

**EXTRACT FROM THE ORDINARY MEETING OF THE QUEENSTOWN LAKES DISTRICT COUNCIL HELD ON THURSDAY, 6 SEPTEMBER 2018**

**1. Draft Stakeholder Deed for the proposed Universal Developments (Hawea) Special Housing Area**

A report from Blair Devlin (Manager, Planning Practice) assessed the draft Stakeholder Deed to ascertain if the Council could recommend to the Minister of Housing and Urban Development that the Hawea (Universal Developments) expression of interest should be established as a Special Housing Area ['SHA']. The matters examined were detailed in parts 2, 3 and 4 of the Council's earlier resolution on 28 June 2018 and the report concluded that the Council could recommend the proposal to the Minister.

Items 1 and 2 were presented by Mr Avery, Mr Devlin and Mr Glasner.

Mr Devlin advised of a correction to paragraph 40 of the report, in that the minimum number of lots/dwellings proposed was 30 and not 20 as stated in the report. He added that the increase in price cap for the Kiwisaver Home Start to \$650,000 had been foreseen and provided for in the Deed of Agreement and would be reflected in the house and land packages offered.

It was confirmed that the Housing Trust contribution needed to be 10% of the total housing land, not lots; in addition, Mr Devlin confirmed that Universal Developments had legal ownership of the subject land.

Councillor McRobie asked why it was permissible to build this style of development on rural general land. Mr Devlin noted that it was allowed because the proposal was being processed under the Housing Accords and Special Housing Areas Act 2013 rather than the Resource Management Act 1991.

Councillor Smith stated that he had not supported the proposal when it was first presented to the Council and he did not support it now. He conceded that the Deed of Agreement went further than any other in providing affordable housing but he still did not support it.

Councillor Clark considered that the proposal represented an accessible start for young families and was a real opportunity.

Councillor Stevens advised that his stance had changed from when it was previously considered because the subject land now fell within Category 2 of the Lead Policy and support of it would not be contrary to the District Plan. However he questioned how the proposal would meld into the wider community and what benefits it would bring. He acknowledged that the proposal had merit in terms of the wider district but he struggled to understand its integration within the existing local community. Further, he questioned whether it would create a 'retail island' that would compete with existing retail developments.

Accordingly, he considered that further work was needed before the proposal could progress further and he therefore supported option two in the report which recommended further negotiation between the developer and Council.

Councillor Miller indicated that she was prepared to second this as a motion.

In speaking to option two, Councillor Stevens considered that a round of further negotiation could provide the opportunity to gain the community's support as it was important for the proposal to add to the community in a positive way. He considered that this was mainly about community facilities and complementarity of existing and proposed retailing areas. Overall, he was fearful of dividing the community along physical boundaries which could result in a fragmented township and he believed that finding solutions to these matters merited a delay.

Councillor Ferguson expressed support for a delay. Councillor Forbes stated that she disliked delays but she also disliked how the community was feeling. However, she was also cognisant of the demand for housing so she was prepared to support a delay provided that the matter did not lapse or the same issues were not relitigated.

**On the motion of Councillors Stevens and Miller the Council resolved that:**

- a. The item lie on the table, pending Council having further discussions with the community and Hawea SHA developer about community integration and development of the retail hub; and**
- b. The item be reported back to the Council no later than the 13 December 2018 Council meeting.**

*Councillor Clark and Councillor Smith recorded their votes against the motion.*