

10 April 2017

Gavin Ion
Chief Executive
Waikato District Council
Private Bag 544
NGARUAWAHIA 3742

By email: gavin.ion@waidc.govt.nz (and mail)

Dear Gavin

LAKESIDE PRIVATE PLAN CHANGE APPLICATION TO THE WAIKATO DISTRICT COUNCIL

I write to you in my capacity as Director of Lakeside Developments 2017 Limited (“LDL”) to submit a private plan change application, which seeks to rezone a 194-hectare parcel of land located at 65 and 94 Scott Road, Te Kauwhata (the “Property”) (the “Lakeside Private Plan Change”).

The Lakeside Private Plan Change will facilitate the development of a residential master planned community of approximately 1,600 residential lots (including a retirement village), a community hub and associated recreational reserves, to be known as “Lakeside”.

The Property is located on the southern boundary of the existing Te Kauwhata village and borders the western edge of Lake Waikare. We believe that the Property (and the Lakeside development) is the logical extension of the existing Te Kauwhata village and is in effect, the missing ‘southern’ part of the town.

The technical reports which comprise the Lakeside Private Plan Change demonstrate that there are no impediments to the proposed development and that the Property is ideally suited to be developed as a residential master planned community.

The development of Lakeside will deliver benefits, not only to its future residents, but also to the existing community of Te Kauwhata. Detailed below are three (3) of the benefits which will occur as a result of the development of the Property.

Key Benefits Associated with the Development of Lakeside

i. Wastewater Infrastructure Upgrade

The LDL wastewater infrastructure upgrade proposal will see the installation of a self-contained wastewater package plant, or membrane bioreactor (“MBR”), to process all of the wastewater generated by the existing residents of Te Kauwhata, plus that which will be generated by the future residents of Lakeside.

The installation of the MBR plant will see the decommissioning and removal of the existing wastewater treatment ponds and the elimination of the discharging that is currently occurring into Lake Waikare.

LDL believes that our proposed wastewater treatment solution will have an extremely positive impact on the water quality of Lake Waikare and the surrounding environment.

Following the removal of the existing treatment ponds, it will be possible to transform this area into a public reserve that will become the 'link' between the existing Te Kauwhata village and the starting point of the public walkway network, which is to be constructed along the western edge of Lake Waikare and its surrounds for the very first time (refer below).

ii. Public Access to Lake Waikare

The development of Lakeside will see the creation of 43 hectares of recreational reserves on the land which borders the western edge of Lake Waikare. Within these reserves, a public walkway network, in excess of 5km in length, will be constructed to create public access to Lake Waikare and its surrounds for the very first time.

Other recreational opportunities proposed for the reserves include an Iwi Reserve, recreational sports grounds, children's playgrounds and an equestrian park. The remainder of the reserve land will be managed to allow wetland regeneration alongside replanting.

iii. Creation of an Iwi Reserve

LDL acknowledges the significance of Rangiriri, Lake Kopuera and Lake Waikare to the local mana whenua and the important part these areas have played historically.

LDL is working with the Nga Muka Development Trust to create an Iwi Reserve on the most eastern point of Lakeside to acknowledge the significance of this area. The Iwi Reserve will include a memorial site and lookout over Lake Waikare. It will be connected to Lakeside and the existing Te Kauwhata village via a public road and the public walkway network.

Engagement Process

To ensure a comprehensive plan change application is submitted, LDL has engaged with the following parties to outline the Lakeside development proposal and to address any potential concerns or issues ahead of the submission:

- The Waikato River Trust (who have provided a letter of support to the proposed public walkway network which is to be developed within the recreational reserves along the edge of Lake Waikare);
 - The Nga Muka Development Trust (who have provided a letter in support of the Lakeside Private Plan Change);
 - The Waikato District Council (as you are aware, this engagement included a presentation to the Waikato District Councillors and staff in December 2016);
 - The Waikato Regional Council;
 - The Te Kauwhata Community Committee;
 - Ken Tremaine;
 - The Te Kauwhata District Pony Club (who have provided a letter in support of the Lakeside Private Plan Change);
 - NZTA;
 - Kiwi Rail; and
 - A 'Community Open Day' was held at the Te Kauwhata Rugby Club in December 2016, which was attended by over 200 people. The purpose of this event was to provide the local community with information on the proposed Lakeside development, the plan change process and associated timings.
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Te Kauwhata Residential Market

The 2016 Waikato Regional Policy Statement (“RPS”) requires that the Waikato District Council puts in place residential zoning to provide for thirty (30) years of growth within Te Kauwhata within two (2) years of the policy becoming operative in 2016. Currently there is not enough residentially zoned land within the Te Kauwhata rural urban boundary to comply with this requirement. The rezoning of the Property, and subsequent development of Lakeside, would deliver approximately 1,600 residential lots, which would meet the required RPS target.

LDL believes that the growth assumptions contained within the RPS are conservative and that Te Kauwhata has the opportunity to tap into the escalating ‘overflow’ of demand for Auckland urban fringe locations which provides a more affordable product due to many buyers being ‘priced out’ of the Auckland market.

As is detailed in the Te Kauwhata Market Assessment (which is included within the Lakeside Private Plan Change) there is significant opportunity to elevate the growth potential of Te Kauwhata and generate transformational change for the town given its strategic location in the centre of the ‘Golden Triangle’ and its proximity to Auckland. Within the ‘Golden Triangle’ (i.e. Auckland Region, Hamilton City and Tauranga City), net additional households over the next 17 years, is forecast to equate to demand for around 211,000 new dwellings or, an average of 12,400 new homes per annum.

To put this into context, Residential and Country Living zoned land in Te Kauwhata ‘at capacity’ will accommodate less than 1,300 dwellings. Relative to the net growth over the same period the existing supply within Te Kauwhata equates to less than 0.6% of the forecast requirement within the ‘Golden Triangle’ (which is comparable to the number of dwellings which are to be developed at Lakeside).

Winton Partners Residential Development Track Record

LDL is part of Winton Partners, a residential development company of scale with 20 projects currently under development throughout New Zealand and Australia. Winton Partners track record clearly demonstrates that we are a residential developer and not a land banker.

Winton Partners total development pipeline is in excess of 6,500 residential lots. In New Zealand, over the next 12 months Winton Partners will develop, title and settle more than 750 residential lots, with a further 2,000 residential lots to be developed, titled and settled within the following two (2) years.

Detailed below are three (3) sample projects that Winton Partners are currently developing throughout New Zealand.

i. Bridesdale Farm, Lake Hayes Estate, Queenstown

Bridesdale Farm was classified as Queenstown’s first “Special Housing Area” under the Queenstown-Lakes District Housing Accord and the Housing Accords and Special Housing Areas Act 2013 (“HASHA”).

Winton Partners maintained an extremely tight development programme for Bridesdale Farm in accordance with and to promote the spirit and intent of the HASHA legislation. Civils works commenced on site immediately upon receipt of the resource consent.

Titles to the 137 residential lots will be issued in April 2017, only ten (10) months after the resource consent for the development was received. Settlement of all residential lots will occur in March 2017, which will help to alleviate the current housing supply issue that the Queenstown Lakes District is experiencing.

ii. Northlake, Wanaka

Northlake is a 108 hectare site located on Aubrey Road, Wanaka. Upon completion, Northlake will consist of circa 800 residential dwellings and a retail and commercial hub.

The site was rezoned to residential, via a private plan change, in December 2015. In the twelve (12) months since the project was released to the market, over 200 residential lots have been sold. Civil works are underway on the first eight (8) stages of the development, with these 200 residential lots to be titled and settled in early to mid 2017.

It is Winton Partners' intention to develop all of the 800 residential lots at Northlake. This commitment has been demonstrated by the continual release to the market of additional stages within the development, throughout the year.

iii. Marlborough Precinct, Hobsonville Point, Auckland

Winton Partners contracted a prime 4.5 hectare block of waterfront land within Hobsonville Point in June 2016, after being endorsed and ratified by the Hobsonville Land Company board ("HLC"). HLC represents the Crown, who are the vendors of the land which comprises Hobsonville Point.

The landholding purchased by Winton Partners is known as Marlborough Precinct and upon completion, will deliver circa 340 dwellings to the Auckland market. These dwellings will be contained within six (6) new apartment buildings, thirteen (13) detached houses, a conversion of a historic seaplane hangar and the refurbishment of four (4) existing historic former Air Force officer houses fronting the waterfront.

Winton Partners has submitted the subdivision consent application for the entire subdivision with landuse consents being lodged for the individual buildings progressively throughout 2017.

Civil works required to create the individual housing and apartment lots will commence upon receipt of the subdivision consent and will be completed in full by mid 2018, with the first of the built product to be delivered in early 2019.

Our commitment to the Lakeside development cannot be demonstrated any more succinctly, than by the fact the Lakeside Private Plan Change application is being submitted only six (6) months after LDL contracted to purchase the Property.

We would welcome the opportunity to meet with you to discuss the Lakeside development and the Lakeside Private Plan Change in greater detail.

Yours sincerely



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Lakeside Developments 2017 Limited

Encls.

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