

Decision released from confidential session			
Recommendation from (agenda report)	Date of meeting	Recommendation to (decision-making meeting)	Date of meeting
Council	04 May 2023		
Report Title and number			
Housing Reserve - Grant Application – R27667			
Documents released			
The Report 27667 – Housing Reserve – Grant Application, Attachment (336940202-6964) and decision CL/2023/106.			
Decision			
Resolved			
<i>That the Council</i>			
<ol style="list-style-type: none"> 1. <i><u>Receives</u> the report Housing Reserve – Grant Application (R27667) and its attachment (336940202-6964); and</i> 2. <i><u>Approves</u> grant funding of \$1,200,000 to Nelson Tasman Housing Trust for the development of 163 Kawai Street South and 116 Waimea Road into 8 affordable rentals, subject to officers completing financial evaluation and a grant contract condition specifying the grant is required to be paid back to the Housing Reserve, if the development is not completed by 30 June 2026; and</i> 3. <i><u>Delegates</u> the confirmation of the financial evaluation and finalising the Grant Contract for Nelson Tasman Housing Trust to the Chief Executive; and</i> 4. <i><u>Notes</u> the grant, if successfully contracted, is to be disbursed by 30 June 2023; and</i> 5. <i><u>Agrees</u> that Report (R27667), Attachment (336940202-6964) and the decision be made publicly available following completion of negotiations.</i> 			

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Item 6: Housing Reserve - Grant Application



Council

4 May 2023

REPORT R27667

Housing Reserve - Grant Application

1. Purpose of Report

To consider a recommendation from the Community Housing Acceleration Taskforce that an application received for Phase Three of the Housing Reserve from Nelson Tasman Housing Trust for \$1,200,000 for the development of 8 two bedroom unit affordable rentals at 163 Kawai Street South and 116 Waimea Road be approved.

2. Recommendation

That the Council

1. ***Receives the report Housing Reserve - Grant Application (R27667) and its attachment (336940202-6964); and***
2. ***Approves grant funding of \$1,200,000 to Nelson Tasman Housing Trust for the development of 163 Kawai Street South and 116 Waimea Road into 8 affordable rentals, subject to officers completing financial evaluation and a grant contract condition specifying the grant is required to be paid back to the Housing Reserve, if the development is not completed by 30 June 2026; and***
3. ***Delegates the confirmation of the financial evaluation and finalising the Grant Contract for Nelson Tasman Housing Trust to the Chief Executive; and***
4. ***Agrees that Report (R27667), Attachment (336940202-6964) and the decision be made publicly available following completion of negotiations.***

CONFIDENTIAL

Item 6: Housing Reserve - Grant Application

3. Exclusion of the Public

3.1 This report has been placed in the confidential part of the agenda in accordance with section 48(1)(a) and section 7 of the Local Government Official Information and Meetings Act 1987. The reason for withholding information in this report under this Act is to:

- Section 7(2)(i) To enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)

4. Background

4.1 The Council has divested its community housing portfolio (142 bedsits and units) to Kāinga Ora with final settlement occurring in March 2021. Council agreed to establish a Housing Reserve using the proceeds of the divestment (\$12 million). The Housing Reserve has been established on the basis that its purpose would be 'to work with and support partners who have the ability to deliver social and affordable housing solutions for the community'.

4.2 At its meeting 5 October 2021 Council approved Phase One of the Housing Reserve. Phase One was a \$2 million grants programme to be invested to support and enable partners to deliver an enduring supply of new affordable housing in Whakatū Nelson.

4.3 Phase One was opened on 7 October 2021 to applications from Community Housing Providers registered with the Community Housing Regulatory Authority and/or Iwi Trusts. Applicants needed to have a local presence and be well-positioned to deliver new affordable housing in Whakatū Nelson.

4.4 Phase One has now been completed with two grants allocated, \$850,000 to Nelson Tasman Housing Trust for the development of 99 Muritai Street, and \$1million to Habitat for Humanity for the development of 623 Main Road Stoke. The Muritai Street development was completed in April 2023, the Main Road Stoke development is still under construction.

4.5 On 22 August 2022 Council opened a Phase Two, allocating a further \$2million as grant funding. \$1million was granted to Nelson Tasman Housing Trust for the development of 76 Dodson Valley Road, and a further \$1million to Habitat for Humanity for the development of 181 Rutherford Street. Phase Two grant agreements are signed but the funds have yet to be allocated as the developments are conditional upon Ministry of Housing and Urban Development (MHUD) Co-funding which has yet to be confirmed.

4.6 On 22 September 2022, Council opened the Housing Reserve for further applications utilising the Phase One Housing Reserve criteria. No applications were received.

CONFIDENTIAL

Item 6: Housing Reserve - Grant Application

- 4.7 On 10 December 2022, Council established the Community Housing Acceleration Taskforce, whose role is to advise on how the Council can grow, as quickly as possible, the stock of community housing using the Housing Reserve with the goal to double the number of community housing houses from 50 to 100 by 2026.
- 4.8 On 10 March 2023, Council (on the recommendation of the Community Housing Acceleration Taskforce) adopted new guidelines for grants from the Housing Reserve.

Resolved CL/2023/001

1. Receives the report *Housing Reserve Fund (R27442) and its attachment (336940202-5833)*; and
2. Confirms that grant decisions be made by Council on the recommendation of the taskforce; and
3. Amends the *Housing Reserve Grants Programme 2023 attachment (36940202-5833)* to:
 - a) *insert an additional clause under the guidelines:*

The taskforce may consider other innovative housing proposals for support from the Housing Reserve Fund outside of these guidelines where it believes it offers good use of public money to alleviate Nelson's housing problems.
 - b) *Amends the objective of the Housing Reserve Grants Programme to specify the objective to support and enable not for profit community housing providers where they have a presence in Nelson.*
 - c) *Clarifies that the Housing Reserve Fund Cap referred to in (g) of the Guidelines excludes grants provided under Phase 1 and 2; and*
4. Approves the *amended Housing Reserve Grants Programme 2023 attachment (336940202-5833)* which sets out the objectives and guidelines; and
5. Delegates confirmation of Housing Reserve Grant contracts to the Chief Executive.

- 4.9 Applications can now be received on a continuing basis in accordance with the grant criteria from not-for-profit Community Housing Providers registered with the Community Housing Regulatory Authority and/or Iwi Trusts. Applicants need to have a local presence and be well-positioned to deliver new affordable housing in Whakatū Nelson.

CONFIDENTIAL

Item 6: Housing Reserve - Grant Application

5. Discussion

- 5.1 On 20 April 2023, Council received its first application to Phase 3 of the Housing Reserve, the application is summarised as follows:

Nelson Tasman Housing Trust (NTHT)

- 5.2 NTHT seek a \$1,200,000 grant, being 27% of a budgeted \$4,430,800 development at 163 Kawai Street South and 116 Waimea Road, comprising 8 two bedroom affordable rental homes to be managed by NTHT. The grant sought is payable up front and is to be used for land purchase costs.
- 5.3 Additional funding of \$1,780,800 for the development is being sought from MHUD but is yet to be secured. As with other NTHT developments co-funding of \$350,000 is also confirmed through their philanthropic funder subject to Council providing Housing Reserve funds. The remaining budget shortfall of \$910,000 will be provided via a bank loan to NTHT.
- 5.4 A copy of the application and concept plans for the development is provided in Attachment 1.

Evaluation

- 5.5 The objectives of Phase Three are:
- 5.5.1 To invest the Housing Reserve to support and enable not for profit community housing providers (registered with the Community Housing Regulatory Authority) and Iwi Trusts that have a presence in Nelson to deliver an enduring supply of social and/or affordable housing in Whakatū Nelson.
- 5.5.2 To help grow, as quickly as possible, the stock of community housing with the goal to double the number of community housing houses from 50 to 100 by 2026.
- 5.6 An evaluation of the application was undertaken by the Strategic Housing Adviser and reviewed by the Acting Group Manager Environmental Management, and the Acting Manager City Development.
- 5.7 The application and officer evaluation has been reviewed by the Community Housing Acceleration Taskforce who met on 1 May 2023.
- 5.8 The NTHT application meets the guidelines of the Housing Reserve Phase Three. NTHT are also able to demonstrate their strengths in capability and ability to deliver through their track record, and they provide a good level of assurance that the development will deliver fit for purpose housing.
- 5.9 Co-funding for the development is secured via NTHT's philanthropic funder, and an application has been made to MHUD for additional co-

CONFIDENTIAL

Item 6: Housing Reserve - Grant Application

funding. The Community Housing Acceleration Taskforce is satisfied this meets the Housing Reserve guidelines.

- 5.10 Given the request from NTHT that a decision is made quickly to ensure land purchase can be completed, a full evaluation by a panel of officers including financial analysis has not been completed due to time and resource constraints. However, the track record of NTHT demonstrates it is a good operator and officers are confident that financial viability will not be an issue. The Community Housing Acceleration Taskforce recommends that any decision to approve the grant funding be subject to completion of the financial analysis and that the grant contract be delegated to the Chief Executive.
- 5.11 The Community Housing Acceleration Taskforce also recommends that Councils security interest in the funding be secured by way to a condition of the grant contract specifying that the funds be returned to the Housing Reserve should the development not be completed by 30 June 2026. NTHT state in their application that the development is expected to be completed by March 2025.

6. Options

- 6.1 The Community Housing Acceleration Task force recommend that a grant be approved for Nelson Tasman Housing Trust, subject to two conditions:
- 6.1.1 Officer financial evaluation is completed to the satisfaction of the Chief Executive; and
- 6.1.2 The grant contract contains a condition specifying that if the development isn't completed by 30 June 2026, then the funds are to be returned to the Housing Reserve.
- 5.2 Council has the option of approving the grant subject to the conditions as recommended by the Community Housing Acceleration Taskforce or declining it.

Option 1: Approve the grant application for Nelson Tasman Housing Trust, subject to the conditions above.

Advantages	<ul style="list-style-type: none">• Responsive to immediate housing needs and the readiness of Nelson Tasman Housing Trust to meet that need.• Will deliver 8 new housing units to be managed by a capable and experienced community housing provider that meets the guidelines of Phase Three of the Housing Reserve.
Risks and Disadvantages	<ul style="list-style-type: none">• Co funding is not yet confirmed with MHUD, however co-funding from NTHT's philanthropic funder is confirmed meeting the guidelines of the Housing Reserve. Funding from the Housing Reserve is likely to increase the

CONFIDENTIAL

Item 6: Housing Reserve - Grant Application

	<p>chance of success of the application to MHUD. NTHT have also identified an alternative pathway for additional funding should MHUD funding not be approved.</p> <ul style="list-style-type: none">• Risks identified around security of Housing Reserve Funds can be mitigated in part by a contractual condition requiring repayment of funds if the development isn't built by 30 June 2026. However, Council would be an unsecured creditor, with no rights in relation to specific assets. It would rank after all secured funders. Non-payment of the grant would require Council to go to Court to seek payment but the risk is considered very low. Any risk is reduced by the grant recipient being a Community Housing Provider registered with the Community Housing Regulatory Authority. Notwithstanding this they are still subject to the open market construction supply chain challenges currently facing the country.
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7. Conclusion

- 7.1 This report seeks Council approval of a Housing Reserve grant of \$1,200,000 to NTHT for the development of 8 two bedroom unit affordable rentals at 163 Kawai Street South and 116 Waimea Road as recommended by the Community Housing Acceleration Taskforce.

8. Next Steps

- 8.1 If the recommendation is approved the next steps will be:
- 8.1.1 Advise NTHT of Council's decision
 - 8.1.2 Officers complete financial evaluation
 - 8.1.3 Grant contract including recommendations is sent to NTHT for signing
 - 8.1.4 Chief Executive signs grant contract
 - 8.1.5 Purchase order raised for funding
 - 8.1.6 NTHT invoices the Housing Reserve
 - 8.1.7 Council payment of grant

CONFIDENTIAL

Item 6: Housing Reserve - Grant Application

Author: Lisa Gibellini, Strategic Housing Adviser

Attachments

Attachment 1: 336940202-6964 Housing Reserve Grant Application - Phase 3 -
Nelson Tasman Housing Trust

Released 06 June 2023

CONFIDENTIAL

Item 6: Housing Reserve - Grant Application

Important considerations for decision making

Fit with Purpose of Local Government

The intent of the Housing Reserve is to support the social and economic wellbeing of the community by working with and supporting others to provide adequate social-affordable housing in Whakatū Nelson.

Consistency with Community Outcomes and Council Policy

During divestment of its community housing portfolio, Council has consulted with the community on the use of divestment proceeds and the establishment of what is now known as the Housing Reserve through the Annual Plan 2019-20, Annual Plan 2020-21, and Long Term Plan 2021-31, where intensification and affordability of housing was also raised.

The recommendations in this report are also consistent with Council's affordable housing and intensification objectives, which have been identified as a priority issue during the last triennium for Council.

Risk

There is a risk that grant funding is distributed and the outcomes are not achieved. This risk has been minimised by ensuring that the funding contract contains a condition requiring repayment of funds should the development not be complete by 30 June 2023.

Financial impact

This report recommends that \$1,200,000 of the Housing Reserve is made available as part of Phase 3 of the Housing Reserve. The Housing Reserve has been established through the divestment of Council's community housing, therefore, this decision has no further financing/funding impact.

Degree of significance and level of engagement

While there is a high degree of community interest in housing affordability in the region generally, this proposal has been assessed against Council's Significance and Engagement Policy as being of low significance overall. No new funding is required, it does not involve any transfer of strategic assets and will have no impact on debt levels or Council's financial capability.

Additionally, Council has already undertaken considerable consultation on the establishment of the Reserve with the local community, and its possible use with experts and stakeholders. Establishing the Reserve was viewed favourably by the community. For that reason, officers therefore consider Council is already adequately informed of community views in relation to considering this application.

CONFIDENTIAL

Item 6: Housing Reserve - Grant Application

Climate Impact

The application is for a traditional housing development with no specific measures identified for addressing climate change, albeit they include some sustainability matters such as deconstruction of the existing dwelling, modern building standards, and some solar panels. The site is well located to enable residents to minimise their carbon footprint via active and public transport corridors.

Inclusion of Māori in the decision making process

Engagement with iwi on the Housing Reserve, including the proposal for Phase One, was undertaken at the 28 September 2021 Iwi Managers Forum.

Delegations

This is a decision for Council.

Housing Reserve Grants Programme

This document outlines guidelines for the Nelson City Council Housing Reserve Grants Programme from February 2023. This document replaces all other previous Council policies in relation to the distribution of grants under the Housing Reserve.

The Housing Reserve Grants Programme is administered by the Community Housing Acceleration Taskforce, which will review applications and make recommendations to the Council for decision in accordance with the objectives and guidelines in this document.

Objective of Housing Reserve Grants Programme 2023:

- To invest the Housing Reserve to support and enable not for profit community housing providers (registered with the Community Housing Regulatory Authority) and Iwi Trusts that have a presence in Nelson to deliver an enduring supply of social and/or affordable housing in Whakatū Nelson.
- To help grow, as quickly as possible, the stock of community housing with the goal to double the number of community houses from 50 to 100 by 2026.

Guidelines for distribution of Grants:

Grants will be distributed in accordance with the following guidelines:

- (a) Amount of grant per housing unit type:
 - (i) \$150,000 contribution per housing unit for social and affordable rental
 - (ii) \$50,000 contribution per housing unit for progressive home ownership
 - (iii) \$15,000 contribution per social and/or affordable temporary housing unit (i.e tiny home, transitional cabin units)
- (b) The grant can be used for the purchase of land and/or housing construction costs.
- (c) The housing development must have not benefitted from previous grants of the Housing Reserve.
- (d) The housing development must result in a net increase in unit numbers.
- (e) The housing development must be located within the territorial authority boundaries of Nelson City Council.
- (f) The grant must result in housing that is completed and occupied within 3 years of the grant being allocated.
- (g) A single community housing provider or iwi trust may apply for no more than \$3million in funding from the Housing Reserve. (Note: this cap excludes grants provided from Phase 1 and 2 and may be reviewed at the discretion of the Community Housing Taskforce if an organisation can demonstrate proven ability to deliver additional housing and Housing Reserve funds are available).
- (h) Grants will not be allocated until a security mechanism to ensure the outcomes are achieved within the specified time is agreed upon. Any grants not used to



achieve the outcomes as proposed and within the timeline shall be returned to Council.

- (i) The Taskforce may consider other innovative housing proposals for support from the Housing Reserve Fund outside of these guidelines where it believes it offers good use of public money to alleviate Nelson's housing problems.

Application Process

Applications will be received at any time, on a first in first served basis, and considered on their merits according to the evaluation guidelines and decision-making process below. Applications can be made by filling out the Form 1 attached and emailed to housing.reserve@ncc.govt.nz

Evaluation and Decision making process

The Community Housing Acceleration Taskforce will make recommendations to the Council for the approval of grants from the Housing Reserve in accordance with the objectives and guidelines. Applications will be evaluated against the extent to which the housing proposal meets the following:

1. Ability to meet Housing Reserve Guidelines

Proposal fits with the guidelines	yes	no
Grant sought per housing unit type (refer (a) above)		
Housing development located within Nelson City Council territorial authority boundaries		
Applicant has sought/will receive no more than \$3million in total from the Housing Reserve (note this excludes Phase 1 and 2) *		
Grant results in net increase in housing		
The housing development is proposed to be completed and occupied within 3 years of the grant being allocated		

Applications that do not meet the guidelines may only be assessed further at the discretion of the Community Housing Acceleration Taskforce. Applications that are assessed under 2. to 4. below must score at least 60% overall against the criteria.

* This cap may be reviewed at the discretion of the Community Housing Taskforce.

2. Ability to deliver

Ability to deliver	Rating	30%
Experience, capacity, capability, and track record in delivery of affordable housing.	0-10	
Project readiness and timeline	0-10	
Property Management, Maintenance and Tenancy Management experience	0-10	

Experience, capacity, capability, and track record in delivery of affordable housing:
Council is interested in providers who can deliver what they say and by when. Therefore,



this section involves the assessment of a provider’s track record on previous projects, and capacity to deliver on the proposal. This includes any internal governance structures and staffing involved.

Project readiness and timeline: Council is seeking to support partners who are well placed to assist with Whakatū Nelson’s immediate housing need. This section involves assessing how ready the development is, its expected timeline for completion and the likelihood of achieving the development within this.

Property Management, Maintenance and Tenancy Management experience. The Reserve is available to applicants that can add to the supply of affordable rental or rent to buy housing. Therefore, this section involves an assessment of how the provider plans to manage the properties once constructed.

3. *Fit for purpose*

Fit for purpose	Rating	40%
Site and design	0-10	
Social/community	0-10	
Environmental	0-10	
Affordable to run	0-10	

Site and design: Council seeks to fund quality new builds that incorporate good urban design principles and practices and are healthy and comfortable to live in. This includes appropriately sized spaces, easy and functional living, access to sunlight as well as design that meets different people’s needs over time e.g., universal design. Appropriate site selection forms part of this section, as well as the ability to connect to infrastructure.

Social/community: Projects that create connected neighbourhoods and communities are important. This section assesses where the planned housing is located and its closeness to amenities, services, and public and active transport links. The provision of communal space, outdoor space, and other appropriate tenant amenities also form part of this section.

Environmental: Council is seeking to support projects that are environmentally responsible and resourceful i.e., are energy and/or water-efficient, use sustainable (environmentally friendly, low-carbon) building materials, comply with Homestar 6 and/or other certified ratings. Council understands that this may involve additional cost and will consider this cost alongside its sustainability objectives.

Affordable to run: Housing that is affordable to run, energy-efficient, low maintenance, and easily repairable is more cost-efficient over time. Council is interested in whether projects are designed with a lower life cost.



4. *Financial Viability*

Financial viability	Rating	30%
Organisational financial position	0-10	
Co-investment	0-10	
Project budget	0-10	

Organisational Financial position: Council is seeking to fund organisations that are financially well-positioned to deliver.

Co-investment: One of Council’s objectives is to maximise the impact of the Housing Reserve where possible. The Council will require a level of co-investment. This section assesses the value of contributions from the organisation and/or confirmed funding from other sources or partners against the Housing Reserve grant monies sought.

Project budget: Council needs to be confident that the development’s financing and costs are well understood and accounted for, including contingencies.

Reporting and review process

Recipient of grants from the Housing Reserve will be required to provide quarterly reports for the consideration of the Community Housing Acceleration Taskforce. Reporting requirements will be allocated in any approved grant contract. The Community Housing Acceleration taskforce will review progress and guidelines in 12 months (February 2024).

**Housing Reserve
Grant Application Form**

February 2023

Part A – General

1. Purpose and Eligibility

- 1.1 The Housing Reserve will be invested to support and enable partners to deliver an enduring supply of new affordable housing in Whakatū Nelson. It is open to proposals from not for profit community housing providers registered with the Community Housing Regulatory Authority and/or Iwi Trusts, both of whom must have a presence in Whakatū Nelson.
- 1.2 Individuals and developers are not eligible for funding and applications will not be considered.

2. Process

- 2.1 This is a contestable grants programme.
- 2.2 Applicants are responsible for supplying sufficient information for Nelson City Council (Council) to evaluate against all objectives and guidelines.
- 2.3 Officers will assess applications, on a rolling basis as received. Applicants may be asked for more information during this process, or to clarify the application or parts of it, to help with the evaluation process.
- 2.4 Officers will report on all the applications received to the Community Housing Acceleration Taskforce who will make a recommendation to the Council for final decision.
- 2.5 The Council may then select applicants with whom to negotiate a grant agreement. However, applicants acknowledge that the range of possible outcomes include the Council:
 - 2.5.1 Negotiating with any or all respondents, including the right to renegotiate aspects of this process with a successful applicant; and
 - 2.5.2 Concluding this process without selecting a successful applicant.

3. Communication

- 3.1 The contact person is Lisa Gibellini:

Lisa Gibellini, Strategic Housing Adviser, Nelson City Council
Phone (03) 546 0375
Email housingreserve@ncc.govt.nz
- 3.2 All questions and completed application forms must be submitted directly to the contact person.

4. Timetable

- 4.1 Applications are accepted on a continuing basis and will be reported to the Community Housing Acceleration Taskforce and then the Council following evaluation.

5. Agreement

- 5.1 If your application is successful, Council may invite you to negotiate a grant agreement.
- 5.2 The information supplied as part of your application will form the basis of a grant agreement with the Council (subject to Council's right to seek to renegotiate aspects of the application).
- 5.3 The agreement may also require:
- 5.3.1 A staged payment schedule based on the achievement of milestones.
 - 5.3.2 Accountability progress and final development reports.
 - 5.3.3 Other terms that Council may require for the proposed development as a condition of funding.

Part B – Scope

Please complete all of the following sections.

6. Contact information

6.1 Legal name of organisation:

The Nelson Tasman Housing Trust

Known as "Nelson Tasman Housing Trust" (NTHT)

6.2 Legal Status:

Charitable Trust # 1534016

Registered Community Housing Provider # RA017

6.3 Contact person for this project (e.g. Names/ emails/ phone numbers):

Carrie Mozena

carrie@nelsonhousing.org.nz

(w) 0800 266 325; (m) 027 375 2053

6.4 GST Registration Number: 088 453 409

6.5 Charities Commission Number (if applicable): CC21439

6.6 Date of application: 20 April 2023

7. Grant request summary

7.1 Grant request amount (inclusive of GST): **\$1,200,000**

7.2 Amount of grant (+ GST if any) per housing type (tick):

\$150,000 contribution per housing unit for social and affordable rental

\$50,000 contribution per housing unit for progressive home ownership

\$15,000 contribution per social and/or affordable temporary housing unit
(i.e tiny home, transitional cabin units)

7.3 Net increase in housing numbers from total development:

6 homes net; will remove 2 old houses and build **8 new, two-bed homes**

7.4 Total cost of project - including land (+GST, if any): **\$4,230,800 (estimate)**

7.5 Project address and legal description:

Two adjoining sites – 163 Kawai St South and 116 Waimea Rd, Nelson

Lot 3 Deposited Plan 2280 being 1135m² on Record of Title NL6C/241 and

Lot 5 Deposited Plan 2280 being 706m² on Record of Title of Title NL11C/604

7.6 Project details (high level description of what the grant will be used for):

This Housing Reserve Grant will be used to fund most of the cost of purchasing the land (the combined purchase price of the two properties is \$1,250,000). NTHT settled the purchase of these properties on 5 April 2023.

Our bank ASB has agreed to provide bridging finance to secure the properties, until the Council Housing Reserve grant is received.

NTHT has plans to develop a scheme of 8 affordable rental homes on this 1840m² site. These will all be single-storey, level-access, 2-bedroom homes, with priority for adults aged 55 and over. See Concept Design attached.

NTHT will use this Housing Reserve Grant to leverage significant co-investment:

- a. **Plan A:** to secure capital funding from the Ministry of Housing and Urban Development's Affordable Housing Fund (AHF) Round Two.

NTHT was invited to submit a Registration of Interest (ROI) for AHF Round Two which we submitted on 27 March 2023. We await invitation to the RFP stage.

and

- b. a donation from our private philanthropic donor (who will be pleased to contribute once Council and HUD co-investment is confirmed)

The combination of upfront funding from Council, HUD/AHF and our philanthropic donor will reduce the amount and cost of a bank loan. This will enable NTHT to provide the homes at below-market rents, despite recent increases in building costs and inflation.

- c. **Plan B:** if for some reason NTHT is unable to secure AHF Round Two funding (we expect there will be great competition nationally for this fund), we have a viable alternative in mind – to seek Public Housing funding support for this scheme.

Based on our excellent track record with HUD, we are well-placed to apply for Public Housing funding for this development at Waimea/Kawai:

- o NTHT has a good working relationship with the HUD Public Housing contracts team;
- o the site is well-located;
- o the design fits the governments' Public Housing Plan to prioritise building 1-2 bedroom homes;
- o NTHT has signed 25-year funding agreements with HUD for two of our developments, at 17 Murphy St (completed in Dec. 2021) and 6 & 8 Totara St (resource consent pending, project completion projected for May 2024).



Please attach your responses setting out how the development will meet the following objectives of Council. Refer to the Phase One - Criteria and Process as an evaluation guide.

Council appreciates that not all of the outcomes described in this section may be delivered by one development. However, applicants should provide specific information clearly stating whether and how their proposal would satisfy each outcome specified; and may comment on how the overall design outcomes sought by Council would otherwise be delivered by the proposal.

8. Ability to meet Housing Reserve Criteria

8.1 Please outline how the proposal meets the housing reserve guidelines, specifically:

- Amount of grant sought per housing type – **\$150,000 per affordable rental**
- Located within the territorial boundaries of Nelson City Council – **Yes (between Waimea Rd and Kawai St South)**
- Your organisation has sought no more than \$3 million in total from the Housing reserve (excluding any grants provided as part of Phase 1 and 2) **Correct**
- That the development results in a net increase in housing – **Yes (2 old houses will be replaced by 8 new homes)**
- That the housing development is to be completed and occupied within 3 years of providing the grant – **Yes**
- Whether the grant is for the purpose of land purchase or dwelling construction costs – **for land purchase**

9. Ability to deliver

9.1 Experience, capacity, capability, and track record in delivery of affordable housing. For this question please outline:

- **Details of several specific developments of similar type, scale, and approach to the criteria and design which have been undertaken recently and where you have acted as the developer/housing provider.**

NTHT currently has 55 rental homes across 9 developments, all purpose-built for our organisation. Each scheme is a comprehensive development of 3 to 9 homes; all sites have been intensified to the degree permitted at the time. NTHT operates all our properties as affordable rentals and social (public) housing, in perpetuity. See summary table below, and Appendix 1 which includes photos of some of our housing schemes.

NTHT Developments	Year completed	# homes x size	# of bedrooms	Builder
103 Kawai St, Nelson	2006	4 x 2-beds	8	Turner Holdings
14 Bramley St, Richmond	2010	9 x 2-beds	18	Jennian

285 Brook St, Nelson	2013	4 x 2-beds 5 x 3-beds	23	Hybrid Homes
51-60 St Lawrence St Toi Toi, Nelson	2013	2 x 2-beds 6 x 3-beds	22	Jennian
55 St Lawrence St Toi Toi, Nelson	2015	2 x 3-beds 2 x 4-beds	14	Jennian
225 Kawai St South, Nelson	2015	2 x 2-beds 1 x 3-bed	9	Jennian
16 Orchard St, Stoke, Nelson	2017	4 x 1-beds 2 x 2-beds	8	Jennian
17 Murphy St, Toi Toi, Nelson	2021	6 x 2-beds	12	Jennian
99 Muritai St, Tahunanui, Nelson	2023	4 x 2-beds 1 x 4-bed	12	Jennian

• **The organisational capacity to deliver on the proposal**

The Nelson Tasman Housing Trust (NTHT) is an established charitable trust and a registered Community Housing Provider. The NTHT's mission is "to increase the supply of quality, affordable, healthy homes and housing services for people/whānau in need, while upholding the principles of Te Tiriti o Waitangi." Our core business is developing and operating social and affordable rental housing for people on low incomes. We are committed to providing secure tenancies and quality homes so people can live well and contribute long-term at work, in schools, and within the community. NTHT creates enduring, affordable housing solutions for people of all ages.

NTHT has skilled and experienced governance and management, a strong track record of project delivery, robust financial management, responsive tenancy and property management, firm goals to grow the supply of affordable homes for people in our region, and clear plans to continue operating healthy, affordable housing over many generations.

Summary of work backgrounds for all NTHT trustees and employees:

Board of Trustees

Andrew Wilson, Chair (since 2020)

Andrew provides consultancy services in social/affordable housing and property management (Director of Avonbank Property Advisory Ltd). He established Accessible Properties Ltd (APL, New Zealand's largest community housing provider), and ran the organisation until 2017, growing it from 900 to 2,600 homes under management. Prior to APL, Andrew was General Manager for IHC's property portfolio. He holds a Master of Engineering and has a background in senior management and civil/structural engineering. Andrew served for five years on the national Council of Community Housing Aotearoa and was Chairperson for three years. He is a member of the Australasian Housing Institute. Other governance roles have been as Chair for the Chartwell School Board of Trustees, and the Beckenham Neighbourhood Association in Christchurch, Vice President for the IHC Wellington Branch, and member of the IHC Property Board.

Peter Barr, Deputy Chair (since 2021)

Peter spent 23 years working in the oil industry in marketing and senior management roles both in NZ and overseas. He served 10 years in sport management with Tasman Rugby, as well as 6 years as a senior executive working for Nelson Pine Industries Ltd.



Peter's former governance roles include Deputy Chair of the Board of Trustees at Nelson Girls College and Trustee with Network Tasman Trust.

Catherine McLellan, Treasurer (since 2019)

Catherine is a Chartered Accountant with 18 years accounting experience working for CA practices in Christchurch, Adelaide and Nelson. She works for Findex as a Senior Manager. Catherine has a wealth of experience preparing and reviewing financial reports, managing staff, and has served in many previous Treasurer roles. She is also a member of the Nayland Primary School Board of Trustees.

Elton Merrin (since 2014)

Elton is an Agri-Banker with ANZ with over 25 years' experience in the banking sector. His skills include financial planning, commercial banking and accountancy. Elton manages a portfolio of moderate to large scaled agricultural customers across Nelson Tasman, so has strong experience in dealing with property transactions and business management. His previous governance roles include several school Boards of Trustees. Elton has a Bachelor of Agricultural Science and Diploma in Accountancy.

Paul Russell (since 2015)

Paul is a retired civil engineer and former Branch Manager with MWH Global. Paul's expertise includes geotechnical engineering, heavy civil structures, and domestic building. He is an experienced Engineer to the Contract and Project Manager, having trained more than 300 MWH project managers in Australia and NZ. Paul's skills include strategic planning, risk management, health and safety and governance. He was Chair of Nelson Central School for five years and is a Trustee with the Brook Waimarama Sanctuary Trust.

Susan Coleman (since 2017)

Susan has many years' of experience at executive management level in local government, community social services and the non-profit sector. Susan's understanding of Council processes assists NTHT to build productive working relationships with local authorities. Susan also brings skills in strategic planning, employment and governance. Susan has a Masters in Management (Massey University).

Judene Edgar (since late 2022)

Judene is a Senior Governance Adviser with the Institute of Directors' Governance Leadership Centre. She has a wealth of experience across a wide range of organisations and sectors including local government, health, housing, sport, not-for-profit, arts, energy, aviation, education, and research. Judene was formerly Deputy Mayor of Nelson and was a Councillor for Tasman District. She serves on many boards, has a Bachelor of Behavioural Science, a Graduate Diploma in Communications and is a Resource Management Commissioner.

John Harris (since early 2023)

John (Ngāpuhi, with whakapapa links to Te Rawara and Kāi Tahu) brings strong experience within Māori communities and the health sector. John works for Te Piki Oranga as Pukenga Manaaki for adult mental health. John has held previous roles in farming, retail and with Air Nelson. He was born in Kaitaia, and has lived in Tapawera, Oamaru and Nelson. John and his wife have raised three children and five mokopuna. His life is governed around his whānau and mokopuna.

NTHT Management

Director, Carrie Mozena (since 2015)

Carrie has a comprehensive background in affordable and social housing, NGO funding, community sector leadership and team development. She helped to found NTHT, was a Trustee 2004-2014, then became NTHT Director after 12 years managing the Nelson Women's Centre. Carrie served on the National Council of Community Housing Aotearoa as Treasurer, 2015-2018, and is a trustee for Warmer Healthier Homes Te Tau Ihu Charitable Trust. Her previous work has included organisational development for medium and large corporations and schools, Outward Bound instructing and programme direction, and running a small business. Carrie has a Bachelor of Arts (Hons, Duke University).

Building/Development Manager, Jon Stevenson (since 2017)

Jon has 30 years' experience in property and asset management with Housing NZ, as a motelier and with NTHT. His most recent role with HNZ was Regional Asset Manager for Wellington/Hutt Valley, responsible for over 9000 residential properties. Jon relocated to Nelson in 2011 and owned/ran the Parkside Motel in Richmond for 5 years. Jon's deep skills in social housing development and project management now benefit the Trusts' ambitious plans to grow. Jon has a Bachelor of Commerce (Property Valuation, University of Canterbury).

Finance Manager, Phill Lee (since 2018)

Phill has a background in property finance and business banking, accounting and financial management. He has worked previously for Westpac, Findex, Borlase Transport and Neudorf Wines. He currently works part-time for NTHT and maintains a private accountancy practice. Phill has a Diploma in Business (MIT), a Bachelor of Commerce (Accounting, NMIT) and is a Chartered Accountant.

Tenancy Manager, Tanya Rich (since 2022)

Tanya has worked in property management and real estate sales in both Nelson and Christchurch. Tanya also has experience in the health and disability sector as a case manager and support worker. Tanya handles enquiries and applications from prospective tenants and manages all NTHT tenancies. She has a Bachelor of Social Work (University of Canterbury).

Communications Manager, Karen Clark (since 2021)

Karen is a media specialist with long experience in the Nelson Tasman community sector. She has worked for Abbeyfield NZ, Neighbourhood Support, Big Brothers Big Sisters and several newspapers. Karen has a BA (University of Auckland), a Diploma in Journalism (University of Canterbury), and a Certificate in Business Administration (NMIT).

- ***Project management roles and responsibilities and relevant experience (including governance if relevant).***

Please refer to section above for summaries of NTHT personnel's relevant experience.

Development Sub-Committee - works to create a pipeline of new development; analyses viability of each prospective scheme; reviews plans and financial models; members are Chair Andrew Wilson, Trustee Paul Russell, Building Manager, Director, Finance Manager.

Contract negotiation (with volume builders) – Trustee Paul Russell with Building Manager.

Manage implementation with building company – confirm plans and designs, track progress, monitor quality and liaise with specialist consultants; Building Manager.

Relationship management with funders – Director with Chair Andrew Wilson

- ***Detail any actual or perceived conflicts of interest.***

NTHT Trustee Judene Edgar was formerly Deputy Mayor of Nelson and was Chair of the Urban Development Subcommittee. She did not seek re-election in 2022.

NTHT Trustee Susan Coleman is an independent contractor currently project managing the Annual Plan 2023/24 and Long Term Plan 2024-34 development process for the Nelson City Council.

9.2 Project readiness and timeline

Council is seeking to support partners who are well placed to assist with Whakatū Nelson's immediate housing need. For this question, please outline how ready the development is, its expected timeline for completion and the likelihood of achieving the development within this.

This NTHT development at 116 Waimea/163 Kawai is a key next step in our housing pipeline for Nelson

Development	# dwellings	Status	Residents to Move in
99 Muritai St	5	Opened on 5 April 2023	14 April 2023
6 & 8 Totara St	6	All funding is confirmed Resource Consent pending	May 2024
76 Dodson Valley Rd	10	All funding is confirmed Site preparation underway Resource Consent pending	Dec 2024
Waimea/Kawai	8	Settlement 5 April Funding package pending	Mar 2025

NTHT settled the purchase of the Waimea/Kawai properties on 5 April 2023.

We have had Jerram Tocker Barron Architects prepare concept designs (see attached). NTHT proposed the scheme to HUD's Affordable Housing Fund (AHF) Round Two. We anticipate that our Registration of Interest will be selected by HUD for the RFP stage, as with NTHT's success in the AHF Round One (HUD has agreed to grant \$3.5m for the construction of 10 homes at 76 Dodson Valley Rd). If NTHT is not able to secure AHF funds for this project, we will apply for Public Housing funding. NTHT has a good track record with that HUD team and we are confident this project will attract central government support.

Once all funding is confirmed for the Waimea/Kawai scheme, we will engage

Jennian Homes Nelson Bays Ltd as builder. NTHT has a long, productive working relationship with Jennian who deliver good quality on a fixed price contract.



NTHT has a strategic goal to grow to 100 homes by 2026. Completing the Waimea/Kawai development will bring our total portfolio to 79 by mid-2025. We will continue to seek sites to redevelop for more housing.

Projected timeline for completion:

- Oct. 2023 – All funding to be confirmed with Nelson City Council and HUD
- Dec. 2023 – Remove existing buildings, prepare site, apply for Resource Consent
- Mar. 2024 – Secure RC, commence construction
- Mar. 2025 – Project to be complete and residents to move in

9.3 Property Management, Maintenance and Tenancy Management experience.

Please outline your experience in property-tenancy management and how you plan to manage the properties once constructed.

Property Management Approach: The 55 rental homes that NTHT owns have been constructed since 2004. We manage this portfolio on an 'add and maintain' basis, noting all our sites have been built to the maximum permitted density at the time. The Trust utilises policies and operating procedures which include Property Acquisition, Responsive and Programmed Maintenance, Tenant Selection and Tenant Care. The Tenancy Manager is responsible for most interactions with applicants and tenants/residents. The Building Manager addresses all aspects of asset management for the built portfolio.

Maintenance: NTHT has adopted a standardised life cycle maintenance model for critical components across all properties owned by the Trust, which informs long-term budget projection models. During each annual planning cycle the standardised life cycle model is reviewed and components due for replacement are inspected to inform the annual maintenance programme. In addition to assessing cyclical maintenance required, quarterly tenancy inspections include a review of property condition to assess and confirm immediate, medium- and long-term maintenance. Comprehensive property condition assessments are completed annually by the Building Manager in conjunction with Tenancy inspections to identify and address any potential critical component failure.

NTHT provides a 24/7 responsive maintenance service. Calls received out of office hours are diverted to our Callcare service who respond based on operating instructions provided by the Trust. We have access to emergency contractors 365 days of the year. NTHT staff are available after hours if required.

Maintenance is prioritised to ensure essential work is completed with urgency, while non-urgent work is managed to achieve the required outcomes while coordinating with contractors to optimise their resources. Any vacant properties are fully assessed, repaired, cleaned and brought back to near-new standards.

The Jennian Homes Nelson Bays Ltd standard building contract will provide an extended maintenance period to a total of 365 days (defect period 90 days, maintenance period a further 275 days from completion date). NTHT will also receive a 10-year Registered Master Builders Guarantee for the works.

Tenancy Management: We will utilise our regular, responsive approach, which is proactive, caring tenancy management grounded in thorough knowledge of the Residential Tenancies Act and other applicable legislation. In addition to scheduled tenancy visits four times per year, our staff actively communicate with tenants as any issues arise, work with them to address conflicts and/or rent arrears, and connect tenants with further community support as needed (e.g. with health services, Budget Advice, Age Concern, Victory Community Centre, Te Piki Oranga, etc.)



Selection of new tenants will be based on a written application, an in-person interview with two staff people, assessment of applicants' level of need, household size, income (to confirm the rent will be no more than 30% of their total income), ability to be reliable tenants and be considerate of neighbours, reference checks, and overall suitability for living in a compact community housing complex.

Key markers of NTHT's success in Tenancy and Property Management are that we have consistently low tenant turnover (average is 10% or 4-5 vacancies per year), and very high satisfaction ratings from annual Tenant Surveys. In our most recent 2022 survey, overall satisfaction with our service is 91% (i.e. rating of 3.68 on a scale of 1-4).

Quotes from 2022 NTHT Tenant Survey

Thank you for providing such lovely, affordable, warm, dry healthy homes.

Amazing affordable homes for families and we don't have to worry about moving out when little ones are settled in school and kindy, very secure.

You all are encouraging and supportive during application process, and always approachable with any questions or issues.

I have had really pleasant dealings with everyone at NTHT. It's so appreciated and I just find the whole team are there to help wherever they can.

I don't know where my life would have gone without NTHT as my health is compromised and a nice warm well-kept home is a life saver.

10. Fit for purpose

10.1 Site and Design

- Provide design concepts and /or development plans.
- Outline the yield from the development, number of bedrooms, and type of housing (e.g., intensified, attached, standalone, intended carparks etc).
- Summarise how the project will provide quality builds that incorporate good urban design principles and practices and are healthy to live in.
- Comment on the location of the site and its ability to connect to infrastructure.

Project Description and Yield

This project is the development of 8 single-storey two-bedroom homes on a gently sloping 1840m² site in Nelson South. A total of 16 bedrooms will be provided, with parking for 8 cars, one car park per home. **Please see attached Concept Design.**

This development will intensify use of the site, the single storey profile will fit in well with the surrounding residences, and we will make as many of the units as possible be wheelchair accessible.

Quality Build and Good Urban Design

All units will be designed to meet the requirements of the Ministry of Housing and Urban Development and the Kāinga Ora Design Guides to provide spacious, comfortable, healthy accommodation. Floor areas of each unit will be approximately 75 m².

Vehicle access to all the homes will be off Kawai St South, to facilitate safe traffic flow. The narrow driveway off Waimea Rd will be converted to pedestrian access only.

Construction will be based on a Ribraft insulated flooring system, with brick exterior for the ground floor and Coloursteel roofing. The site design caters for residents at different stages of life and incorporates features to minimise ongoing maintenance. Given the proximity to the hospital as well as high schools, we will prioritise working adults over age 55 and possibly single parents with a college-age child.

At least two of the units will be designed as wheelchair accessible, for tenants with limited mobility. Initially the kitchens are designed with limited accessible features but will include modular components which can easily be adapted with more disability appropriate facilities as required.

In addition to full insulation which meets Homestar 6 standards, the units will include a photovoltaic panel system which will benefit the occupants through reduced energy costs.

The units will fully comply with the Healthy Homes Regulation 2022 standards which relate to insulation, heating, ventilation, drafts, prevention of moisture ingress and provision for the disposal of stormwater.

Each home will be provided with a secure fenced yard area, a shed and refuse bin pad.

Landscaping, in addition to retaining a selection of the existing specimen trees will include the planting of communal fruit-bearing trees.

Building Contractor

We plan to work again with Jennian Homes Nelson Bays, a volume builder with whom the Trust has a long-standing working relationship. Jennian has also undertaken developments for Kāinga Ora and other Community Housing Providers.



Jennian will provide NTHT a full turn-key fixed price quote. Their proposal will include a comprehensive site assessment to investigate all relevant ground conditions.

NTHT will have the submitted price reviewed by a Quantity Surveyor to confirm the price is reasonable.

Location

The site is well-placed in an established residential area in Nelson South, comprising predominantly single storey dwellings of mixed ages. The area has been subject to a high level of infill and multi-unit development, thus this comprehensive development is in keeping with the surrounding dwellings.

Local facilities available are:

Bus stop	300m
Cycle path	500m
Hospital	550m
Pharmacy	1.3km
Victory Community Centre	1.2km
Secondary Schools	1.8km
Local shops	250m
Supermarkets	2-3km
Sports Reserve	750m
Employment opportunities	800m–12km (Nelson and Richmond)

Connection to Infrastructure

Being in an established residential area, access to services (power, water, stormwater, sewer, fibre) is straightforward. The design will include detention tanks to manage stormwater flow after heavy rains.

10.2 Social/Community

Please comment on how the project will provide for social and community connection.

This Waimea/Kawai site is situated on a bus route and 500m from the Railway Reserve cycle path. It is close to Nelson Hospital; near several schools, Victory Community Centre, and local shops; and within 3km of all the services of central Nelson. This location will provide residents many good opportunities for social and community connection.

Tenants will be selected with care to encourage cooperation and compatibility. In most NTHT developments, we find that residents get to know each other over time and many are happy to help each other out cooperatively with shopping, transport, and household errands; many become friends.

10.3 Environmental

Please describe any environmentally responsible and resourceful aspect of the project's design and development. Examples include: energy and/or water-efficiency, use of sustainable (environmentally friendly, low-carbon) building materials, compliance with Homestar 6 or other certified ratings etc.

Recycling of Old Materials

This development will involve removing the two existing houses and several outbuildings. Both dwellings were constructed in the 1940's and due to their condition and age are not economic to repair. We will have a licenced contractor first remove any asbestos containing materials.

Prior to demolition, all materials suitable for re-use or recycling will be removed. Recycled/recovered materials may include exterior joinery and cladding, interior doors and period fittings and fixtures. Flooring timber might be reusable depending on the degree of borer found.

Sustainable, Local Building Materials

Timber for framing will be from local sources, supplied as much as possible by Nelson Pine Industries Ltd (NPIL). The NPIL timber is radiata pine grown in plantation forests near Nelson. NPIL has a reputation for sustainable timber resource management and low environmental impact practices.

Homestar 6 and Energy Efficiency

The proposal to be prepared by Jennian Homes will be designed to meet the environmental standards required to achieve Homestar 6. This is a Green Building Council certification, for which a housing provider can apply once construction is underway.

Homestar 6 standards cover size of units, level of insulation which exceeds the current NZ Healthy Housing Regulations and Building Code standards, energy efficient heating and lighting, water conservation measures, building materials with low environmental impact, specific plumbing fixtures and waste minimisation during construction.

Lifemark design standards will be incorporated specifically in the wheelchair accessible units.

Green space for gardens - each dwelling will have a fenced lawn/garden area and residents will be encouraged to plant vegetables if they desire.

Parking and transport - being right on a bus route and near a cycle path will make public and active transport very convenient for these residents. We have minimised the on-site parking to one car park per house. From experience, most of our tenants require a car to drive to work, visit family or to shop for groceries, thus it is not practical to dispense with parking completely (nor would it be attractive to residents).

10.4 Affordable to Run

Please describe any design efficiencies that will provide a lower life cost over the life of the housing.

NTHT uses a life-cycle costing model which informs a long-term budgetary process (out to 25 years). This is updated periodically through intensive property condition reporting, to identify any accelerated maintenance requirements or components where the cyclical maintenance schedule can be reset to a later date.

To minimise exterior maintenance, we have planned for as much of the exterior as possible to be constructed in low-maintenance materials, e.g. Linea or brick veneer and prefinished Coloursteel roofing. This will ensure dwellings are durable, and will also minimise the need for exterior painting.

Durable interior finishes are standard for NTHT homes. To facilitate the installation of future handrails in the accessible bathrooms, these walls will be lined with plywood backing then finished with a wet area lining.

Fittings will be selected to be robust, efficient, and from an established supplier to optimise future availability of parts.

Photovoltaic panel systems will be installed for each unit. Although these are not a battery system this will benefit all residents by providing solar energy for use during the

day. Any surplus power can be returned to the national grid, reducing residents' total power costs.

Easy to heat, all-day sun – all 8 homes are compact designs, with the living areas facing north, and ranch-sliders opening onto a patio and fenced lawn area. Heat pumps will provide efficient heating; kitchen and bathroom extractor fans are standard, to ventilate moist air. These features will help ensure all residents will have a warm, sunny, pleasant place to live.

11. Financial

11.1 Organisation's financial position

- Detail the financial status of your organisation, including audits by other bodies (i.e., CHRA).

Asset value, 30 June 2022: \$24.2m

Net assets, 30 June 2022: \$18.6m

Annual income for FY 2021/22: \$1m

CHRA status: NTHT maintains CHRA registration as a Class 1 Social Landlord. NTHT regularly passes all required annual reporting with CHRA, with reports due 30 January each year. On-site visits by CHRA are completed every 2 years.

- List all current developments you are committed to including the location and value of each development and commitment of monies.

Development Location	Total Cost	Funding	Finance
6 & 8 Totara St (6 homes)	\$4.1m	\$612,000 = Donors + NTHT equity plus Contract signed with HUD Public Housing to subsidise the 6 homes, equating to a government guarantee of 180% of market rent for 25 years	\$3.5m ASB (approved) (large loan is supported by big HUD subsidies)
76 Dodson Valley Road (10 homes)	\$7.8m	\$1,115,000 Philanthropic donor \$ 250,000 Rātā Foundation \$1,000,000 NCC Housing Reserve \$3,495,000 HUD Affordable Housing Fund Round 1 grant (approved)	\$1.935m ASB (approved)
116 Waimea Rd and 163 Kawai St (8 homes)	\$4.24m	\$1,200,000 Housing Reserve (pending) \$1,780,800 HUD Affordable Housing Fund Round Two grant (pending) \$ 350,000 Philanthropic Donor (pending)	\$910k ASB loan amount can be adjusted if grants reduce and/or costs increase

- Provide the last two years of annual financial statements, and annual reports, if applicable.

See attached

- Signed, Audited Accounts for 2020-21 and 2021-22
- Reports from the Chair, Director and Treasurer for 2021-22

11.2 Co-investment. Please outline the amount of the funding request, and contributions from other sources (noting whether this is confirmed or not) highlighting any budget shortfall. Please specify if the development is contingent on a successful application to the Housing Reserve.

Amount of funding request:	\$1,200,000	(8 homes x \$150,000)
Contributions from other sources:	\$1,780,800	(HUD Affordable Housing Fund, application pending)
	\$ 350,000	(Philanthropic Donor, pending)
Bank finance from ASB:	\$910,000	(Estimate, depends on final costs and amount of grant funding secured)

This affordable rental development is contingent on receiving Housing Reserve funding from Council:

- Given escalating building costs and inflation, we require substantial upfront grants in order to deliver affordable rentals. NTHT believes this proposed development fits well within Council's objectives for the Housing Reserve.
- Our philanthropic donor requires that their contribution leverages significant funding from other sources. They request privacy and anonymity so we cannot name them. They are a genuine donor; they have contributed almost \$3m in grants to assist four NTHT developments since 2019.
- Additionally, the Ministry of Housing and Urban Development (HUD) requires co-investment from other sources. This is true for both the Affordable Housing and Public Housing funding streams.

11.3 Project budget

Please provide a budget of full development costs including land, project management, construction, and financing.

Please see **Waimea/Kawai Budget spreadsheet, attached**, which includes estimated costs and funding sources.

Risk Mitigation Measures Included

NTHT's normal practice with any new housing development is to consider all risks, especially costs, and take prudent steps to mitigate them. This proposal and the project budget incorporate these key risk mitigation measures:

- Detailed planning and design to agree on all components and features upfront
- Negotiate fixed-price contract with Jennian, to avoid price shocks
- Review of construction costs by an external Quantity Surveyor
- Include a contingency of at least 12% to cover unexpected costs
- Plan for interest rates to remain near current levels (7% long-term average)
- Proactive relationship with our bank ASB, to ensure we make the best use of competitive interest rates across our housing portfolio.



Part C – Declarations

By completing the details below the applicant makes the following declarations;

- 12.1 We confirm the statements in this application are true and the information provided is complete and correct, and there have been no misleading statements or omissions of any relevant facts nor any misrepresentations made.
- 12.2 We have no conflict of interest, actual or potential, in submitting this application or entering into an agreement with the Council for the project.
- 12.3 We accept any decision made by the Council is final and binding and accept that no reasons for such decision will be given, nor will any correspondence be entered into.
- 12.4 We understand that Council is subject to the Local Government Official Information and Meetings Act 1987. We have marked any specific information we consider is confidential. We understand Council will not disclose any information marked confidential (other than as required to evaluate the application including to its legal advisors) unless:
 - 12.4.1 Council is required to disclose that information by law; or
 - 12.4.2 Disclosure is required for the purposes of verifying that information; or
 - 12.4.3 Council enters into a grant agreement with us, in which case Council may disclose that an agreement has been signed.
 - 12.4.4 We acknowledge that nothing in this application form or process creates a process contract or any legal relationship between Council and us, except in respect of:
 - 12.4.4.1 These declarations;
 - 12.4.4.2 Our statements, representations and/or warranties and our correspondence and negotiations with Council.

Full Name: Carrie Mozena
Title/position: NTHT Director
Signature: *Carrie D. Mozena*
Date: 20/04/2023

Appendix 1 – Photos of some NTHT housing schemes



285 Brook St, Nelson (built 2013)



225 Kawai St South, Nelson (built 2015)

Recent Developments



17 Murphy St, Toi Toi (at the Opening, 13 Dec 2021)



99 Muritai St, Tahunanui (completed early April 2023)

Nelson Tasman Housing Trust 163 Kawai St and 116 Waimea Rd, Nelson

Preliminary Design - 30 March 2023

Sheet Index	
Layout ID	Layout Name
A.1	Title/Index
A.2	Site Area Plan
A.3	Site Plan
A.4	Site Elevations
A.5	2 Bedroom Standalone Plans/Elevations
A.6	Perspective
A.7	Perspective



Released 06 June 2023

jerram
ARCHITECTS tocker +
barron

NZIA
PRACTICE

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AUCKLAND | WELLINGTON | NELSON | CHRISTCHURCH

Nelson Tasman Housing Trust
163 Kawai St and 116 Waimea Rd

Drawing
Title/Index
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30/03/2023
Number
A1

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2023



SITE INFO
 SITE AREA: 1841m²
 UNIT (EACH) GFA: 70m²
 BUILDING FOOTPRINT: 560m²
 SITE COVERAGE: 30.5%

jerram
tocker +
barron
ARCHITECTS

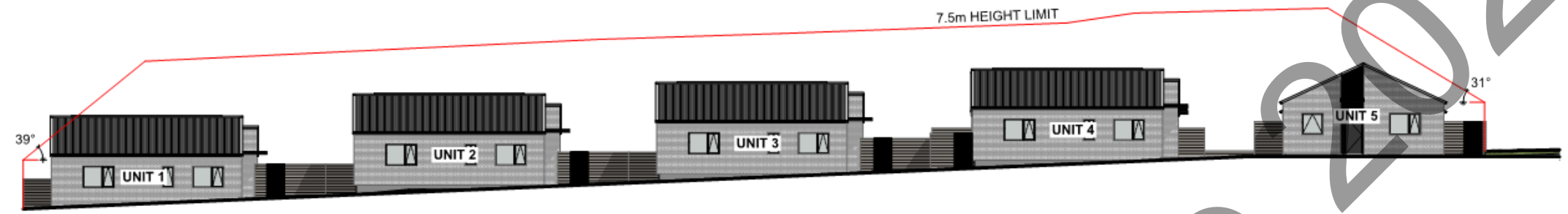
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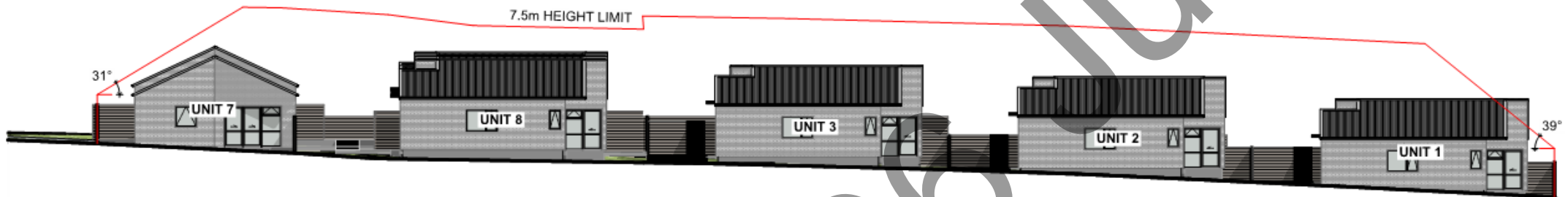
Nelson Tasman Housing Trust
 163 Kawai St and 116 Waimea Rd

Drawing	Site Plan
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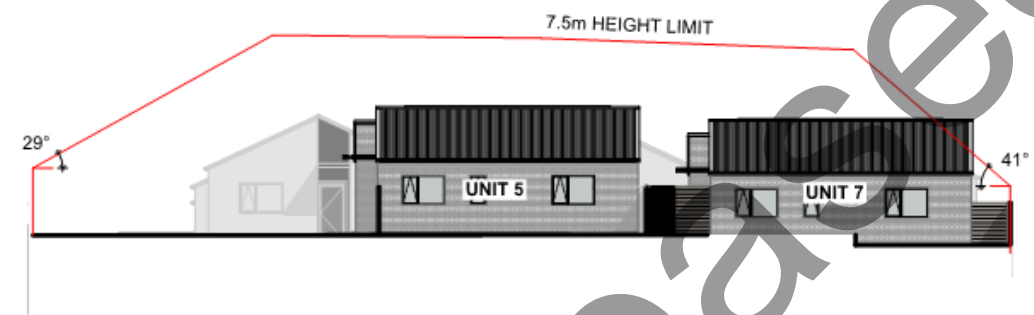
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163 Kawai St and 116 Waimea Rd



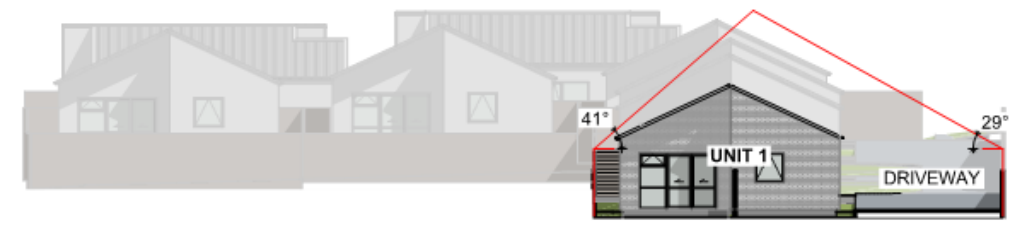
South Elevation
1:250



North Elevation
1:250



East Elevation
1:250



West Elevation
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Drawing	Site Elevations
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2023



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Nelson Tasman Housing Trust
163 Kawai St and 116 Waimea Rd

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Nelson Tasman Housing Trust
163 Kawai St and 116 Waimea Rd

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