



NELSON DEVELOPMENT OPPORTUNITY



Nelson
City Council

Te Kaunihera o
Whakatū



Kāinga Ora
Homes and Communities

The role of Kāinga Ora in urban development

Kāinga Ora – Homes and Communities was established to achieve a more cohesive, joined-up approach to support the Government’s priorities for housing and urban development in New Zealand.

Kāinga Ora has two key roles:

- Being a world-class public housing landlord
- Partnering with the development community, Māori, local and central government, and others on urban development projects of all sizes.

As well as increasing the supply and choice of new, high-quality housing, these projects will also deliver improved infrastructure, more connected neighbourhoods and better amenities, and create a significant pipeline of work for the building industry. The Kāinga Ora Urban Development and Delivery team is helping to provide more homes, at a faster pace, to growth areas by managing urban development projects to deliver well-planned neighbourhoods and enable thriving communities.

Nelson City Council’s commitment to affordable housing

Nelson is the largest urban centre of Te Taihū with 54,600 residents, and many more wanting to call Nelson home. Nelson needs more housing. A lack of affordable housing close to the city centre is an issue raised time and time again by the community as one that Nelson City Council needs to address. Following consultation with the public during the draft 2021 Long Term Plan, Council has been actively working in partnership with central government to explore smart housing solutions that aim to increase our supply of affordable housing.

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Project Vision

Nelson City Council and Kāinga Ora are working together to identify opportunities for enhancing Nelson's economic and social vibrancy and add to the wellbeing of residents.

We have created a partnership that has a common desire to see people of all ages and backgrounds living safe and happy lives in Nelson.

Affordable housing is critical to supporting a thriving community. Nelson locals have long requested that more affordable housing be provided near the city centre where people can easily access amenities.

Council undertook consultation on this general approach as part of the 2021 Long Term Plan (LTP). The topics outlined in the LTP consultation document included housing affordability, intensification and partnering with central government (specifically Kāinga Ora).

Together, Kāinga Ora and Nelson City Council are now moving forward with an exciting opportunity to develop high quality, affordable residential accommodation in the city centre, with commercial and/or community activities on the ground floor.



Infrastructure Upgrade

The Bridge Street Linear Active Transport Corridor

Nelson City Council has been awarded \$36m of grant funding from the Government's Infrastructure Acceleration Fund (IAF) for an infrastructure upgrade that will provide resiliency for the city centre and capacity for an extra 1000 new homes, including those considered in the proposal.

The funding will support substantial upgrades to water supply, stormwater, wastewater services and transport.

The projects that will be supported have an overall cost of \$72m and include:

- Construction of a water supply ring main from the trunk main on Bridge Street near Tasman Street along Bridge Street, Rutherford Street, Halifax Street and Collingwood Street.
- A new stormwater main along Bridge Street and associated green infrastructure; and a new flood gate for the Halifax Street stormwater outfall into Saltwater Creek.
- A pump station upgrade on Paru Paru Road and renewal/upgrade of Rutherford Street, Achilles Avenue and Bridge Street wastewater infrastructure.
- Upgrades to transport infrastructure and streetscape amenity.



The Opportunity

This is an exciting opportunity to create solutions for social and affordable housing on two key sites in the city centre.

Led by Kāinga Ora, in partnership with Nelson City Council, we are seeking to open discussions with interested parties:

- Funders
- Developers
- Iwi
- Housing Providers
- Others with a relevant interest

to develop proposals which will deliver high quality mixed tenure housing, such as public and affordable, supported by ground level commercial and/or community activities, right in the heart of Nelson City.



Why Kāinga Ora and Nelson City Council?

Nelson City Council (NCC) and Kāinga Ora have a strong working relationship, established during the divestment of the NCC community housing portfolio, which was finalised in March 2021.

We are committed to working together to alleviate Nelson’s housing crisis. We have shared goals around ensuring social and affordable housing and urban design outcomes for Nelson. The ability to fill the demand for social and affordable housing is not something that is achieved by the market alone and requires a partnership.

Kāinga Ora owns and/or manages about 1,620 public homes in the Nelson-Tasman area. The commitment to the region is ongoing and will result in more projects of all sizes undertaken. A partnership approach with Council forms part of that work. Together, we have the capability and resources.

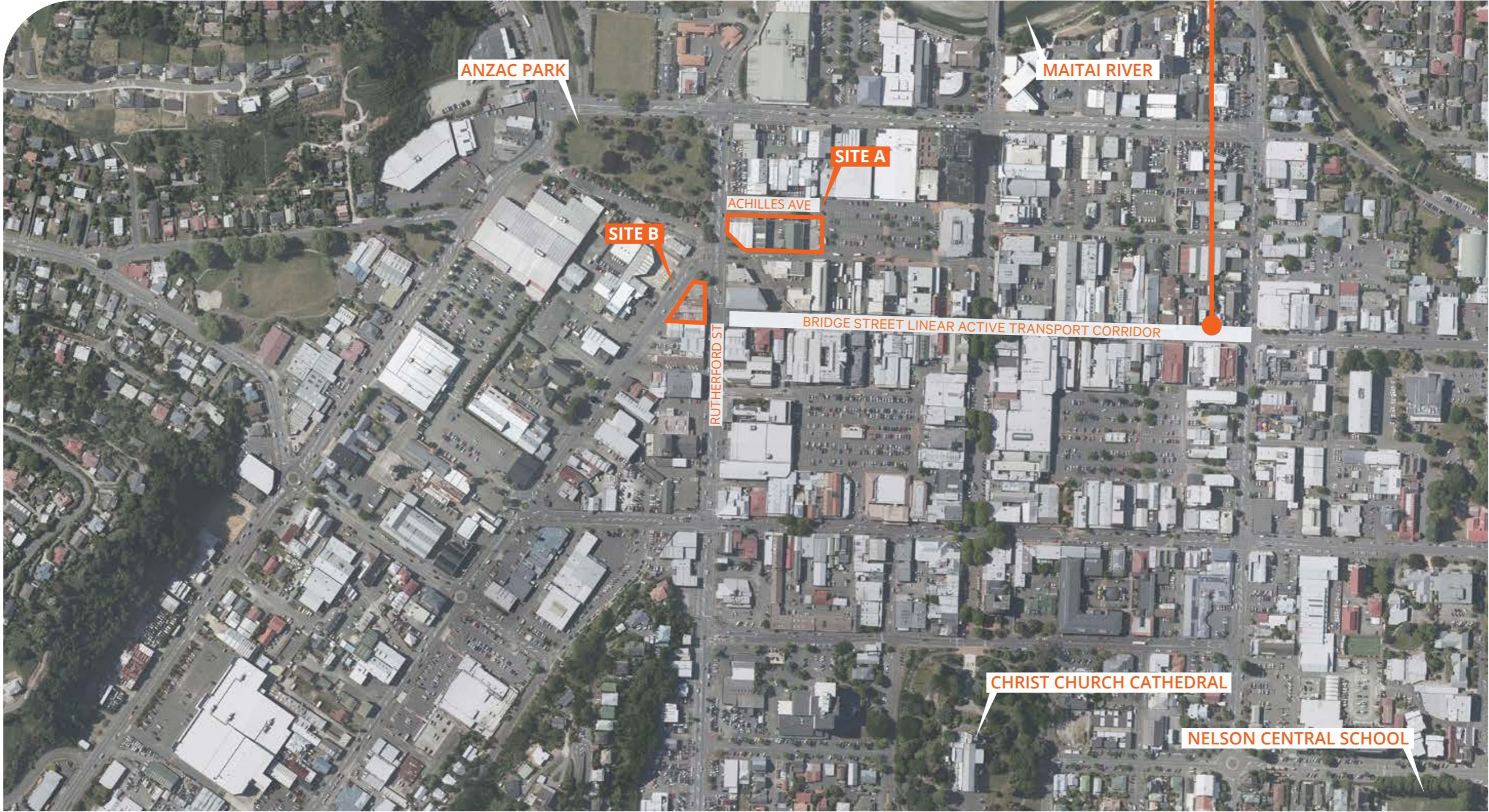


Location

Nelson city centre offers a range of high quality and accessible community facilities, services, schools, workplaces and amenity all within a walking/cycling distance.

Improvement to active transport across the city through IAF investment will enable these destinations to become more accessible for all.

A high-quality public environment with a city centre focused on people makes living in the city more feasible, which in turn drives the development of city centre residential new builds and upstairs conversions. There is a growing demand for both residential sales and rentals in the city centre.



Site Details

The two sites in the Nelson city centre have the potential for the development of 175 homes in buildings of five to eight levels.

The sites at 69-101 Achilles Ave and 42 Rutherford St are currently a mix of commercial property and car parking.

The larger of the two properties is 69 - 101 Achilles Ave. It is almost 4500 square metres and is made up of two buildings with a rateable value of \$3.6 million.

The second property at 42 Rutherford Street is 961 square metres and has a rateable value of \$1.681 million.

The council has agreed to sell these two sites to Kāinga Ora for the purpose of social and affordable housing. Kāinga Ora is now looking for development partners.



Design Outcomes

To ensure that any development positively contributes to and enhances the city centre, we're interested in partnering with entities who can deliver a number of design outcomes.

1. High quality, accessible design to street and laneway edges
2. Design compatibility with the adjacent public spaces and central city location
3. The use of appropriately scaled architectural elements and an appropriate provision of space, openings and materiality (i.e. windows, balconies and cladding types)
4. Integration of vehicle, public transport and pedestrian circulation with minimal provision of on-site car parking
5. Inclusion of climate resilient, culturally integrated, sustainable design and building practices
6. Minimise shading effects that lead to safety hazards on public streets and areas
7. Provide cycle storage and servicing facilities
8. Consistency with the six key moves of the *Nelson City Centre Programme Plan*
9. Up to one third of household units will be for public housing. The remainder will be a mix of affordable housing types
10. Within these outcomes, maximise housing yield.



Design Statement

There are no specific development designs for the sites as yet, however the design statement below will assist you in understanding our intentions for the development of the sites.

Mixed Use

Due to the wide-ranging needs of the community, we've opted for a mixed use concept which caters to each site and its surrounding area. Proposals need to demonstrate a high quality, mixed-use commercial/residential environment that has sustainability and community wellbeing at the forefront.

A Range of Apartments

Successful proposals will demonstrate a range of apartment sizes from one- to three-bedroom, supported by ground floor commercial.

Landmark Buildings

The development provides a unique opportunity to integrate with the surrounding area, contributing to the vitality of the central city while aligning with the aspirations of the *Nelson City Centre Spatial Plan*. The sites present a significant opportunity to create landmark buildings that could range from five to eight storeys and establish an exemplary standard of cultural design.

Communal Spaces

Careful consideration should be given to the inclusion of non-residential activities within the proposals, including communal open spaces. Proposals should reflect the central city environment and matters such as servicing, access and planned upgrades to surrounding streets.

Sustainable Design

Proposals will deliver all new homes at a 6 Homestar rating or higher so they are warm, dry, healthier and more energy-efficient for their residents. The development will focus on climate resilience as a priority.



Indicative Renders

These illustrations have been provided to show the likely height and bulk of buildings on the two sites, without constituting designs themselves. The drawings also include indicative renders of the Bridge Street Linear Active Transport which could form part of the development work as part of delivering *Te Ara o Whakatū - the Nelson City Centre Spatial Plan*.



While these are not designs for the sites, some illustrations have been prepared to show the likely height and bulk form of potential social and affordable housing developments on the sites that Kāinga Ora is considering. The illustrations include what could happen as part of the Linear Park proposal from Te Ara o Whakatū. Council is not seeking feedback on the design of any future housing developments.





Partnering and Working with Māori

Kāinga Ora is committed to working in partnership with Iwi Māori across our development precincts on initiatives which enable the achievement of Māori environmental, social, cultural and economic outcomes.

We are committed to working with our Treaty partners, mana whenua and mataawaka, and so it is important for all Respondents to also be committed to supporting the implementation of effective housing outcomes which reflect Māori housing aspirations.

Kāinga Ora therefore welcomes and encourages responses from Iwi asset holding companies, subsidiaries and other Māori organisations. In particular we would welcome and encourage responses that capture and incorporate Māori design principles, wahi kāinga, multi-generational living, mātauranga Māori, kaupapa Māori and tikanga, design and employment/training opportunities.

For more information on Māori Housing Opportunities please contact julia.campbell@kaingaora.govt.nz

Affordable Homes

The lack of housing supply of different types and at different price points is one of the most significant challenges facing the Nelson region. The city centre has untapped potential to enable a variety of homes to meet the needs of our changing population, lifestyles and workforce.

To this end, Nelson City Council has been actively exploring housing solutions for Nelson so that the significant capacity for development is utilised and a variety of homes is created. The partnership with Kāinga Ora is a key move toward providing affordable housing in the central city. At least two thirds of the homes will be made available through affordable housing initiatives, such as KiwiBuild or another model.

Affordable housing options should achieve the projects objectives and deliver pathways to homeownership and security of tenure, as well as creating a balanced community.

There is an expectation that there will be a mix of one, two, and three bedroom homes, homes sold at or below prices that align with KiwiBuild price points of:

- One bedroom = \$550,000
- Two bedrooms = \$640,000
- Three bedrooms = \$715,000

Kāinga Ora also encourages the delivery of homes that target a range of occupants and purchasers such as Build to Rent (BTR) with secure tenure, shared equity and rent to buy. These can be considered as affordable homes, subject to the Kāinga Ora BTR policy. If you are interested in delivering BTR or other affordable products, please get in touch with Kāinga Ora to discuss.



How to Respond

To be involved in this exciting opportunity to help shape the future supply of public and affordable housing in the heart of the city centre complete the Registrations of Interest form and the supplied Non-Disclosure Agreement (NDA). In particular, we encourage collaborative partnerships with iwi entities.

It is intended that a shortlist of respondents will be invited to workshops with Kāinga Ora and Nelson City Council.

Following receipt of the signed NDA, additional information including the Response Form (Part 1 and Part 2) and key reports will be made available to allow more thorough assessment of the opportunity.

Respondent workshops will be held after closing date for completed Response Forms. Workshops are intended to help facilitate potential partnerships as well as explore built-form solutions for the sites. Workshops will cover the following:

- The opportunity
- Partnerships
- The land sales process: Criteria and Weightings
- Online Due Diligence Information
- Affordable Options
- The Development Agreement

SELECTION PROCESS

This document is issued on **11 April 2023**.

Closing date of completed Response Form is **5pm 1 May 2023**.

Workshops will commence **the week of 8th May**.

CONTACT

Questions in relation to this document and response must be made directly to **colleen.mccorkindale@kaingaora.govt.nz**

SUBMISSION

Respondents are to email their Registrations of Interest on or before the closing date to **landsales.UDD@kaingaora.govt.nz**

GENERAL POLICIES DISCLAIMER

1. **Publication:** Neither the whole nor any part of this report or any reference to it may be included in any published document, circular or statement without prior written approval of Kāinga Ora in its sole discretion.
2. **Information:** Information has generally been obtained from a search of records and examination of documents, or by enquiry. Where information has been supplied to us by another party, this information is believed to be reliable, but we accept no responsibility if this should prove not to be so.
3. It is intended that this document provides general information in summary form. The contents do not constitute advice and should not be relied upon as such. Specialist advice should be sought in all matters. All information must be checked and verified by any person receiving or acting upon these particulars and no warranty is given or representations made in respect of such information as to the correctness or sufficiency of such information.
4. This document does not form part of any contract in respect of the sale of the subject property.
5. **Title Boundaries:** We have made no survey of the property and assume no responsibility in connection with such matters. It is assumed that all improvements are within the title boundaries.
6. No undertaking is made that the property complies with the legislative requirements including the Building Act 2004, Health and Safety at Work Act 2005, Resource Management Act 1991 and related regulations.
7. All plans and maps are indicative only.

The material contained in this document has been prepared in good faith by the vendor, solely for the information of potential purchasers to assist them in deciding whether they are interested in the potential development land at Nelson. The information does not form part of any offer or contract and is intended as a guide only. You should not rely on any material contained in the document but should make independent investigations to satisfy yourselves as to the accuracy of any material. The vendor does not make any representations or warranties as to the accuracy of the material and does not assume any liability for negligence or otherwise in connection with any material contained in this document. The vendor reserves the right, in its sole discretion, to postpone or cancel the proposed sale of the land described and to modify or add any terms and conditions to the proposed contract or other material associated with the proposed sale, which may be made available to a potential purchaser.

CONDITIONS

Kāinga Ora reserves the right to:

1. Reject all or any IM response and not award and not accept the highest-priced, or any, response;
2. Call and/or re-advertise for IM responses or revisit any prior IM process;
3. Waive any irregularities or informalities in the process;
4. Amend the closing date, the acceptance date, or any other date in the IM document;
5. Amend this IM and any associated documents by the issuance of a written Notice to Respondents Tenders (NTRT) notice;
6. Seek clarification of any IM response;
7. Suspend or cancel (in whole or in part) this process;
8. Consider or reject any alternative response;
9. Deal separately with any of the divisible elements of any response, unless the relevant response specifically states that those elements must be taken collectively;
10. Enter into discussions and/or negotiations with any submitter at any time, and upon any terms and conditions, before or after acceptance of any response;
11. Conduct a financial check on any respondent submitting a response;
12. Meet with any respondent before and/or after the IM process closes and prior to the award of any contract.

Kāinga Ora will not be bound to give any reasons for decisions made as a result of this IM or as an outcome of the IM evaluations.