48(1)(a)
Item PEX 3.2 Development Agreement for Tamahere Country Club		
Item PEX 3.3 Development Agreement Completion Report		
Item PEX 3.4 Development Agreement Summary – November 2023		

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

Item No.	Section	Interest
Item PEX 1 - Confirmation of Minutes - 24 October 2023	Refer previous agenda for reasons.	
Item PEX 2 - Actions Register	Refer previous agenda for reasons.	
Item PEX 3.1 2024 DC Policy Review - Assessment of Retirement Villages	7(2)(b)(ii)	To protect information that would otherwise unreasonably prejudice a person's commercial position
Item PEX 3.2 Development Agreement for Tamahere Country Club	7(2)(b)(ii)	To protect information that would otherwise unreasonably prejudice a person's commercial position
Item PEX 3.3 Development Agreement Completion Report	7(2)(b)(ii)	To protect information that would otherwise unreasonably prejudice a person's commercial position
Item PEX 3.4 Development Agreement Summary - November 2023	7(2)(b)(ii)	To protect information that would otherwise unreasonably prejudice a person's commercial position

2. Attachments Ngaa taapirihanga

There are no attachments for this report.
