

**QLDC Council  
26 November 2015**

**Report for Agenda Item: 2**

**Department: Planning & Development**

**Special Housing Areas Expression of Interest: Shotover Country**

**Purpose**

- 1 The purpose of this report is to present the Shotover Country Special Housing Area (SHA) for consideration for recommendation to the Minister for Building and Housing (hereafter, the 'Minister').
- 2 Shotover Country was one of four SHAs which were recommended by the Evaluation Panel at the 3 June 2015 Council meeting. The SHA is again presented to Council following the Council's resolution at that meeting to seek further information specifically relating to infrastructure, community housing commitments and matters set out in 5.2 to 5.2.9 of Council's SHA Lead Policy.

**Public Excluded**

- 3 It is recommended that attachments H, I and J to this report are considered with the public excluded in accordance with the Local Government Official Information and Meetings Act 1987 section 7(2)(h) on the grounds that the withholding of the information is necessary to enable any local authority holding the information to carry on, without prejudice or disadvantage, commercial activities and section 7(2)(i) on the grounds that the withholding of the information is necessary to enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).

**Executive Summary**

- 4 At the Council meeting on 3 June 2015, an Evaluation Panel recommended that the Council recommend four proposed SHAs to the Minister, and set out the advantages and disadvantages of various other proposed SHAs for the Council's consideration.
- 5 At that meeting, the Council resolved:

*"3. Instruct the General Manager Planning and Development to proceed with negotiation with proponents of the following proposed Special Housing Areas, to ensure their proposals fulfil the criteria listed under points 5.2 to 5.2.9 of Council's SHA Lead Policy, including appendix B as confirmed at the Council's April 2015 meeting;*

*a Shotover Country*

*b Arthurs Point North*

*c Onslow Road*

*d Highview Terrace*

*4. Instruct the Chief Financial Officer, Chief Engineer and a suitably qualified independent professional to assess each of the proposed SHAs infrastructural requirements based on evidence of capacity, agreement as to any necessary upgrades, agreement as to funding and timing, and consistency with long term planning documents. This will be at the proponent's cost.*

*5. For each of the four proposed SHAs above:*

- Gain confirmation from New Zealand Transport Agency that the proposal has no adverse effect on the State Highway network or that agreement exists between NZTA and the developer as to how any adverse effects can be resolved.*

- Gain confirmation from the Otago Regional Council that the proposal is supported in principle, subject to any ORC approvals that have been identified as being required.*

- Gain confirmation from the Ministry of Education that the proposal is supported in principle and is consistent with the Ministry's strategic objectives in the Wakatipu Basin.*

*6. Once the above steps are completed, a report to be brought back to Council identifying measures agreed to that meet HASHA and Lead Policy requirements on each proposed SHA so that the Council can with confidence recommend qualifying proposals to the Minister”.*

- 6 This report sets out how those matters have been addressed since the meeting for the Shotover Country SHA proposal only. The Shotover Country SHA is presented to Council separately to enable consideration of the specific matters that relate to this proposal. A separate report addresses two other SHAs which were recommended at the meeting on 3 June 2015 (Onslow Road and Arthurs Point).
- 7 This report does not repeat the assessment of the Evaluation Panel relating to this proposal but the Council may wish to remind itself of the advantages and disadvantages of the proposal when considering whether to recommend the SHA to the Minister.
- 8 This SHA would deliver approximately 95 new residential allotments, including 51 'medium density' lots having an average lot size of 392m<sup>2</sup>. Combined with the two other SHAs presented for recommendation to the Minister (as outlined in a separate report) the three SHAs together would deliver an approximate potential yield of 197 residential units, contributing to Council's obligations under the Housing Accord, especially directly relating to the specified housing targets.

- 9 It is acknowledged that natural hazard risks may apply to the SHA site. A letter of “*support in principle*” has not been obtained from ORC, and ORC has further stated that it is not their statutory function to provide ‘support’ for development proposals. Therefore, part (5) of the resolution made on 3 June 2015 has not explicitly been addressed by Shotover Country.
- 10 Shotover Country proposes flood mitigation options including a filling of the ground level of the SHA site, as has previously occurred within the area of the existing ‘Area 1f’ of the Shotover Country Special Zone. Shotover Country has recently provided further technical analysis of flood risks and proposed mitigation options to ORC for their consideration (Attachments F and G). This is detailed within subsequent sections of this report.
- 11 Shotover Country advises that it will continue to liaise with ORC with a view to obtaining further advice in support of the proposal. At the time of writing, a revised response has not been received from ORC, but we will be able to update the Council at the Council meeting on ORCs feedback.
- 12 A Draft Deed of Agreement between Shotover Country and QLDC has been negotiated and agreed in principle, subject to agreement by the Council, to identify commitments relating to infrastructure provision, affordability and community housing, as conditions on this proposal will be recommended to the Minister. This deed also contains specific provision to enable further analysis of natural hazards before the SHA is recommended to the Minister. A summary of the terms of the Deed of Agreement is included within Attachment H (publicly excluded).
- 13 This report endorses that Council recommend the Shotover Country SHA to the Minister under HASHA, subject to execution of the Deed by the General Manager, Planning & Development, and presents options for Council to consider for further analysis of natural hazard risks and proposed mitigation options for the site.

## Recommendation

That Council:

1. **Note** the contents of this report and in particular the assessment outlined in the report including measures implemented to address the resolutions of the meeting of 3 June 2015;
2. **Confirm** that the Council agrees in principle with the contents of the Shotover Country SHA Deed (Infrastructure and Affordability) and **delegate** to the General Manager, Planning and Development the authority to execute the Deed on behalf of the Council, subject to any minor changes.
3. **Recommend** to the Minister of Building and Housing that the land to which the Shotover Country EOI relates be established as an SHA, subject to execution of the Deed and the performance of any conditions in it.

Prepared by:



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13/11/2015

Reviewed and Authorised by:



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13/11/2015

## Background

- 14 In late 2014, the Queenstown Lakes District Council (**QLDC**) invited expressions of interest for SHAs, and invited community feedback on the proposals. The proposals were assessed by an evaluation panel against the HASHA Act and Council's Lead Policy (dated 30 April 2015).
- 15 The report of the evaluation panel was presented at the Council meeting on 3 June 2015 and proposed four of the SHAs for recommendation to the Minister. That report also set out the advantages and disadvantages of other proposals for the Council's consideration. The four proposals recommended by the panel for submission to the Minister were:
- a. Shotover Country
  - b. Arthurs Point North
  - c. Onslow Road
  - d. Highview Terrace
- 16 At the meeting, the Council resolved that, prior to recommending any SHAs to the Minister, a number of further actions were to be undertaken by proponents to address HASHA and Council's Lead Policy.
- 17 This report sets out how those matters have been addressed since the meeting for the Shotover Country SHA proposal only.
- 18 The resolutions of the meeting (replicated in Section 4 above) are considered to have been suitably addressed by Shotover Country, noting specific options to resolve part (5) of the resolution are detailed further below. Therefore, this report presents this proposal to Council for consideration for recommendation to the Minister.
- 19 The Shotover Country SHA proposal remains consistent with the layout and yields presented at the meeting, although a revised EOI has been provided to better illustrate the SHA location and clarify measures to address affordability (Attachment A). This SHA would deliver approximately 129 sections, including 95

new residential allotments, and 51 'medium density' lots having an average size of 392m<sup>2</sup>.

- 20 A Draft Deed of Agreement (Attachment I – *publicly excluded*) has been developed to outline conditions for which this proposal will be recommended to the Minister. This deed may also contain specific provisions to enable further analysis of natural hazards before the SHA is recommended to the Minister.

## **Comment**

### **Assessment process and resolutions of 3 June 2015**

- 21 At the meeting the Council resolved that, prior to recommending any SHAs to the Minister, a number of further actions were to be undertaken for the recommended SHAs. Measures taken to address the resolution for the Shotover Country SHA are detailed further below.

### **Summary of the SHA proposal**

- 22 The Shotover Country SHA proposes a total of 129 residential sections (comprising 95 additional residential sections over and above the currently approved Shotover Country Special Zone), including 78 low density and 51 medium density sections.
- 23 The Shotover Country SHA proposal remains consistent with the design, and layout presented at the June meeting, although a revised EOI has been provided to better illustrate the SHA location and clarify measures to address affordability (Attachment A).

### **Three waters infrastructure reviews (Part (4) of resolution)**

- 24 Part (4) of the resolution from the 3 June Council meeting required further assessment of infrastructure requirements by the Chief Financial Officer, Chief Engineer, and a suitably qualified independent professional. Accordingly, a Three Waters Infrastructure Assessment has been undertaken by Holmes Consulting Group for the SHA (Refer Attachment B).
- 25 The report identifies that the SHA can be adequately and efficiently serviced, with upgrades potentially required to Council's water supply, wastewater, and storm-water infrastructure network. The report and the stated outcomes are endorsed by the Chief Financial Officer and Chief Engineer.
- 26 The arrangements for any necessary upgrades (and funding responsibilities) are detailed within the Draft Deed of Agreement (Refer Attachment I – *Publicly excluded*). A summary of the deed as it relates to the above infrastructure upgrades is also provided in Attachment H (*Publicly excluded*).
- 27 The Deed of Agreement has been agreed to in principle by Shotover Country, subject to any amendments that may be necessary prior to finalisation and execution.

### **Agency responses (New Zealand Transport Agency, the Ministry of Education, and the Otago Regional Council)**

- 28 Part (5) of the resolution at the 3 June meeting required that for each of the SHAs recommended at the meeting, confirmation be obtained from the New Zealand Transport Agency, the Ministry of Education, and the Otago Regional Council that the proposal is supported in principle, subject to any necessary approvals that may be required.
- 29 Responses have been received from these agencies confirming no substantial concerns with the proposals, with the exception of ORC, which has expressed concerns relating to potential flood and liquefaction risk. Agency responses are summarised below and included in Attachments C to E.

#### *New Zealand Transport Agency (NZTA)*

- 30 NZTA has advised (Attachment C) that it is satisfied that the proposal is unlikely to have any immediate adverse effects on the safety, efficiency and functionality of the State highway network, and that the State highway network will be able to accommodate the traffic likely to be generated by the SHA proposal under current conditions.

#### *Ministry of Education*

- 31 The Ministry of Education has advised (Attachment D) that the Shotover Country SHA is located within the enrolment scheme home zone of the Shotover Primary School.
- 32 The Ministry of Education is satisfied that the anticipated growth in school age children resulting from the SHA will not directly cause local schools to become overcrowded, and can be accommodated within either existing capacity or planned expansions.

#### *Otago Regional Council ('ORC')*

- 33 The response received from ORC is included in Attachment E.
- 34 ORC has advised that it is not their statutory function to provide 'support' for development proposals, rather their role is to provide feedback and the sharing of information or concerns it holds for consideration by QLDC in decision making. The response from ORC has therefore been provided in this context.
- 35 ORC has expressed concerns relating to potential flood and liquefaction risk applying to the Shotover Country SHA site, as outlined in its correspondence dated 27 October 2015. Similar concerns were raised through ORC's involvement in Plan Change 41 for the Shotover Country Special Zone.
- 36 In this instance, ORC has advised that hazards potentially affect the Shotover Country SHA site, and that further information and analysis is needed to confirm the appropriateness of options proposed by Shotover Country to mitigate the risk. ORC however acknowledges that this response was based on limited information, and without having reviewed previous assessments undertaken for

the site by David Hamilton & Associates (2013) and a peer review undertaken for QLDC by Tonkin & Taylor associated with Plan Change 41.

- 37 A copy of the previous assessments for Plan Change 41, in addition to further site specific flood risk analysis by David Hamilton & Associates and geotechnical analysis by RDAgritech have been subsequently commissioned by Shotover Country, and provided to ORC for their consideration on 6 November 2015 (Refer Attachments F and G).
- 38 The correspondence provided by David Hamilton & Associates (dated 4 November 2015, Attachment F) identifies that Shotover Country propose to mitigate flood risks through raising the ground level of the SHA site to a level exceeding the 1 in 100 year event. Such works have previously occurred within the area of the existing 'Area 1f' of the Shotover Country Special Zone.
- 39 Shotover Country continues to liaise with ORC with a view to obtaining further advice in support of the proposal. At the time of writing, a revised response has not been received from ORC, but we will be able to update the Council at the Council meeting on ORC's feedback in light of the new information.
- 40 Due to the technically complex nature of this matter, it is unlikely that the concerns raised by ORC could be resolved prior to recommendation of the SHA to the Minister. It is also considered that to achieve this might result in considerable delays and uncertainty in the SHA process, such that the economic and social benefits for housing supply might be compromised.
- 41 Whilst the ORC response highlights important considerations for decision making, it is considered that this response should not prevent recommending this SHA to the Minister. The recommendation and assessment of an SHA application is an ongoing process in which there remains considerable opportunity for further analysis by the Minister, ORC and QLDC and for the ORC to be involved in the decision making process. We note that the matters set out in Part 2 of the RMA are also of high priority for the consideration of resource consent applications under Section 34 of HASHA.
- 42 It is therefore recommended that the Shotover Country SHA be recommended to the Minister, and that the matters outlined in ORC's correspondence may be addressed by any of the following procedures:
  - a. Inclusion of appropriate clauses within the Deed of Agreement that enable Council to further review any information provided by Shotover and ORC relating to natural hazard risks, prior to execution of the Deed (and hence prior to recommending the SHA to the Minister) (*Refer summary provided in Appendix H – publicly excluded*);
  - b. Noting the potential hazard risk and provision of ORC's correspondence to the Minister when the SHA is recommended by QLDC;
  - c. Opportunity for the Minister to request further information prior to designating the site as an SHA; and

- d. Following designation of the site as an SHA, joint pre-application meetings to be held between QLDC, ORC and Shotover Country prior to a resource consent application being accepted.

43 In addition, it is significant that:

- a. ORC may well be notified of a consent application in accordance with Section 29 of HASHA. Shotover Country has indicated their support for formal notification to ORC in accordance with Section 29 of HASHA, should this be deemed necessary by Council. Assessment of any resource consent application requires consideration of Part 2 of the RMA under Section 34 of HASHA.

44 The above procedures are considered to enable sufficient opportunity for further detailed assessment of flood hazards and mitigation options for the Shotover Country SHA.

### **Affordability and Community Housing**

45 Proposed methods to address section 5.2.5 of the Lead Policy are outlined within the EOI (Attachment A), and further detailed within the terms of the Draft Deed of Agreement.

46 The Draft Deed of Agreement includes restriction against SHAs being used for short term rental/visitor accommodation, as identified by Section 5.2.5(f) of the Lead Policy.

47 Shotover Country has executed an agreement with the Queenstown Lakes Community Housing Trust for the transfer of a single allotment of approximately 1273m<sup>2</sup> which could be developed for up to six residential units or lots. A letter of support has been received from the Community Housing Trust for the Shotover Country SHA (Attachment J).

48 The proposal is considered to have suitably addressed the requirements of section 5.2.5 of the Lead Policy.

### **Deeds of Agreement**

49 A Draft Deed of Agreement (Attachment I) has been developed for consideration by Council to outline conditions on which this proposal will be recommended to the Minister. The Draft Deed of Agreement addresses the resolutions of 3 June 2015 relating to Infrastructure and Affordability, and also contains clauses by which to address the concerns raised by ORC.

50 A summary of what is included in the deed is provided in Attachment H (*Publicly excluded*).

51 The Draft Deed of Agreement has been agreed in principle with Shotover Country. The deed is structured in such a way that it would be executed prior to recommendation of the relevant SHA to the Minister.



52 If the Council is satisfied with the terms of the draft deed, the Council is requested to delegate to the General Manager, Planning and Development the authority to execute the deeds on behalf of the Council, subject to any further minor changes necessary to complete the deed.

### **Options**

53 This report identifies and assesses the following reasonably practicable options for assessing the matter as required by section 77 of the Local Government Act 2002:

54 Option 1: Recommend that the Shotover Country Special Housing Area be recommended to the Minister following the execution of a Deed of Agreement between Council and the Developer, subject to the Council being satisfied that the concerns expressed in the letter from ORC to the Council dated 27 October 2015 have been resolved.

#### Advantages:

- Allows for further analysis of natural hazards and proposed mitigation options for the SHA site prior to recommendation to the Minister
- Helps contribute meaningfully to advancing Council's responsibilities under the Queenstown Housing Accord, and in particular to help the Council achieve the housing targets in the Accord.
- Assuming SHA status was conferred and a subsequent application for a qualifying development was successful, the proposed development would generate a significant number of social and economic benefits (both short term and long term).
- Address housing supply by enabling new and diverse housing options to be constructed in the Wakatipu Basin.
- Addresses housing affordability through increasing housing supply and providing for Community Housing mechanisms.
- Compared with Option 3, provides greater certainty over conditions for recommendation to the Minister via a Deed of Agreement.

#### Disadvantages:

- Requiring further assessment prior to recommendation to the Minister 'frontloads' the assessment process with uncertainty on the SHA outcome, potentially compromising the development proceeding.
- Delays recommendation of the SHA to the Minister.

55 Option 2: Recommend that the Shotover Country Special Housing Area be recommended to the Minister following the execution of a Deed of Agreement between Council and the Developer. This deed shall address Infrastructure and Affordability only, and does not address natural hazards.

#### Advantages:

- The Deed of Agreement is focussed on key principles of HASHA relating to Infrastructure and Affordability.
- Avoids delays in recommendation of the SHA to the Minister

- Recognises that further analysis of natural hazards would occur during subsequent assessment processes prior to, and during the assessment of the resource consent for a qualifying development.
- Recognises that ORC has the opportunity to be involved in decision making through formal notification under HASHA and may submit on the resource consent application.
- Helps contribute meaningfully to advancing Council's responsibilities under the Queenstown Housing Accord, and in particular to help the Council achieve the housing targets in the Accord.
- Assuming SHA status was conferred and a subsequent application for a qualifying development was successful, the proposed development would generate a significant number of social and economic benefits (both short term and long term).
- Address housing supply by enabling new and diverse housing options to be constructed in the Wakatipu Basin.
- Addresses housing affordability through increasing housing supply and providing for Community Housing mechanisms.
- Provides certainty over conditions for recommendation to the Minister via a Deed of Agreement.

#### Disadvantages:

- The assessment and mitigation of natural hazard risks identified by ORC is deferred.

56 Option 3: Not recommend that the Shotover Country Special Housing Area be recommended to the Minister until Council is satisfied that the concerns expressed in the letter from ORC to the Council dated 27 October 2015 have been resolved.

#### Advantages:

- Allows for further analysis of natural hazards and proposed mitigation options for the SHA site prior to supporting a recommendation to the Minister.
- If proposals were to proceed outside of HASHA, assessment would be subject to the District Plan process, including the usual statutory notification provisions, hearing process and potentially Environment Court appeals.

#### Disadvantages:

- Requiring further assessment prior to recommendation to the Minister 'frontloads' the assessment process with uncertainty on the SHA outcome, potentially compromising the development proceeding.
- Achieves the same result as Option 1 relating to natural hazards, however with added delays and uncertainty as to whether the SHA would be recommended to the Minister.
- May result in a lengthy assessment process if proposals were to proceed under the usual statutory process of the District Plan and the RMA.
- Would adversely impact upon Council's ability to meet its commitments under the Housing Accord.

- Risk that the district's acute housing supply and affordability issues will continue to grow, with resulting social and economic impacts.
- May forgo the opportunity of providing new housing supply in the Wakatipu Basin.
- May forgo the short and long term social and economic benefits offered by the proposals.

Option 4: Not recommend the Shotover Country Special Housing Area to the Minister.

Advantages:

- Avoids development of land identified as being subject to potential natural hazard risks

Disadvantages:

- Forgoes the opportunity of providing new residential lots in an existing urban area of the Wakatipu Basin, in a location with convenient access to services and amenities desired by the community
- Fails to provide the opportunity to adequately assess the potential natural hazard risk
- Fails to provide the opportunity to assess the potential to mitigate natural hazard risk
- Would forgo the proposed contribution to Community Housing
- Would adversely impact upon Council's ability to meet its commitments under the Housing Accord
- Risk that the district's acute housing supply and affordability issues will continue to grow, with resulting social and economic impacts.

57 This report recommends **Option 1**.

### ***Affordability and Community Housing***

58 The proposal will help address housing issues by both providing for new housing supply in the Wakatipu Basin in locations that are adjacent to existing residential settlements and therefore closer to existing urban infrastructure, community services and amenities.

59 The SHA proposals together will provide for greater diversity and choice in the form of housing.

60 Shotover Country has executed an agreement with the Queenstown Lakes Community Housing Trust for the transfer of a single allotment of approximately 1273m<sup>2</sup> which could be developed for up to six residential units or lots. A letter of support has been received from the Community Housing Trust for the Shotover Country SHA (Attachment J).

61 The proposal for Community Housing has been incorporated into the Deed of Agreement (Attachment I) (*publicly excluded*), and are summarised in Attachment H (*publicly excluded*).

### **Significance and Engagement**

62 This matter is of medium significance, as determined by reference to the Council's Significance and Engagement Policy because:

- **Importance:** the matter is of significant importance to the District
- **Community Interest:** the matter is of significant community interest
- **Existing policy and strategy:** Although consistent with the Queenstown Housing Accord and Councils Lead Policy of the Housing Accord, in addition to the Strategic Direction of the Proposed District Plan, the SHAs are in some instances inconsistent with District Plan rules (both operative and proposed).

### **Risk**

63 This matter relates to the strategic risk SR1 'Current and future development needs of the community (including environmental protection)' as documented in the Council's risk register. The risk is classed as high. This is because of economic, social, environmental and reputational risks.

64 It should be noted that a key element of this risk is meeting the current and future development needs of the community. Whilst there is an element of environmental protection to this risk, the risk relates more to the economic and social consequences of not meeting development needs, which includes housing provision. The matter therefore can be considered to mitigate the risk of not meeting these needs. The subsequent resource consent assessment process under HASHA also provides the opportunity for further mitigation of risk.

65 The recommended option considered above mitigates the risk by: Treating the risk - putting measures in place which directly impact the risk.

### **Financial Implications**

66 The proponent will be responsible for infrastructure connections and the provisions of appropriate infrastructure to support the development. One exception is a potential cost sharing arrangement between Shotover Country and QLDC relating to the provision of new water supply infrastructure. This cost sharing arrangement is endorsed by Council's Chief Financial Officer and Chief Engineer, and is detailed within the Deed of Agreement within Attachment I, summarised within Attachment H. A cost sharing approach may be acceptable where the new water supply infrastructure is able to serve a wider public benefit beyond the SHA development.

67 Any cost implications for Council are likely to be minor.

### **Council Policies, Strategies and Bylaws**

68 The following Council policies, strategies and bylaws were considered:

- Council's Lead Policy on the Housing Accord and Special Housing Areas: guides Council's assessment of SHAs
- Operative District Plan: relevant as it is the document that regulates housing development and urban growth management

- Proposed District Plan
- HOPE Strategy: relevant as it seeks to address the housing affordability issue in the District
- Economic Development Strategy: a key action is to “investigate all options for improving housing affordability in the District”
- 2014/2015 Annual Plan: A number of Community Outcomes are relevant, as they relate to the economy, and the natural and built environment

69 The recommended option is consistent with the principles set out in the named policy/policies. In particular SHAs help deliver on the HOPE Strategy and the Economic Development Strategy.

### **Local Government Act 2002 Purpose Provisions**

70 The recommended option:

- Will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses by;
- Can be implemented through current funding under the 10-Year Plan and Annual Plan;
- Is generally consistent with the Council's plans and policies
- Would not alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or transfer the ownership or control of a strategic asset to or from the Council.

### **Consultation: Community Views and Preferences**

71 The persons who are affected by or interested in this matter are neighbours adjoining the proposed SHA site, and more generally the surrounding community. It is considered that there is also likely to be some wider community interest in the proposal in Queenstown.

72 The Council undertook an initial expression of interest in late 2014, and on 24 April 2015 the Council called for community feedback on the proposed SHAs, including the three recommended by this report. There was limited feedback received on this SHA proposal during this period.

### **Legal Considerations and Statutory Responsibilities**

HASHA is the relevant statute. Its purpose is as follows:

*The purpose of this Act is to enhance housing affordability by facilitating an increase in land and housing supply in certain regions or districts, listed in Schedule 1, identified as having housing supply and affordability issues.*

73 The recommended option will enable the achievement of this purpose. Council has entered into a Housing Accord with the Minister to achieve the purpose of the Act, and the main tool to achieve this is SHAs. Without a sufficient number of SHAs being established, Council is unlikely to be able to fulfil its obligations under the Housing Accord across its three year life.

- 74 HASHA provides no guidance by way of specified criteria on what matters local authorities should consider when deciding whether to make a recommendation or not to the Minister on potential SHAs. In particular, it does not indicate whether it is appropriate to consider 'planning issues', such as landscape, District Plan provisions, and previous Environment Court decisions.
- 75 Despite the silence of HASHA, Council's legal advice is that planning and RMA considerations are relevant matters for Council to consider when deciding whether to recommend a potential SHA to the Minister. However, while these RMA considerations are relevant, Council's decision making should remain focussed on how to best achieve the targets in the Housing Accord. Whilst the weight to be afforded to any consideration – including RMA / planning context – is at the Council's discretion, HASHA considerations are generally considered to carry more weight.
- 76 HASHA does not set any statutory responsibilities in terms of consultation on the establishment of SHAs. However it is important to note that should SHAs be established, then the consent authority may notify adjoining land owners in accordance with Section 29 of HASHA if they are deemed to be affected.
- 77 Section 14 of the Local Government Act is relevant to Council's decision making on this matter. In particular, subsections (c) and (h):
- (c) when making a decision, a local authority should take account of—*
- (i) the diversity of the community, and the community's interests, within its district or region; and*
- (ii) the interests of future as well as current communities; and*
- (iii) the likely impact of any decision on the interests referred to in subparagraphs (i) and (ii):*
- (h) in taking a sustainable development approach, a local authority should take into account—*
- (i) the social, economic, and cultural interests of people and communities; and*
- (ii) the need to maintain and enhance the quality of the environment; and*
- (iii) the reasonably foreseeable needs of future generations*
- 78 These statutory provisions take a strong intergenerational approach to decision making, and also place significant emphasis on social, economic and community factors, as well as environmental ones. In this light, SHAs can be viewed as a favourable initiative given the well documented housing affordability issues in the district and the adverse social and economic issues that result

**Attachments**

- A Special Housing Area Expression of Interest: Shotover Country
- B Three Waters Infrastructure Assessments, Shotover Country, Holmes Consulting Group
- C Agency Response (NZTA)
- D Agency Response (MoE)
- E Agency Response (ORC)
- F Shotover Country Special Housing Area – Comments on ORC Letter Relating to Natural Hazards, David Hamilton & Associates (4 November 2015)
- G Review of Liquefaction Potential for Shotover Country Special Housing Area, RDAgritech (5 November 2015)
- H Summary of Draft Deeds of Agreement (*publicly excluded*)
- I Draft Deed of Agreement – Shotover Country (*publicly excluded*)