

COVID-19 Recovery (Fast-Track Consenting) Act 2020 – Ngongotahā Housing Development – Request for further information

Request for further information	Response
<p>1. The application identifies Watchman Residential Limited as the sole applicant. Page 8 of the application form states the applicant has sufficient funding capacity to successfully deliver the project “in partnership with HUD” and provides examples of previous projects, all including KiwiBuild homes. Clarify:</p> <ol style="list-style-type: none"> if Watchman Residential Limited will have sole responsibility (including financially) for the development of the land and construction of all residential units. if third parties will be involved, and if so provide further details of those parties and the extent of their involvement/funding. 	<p>We advise the following:</p> <ol style="list-style-type: none"> The Crown through the Ministry of Housing and Urban Development (HUD) has purchased the land at 31 Ngongotahā Road, Rotorua. HUD and Watchman Residential Limited (WRL) have entered into a MOU for WRL to progress consenting and design works for the intended residential development, and provide funding to WRL for those costs, whilst HUD assesses WRL’s housing proposal to be appointed the Development Partner for the Site. If WRL’s proposal is successfully assessed by HUD, then the parties will enter into a Development Agreement and Sale and Purchase Agreement (DA). Through the DA contract, HUD will sell the land to WRL and WRL will deliver housing outcomes. Under the DA, WRL have the sole obligation, including the financial obligation, to: purchase the land; enable the land with civil works; and construct and deliver the housing outcomes/residential units on the land. In the DA, HUD will offer WRL the option of a deferred settlement (up to 360 days, interest free) to complete settlement of the purchase of the land. Should WRL not be successful all consenting and design works will be assigned or transferred to HUD. <i>WRL have proposed to fund the development through a mixture of (approximately):</i> <ul style="list-style-type: none"> <i>Equity (Marcus and Andrea Shareholders) via WRL 10%</i> <i>Shareholder loans (Marcus and Andrea) via WRL 5%</i> <i>Bank funding WRL initial discussions have been with Arena Finance, who have funded three other Watchman Capital developments 85%</i>
<p>2. A copy of the updated record of title (if available)</p>	<p>Please refer to the most recent record of title which now shows that the land is now owned by the Crown for State housing purposes.</p>
<p>2. A preliminary scheme plan or detailed site plan clearly showing/labelling;</p> <ol style="list-style-type: none"> how the balance land area of Lot 2 DP 337743 will be held waterbodies and proposed artificial wetlands indicative lot sizes indicative land intended to vest (road, drainage, recreation, esplanade, etc) indicative accessways (including pedestrian and cycle) the proposed landholding arrangement for car parking areas 	<p>We note the following:</p> <ol style="list-style-type: none"> A balance lot will be created as shown on the concept scheme plan. This will be held by the Crown and will be subject to future development. Waterbodies within the stage 1 area will be offered to be vested to council as a drainage reserve. Wetland will be held within the balance lot until further development. Please refer to the attached Concept scheme plan shows areas for road to vest and drainage reserve as part of stage 1. Esplanade/recreation reserve will be created under future stages unless requested by council to be created as part of stage 1. Please refer to the attached Please refer to the attached. Private JOAL/Carparking areas will be amalgamated with residential lots. Final details to be provided at the time of application.

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<p>4. The project site is identified as being located on a limited access road on the Waka Kotahi website, via the 'limited-access road map'. We note that engagement with Waka Kotahi relating to acquiring the approvals for the proposed crossing onto State Highway 36 has been undertaken. In order to understand certainty of delivery and timing of the project provide any updates on:</p> <ul style="list-style-type: none"> i. consultation with Waka Kotahi including details outlining whether their approval is necessary to implement the project, and ii. whether a panel would have the ability to approve the project in its current form should an application to Waka Kotahi for access onto State Highway 36 be unsuccessful. 	<p>The applicant has been in regular contact with Waka Kotahi. We attach a copy of the most recent correspondence with Waka Kotahi. The applicant has also obtained advice from traffic engineers (attached) and we are confident that an access can be obtained for this site. We note that the project is seeking to construct a road intersection rather than an access (ie we will not have any direct vehicular access in the form of a vehicle crossing to the State Highway). Waka Kotahi being the Road Controlling Authority for the road have full control of any new intersection on their roads. The latest correspondence from Waka Kotahi is quite favourable regarding the new intersection all-be-it they want some more assessment in regard to the exact location and number of intersections (ie they appear to be suggesting that rather than not allowing a new intersection they might actually prefer two intersections). The applicant and their advisors are confident that there is an engineering solution to the access.</p>
<p>5. Provide the Property Economics figures for the full time equivalent (FTE) jobs estimated to be generated by the project in direct FTE jobs per year, rather than FTE years.</p>	<p>Attached is an updated EIA with Table 3 added responding directly to the MfE request on direct employment per year.</p>
<p>6. The application form states that consent is required to vary or cancel conditions specified in a consent notice (under section 221(3) of the Resource Management Act 1991), however no specific details are provided. The FTCA does not provide for a panel to consider an application to vary or cancel a condition specified in a consent notice. Please provide additional details on the variation or cancellation of the consent notice that is sought, including whether this is necessary to implement the project. Additionally, advise whether a panel would have the ability to approve the project in its current form should an application to council to vary or cancel the consent notice conditions be unsuccessful. This information is required to understand the certainty of delivery and timing of the project.</p>	<p>It is considered that the consent notice will not prevent the site from being developed in the form proposed. The consent notice relates to the site zoning. We have discussed this issue with Rotorua Lakes Council. Attached is a letter from Rotorua Lakes Council advising that they can consider an application to remove the consent notice under the RMA. In our view, this would not impact on the certainty or timing of the project.</p>