

Item 1: Relationship Framework Agreement with the Queenstown Lakes Community Housing Trust

SESSION TYPE: Workshop

PURPOSE/DESIRED OUTCOME:

The purpose of this workshop is to allow for discussion and Q&A on the proposed changes to the Relationship Framework agreement between the Queenstown Lakes Community Housing Trust (QLCHT) and Queenstown Lakes District Council (QLDC).

DATE/START TIME:

Tuesday, 15 September 2026 at 10.00am

TIME BREAKDOWN:

Presentation: 15 mins

Questions and Discussion: 15 mins

PRESENTERS:

Emily Irwin – Senior Strategic Planner (Housing), QLDC

Anita Vanstone – Strategic Growth Manager, QLDC

Julie Scott – Queenstown Lakes Community Housing Trust

Prepared by:



Name: Emily Irwin

Title: Senior Strategic Planner – Housing

2 September 2026

Reviewed and Authorised by:



Name: Pennie Pearce

Title: Acting General Manager – Strategy & Policy

4 September 2026

ATTACHMENTS:

A	Slides: Relationship Framework Agreement between QLCHT and QLDC
B	Draft Updated Relationship Agreement
C	Proposed Schedule of Changes to the Relationship Agreement

Amendments to the Relationship Framework Agreement (RFA)

Between the **Queenstown Lakes District Council** and
the **Queenstown Lakes Community Housing Trust**

15 September 2026

A strong and long-standing partnership

- QLDC facilitated the creation of QLCHT as an independent, charitable trust in 2007.
- QLCHT builds independent relationships and focuses on delivering quality affordable community housing and associated wraparound support services (pastoral care).
- QLDC provides significant support, with the joint goal for QLCHT to become self-sufficient in time.
- The RFA formalises how the two organisations work together, and sets expectations on how land and financial contributions are to be used and protected as long-term community assets.

2007



QLCHT established

QLDC facilitates the Trust to advance the community's affordable housing goals. An MoU between parties is established.

2017



Mayoral Taskforce

Target set to deliver 1,000 new community homes with secure tenure by 2028, later updated to 2038. First RFA implemented.

2022



Current RFA agreed

Council and QLCHT execute the current RFA on 30 June and agree to review every three years.

2023



Joint Housing Action Plan

34 actions adopted; Action 4 is to support and amplify QLCHT's work.

A proven affordable-housing delivery record



406

HOUSEHOLDS ASSISTED

Across ownership and rental models on the housing continuum.



\$80M

FUNDING SECURED

70% via Inclusionary Housing developer contributions.



131

SECTIONS + \$9.1M CASH

Contributed by developers, plus Crown and QLDC support. Includes bulk lots.

HOUSEHOLDS SUPPORTED, BY PRODUCT (as at 31 July 2026)

124



Shared Ownership

125



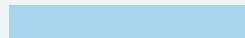
Secure Home

78 (25 x Seniors)



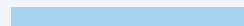
Social Rental

48 (10 x Seniors)



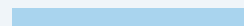
Affordable Rental

27



Rent Saver

4



Third-party leases

KEY PROPOSED CHANGES

1. **Clauses 3.3 - 3.5:** Amendments to the requirements if QLCHT is wound up, to support QLCHT to register as a charity while protecting QLCHT assets for the community.
2. **Clause 6.4:** Adding the ability to place covenants on QLCHT land received from Inclusionary Housing, in addition to the ability to use encumbrances.
3. **Minor refinements:** Clarifying Board meeting timings and minor edits for clarity and consistency.

Supporting QLCHT to register as a charity

Of 95 registered Community Housing Providers, only QLCHT is not a registered charity, having been deregistered in 2011. The current RFA blocks re-registration, as it requires the QLCHT Trust Deed to require surplus assets are returned to QLDC, whereas charity rules require surplus assets to pass to another charity. The proposed changes enable QLCHT to seek charity status while keeping QLCHT's assets protected for the community.

CURRENT REQUIREMENTS

QLDC must directly receive QLCHT's assets if QLCHT is ever wound up. QLCHT have advised that this prevents them from registering as a charity.



PROPOSED CHANGE

If wound up, QLCHT must obtain QLDC's written approval for any recipient of its assets. This supports charity registration while protecting the assets and retaining QLDC oversight.

Why it matters

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 an 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.

The current deregistration status raises questions and may further discourage investment.

PROS and CONS

PROS

- **Enables alternative funding sources.** Charity registration supports philanthropic and grant funding, e.g. Active Investor Plus “golden” visa holders, who can only claim a tax deduction if QLCHT is a registered charity. This supports the shared goal of QLCHT becoming more self sufficient.
- **Removes a reputational barrier.** Deregistration is a source of confusion and distrust for funders, partners and developers. QLCHT is the only one of 95 registered Community Housing Providers that is not a charity.
- **QLDC retains approval rights.** Any recipient of QLCHT’s assets on wind-up must be approved by QLDC in writing.

CONS

- QLDC will no longer directly receive assets if QLCHT is wound up.
- The assets will now be required to go to a registered charity.

MITIGATIONS

- QLDC’s written approval right over any recipient.
- QLDC can establish a new charity with a new RFA to receive the assets, keeping them in community use in perpetuity.
- Most properties can also be protected with a covenant, discussed in the next slide.

Covenants: another tool to protect land in perpetuity

The draft RFA would let QLDC place covenants on the titles of Inclusionary Housing land transferred to QLCHT.



Encumbrance

EXISTING TOOL

QLDC's existing mechanism in the RFA, but it can restrict QLCHT's financing options and impact the viability of projects.



Covenant

NEW TOOL

Provides an alternative that protects the long-term affordable housing purpose while preserving QLCHT's financing flexibility.



Both tools ensure land transferred to QLCHT via Inclusionary Housing is used for perpetual affordable housing. Officers are already proactively placing covenants on land transferred to date, with QLCHT's agreement. Note that the Toru Apartments were bought outright by QLCHT, and 17 other properties were acquired under the previous Shared Ownership programme (most with the residents also on the title), and are therefore not subject to a covenant.

Two further refinements

Alongside the two substantive changes, the refreshed RFA includes practical updates to governance participation and general housekeeping.



Board attendance

TIMINGS

At least two QLDC representatives may attend QLCHT Board meetings. Councillors asked that the timing be reviewed; QLDC and QLCHT have agreed to coordinate scheduling to avoid clashes.



Consistency & clarity

GENERAL UPDATES

Minor changes throughout the agreement for clarity, to reflect current dates, and to align with QLCHT's updated policies.

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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—
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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 ~~the Council~~QLDC.
- B QLDC and QLCHT ~~previously~~ entered into ~~a~~ memoranda of understandings relating to affordable housing objectives in the District. ~~In that those~~ document~~s~~, 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 On 29 October 2015 QLDC and QLCHT signed the most recent memorandum of understanding. 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.~~
- ~~DC~~ 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:
- setting a target to deliver 1000 affordable homes with secure tenure by ~~2028~~ 2038¹ across specific programmes in the assisted rental and assisted ownership areas;
 - building a range of community affordable market offerings including an affordable ownership programme with QLCHT delivering secure tenure housing using leasehold land;
 - 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
 - investing in scaling up QLCHT, with QLDC confirming QLCHT as its preferred partner for receiving any Contributions, and as the primary delivery

¹ QLCHT updated the timeframe to 2038 in 2022.

organisation for affordability product offerings to the residents of the Queenstown Lakes District.

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

FE To do that, this Agreement replaces all previous memoranda of understandings ~~and previous Relationship Framework Agreements. It and~~ 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.

GF 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.

HG QLDC and QLCHT have performed a periodic review on or around 29 March 2025 pursuant to clause 7.2 of ~~this 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) have been updated in this version of the Agreement.~~

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 ~~1 April 2015~~ 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 ~~Clause 20.2 of the Trust Deed provides that, should QLCHT be dissolved or wound up, any moneys or trust property remaining after settlement shall be distributed back to QLDC. QLCHT agrees that it will not vary or remove this clause of the Trust Deed without QLDC's written consent.~~ 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 the Board and approved in writing 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, QLCHT must obtain QLDC's prior written approval:

- (a) consult in good faith with QLDC; and
- (b) obtain QLDC's prior written approval as to the identity of the recipient charitable trust or trusts;

3.23.5 No transfer of surplus assets may be made unless the proposed recipient/s charitable trust or trusts are approved in writing by QLDC (such approval not to be unreasonably withheld), with QLDC's approval to take account of whether the recipient trust's purposes substantively align with the community housing objectives of QLCHT and QLDC's strategic housing outcomes.

~~3.33.6~~ QLCHT's selection panel for the appointment of any new Chair of QLCHT shall include at least one ~~elected member~~~~Councillor~~.

~~3.43.7~~ 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.

~~3.8~~ QLCHT will carry out its activities in accordance with accepted principles of good governance for similar community organisations.

~~3.53.9~~ QLCHT will ensure that any wholly owned subsidiary is aware of and complies with this Agreement.

~~3.63.10~~ Without limiting clause 3.7, 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.

~~3.7~~ ~~QLCHT will amend clause 20.2 of the Trust Deed to provide that, unless agreed otherwise at the time, on the winding up or other liquidation of the QLCHT any land owned by QLCHT which was provided by QLDC under this Agreement and/or a written protocol shall be distributed back to QLDC. The proposed change of wording shall be devised by the Trust and approved by QLDC.~~

~~3.83.11~~ 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.

~~3.93.12~~ The parties will, over time, work together to reduce the support services that QLDC provides to QLCHT.

~~3.103.13~~ QLDC support may, from time to time, be necessary to support ~~the Trust~~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.

~~3.113.14~~ 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 ~~the Council~~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.

[3.123.15](#) QLCHT acknowledges that consideration by QLDC of a request for support may require consideration and ratification by the Governing Body of ~~the Council~~ 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 ~~the 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 ~~QLDC expects that land provided by QLDC a~~Any Contribution to QLCHT ~~will~~must be used ~~by QLCHT~~ 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 ~~the Council~~QLDC's satisfaction that any property transferred to ~~the Trust~~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 ~~the Council and the Trust agree that~~ a Contribution ~~to be provided by the Council to the Trust~~ is to be used by ~~the Trust~~QLCHT for the Secure Home Programme, this Protocol ~~will govern~~s 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 ~~the Trust~~QLCHT to continue adapting to circumstances and conditions but subject to agreement by ~~the Council~~QLDC.

23 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 ~~C~~contribution shall, at QLDC's election, ~~may~~ be subject to an encumbrance ~~or covenant~~ in favour of ~~the Council~~QLDC, containing Council's rights to resume ownership of the land and dwellings(s) in the event of ~~insolvency of~~

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

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

4 ~~The Council~~QLDC's encumbrance/~~covenant~~ shall be first ranking over any other security provided if ~~the Trust~~QLCHT needs to use the ~~land~~ as security for finance purposes then Council agrees to work with ~~the Trust~~QLCHT to facilitate the same so as to protect the interests of ~~the Council~~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 ~~The Trust~~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;

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- b. ~~The TrustQLCHT~~ 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 ~~the TrustQLCHT~~ 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 ~~the TrustQLCHT~~, ~~the TrustQLCHT~~ must implement the transfer and pay a reversion price.
- 7 On acquiring the reversion ~~the TrustQLCHT~~ will enter into a new agreement with new occupant(s) as per the process in the Secure Home Agreement, with the occupant(s) paying an upfront payment no more than the reversion price. The periodic rent may be reset to 1.5% of the current market value and will be subject to subsequent rent reviews indexed to CPI.
- 8 On acquiring the reversion, ~~the TrustQLCHT~~ 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 ~~The TrustQLCHT~~ will enter into a Deed with any mortgagee of the occupant(s) for the upfront payment ensuring:
- a. The mortgagee will notify ~~the TrustQLCHT~~ of any circumstances that ~~mean may~~ lead to an event triggering transfer of the land back to ~~the TrustQLCHT~~;
 - b. The mortgagee will notify ~~the TrustQLCHT~~ 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.
- 1 For contributions provided by the Council to the Trust for rentals, this Protocol will govern the form of transactions to be entered into.
- 2 The transactions set out in this Protocol may be subject to amendment from time to time to enable ~~the Trust~~QLCHT to continue adapting to circumstances and conditions but subject to written agreement by ~~the Council~~QLDC.
- 43 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 ~~C~~contribution shall, at QLDC's election, ~~may~~ be subject to an encumbrance ~~or covenant~~ in favour of ~~the Council~~QLDC, containing Council's rights to resume ownership of the land and dwellings(s) in the event of ~~insolvency of~~
- (a) ~~QLCHT being wound up, dissolved, liquidated or otherwise disbanded;- or~~
- 5(b) ~~land ceasing to be used for affordable housing purposes (to be defined in the encumbrance).~~ ~~the Trust.~~
- 5 ~~The Council~~QLDC's encumbrance ~~/covenant~~ shall be first ranking over any other security provided if ~~the Trust~~QLCHT needs to use the ~~land~~ as security for finance purposes then Council agrees to work with ~~the Trust~~QLCHT to facilitate the same so as to protect the interests of ~~the Council~~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.~~

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Rental Terms

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

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- (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, ~~and QLCHT agrees not to terminate the lease in the first 5 years;~~
- (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) ~~The Trust~~QLCHT and the household will review their financial situation and goals regularly.

Qualifying Households

38 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 ~~Trust~~QLCHT property under ~~the Trust's~~QLCHT's Public Housing Rental Protocol.

~~Schedule 2 – Rental Programme Protocol (this document) is to be signed and added to the Relationship Framework Agreement (RFA) and Protocol 1, signed on 22 March 2019.~~

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 C: Proposed Schedule of Changes to the Relationship Agreement

Attachment C: Table of proposed changes to the Relationship Framework Agreement between QLDC and the Queenstown Lakes Community Housing Trust:

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 approved in writing 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.