Full Council

12 November 2026

Report for Agenda Item | Rīpoata moto e Rāraki take [4]

Department: Strategy & Policy

Title | Taitara: Amendments to the Relationship Framework Agreement between the Queenstown Lakes District Council and the Queenstown Lakes Community Housing Trust

Purpose of the Report | Te Take mō te Pūroko

This report asks Council to approve changes to the Relationship Framework Agreement (RFA) between Queenstown Lakes District Council (QLDC) and the Queenstown Lakes Community Housing Trust (QLCHT).

Executive Summary | Whakarāpopototaka Matua

The RFA cements the long-term partnership between QLDC and QLCHT to address housing affordability in the district. It establishes how the two parties work together, defines roles, responsibilities and working arrangements, and sets out how land or financial contributions will be used to deliver affordable housing. It also provides additional protocols to govern specific housing programmes.

There are three main changes proposed:

- For QLDC to choose the recipient of any surplus assets if QLCHT is wound up, instead of directly receiving the assets. This is to enable QLCHT to register as a charity, as charity rules require any recipient of surplus assets to also be a charity;
- To enable QLDC to place covenants on land transferred to QLCHT via Inclusionary Housing; and
- Minor changes for consistency, clarity and to reflect current dates and QLCHT policies.

The current RFA was agreed by Council and QLCHT on 30 June 2022[1] and is required to be reviewed every three years after it is executed.

[1] QLDC Council, 30 June 2022, Agenda Item 9.

Recommendation | Kā Tūtohuka

That the Council:

1. **Note** the contents of this report;

2. **Note** that the Queenstown Lakes Community Housing Trust is Council's preferred affordable housing provider, a key partner in delivering the Joint Housing Action Plan (JHAP), and that JHAP Action 4 is to continue to support and amplify the work of the Queenstown Lakes Community Housing Trust and other providers;

3. **Note** the proposed changes to the RFA include:

    a. For QLDC to choose the recipient of any surplus assets if QLCHT is wound up, instead of directly receiving the assets. This is to enable QLCHT to register as a charity, as charity rules require any recipient of surplus assets to also be a charity;

    b. To enable QLDC to place covenants on land transferred to QLCHT via Inclusionary Housing;

    c. Minor changes for consistency, clarity, and to reflect current dates and QLCHT policies;

4. **Approve** the amended Relationship Framework Agreement with the Queenstown Lakes Community Housing Trust, subject to any non-material changes required to reflect further legal advice [Attachment A]; and

5. **Delegate** to the Chief Executive the authority to execute the amended Relationship Agreement [Attachment A].

Prepared by:



Name: Emily Irwin
Title: Senior Strategic Planner - Housing
1 October 2026

Reviewed and Authorised by:



Name: Michelle Morss
Title: General Manager Strategy & Policy
19 October 2026

Context | Horopaki

Overview of the relationship between QLDC and QLCHT

1. Queenstown Lakes District Council (QLDC) facilitated the creation of the Queenstown Lakes Community Housing Trust (QLCHT) in 2007 to advance the community's goals for the provision of affordable housing in the Queenstown Lakes District. Those goals were expressed through the development of the HOPE (Housing Our People in our Environment) Strategy adopted by QLDC. QLCHT is an independent, registered Community Housing Provider and continues to be QLDC's preferred partner for delivering affordable housing in our district.

2. QLDC and QLCHT entered into a Memorandum of Understanding to support shared affordable housing objectives for the Queenstown Lakes District. The memorandum recognised QLDC and QLCHT as partners in addressing local housing issues, documented the areas where QLDC would support QLCHT, and clarified the respective roles and responsibilities of each organisation.

3. In October 2017 the Mayoral Housing Affordability Taskforce reported to QLDC, proposing various strategies to improve housing affordability in the Queenstown Lakes District. The strategies were adopted by QLDC and included:

    a. setting a target to deliver 1000 affordable homes with secure tenure by 2038[2] across specific programmes in the assisted rental and assisted ownership areas;

    b. building a range of community affordable market offerings including an affordable ownership programme with QLCHT delivering secure tenure housing using leasehold land;

    c. recognising the importance of developing solutions for the long-term by building a community asset that delivers quality, affordable housing in perpetuity to achieve a stable, well-balanced community; and

    d. investing in scaling up QLCHT, with QLDC confirming QLCHT as its preferred partner for receiving any contributions, and as the primary delivery organisation for affordability product offerings to the residents of the Queenstown Lakes District.

4. The Joint Housing Action Plan (JHAP) (adopted in August 2023) further cements the continued desire to work together to deliver affordable housing outcomes for the Queenstown Lakes District. It recognises that housing is one of the biggest challenges the district faces, and that increasing housing supply alone will not address the affordable housing problem. The JHAP puts forward 34 actions to improve housing outcomes in the district, to be undertaken primarily by QLDC, the Ministry of Housing and Urban Development, Kāinga Ora, and QLCHT.

[2] QLCHT updated the timeframe to 2038 in 2022.

5. QLCHT is a key partner in delivering the JHAP, and QLDC works closely with QLCHT to support and achieve JHAP outcomes. In particular, JHAP Action 4 is to *continue to support and amplify the work of the Queenstown Lakes Community Housing Trust and other providers*.

The RFA formalises and strengthens this long-term partnership between QLDC and QLCHT

6. Since QLDC facilitated the creation of QLCHT in 2007, QLDC and QLCHT entered into multiple Memoranda of Understanding until 2015 and then entered into RFAs in 2019 and 2022.

7. The RFA establishes a formal framework on how QLDC and QLCHT work together, defines roles and responsibilities and working arrangements and sets out how the inclusionary housing contributions (land or financial) will be used to deliver affordable housing. It also provides additional protocols to govern specific housing programmes.

8. In line with Action 4 of the JHAP, QLDC and QLCHT have committed to continue working together to develop and implement strategies that improve affordable housing options in the Queenstown Lakes District. The updated RFA will replace all previous memoranda of understanding and provide a refreshed framework for this relationship. It clarifies each party's roles and responsibilities, confirms how the organisations will work together, and supports QLCHT's delivery of affordable housing for the benefit of the Queenstown Lakes community.

9. The RFA confirms the following key matters:

    a. The relationship is intended to be part of the long-term solution for housing in our district, and that the parties agree to work together with openness.

    b. Land or cash contributed from QLDC to QLCHT, including from third parties via Inclusionary Housing, is to be used exclusively for the mutually agreed purpose and will be subject to an encumbrance / covenant in favour of QLDC.

    c. QLCHT is an independent entity with its own deed and board of trustees.

    d. QLDC will continue to provide IT and administrative support as well as a provision of an annual grant, with the mutual aim of reducing the support services from QLDC to QLCHT over time.

    e. The RFA includes protocols for QLCHT's Secure Home programme and rentals programmes, which are the housing products that QLDC wants its contribution used for.

    f. In the future other affordable home products developed between QLDC and QLCHT will be included in additional protocols in the RFA.

10. The current RFA was agreed by Council and QLCHT on 30 June 2022[3] and is required to be reviewed every three years of being executed.

[3] QLDC Council, 30 June 2022, Agenda Item 9.

QLCHT's track record in delivering affordable housing

11. QLCHT has received funding from a range of sources, primarily Inclusionary Housing (IH), as shown in Table 1. IH funding includes contributions from developers in either land or cash facilitated and advocated for by QLDC. The IH mechanism ensures a portion of the value created in housing developments is given back to the community and used to deliver affordable housing owned by the community in perpetuity.

Table 1: Funding summary as at May 2026		
Developers (Inclusionary Housing) (131 sections including bulk lots and $8.7 million in cash)	$56,157,852	71.1%
Crown Grants	$8,543,597	10.8%
QLDC (Land and annual operating grants)	$14,311,536	18.1%

12. Additionally, QLCHT has received direct contributions, comprising land for the Tewa Banks development at Arrowtown (68 homes), the Suffolk Street development at Arrowtown (10 homes), senior homes on Upton Street, Wānaka (5 homes), annual $50k operating grants, and a 5% Inclusionary Housing financial contribution from the sale of land at Lakeview (with only Stage 1 of 7 settled to date).

13. As at September 2026, QLCHT has used the funding from IH and other sources to support 406 households through a range of affordable housing products, as shown in Table 2. These include both ownership and rental models across the affordable housing continuum.

Table 2: Total households assisted as at September 2026	
Shared Ownership Households	124
Secure Home Households	125
Rent Saver Households	27
Affordable Rental (AR) Households	38
Social (Public) Housing Rental (SHR) Households	53
Senior Housing Households (AR)	10
Senior Housing Households (SHR)	25
Third party leases	4

14. These figures demonstrate the strength and success of the long-standing partnership between QLDC and QLCHT. Through a combination of QLDC support including facilitating developer contributions, Crown funding, and QLCHT's delivery capability, the partnership has enabled a growing portfolio of affordable housing options across the district. The 406 households supported to date, together with the substantial land and financial contributions secured for community housing via QLDC, show that the relationship is delivering tangible, lasting benefits for the Queenstown Lakes community.

Analysis and Advice | Tatāritaka me kā Tohutohu

The updated RFA strengthens the partnership to deliver affordable housing outcomes

15. QLDC officers have worked with QLCHT to refresh the RFA, including legal review. The QLCHT Board approved an earlier version of the refreshed draft RFA on 17 June 2026. Since then, minor changes have been made to the draft following the council workshop held on 15 September 2026.

16. The updated draft RFA is provided as Attachment A. All suggested changes are provided in a table in Attachment B.

17. The proposed amendments fall into three areas: the recipient of QLCHT's assets if QLCHT is wound up; covenants over QLCHT land; and minor updates to improve consistency and clarity, and to reflect current dates and QLCHT policies.

Changes regarding the recipient of QLCHT assets

18. The current RFA requires QLDC to receive QLCHT assets if QLCHT were wound up. However, this restricts QLCHT's ability to register as a charity, as charity rules require any recipient of surplus assets to also be a charity.

19. Charity registration is an additional tool to help QLCHT seek independent funding opportunities, and to become more self-sufficient and less reliant on QLDC support. Without charity registration, offshore philanthropists and donors cannot claim a NZ tax deduction. This is a significant cost that deters potential donors such as Active Investor Plus "golden" visa holders who want to support QLCHT. Of 95 registered Community Housing Providers, only QLCHT is not registered as a charity, having been deregistered in 2011. The current deregistration status raises questions and may further discourage investment.

20. Officers therefore propose amending the RFA so that, if QLCHT is wound up, QLDC would approve the registered charitable trust that receives QLCHT's assets, rather than receiving the assets directly. This would enable QLCHT to register as a charity while retaining strong safeguards to ensure the assets remain for community benefit in perpetuity. Most properties can also be protected through covenants, as discussed below.

Other changes

21. Covenants: The amended RFA would enable QLDC to place covenants on the titles of land transferred to QLCHT via QLDC from Inclusionary Housing. This would sit alongside QLDC's existing ability to register an encumbrance. Both tools are intended to ensure that land transferred to QLCHT is used for perpetual affordable housing. An encumbrance can restrict QLCHT's financing options, so a covenant provides an alternative mechanism to protect the long-term affordable housing purpose of the land. Officers are now proactively placing covenants on land already transferred, with QLCHT's agreement. The Toru Apartments were bought outright

by QLCHT, and 17 other properties were acquired under the previous Shared Ownership programme (most with residents also on the title) and are therefore not subject to a covenant.

22. Attachment B also lists a number of minor changes for consistency, clarity, and to reflect current dates and QLCHT policies. Updated Clause 3.5 enables at least two QLDC representatives to attend the QLCHT Board meetings. Councillors requested that the timing of these meetings be reviewed. This has been discussed with QLCHT, and while no changes to the RFA are proposed, QLDC and QLCHT have agreed to work together to avoid scheduling clashes.

Options

23. 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.

24. Option 1 Approve the amended RFA provided in Attachment A.

Advantages:

- Strengthens the partnership between QLDC and QLCHT and reaffirms QLCHT as the preferred affordable housing provider, as consistent with the JHAP, the QLDC Homes Strategy, and the Mayoral Housing Affordability Taskforce.

- Enables QLCHT to register as a charity, which may improve access to future funding opportunities and support its delivery of affordable community housing. At the same time, the amended RFA protects land for affordable housing in perpetuity via the registration of a covenant or encumbrance and retains QLDC oversight through required written approval.

- Updates the RFA with changes for consistency, clarity, and reflecting current dates and QLCHT policies.

Disadvantages:

- QLDC would no longer directly receive QLCHT assets if QLCHT were wound up. However, the amended RFA requires QLDC to determine the recipient before any assets are transferred. In practice, QLDC would likely seek to transfer the assets to another suitable entity to continue delivering affordable housing, as this is not core Council business and registered community housing providers are better placed to undertake this work.

25. Option 2 Direct officers to make additional amendments, and work further with QLCHT to develop a new version of the RFA.

Advantages:

- Enables elected members to reject any particular changes and/or make further changes to the RFA if this is required.

- Retains the advantages of Option 1 if the respective amendments to the RFA are kept (enabling charity status, etc.).

Disadvantages:

- Will require further work from officers from the Strategic Growth and Legal teams.
- Will require further work from QLCHT including requiring the QLCHT Board to reconsider the new version, further delaying the final agreement.

26. Option 3 Do not approve any changes to the RFA.

Advantages:

- Retains the existing RFA provisions, including the requirement for QLDC to directly receive any surplus assets if QLCHT were wound up. However, this outcome is unlikely in practice. If it did occur, QLDC would likely seek to transfer the assets to another suitable entity to continue delivering affordable housing, as this is not core Council business and registered community housing providers are better placed to undertake this work.

Disadvantages:

- The RFA would be outdated, which is inconsistent with the requirement to update it every three years. It will also fail to reflect the evolution of the working relationship and QLCHT policies.
- Having an out-of-date RFA and rejecting the changes approved by the QLCHT Board will have the potential to undermine the relationship between QLDC and QLCHT, which is inconsistent with the JHAP, the Homes Strategy, and the Mayoral Housing Affordability Taskforce.
- QLCHT would not be able to register as a charity, potentially reducing future funding opportunities and limiting their work to deliver affordable housing for the Queenstown Lakes community.
- QLDC would not have formal authority to place covenants on QLCHT land which are used to ensure the land is used for community housing in perpetuity. While QLDC is able to place an encumbrance, this is not always optimal as it limits financing options for QLCHT.

27. This report recommends **Option 1** for addressing the matter in order to strengthen the partnership between QLDC and QLCHT, enable QLCHT to register as a charity, enable QLDC to place covenants on the land, and to update the RFA with changes for consistency, clarity, and reflecting current dates and QLCHT policies. The amendments are intended to keep the agreement current, support QLCHT to pursue charity registration and related funding

opportunities and strengthen protections so land and financial contributions continue to be used for affordable housing in perpetuity.

Consultation Process | Hātepe Matapaki

Significance and Engagement | Te Whakamahi I kā Whakaaro Hiraka

28. This matter is of low significance, as determined by reference to the Council's Significance and Engagement Policy 2024 because the decisions result in minor adjustments to the RFA in regard to work already being undertaken by QLCHT.

29. The persons who are directly affected by or interested in this matter are the Council and QLCHT, as signatories of the RFA. Residents/ratepayers of the Queenstown Lakes district community, Kāi Tahu, Grow Well Whaiora partners, and the business community are also affected by and interested in the continued strong partnership between QLDC and QLCHT and the delivery of affordable housing for the community.

30. QLDC officers have worked closely with QLCHT on the refreshed RFA, and it was approved by the QLCHT Board on 17 June 2026.

Māori Consultation | Iwi Rūnaka

31. QLDC has not engaged with iwi on this matter as only Council and QLCHT are signatories of the RFA. Aukaha and Te Ao Marama Incorporated have had oversight of the JHAP through the Grow Well Whaiora Partnership.

Risk and Mitigations | Kā Raru Tūpono me kā Whakamaurutaka

32. This matter relates to the Community & Wellbeing risk category. It is associated with RISK10004 Community Partnerships do not achieve objectives within the QLDC Risk Register. This risk has been assessed as having a moderate residual risk rating.

33. The approval of the recommended option will allow Council to implement additional controls for this risk. This will be achieved by ensuring that the RFA is up to date, strengthening our relationship with QLCHT, authorising covenants to ensure land is used for community housing in perpetuity, and allowing QLCHT to register as a charity to enable further funding opportunities and support their work to deliver affordable community housing.

Financial Implications | Kā Riteka ā-Pūtea

34. The RFA includes an annual operational grant of $50,000 to QLCHT, which was made a permanent line in the Strategic Growth team budget as required by JHAP Action 4D: *Include the Queenstown Lakes Community Housing Trust funding as a permanent budget line rather than as a grant.* No additional financial implications are anticipated.

Council Effects and Views | Kā Whakaaweawe me kā Tirohaka a te Kaunihera

35. The following Council policies, strategies and bylaws were considered:

- Queenstown Lakes District Joint Housing Action Plan 2023-2028
- 2021-2031 Queenstown Lakes Homes Strategy
- The outcomes and principles of the Vision Beyond 2050: Our Strategic Framework | Queenstown Lakes District Council
- Queenstown Lakes Spatial Plan 2021
- 2024-2034 Ten Year Plan
- The QLDC Proposed District Plan

36. The recommended option is consistent with these documents.

Legal Considerations and Statutory Responsibilities | Ka Ture Whaiwhakaaro me kā Takohaka Waeture

37. The legal team have been involved throughout the process of refreshing the RFA. Clauses 3.3-3.6 have been included to reflect legal advice for QLCHT regarding the requirements for registering as a charity.

Local Government Act 2002 Purpose Provisions | Te Whakatureture 2002 o te Kāwanataka ā-Kīaka

38. Section 10 of the Local Government Act 2002 states the purpose of local government is (a) to enable democratic local decision-making and action by, and on behalf of, communities; (b) to meet the current and future needs of communities for good-quality, cost-effective, and local — (i) infrastructure; (ii) public services; (iii) performance of regulatory functions; and (c) to support local economic growth and development by fulfilling the purpose set out in paragraph (b). Updating the RFA will support these outcomes. As such, the recommendation in this report is appropriate and within the ambit of Section 10 of the Act.

39. The recommended option:

- Can be implemented through current funding under the Long Term Plan and Annual Plan;
- Is consistent with the Council's plans and policies; and
- Would not significantly alter 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.

Attachments | Kā Tāpirihaka

A	Draft Relationship Framework Agreement with the Queenstown Lakes Community Housing Trust
B	Schedule of proposed amendments to the Relationship Framework Agreement

Relationship Framework Agreement

governing how the parties will work together to deliver affordable housing

Queenstown Lakes District Council

Queenstown Lakes Community Housing Trust

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Agreement dated 2026

Parties

Queenstown Lakes District Council (**QLDC**)

Queenstown Lakes Community Housing Trust (**QLCHT**)

Introduction

A QLCHT was originally established in 2007 to advance the community's goals for the provision of affordable housing in the Queenstown Lakes District. Those goals were expressed through the development of the HOPE (Housing Our People In Our Environment) Strategy adopted by QLDC.

B QLDC and QLCHT entered into a memoranda of understanding relating to affordable housing objectives in the District. In that document, the parties recognised each other as partners in addressing housing issues in the Queenstown Lakes District, documented areas where QLDC would support QLCHT, and clarified the respective roles of QLDC and QLCHT.

C In October 2017 the Mayoral Housing Affordability Taskforce reported to QLDC, proposing various strategies to improve housing affordability in the Queenstown Lakes District. The strategies were adopted by QLDC and included:

a. setting a target to deliver 1000 affordable homes with secure tenure by 2038[1] across specific programmes in the assisted rental and assisted ownership areas;

b. building a range of community affordable market offerings including an affordable ownership programme with QLCHT delivering secure tenure housing using leasehold land;

c. recognising the importance of developing solutions for the long-term by building a community asset that delivers quality, affordable housing in perpetuity to achieve a stable, well-balanced community; and

d. investing in scaling up QLCHT, with QLDC confirming QLCHT as its preferred partner for receiving any Contributions, and as the primary delivery organisation for affordability product offerings to the residents of the Queenstown Lakes District.

D QLDC and QLCHT wish to work together to devise and implement these and other strategies to improve affordable home offerings in the Queenstown Lakes District. It is intended that this Agreement will facilitate the development of a long-term

[1] QLCHT updated the timeframe to 2038 in 2022.

relationship between the parties to enable the achievement of housing affordability objectives.

E To do that, this Agreement replaces all previous memoranda of understanding. It sets out a framework that will govern the parties' relationship, their respective roles and responsibilities, and the manner in which they will work together to enable delivery by QLCHT of affordable housing generally.

F It is intended that separate written protocols will be entered into from time to time that will form part of this Agreement and which will address the roles, rights, and responsibilities of the parties in relation to specific affordable home offerings.

G QLDC and QLCHT have performed a periodic review on or around 29 March 2025 pursuant to clause 7.2 of the Agreement. As a result of that review, amendments have been made to this Agreement, Schedule 1 (Secure Home Programme Protocol) and Schedule 2 (Rental Programme Protocol)

Agreement

1 Interpretation

1.1 In this agreement, unless the context requires otherwise:

Affordable Housing Records mean all information relating to the establishment and on-going provision and management of affordable housing offerings by QLCHT including, but not limited to, information prescribed by protocols agreed between the parties from time to time;

Agreement means this agreement;

Contribution means a gift or transfer of land (including by way of long-term lease) and/or funding, obtained from a range of sources, from QLDC to QLCHT (including where the land or funding is provided to QLCHT directly by a third party but the transfer results from a Council-imposed requirement on that third party);

QLCHT includes its successors, administrators, wholly owned subsidiaries and permitted assigns;

QLDC includes its successors and permitted assigns;

Regulatory Function means QLDC's mandatory statutory role as a local authority, including as a consent authority, separate to its role as a party to this Agreement; and

Trust Deed means the Queenstown Lakes Community Housing Trust deed dated 15 January 2007 (and subsequent variation updates) between the settlor and the trustees named in the Trust Deed.

2 Partnering concept

2.1 The parties will work together with openness, promptness, consistency and fairness in all dealings and communications.

2.2 Notwithstanding clause 2.1, nothing in this Agreement shall be construed to constitute a partnership or joint venture between the parties or the relationship of principal and agent.

2.3 For the avoidance of doubt, QLCHT is an independent entity, established by the Trust Deed. The Trust Deed governs its operation.

3 Operation of QLCHT and appointment of trustees

3.1 The primary objects and purposes of QLCHT are recorded in clause 3 of the Trust Deed and include the relief of housing poverty by the provision of social and affordable housing in the Queenstown Lakes District. QLCHT agrees that the objects and purpose of QLCHT will not be materially varied without QLDC's written consent.

3.2 Under clause 6.1 of the Trust Deed, the trustees of the QLCHT will always include one trustee appointed by QLDC. QLCHT agrees that it will not materially vary the Trust Deed to reduce the number of trustees appointed by QLDC or increase the maximum number of trustees on QLCHT's board without QLDC's written consent.

3.3 The Trust Deed states that on any dissolution or winding up of QLCHT, any remaining portion of the Trust Fund, or the net proceeds arising from the sale of the assets of the Trust must be applied, after payment of all liabilities, towards such charitable purposes in New Zealand as may be determined by QLDC, or in default of its determination, as may be decided on application to a judge of the High Court of New Zealand. QLCHT agrees that it will not vary or remove this clause of the Trust Deed without QLDC's written consent.

3.4 Prior to any such transfer, QLDC must consult in good faith with QLCHT and take account of whether the recipient trust's purposes substantively align with the community housing objectives of QLCHT and QLDC's strategic housing outcomes.

3.5 QLCHT's selection panel for the appointment of any new Chair of QLCHT shall include at least one elected member.

3.6 Two representatives of QLDC will be entitled to attend meetings of the Board of the QLCHT (not including Trustee-only time), and for that purpose will be provided with notice of any scheduled meetings and the relevant Board papers for consideration prior to meetings, as well as any minutes taken at meetings. QLDC representatives do not have rights to participate in any vote of the Trustees of QLCHT.

3.7 QLCHT will carry out its activities in accordance with accepted principles of good governance for similar community organisations.

3.8 QLCHT will ensure that any wholly owned subsidiary is aware of and complies with this Agreement.

3.9 Without limiting clause 3.4, QLCHT will maintain its status as a registered Community Housing Provider and meet the performance standards and guidelines prescribed from time to time by the Community Housing Regulatory Authority or any successor organisation.

3.10 QLDC will continue to provide the following support services to QLCHT, on the same terms as exist at the date of this Agreement or as otherwise agreed between the parties:

(a) IT services, in that QLDC hosts, as agent or for the sole purpose of safe custody, on its server QLCHT's information;

(b) Administrative services;

(c) Provision of an annual operating grant.

3.11 The parties will, over time, work together to reduce the support services that QLDC provides to QLCHT.

3.12 QLDC support may, from time to time, be necessary to support QLCHT's activities, including by way of written assurances or security in the form of guarantees of QLCHT's performance of obligations it incurs to third parties. QLDC may continue to provide performance guarantees on terms and conditions agreed in relation to any request by QLCHT that QLDC do so.

3.13 QLCHT may request QLDC support as provided for in clause 3.13 by providing to QLDC a proposal showing:

(a) Why the support will advance QLCHT's aims;

(b) The potential exposure, financial and/or reputational, to QLDC;

(c) What steps have been or will be taken to mitigate risks to QLDC;

(d) How QLCHT will indemnify QLDC;

(e) When and how the need for support will be ended, or the performance guarantee lifted.

3.14 QLCHT acknowledges that consideration by QLDC of a request for support may require consideration and ratification by the Governing Body of QLDC.

4 Reporting and audit requirements

4.1 QLCHT will:

(a) keep, store and maintain Affordable Housing Records in accordance with proper business/accounting practice and all applicable laws;

(b) make sure the Affordable Housing Records clearly identify specific criteria and/or information prescribed by agreed protocols; and

(c) report to QLDC in accordance with requirements and milestones agreed between the parties in respect of any affordable home offering.

4.2 Subject to applicable laws relating to privacy and protection of information, QLCHT will provide copies of Affordable Housing Records to QLDC as QLDC reasonably requires in order to assess progress of any affordable home offering. This may include, without limitation, Affordable Housing Records relating to progress on the parties' mutual objectives as set out in the Introduction. All information provided by QLCHT must be delivered within a reasonable time of the request.

4.3 QLCHT will co-operate with QLDC to provide information immediately if the information is required by QLDC to comply with its statutory reporting obligations.

5 Development of Affordable Home Offerings

5.1 QLCHT provides affordable home offerings within the Queenstown Lakes district through a range of mechanisms and ownership models. The parties will work together to develop a range of affordable home offerings in accordance with this Agreement.

5.2 QLDC proposes from time to time to make Contributions to be used by QLCHT in the provision of affordable housing offerings.

5.3 The parties will enter into written protocols to this Agreement recording the terms of any affordable home offerings developed by the parties for which it is anticipated that Contributions may be used.

5.4 The agreed protocol for an initial affordable home offering, the Secure Home Offering, is as set out at Schedule One.

5.5 Any future written protocol shall:

(a) state the basis and operation of the affordable housing offering;

(b) once agreed, be executed by the parties and attached to this Agreement; and

(c) will be subject to the general provisions of this Agreement.

6 Limitations on Use of Contributions

6.1 Whenever QLDC proposes to provide a Contribution, the parties shall discuss the proposed use of the land and/or funding and record any agreement about its use in an agreement or other documentation used to record the Contribution.

6.2 Any Contribution must be used exclusively by QLCHT for the purposes for which the land and/or funding is provided.

6.3 Any Contribution to QLCHT must be used for the affordable home offering under the relevant written protocol and any Contribution that is a transfer of land will be retained by QLCHT notwithstanding any changes in relationship between QLCHT and QLDC or any internal or external restructuring or other changes to either QLCHT or QLDC. QLCHT may not sell, transfer or otherwise alienate such land without the written consent of QLDC.

6.4 All land acquired by QLCHT either by way of Contribution from QLDC or developed using funding procured or provided by QLDC will, at QLDC's election, be subject to an encumbrance or covenant in favour of QLDC on terms to be agreed in an applicable protocol.

6.5 Without limiting clause 4.2, QLCHT will provide copies of any Affordable Housing Records relating to the provision and use of land and/or funding described in clause 6.1, as QLDC reasonably requires.

7 Termination

7.1 The parties intend the relationship governed by this Agreement to be a long-term relationship, given the nature of the affordable housing issue that they intend to work together to improve.

7.2 The parties shall conduct periodic reviews of the operation of the Agreement and written protocols from time to time on an agreed, reasonable timeframe, in order to ensure that the Agreement remains fit for purpose having regard to its objectives and the objectives of the parties. The first review shall take place within three years of execution of the Agreement, and every three years thereafter.

7.3 Either party may serve notice that it wishes to terminate this Agreement, but this Agreement may only be terminated by agreement and on terms agreed by the parties which ensure to QLDC's satisfaction that any property transferred to QLCHT under the Agreement will continue to be used for the purpose for which it was transferred. To reach agreement the parties shall hold good faith discussions for a period of three months from the date of the notice of proposed termination. Should the parties fail to agree on such terms within that time, the Dispute Resolution process in clause 8.2 will apply.

8 Dispute Resolution

8.1 Should any dispute arise under this Agreement, whether concerning the construction or performance of this Agreement, or the rights and liabilities of the parties, the parties shall use their best endeavours to resolve the dispute within three calendar weeks through good faith discussions.

8.2 If the parties fail to resolve the dispute through good faith discussions, the dispute shall be referred to a mediator acceptable to both parties on terms acceptable to both parties.

8.3 In the event of the dispute or difference not being resolved by mediation within three months, then it shall be determined by a single arbitrator. That arbitrator shall be agreed between the parties, or failing agreement shall be appointed by the President for the time being of the Otago branch of the New Zealand Law Society. The arbitration shall be conducted in accordance with the Arbitration Act 1996.

9 General

9.1 On execution of this Agreement, all previous memoranda of understanding are terminated.

9.2 Both QLDC and QLCHT may from time to time be seen as individually or collectively the appropriate body to speak on community housing matters. Both parties therefore agree to communicate with the other in advance of any significant issue related to community housing. Wherever reasonably possible, a joint view on the matter in question will be a goal, but failing agreement, both parties will strive not to publicly criticise or undermine the position of the other party. Any challenges, problems, or criticisms of community housing may be directed to either QLDC or QLCHT. Each party's obligation is that all matters of complaint or issues that have the potential to reflect on policies or the wider community are to be alerted to the other party at the earliest possible time when they arise.

9.3 While it is the intention of each organisation to observe the confidentiality of information that may be shared in the normal course of the relationship, QLCHT recognises that QLDC is a statutory body and may have obligations to disclose information to other parties and to the wider public if requested.

9.4 If either party is required by law to disclose any information which has been obtained by them through undertaking the services they shall immediately notify the other party by telephone and in writing.

9.5 Both parties to this Agreement shall at all times act in accordance with the Privacy Act 1993, or any relevant codes of practice.

9.6 QLCHT acknowledges that QLDC is obliged to and shall act in accordance with its Regulatory Function. QLCHT shall have no right or claim against QLDC in its capacity as a party to this Agreement as a result of any lawful action or decision made by QLDC in the performance of its Regulatory Function.

Execution

Signed by and on behalf of **Queenstown Lakes District Council**

Authorised signatory

Queenstown Lakes District Council

Signed by and on behalf of **Queenstown Lakes Community Housing Trust**

Authorised signatory

Queenstown Lakes Community Housing Trust

Schedule 1 – Secure Home Programme Protocol

1 Where a Contribution is to be used by QLCHT for the Secure Home Programme, this Protocol governs the form of the transactions to be entered into.

2 The transactions set out in this Protocol may be subject to amendment from time to time to enable QLCHT to continue adapting to circumstances and conditions but subject to agreement by QLDC.

3 If the Contribution consists of land, or land and dwelling(s), the Contribution shall have a registered instrument on the title in accordance with this Protocol and Agreement.

Registered Encumbrance

3 If the Contribution consists of land, or land and dwelling(s), the Contribution shall, at QLDC's election, be subject to an encumbrance in favour of QLDC, containing Council's rights to resume ownership of the land and dwellings(s) in the event of

(a) QLCHT being wound up, dissolved, liquidated or otherwise disbanded; or

(b) land ceasing to be used for affordable housing purposes (to be defined in the encumbrance).

4 QLDC's encumbrance shall be first ranking over any other security provided if QLCHT needs to use the land as security for finance purposes then Council agrees to work with QLCHT to facilitate the same so as to protect the interests of QLDC and the institutional funder, through a registered covenant.

Registered Covenant

5 Where QLDC agree a covenant may be used in place of an encumbrance, it must contain requirements in favour of QLDC to secure its ability to resume ownership in the event of:

(a) QLCHT being wound up dissolved, liquidated or otherwise disbanded;

(b) land ceasing to be used for affordable housing purposes (to be defined in the covenant); or

(c) a financier exercising its power of sale, in which case QLDC has first right of refusal.

Secure Home Agreement/Registered Lease

6 QLCHT will enter into an agreement with the intended occupant(s) of the land/home on the following terms (list is not exhaustive):

a. The occupant(s) have a right of exclusive possession of the land/home for 100 years or they have a leasehold title;

b. QLCHT has rights of inspection etc consistent with its interest in the reversion of the leasehold interest granted;

c. The occupant(s) pay an upfront payment and periodic rent at around 1.5% of the land market valuation to QLCHT with subsequent rent reviews indexed to CPI (All Indices) but capped at 2.0%;

d. On any event triggering transfer of the land/home back to QLCHT, QLCHT must implement the transfer and pay a reversion price.

7 On acquiring the reversion QLCHT will enter into a new agreement with new occupant(s) as per the process in the Secure Home Agreement.

8 On acquiring the reversion, QLCHT may only use the land/home for any other affordable home offering if the basis of that offering has been documented as a protocol attached to this Agreement.

Mortgagee Deed

9 QLCHT will enter into a Deed with any mortgagee of the occupant(s) for the upfront payment ensuring:

a. The mortgagee will notify QLCHT of any circumstances that may lead to an event triggering transfer of the land back to QLCHT;

b. The mortgagee will notify QLCHT if it issues any Property Law Act notice to the occupant(s).

Schedule 2 – Rental Programmes Protocol

1 Where a Contribution is to be used by QLCHT for a Rental Programme, this Protocol governs the form of the transactions to be entered into.

2 The transactions set out in this Protocol may be subject to amendment from time to time to enable QLCHT to continue adapting to circumstances and conditions but subject to written agreement by QLDC.

3 If the Contribution consists of land, or land and dwelling(s), the Contribution shall have a registered instrument on the title in accordance with this Protocol and Agreement.

Registered Encumbrance

4 If the Contribution consists of land, or land and dwelling(s), the Contribution shall, at QLDC's election, be subject to an encumbrance in favour of QLDC, containing Council's rights to resume ownership of the land and dwellings(s) in the event of

(a) QLCHT being wound up, dissolved, liquidated or otherwise disbanded; or

(b) land ceasing to be used for affordable housing purposes (to be defined in the encumbrance).

5 QLDC's encumbrance shall be first ranking over any other security provided if QLCHT needs to use the land as security for finance purposes then Council agrees to work with QLCHT to facilitate the same so as to protect the interests of QLDC and the institutional funder, through a registered covenant.

Registered Covenant

6 Where QLDC agree a covenant may be used in place of an encumbrance, it must contain requirements in favour of QLDC to secure its ability to resume ownership in the event of:

(a) QLCHT being wound up dissolved, liquidated or otherwise disbanded;

(b) land ceasing to be used for affordable housing purposes (to be defined in the covenant); or

(c) a financier exercising its power of sale, in which case QLDC has first right of refusal.

Rental Terms

7 QLCHT will enter into an agreement with the intended occupant(s) of the land/dwelling on the following terms (list is not exhaustive):

(a) The occupant(s) can live at the Property in accordance with a separate Residential Tenancy Agreement, and under the parameters set out in the scheduled policy for their particular rental programme.;

(b) The rent will be set at a fair market rate and an income based subsidy may be applied, discounting the rent to allow households to achieve savings and/or debt reduction goals;

(c) QLCHT and the household will review their financial situation and goals regularly.

Qualifying Households

8 Households which qualify for an income related rent subsidy through a New Zealand government agency may also be approved for an agreement to rent a QLCHT property under QLCHT's Public Housing Rental Protocol.

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Date:

Signed on behalf of Queenstown Lakes District Council

Name:

Position:

Signature:

Signed on behalf of Queenstown Lakes Community Housing Trust

Name:

Position:

Signature:
Relationship Framework Agreement (Rental Protocol) – Final Version for Signing

Attachment B: Schedule of proposed amendments to the Relationship Framework Agreement

Clause	Proposal	Discussion
A & through out	Change 'the Council' to 'QLDC', and 'The Trust' to 'QLCHT'	These changes are proposed throughout the agreement for consistency.
B	Minor edits for clarity	Refers to the latest MOU specifically instead of all previous MOUs.
C	Delete Clause C and adjust subsequent referencing	This aspect of the agreement is now out of date, referencing previous agreements.
New C (a)	2028 replaced with 2038	To make consistent with the QLCHT's update in 2022.
New E	Removal of reference to previous agreements	This text is no longer required.
New G	Date and referencing updates	Reflects current dates and notes that amendments have been made to the agreement.
1.1	QLCHT definition adjusted to include subsidiaries	To clarify that this agreement also applies to the subsidiaries.
1.1	Trust Deed date updated	To reflect the updated Deed date.
3.3 -3.5	Insert new clauses to replace the previous clause 3.7. Update to note that the Trust deed specifies if QLCHT is wound up, any remaining assets will go to a charity decided by QLDC.	The new clauses enable QLCHT to register as a charity, and to ensure that QLDC retains control over the distribution of assets if QLCHT is wound up.

	Subsequent clause numbers are updated throughout.	
New 3.6	Replace 'Councillor' with 'Elected Member'	To include all elected members.
New 3.9	Reference to the Trusts subsidiaries	To ensure QLCHT subsidiaries are aware of and will comply with this agreement.
Previous 3.7	Removal of clause	This has been replaced with clauses 3.3-3.5 as above
3.14	Minor edits to update clause numbering	Update reference to a previous clause
6.1	Minor edit changing 'the' to 'an'	To allow for multiple agreements
6.3	Update to cover both land and financial contributions, and replacing the word 'will' with 'must'	To ensure both land and financial contributions received from QLDC shall be used for the affordable home offering outlined in the protocols.
6.4	Option for a covenant added, and insert the word 'will'	To give QLDC the flexibility and certainty to add an encumbrance or covenant to the title, if an encumbrance is not workable.
7.2	Adding in every three years	This is to make it clear the agreement should be reviewed every 3 years.
Schedule 1 – Secure Home Programme Protocol		
1	Paragraph simplified	For consistency and clarity.
New 3	Insert clause clarifying that land or land/dwelling contributions will have a registered instrument on the title	For avoidance of doubt, consistent with clause 6.4.
New 4	Remove 'covenant'	Splits out discussion of encumbrance and covenant options into separate paragraphs (4 and 5).

	Replace ‘may’ with ‘shall, at QLDC’s election’ Replace ‘insolvency’ with ‘a) QLCHT being wound up, dissolved, liquidated or otherwise disbanded; or b) land ceasing to be used for affordable housing purposes (to be defined in the encumbrance).’	To make consistent with Clause 6.4 above. Clarifies when QLDC has rights to resume ownership of the land.
5	Removes ‘covenant’ and adds ‘through a registered covenant’	Splits out this paragraph to refer to when an encumbrance is used, and clarifies that QLDC and QLCHT will work together to use a covenant in the case that QLCHT needs to use the land as security for finance.
6	Addition of clause describing details of the covenant option	Splits out the detail for covenants from paragraph 4 on encumbrances as above. Adds that if a financier exercises its power of sale then QLDC will have first right of refusal.
7 (c)	Added ‘around’ before 1.5%, and ‘but capped at 2%’	To allow for flexibility for the Trust e.g. if land values are especially high.
8	Simplified text by referencing the secure home agreement	Simplified for clarity.
10 (a)	Replace ‘mean’ with ‘may’	Minor correction in text.
Schedule 2 – Rental Programmes Protocol		
1	Wording updates	For clarity.
2	Addition of ‘written’	To clarify that any agreement needs to be in writing.
New 3	Insert clause clarifying that land or land/dwelling	For avoidance of doubt, consistent with clause 6.4.

	contributions will have a registered instrument on the title	
New 4	Remove 'covenant' Replace 'may' with 'shall, at QLDC's election' Replace 'insolvency' with 'a) QLCHT being wound up, dissolved, liquidated or otherwise disbanded; or b) land ceasing to be used for affordable housing purposes (to be defined in the encumbrance).'	Splits out discussion of encumbrance and covenant options into separate paragraphs (4 and 5). To make consistent with Clause 6.4 above. Clarifies when QLDC has rights to resume ownership of the land.
5	Removes 'covenant' and adds 'through a registered covenant'	Splits out this paragraph to refer to when an encumbrance is used, and clarifies that QLDC and QLCHT will work together to use a covenant in the case that QLCHT needs to use the land as security for finance.
6	Addition of clause describing details of the covenant option	Splits out the detail for covenants from paragraph 4 on encumbrances as above. Adds that if a financier exercises its power of sale then QLDC will have first right of refusal.
7(a)	Update rental terms	Wording has been added and deleted so it reflects the Trust's policy for rental programmes.
Schedule 2	Deleted	This has now been superseded by the updated agreement.