



25 October 2023

Warren Murdoch

fyi-request-24159-7b1e4c45@requests.fyi.org.nz

Dear Mr Murdoch

OFFICIAL INFORMATION REQUEST

I refer to your official information request dated 15 September 2023 for information, purchase price for land involved in Teitei development. We apologise for the lateness in responding to your request.

The information you have requested is enclosed.

Could you please give me information on how much the the land connected to the Teitei development was sold to Kaianga Ora for.

Can you also advise me if the sale and purchase agreement for the land mentioned above has gone unconditional.

The original CIP application for housing support for Ruapehu stated that council would offer land at no cost as its local share for the development, CIP would provide the funding for infrastructure costs, and a CHP would provide the funding for the houses.

CIP subsequently modified the proposal with CIP providing funding direct to Kaianga Ora but with the requirement that Kanga Ora should work with RDC and Ngati Rangī on its development.

Kaianga Ora, as the developer, would cover any escalation in costs.

As part of the due diligence process between CIP and Kaianga Ora, some of the council costs were not going to be covered by the CIP funding. To overcome that issue, discussions occurred which resulted in formulation of an intention by the Council to sell land for 44 lots to Kaianga Ora to cover the shortfall in Council's costs, rather than being contributed by Council at no cost as part of the Council's local share for the funding of the project. This was not tied to the value of the land, but more to the anticipated Council costs which CIP would not fund. Negotiations then occurred in that respect which resulted in the Sale and Development Agreement being signed on 4 April 2023.

This approach supports Council's Public and Affordable Asset and Tenancy Management Strategy that was publicly consulted on in September 2020. The Strategy stated that it would not be Council's policy to undertake speculative development or housing risk. Council would work with other organisations on collaborative delivery of new housing by activating and unlocking the residual value of Council land holdings. Council would utilise Government funding to provide housing ready sub-divisions on which others will build.

The sale of the land was accepted by CIP as the Council's local share, that enabled the drawdown of CIP funding. Additionally, Council did receive \$300,000 to cover consultants' costs.



Can you also advise me if any consultation was done with the rate payers of Ohakune over the sale of the above mentioned land. If there was can you please advise me of the dates and how that consultation was carried out.

General Consultation occurred during consultation on the Council's Proposed Public and Affordable Housing Asset and Tenancy Management Strategy (ATMS) in 2020 and the consultation on the 2021-31 LTP -This included a specific section on what the Role of Council should be in Housing. Please also see the Council Agenda dated 27 September 2023 and the Report "Proposed Teitei Drive Housing Development" for further explanation <https://www.ruapehudc.govt.nz/our-council/meeting-dates-and-information/meetings-this-month> - this will be included on Council's website.

Council is not required to consult on every sale of land- it falls under the general portfolio of Community Property.

You have the right to seek an investigation and review by the Ombudsman of this decision. Information about how to make a complaint is available at www.ombudsman.parliament.nz or freephone 0800 802 602.

Yours sincerely

Maggie Flonk
INFORMATION MANAGEMENT, MANAGER