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From: s 9(2)(a) <[REDACTED]@huttcity.govt.nz>
Sent on: Tuesday, February 4, 2025, 1:32:01 AM
To: s 9(2)(a) <[REDACTED]@kaingaora.govt.nz>
Subject: FW: Scope Amendment: Infrastructure Acceleration Fund - Stormwater Projects
Urgent: High

Attachments: Letter to Kainga Ora - Scope Change 030225.pdf (209.18 KB), IAF - Variations Request Form - P150 RiverLink - 30.09.2024.docx (55.11 KB)

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Kia Ora s 9(2)(a)

Now that HCC has signed the Delivery Plan, please find attached approved letter regarding for the Scope Amendment for the Infrastructure Acceleration Fund (IAF) Stormwater projects.
Also attached is the completed variation request form for your review.

Happy to meet you and plan the next steps and advise if you need any further information from us.

Ngā mihi,

s 9(2)(a)

s 9(2)(a)

Head of City Delivery

Hutt City Council, 30 Laings Road, Hutt Central, Lower Hutt 5010

P: **M:** s 9(2)(a) **W:** www.huttcity.govt.nz



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IAF Agreements - Variation Request Form

Please use this form to request a variation to any IAF Funding Agreement or Housing Outcomes Agreement. When complete, please provide to the designated IAF Commercial Lead in WORD format. The IAF Team will review the request and may require additional details, documentation or clarification.

All variation requests must be submitted by the Contract Administrator for the relevant IAF Agreement.

Key Details relating to the IAF Funding:

Key Information	Response from Recipient
Funding Agreement/Housing Development:	P150 – RiverLink and Valley Floor Intensification
Recipient:	Hutt City Council
Developer(s)	Urban Plus
Contract administrator for this request:	s 9(2)(a)
Contact email	s 9(2)(a)@huttcity.govt.nz
Contact phone number	s 9(2)(a)
IAF Senior Commercial Lead	Shane Oliver
Date of Funding Agreement:	11 October 2022
Date(s) of any other previously agreed Delivery Plans or other variations:	22 May 2024 – Stage 1 Milestones
Total Funding Amount:	\$98,900,000
Total Dwellings:	3,520
Types of Infrastructure:	Stormwater, Wastewater, Potable Water and Transport
Name of the IAF Funded EIP(s) that this request for variation applies to:	<ul style="list-style-type: none">• Three Waters IAF Funded Enabling Infrastructure Project 1 – Melling Stormwater Pipeline• Three Waters IAF Funded Enabling Infrastructure Project 2 – Woburn Stormwater Pipeline; and• Transport Related Enabling Infrastructure Projects.
Other IAF-funded Infrastructure Projects (if any):	<ul style="list-style-type: none">• Three Waters Non-IAF Funded Enabling Infrastructure Project 3 – Wastewater Pipeline

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	<ul style="list-style-type: none"> • Three Waters Non-IAF Funded Enabling Infrastructure Project 4 – LTP Projects (Eastern Hills Reservoir)
Status of Infrastructure:	Stage 1 is now complete with Stage 2 works underway.
Status of overall Housing Development(s):	RiverLink is primarily brownfields intensification throughout Lower Hutt. Since the IAF Agreements were signed in October 2022, 668 new dwellings have been consented and 149 new dwellings have been completed.
Nature of the request (in basic terms):	<p>[in simple terms, what is the basic request and the background to it? E.g. "delayed Milestone completion dates due to weather event" or "X IAF funded EIP completed with IAF funding underspend of \$Y and request to apply the underspend to Z IAF funded EIP"]</p> <p>OLD</p> <p>The Feasibility stage investigations of the project identified a single stormwater project which enables the agreed Infrastructure Acceleration Fund (IAF) housing outcomes but at a reduced cost to the projects originally identified when the Funding Agreement was entered into in October 2022. The updated stormwater pipeline identified during the feasibility stage, provides the same overall solution in terms of housing outcomes but at a reduced cost. Based on the updated cost estimate of \$107m to complete the stormwater project, the IAF funding would reduce to circa \$72m from \$98.9m. The current approach is for these "savings" to remain with the project to allow for any unforeseen cost increases until completion of the project.</p> <p>The original IAF application presented RiverLink project (Te Awa Kairangi) investment as key catalyst to enable the housing intensification of Hutt City. One of the key components of the project is a new City Link Bridge connecting revitalised city centre to the relocated new Melling Train Station. Unfortunately, due to the change in the Government Policy Statement 2024, there has been substantial reduction in the available funding for walking and cycling projects. This means Hutt City Council were unable to secure the funding for this new City Link Bridge. The new City Link Bridge connects the Hutt city centre with new relocated Melling Train Station. This bridge is critical catalyst to enable the urban development and revitalisation of Hutt City and is a key component of the wider integrated land use and transport response for Hutt City known as Te Awa Kairangi. The City Link Bridge contributes to the wider economic and housing outcomes. The key points are:</p> <ul style="list-style-type: none"> • Over the next 30 years, about 40,000 more people are expected to live in Lower Hutt, increasing the population to 150,000. • There has been difficulty encouraging investment in the Hutt city centre and there is a need to improve the vibrancy, accessibility, and retail vitality of the city centre.

- The City Link Bridge investment will be a catalyst for change, helping to foster urban renewal, growth, create new jobs and new homes.
- Improved access to new Melling Station via City Link Bridge will encourage growth and the regeneration of Hutt city centre and promote commercial and residential development.
- Better links to the river will weave Te Awa Kairangi into the lives of its community, making a more liveable city and supporting urban residential growth.
- By improving access and connectivity between the Melling station and the city, the City Link Bridge will stimulate housing growth and economic activity in Hutt by attracting investors and visitors to the area and increasing foot traffic.

In particular, the new City Link Bridge:

- Improve access & connectivity to the relocated Melling Train station
- Enables Urban development and Growth of Hutt City
- Enables regionally significant housing development to occur
- Ensures Riverlink investment outcomes are realised
- Supports the investment criteria identified in the Government Policy Statement supporting economic growth and housing outcomes

If we unable to secure IAF funding for the City Link Bridge, then:

- There is a real risk that:
 - Te Awa Kairangi investment outcomes related to urban revitalisation and city center rejuvenation are not realised,
 - Challenging the need to relocate Melling station as without City Link Bridge, the overall walking time from City will increase by 20min.
 - Without multimodal improvements, there is risk of increased demand on the Melling interchange that may undermine the entire transport improvements for the area.
- Without this critical new linkage (City Link Bridge) to the new rail station, the attractiveness of planned residential and commercial development in Hutt City may be compromised, resulting in lower demand in the area.
- There is a real risk that without the City Link Bridge the required investment in increased services to the new rail

	<p>station will not be made due to reduced demand. The Melling Train Line closure risk becomes real as Greater Wellington Regional Council has communicated the risk to future vitality of this rail line if City Link Bridge is not delivered. The closure of the Melling Train line will therefore impact on planned housing growth by limiting travel choices to and from Wellington.</p> <ul style="list-style-type: none"> The residential and commercial growth of Hutt City would also not be able to occur without the City Link bridge, which is significant for the wider region and adversely impacts on the housing outcomes related to the Infrastructure Acceleration Fund project. <p>We therefore request Kainga Ora to consider our request to reinvest these savings (estimate to be around \$26.9M at this stage) towards design and construction of the City Link Bridge to enable the achievement of the IAF housing outcomes</p>
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What type of variation is being requested (complete all variation types that apply)			
Variation Type		Yes or No	Provide relevant information to support assessment of this request
1	Does this request relate to an update that is anticipated by the Funding Agreement or a previous Delivery Plan?	No	N/A
2	Request to waive or vary any conditions in the Special Terms of the Funding Agreement or the Housing Outcomes Agreement	No	N/A
3	Request to terminate the IAF Funding Agreement	No	N/A
4	Request to vary or enter into new Housing Outcomes Agreement (including where a Developer is transferring the Land that is the subject of a Housing Outcomes Agreement)	No	N/A

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5	Request to terminate a Housing Outcomes Agreement	No	N/A
Time Related Variations			
6	Update to Milestone dates	No	Any amendments to the milestones will be actioned through the stage specific delivery plan.
7	Update to dwellings to be completed in each year (under a Housing Outcomes Agreement)	No	N/A
Scope Related Variations			
8	Update to makeup of EIPs <i>e.g. one or more projects to combine into a single project or one project to be split into separate projects</i>	Yes	Request to transfer part of the scope (City Link Bridge) from the Related Enabling Infrastructure Projects outlined within Item 18 – Special Terms of the Funding Agreement, to be an IAF Funded Enabling Infrastructure Project (EIP). In addition to transferring the City Link Bridge to be an IAF funded EIP, \$26.9 million of IAF funding would also be reallocated from the Stormwater Pipeline Upgrade to the City Link Bridge project.
9	Update to Milestone deliverables and/or requirements/conditions for satisfaction of a milestone	Yes	Requesting to change the funding scope from water infrastructure to transport infrastructure (City Link Bridge) to enable the intensification of housing in Hutt City.
10	Removal of an IAF Funded EIP and: a. will become a Non-IAF-Funded EIP or b. the EIP to be removed from the Funding Agreement entirely *This will require Ministerial approval	No	N/A
11	Update to the type and total number of dwellings to be completed under a Housing Outcomes Agreement	No	N/A
Cost Related Variations			

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12	<p>Update to allocation of IAF Funding per IAF-Funded EIP (eg. following contract award)</p>	Yes	<p>Requesting \$26.9M of Kainga Ora subsidy (out of \$98.9M) to be moved from Stormwater Project towards RiverLink Project to enable design and construction of new City Link Bridge.</p> <p>Hutt City Council have found value for money outcome by delivering a single stormwater project that will enable the same level of Housing Intensification within Hutt City and be completed at a lower cost than the original two projects. This demonstrates value for money has been considered and for the same cost to the government (\$98.9m), HCC can deliver the City Link Bridge and an effective stormwater solution.</p>
13	<p>Update to allocation of IAF Funding per EIP to include EIP(s) that is /are currently Non-IAF Funded EIP(s)</p> <p>*This requires Ministerial approval</p>	Yes	<p>Request to transfer part of the scope (City Link Bridge) from the Related Enabling Infrastructure Projects outlined within Item 18 – Special Terms of the Funding Agreement, to be an IAF Funded Enabling Infrastructure Project (EIP). In addition to transferring the City Link Bridge to be an IAF funded EIP, \$26.9 million of IAF funding would also be reallocated from the Stormwater Pipeline Upgrade to the City Link Bridge project.</p>
14	<p>Transfer of remaining IAF funding (underspend) within the maximum IAF Funding amount for an IAF-Funded EIP milestone, to the next IAF-Funded EIP Milestone</p> <p>(clause 1.1(b)(i) Part 2: General Terms)</p> <p>e.g. moving funding between milestones within the same project</p>	No	N/A
15	<p>Transfer of remaining IAF funding (underspend - within the maximum IAF Funding amount) to <u>another IAF Funded EIP</u></p> <p>(clause 1.1(b)(ii) Part 2: General Terms)</p>	No	N/A
16	<p>Recipient to confirm: No change to the scope of the IAF Funded EIP in respect of which there are underspends AND the IAF Funded EIP that it is proposed to transfer the underspends to.</p>	No	N/A

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17	The increase in Eligible Costs of the IAF Funded EP that it is proposed to transfer the underspends to is due only to cost overruns (and not to change in project scope)	No	N/A
18	The underspends in the Maximum IAF Funding Payment Milestone amount is due to genuine cost underspends and not to change in project scope)	No	N/A
19	Is there any other information related to this request for variation that has not been addressed by the above questions? If so, please provide that information here	No	N/A

Why is the variation required?		
Question:	Information required:	Details from Recipient:
20	<p>What are the driver(s) or reason(s) for the variation?</p> <p>Recipient to provide details including:</p> <ul style="list-style-type: none"> The circumstances that led to this request? What has changed since the Funding Agreement was signed? Is the request a result of external factors, such as a weather event or change in legislation/regulatory environment? <p>Recipient to provide supporting information including validation</p>	<p>[Provide an explanation here and/or the names of any other documentation submitted that includes further information on this point.]</p> <p>The project cost review resulted in potential savings associated with the stormwater project. This variation request is an opportunity to use these savings towards an enabling project RiverLink that is vital to</p>

		of cost estimates and project scope assurance (if applicable to the variation requested)	achieving the overall housing outcomes and city centre regeneration. The City Link Bridge (part of RiverLink) is a critical enabler of housing outcomes and has been unsuccessful to receive NLTF funds due to change in GPS 2024. HCC request Kainga Ora and Minister of Housing to consider our request to use these savings to build this critical enabling transport infrastructure to achieve the housing outcomes of the IAF agreement.
21	What steps has the Recipient taken to mitigate the need for the variation?	Recipient to provide details on what action has already been taken and to what extent it was or wasn't effective	<p>[Provide an explanation here and/or the names of any other documentation submitted that includes further information on this point.]</p> <p>This variation request is due to reduced project costs and an opportunity to use the potential savings towards a vital transport project to enable the achievement of IAF housing outcomes.</p>
22	What other options are available to the Recipient if the request for variation is not approved?	Recipient to outline what Plan B is if this request is not approved. What other options (if any) are available?	<p>[Outline the process, timeline, and other implications/risks for this alternative solution.]</p> <p>If this variation is not approved, then a significant funding gap will exist towards delivery of the City Link Bridge, and no other alternative funding sources are currently available to deliver this project. Council alone will struggle to deliver this bridge amidst the current affordability challenges as part of LTP 2024-34.</p>
23	What variations has the Recipient previously sought?	Recipient to provide details, including whether or not they variations have been agreed with Kainga Ora.	None.
Impacts and Opportunities:			
24		What are the impact(s) on, and opportunities in relation to, timing*:	

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	Impact(s) on, and opportunities in relation to, timing for delivery of the EIP(s)	<p>If the request for variation is approved?</p> <p>If variation is approved, then the stormwater and wastewater projects remain aligned with agreed milestones as per the stage 2 delivery plan.</p> <p>If the request for variation is not approved?</p> <p>If the variation is not approved, then the stormwater and wastewater projects remain aligned with agreed milestones as per the stage 2 delivery plan.</p>
25	Impact(s) on, and opportunities in relation to, cost for delivery of the EIPs and how any increased cost will be met.	<p>What are the impact(s) on, and opportunities in relation to, cost (and how any increased cost will be met)*:</p> <p>If the request for variation is approved?</p> <p>If this variation request is approved then any increase in overall project costs for IAF projects, over and above the Kainga Ora contribution, will be covered by Hutt City Council.</p> <p>If the request for variation is not approved?</p> <p>The potential savings remains with the project for use if and when required to manage any potential cost increases in subsequent stages of the project.</p>
26	Impact(s) on, and opportunities in relation to, delivery of the Housing Outcomes (including timing of delivery and type and total number of dwellings)	<p>What are the impact(s) on, and opportunities in relation to, delivery of the Housing Outcomes*:</p> <p>If the request for variation is approved?</p> <p>If approved, Hutt City Council will then be able to deliver the City Link Bridge to enable the IAF housing outcomes.</p> <p>If the request for variation is not approved?</p> <p>If this request is declined, then it will seriously impact Hutt City Council's ability to successfully deliver the City Link Bridge and therefore seriously impact on Council's ability to enable the urban development and regeneration outcomes. This will in turn impact on IAF housing outcomes.</p>
27	Impact(s) on, and opportunities other than those related to the delivery of Housing Outcomes (i.e. x,y,z)	None related to this variation.
28	Wider impact(s), including impact(s) on other projects, arrangements and relationships (all considered at both a	<p>What are such wider impact(s)*:</p> <p>If the request for variation is approved?</p> <p>If this variation is approved then it will enable the delivery of IAF housing outcomes as well as the delivery of RiverLink outcomes</p>

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	local government and central government level) where the affected EP is a (direct or indirect) dependency:	<p>around urban regeneration, city revitalisation and transport improvements.</p> <p>If the request for variation is not approved?</p> <p>If this variation is approved then it will also impact on Council's ability to deliver the RiverLink programme outcomes around urban regeneration, city revitalisation and transport improvements.</p>
29	Any other relevant impacts or opportunities (if any)*:	<p>If the request for variation is approved?</p> <p>None</p> <p>If the request for variation is not approved?</p> <p>None</p>
* Recipient to provide supporting information, where available.		

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Appendix A: Updates Sections to Funding Agreement and/or Housing Outcomes Agreement

[Insert templates for Recipients to insert both the current and proposed changes for each relevant section]

1. Item 7, Part 1, Funding Agreement
2. Part A, Schedule 2, Funding Agreement
3. Schedule 5, Funding Agreement
4. Schedule 3, Housing Outcomes Agreement
5. TBA
6. Item 6, Part 1, Funding Agreement
7. Row #1 of Item 5, Part 1, Housing Outcomes Agreement.
8. Item 10, Part 1, Funding Agreement (if affected) - EIP Maximum Amount Payable table
9. Part C, Schedule 2 Funding Agreement

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[This will not be included with the form to Recipients however, kept with this document for ease of reference. These are the questions that the IAF Team will consider when determining the reasonability of the request (as relevant to the request)]

Consideration	Analysis
1. What has changed since the Agreement was signed to lead to this?	This is an opportunity to enable delivery of vital infrastructure improvements to enable achievement of IAF Housing Outcomes
2. Is the request due to an external factor, such as a weather event or change in legislation/regulatory landscape?	No
3. Is the request due to Council no longer being able to fund a non-IAF funded EIP? If so, what has lead to this circumstance?	The City Link Bridge has been unsuccessful in securing the NLTF funding that will impact on IAF housing outcomes
4. Is Council able to fund the current non-IAF funded EIP but only if it is delayed and if so, how long is the delay?	No. The LTP 2024-34 assumes government subsidy (NLTF) for the City Link Bridge.
5. What would the impact on rates and/or debt be if the EIP remained fully Council funded and stayed on track?	The LTP 2024-34 assumes government subsidy (NLTF) for the City Link Bridge. The impact on rates is not yet quantified at this stage.
6. Will housing outcomes be delayed if IAF funding is not made available to the current non-IAF funded EIP, and if so, by how long?	Yes, the IAF housing outcomes will be delayed until such time that funding becomes available to deliver the City Link Bridge as a vital piece of enabling infrastructure
7. Will dwellings be reduced if IAF funding is not made available, and if so, by how much?	N/A
8. Why is the current IAF funded EIP no longer required/ required within the agreed timeframe to enable the dwellings?	N/A
9. Can you confirm that Council funding is available to ensure the current IAF funded EIP will proceed without IAF funding?	N/A
10. Will there be any impact on the Developer(s)/ Landowner(s) Funding as a result of the change that the Recipient is requesting?	N/A
11. Can the Recipient still confirm that the Developer(s)/Landowner(s) will still be paying their fair share of the costs of the EIPs (as defined in the Funding Agreement)?	N/A

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12. What other cost and timing implications would there be for other IAF and non-IAF funded EIPs?	N/A
13. What other risks might emerge if the funding is not reallocated and how could these be mitigated?	If this variation is not approved, then it will seriously impact council's ability to deliver the City Link Bridge within the IAF timeframes to enable the housing outcomes. This risk can be mitigated if potential savings associated with IAF Stormwater project can be reallocated to the delivery of City Link Bridge.

Reasonability Assessment

Overall, do you consider the request to be reasonable?	Yes / No
What is your explanation as to why or why not?	
<p>[Senior Commercial Lead to enter a couple of paragraphs as to the conclusion of their assessment]</p>	
Is this variation request considered material as per the Agency Agreement between HUD and Kāinga Ora and the Change Control Framework?	<p>Yes / No</p> <p>If Yes, please state the reason for the variation being material here and complete the options table below.</p> <p>If no, please provide this Assessment and associated documentation to the Director – IAF for endorsement and processing through the IAF</p>

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	Steering Group before seeking GM – level approval of the variation.
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Material Variation – Options Table

	Option Description	Pros	Cons
Option 1: Status Quo (do nothing)	[It's generally useful to always include this option when possible]	[what are the positive aspects of choosing this option? Does this present any opportunities?]	[what are the risks and negative consequences of choosing this option?]
Option 2:	[e.g. Remove the Stormwater EIP and reallocate funding to the Transport EIP]		
Option 3:	[complete as many lines as there are options]		
Option 4:			
What option do you recommend?	[Insert the Option # here]		
Other Commentary:	[Insert any other relevant details here that may not have been captured above but are relevant to the optioneering and decision-making.]		

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03 February 2025

s 9(2)(a)

Senior Commercial Lead
Infrastructure Acceleration Fund

Kia Ora s 9(2)(a)

Scope Amendment: Infrastructure Acceleration Fund (IAF) Stormwater Projects

The stage 1 (Feasibility Stage) of the IAF Stormwater and Wastewater projects is now complete. This stage investigated number of stormwater options and concluded that a single stormwater option (Melling Option 1B) for Hutt Central will best achieve the housing objectives of the project as well as staying within the affordability funding cap of \$174.4M.

Purpose

The purpose of this memo is to amend the project scope in the IAF funding agreement and delivery plan from two stormwater options to one stormwater option.

Background

Of the different stormwater projects investigated to increase the capacity of the Opahu Stream (being the main stormwater trunk for central Lower Hutt), Council's preferred option is Option 1B (Pretoria Street/High Street/Queens Drive).

Option 1B benefits an area of approximately 75.63ha. The area is strategically important for greater housing intensification as it is located along a main transport route, with easy access to the CBD, train services, hospital and other amenities. The area is situated upstream of Opahu Stream, offering enhanced resilience compared to downstream locations that were assessed. Additionally, this area has a higher likelihood of developer interest due to economic development potential.

Housing outcomes will continue to be met

As we progressed in our feasibility design and modelling, we obtained detailed information on housing capacity. The table below summarizes potential housing numbers within the stormwater project's zone of influence:

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Residential Land in Zone of Influence (ha)	Number of Dwellings (Higher Density – 200 dwellings/ha)	Number of Dwellings (Lower Density – 31 dwellings/ha)
40.2	8,000	1,250

Combining higher and lower density redevelopment, the entire zone can exceed the target of 3,520 dwellings. We note that the 3,520 target applies to the broader Valley Floor, which whilst some of it will not benefit from the stormwater project, it will benefit from improved wastewater drainage and water supply.

The IAF Funding Agreement targets the construction of 3,520 dwellings from 2022–2035. Since its signing in 2021, Council's Plan Change 56 has significantly increased housing potential in Hutt City. Notably, the central area around the stormwater catchments has been rezoned to High Density Residential, allowing up to 6-storey buildings and, in some areas, up to 36 meters in height. This rezoning enables a greater housing supply than initially anticipated, supporting our housing capacity analysis.

Given these revised District Plan rules, the proposed single stormwater project (Option 1B) can accommodate the 3,520-dwelling target.

Funding contract conditions

The key conditions of the Funding Agreement continue to be met by Council as summarised in the table below:

Condition	Compliance
Other enabling infrastructure (Wastewater pipeline and Eastern Hills Reservoir)	Council has committed to the funding and delivery of these two projects. Both are approved in the 2024 LTP and we are regularly reporting on their progress to Kāinga Ora.
Hutt Central Regeneration Steering Group	A Working Group (officer-level) and a Steering Group (leaders) have been established. The two groups are meeting on a regular basis and provide a mechanism to identify opportunities and risks associated with achieving the urban revitalisation outcomes associated with RiverLink and the IAF.
Streamlined consenting	There have been significant improvements in consenting timeframes. We note that at the time of the IAF Agreements Council was experiencing an abnormal surge in resource consent applications. This was due to a remission in development contributions ceasing, so there was a financial incentive for applicants to lodge all of their consents prior to 30 June 2021. Since that time, Council has increased resources for the consenting function, with the number of development

Condition	Compliance
	<p>engineers, who advise on the engineering aspects of resource consents, have grown from 3 in 2021 to 12 today.</p> <p>Overall, for the 2023/2024 financial year, 75% of non-notified resource consents have been issued within 20 working days. 84% of the consents issued in March 2024 were within 20 workings day (compared to 57% in March 2023)</p> <p>There are of course particular consent applications which may be more complex (or could be poor quality applications) and therefore take longer to process, so despite some consents being granted after 20 working days, we consider that there are no unreasonable delays in processing.</p>
<p>Related Enabling Infrastructure Milestones</p>	<p>The Funding Agreement includes reference to Related Enabling Infrastructure as part of RiverLink.</p> <p>This includes the new Melling Bridge being delivered the NZTA Waka Kotahi and the flood resilience improvements by Greater Wellington Regional Council.</p>

Kāinga Ora funding implications

The current estimates emerging from Stage 1 feasibility activities are high-level and preliminary. The stage 1 feasibility stage concluded with one preferred stormwater project (Option 1B) and the LTP funding approved in June 2024 reflected the one stormwater project. The approved funding assumed that Kāinga Ora contribution remains at \$98,900,000, which was reconfirmed in April 2024.

Following reduction in scope from two stormwater projects to one stormwater project, the estimated cost of delivering has reduced. The most recent advice from Kāinga Ora states that the IAF funding contribution will reduce to reflect reduction in estimated cost.

In accordance with the contract with Kāinga Ora, the Council's contribution through rates will remain unchanged. As a result of the reduced estimated cost, the development contribution must legally be reduced. The table below outlines the various funding scenarios and their potential impact on the Council:

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Source of Funding	Original Contract	Amended Scope
Territorial Authority, the Council	\$30,545,780	\$30,545,780
Developer(s)/Landowner(s)	\$6,121,260	\$4,854,480
IAF Funding, Kāinga Ora	\$98,900,000	\$71,999,740
Estimated Total Cost	\$135,567,040	\$107,400,000

The above table shows a reduction in IAF funding to the value of \$26,900,260 (termed as a funding surplus). Kāinga Ora has advised that they will keep the surplus in a savings register, and possible opportunities to drawdown this amount include:

1. Potential opportunity to request Kainga Ora and Minister of Housing to transfer this surplus to City Link Bridge which is crucial part of the RiverLink project to enable urban development and housing intensification in Lower Hutt but has been unsuccessful in securing funding from National Land Transport Fund walking and cycling activity class due to change in Government Policy Statement 2024.
2. Any surplus IAF funding will be allocated to an "Unclaimed IAF Funding" reserve, which can be drawn upon at later project milestones if genuine cost increases exceed the total estimated cost for that milestone, as outlined in the delivery plan.
3. Potential opportunity to request Kainga Ora and Minister of Housing to transfer this surplus to the IAF Wastewater project preferably at end of Stage 2, when we will have greater certainty around projects costs and timelines for Stage 3 (construction).

It is important to note that any movement of funds from stormwater project to another project will require ministerial approval, with option 1 as preference.

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Request for funding agreement adjustment

We request that the funding agreement be updated to reflect this single stormwater project approach as it meets our housing objectives within the allocated budget.

Ngā Manaakitanga



s 9(2)(a)

Director, Economy & Development
Hutt City Council



s 9(2)(a)

Chief Executive
Hutt City Council

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From: s 9(2)(a) @kaingaora.govt.nz
Sent on: Monday, March 3, 2025 7:42: 8 PM
To: s 9(2)(a) @kaingaora.govt.nz
Subject: FW: [EXTERNAL] RE: IAF - City Link Bridge Variation (HCC response)

FYI – s 9(2)(a) response below.

Ngā mihi,

s 9(2)(a)

Senior Commercial Lead
Infrastructure Acceleration Fund
Mobile: s 9(2)(a)
Email: s 9(2)(a) @kaingaora.govt.nz



From: s 9(2)(a) @huttcity.govt.nz
Sent: Monday, 3 March 2025 5:29 PM
To: s 9(2)(a) @kaingaora.govt.nz
Subject: RE: [EXTERNAL] RE: IAF - City Link Bridge Variation (HCC response)

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Hi s 9(2)(a)

Please accept my apologies in sending my response back to you. My response below in red font.

- 1. Last year we spoke about HCC’s ability to fund both the Stormwater Pipeline and the City Link Bridge projects and any potential project costs increase if the variation is approved by Ministers. As discussed, under the terms of the Funding Agreement HCC are responsible for covering any increases to project cost above what’s in the Funding Agreement, and while this was understood (and would be covered under the terms and conditions of the variation), MHUD have asked what assurance we have been provided from HCC that Council are willing and able to cover any potential cost increases. Would you and Jon be able to provide a written response to this?

HCC agree:

- To cap total funding contribution from Kainga Ora for the IAF stormwater project to a maximum amount of \$72M (out of total of \$98.9M) based on estimated total project cost of \$107.4M. HCC will cover any further cost increase beyond the total estimated project cost of \$107.4M.
- That the City Link Bridge cost as approved in the LTP 2024-2034 budget is \$55M. This cost assumed that HCC would get 51% subsidy from the National Land Transport Fund which it did not. Consequently, HCC requested that remaining funding subsidy from IAF to the total value of \$26.9M (out of total approved funding of \$98.9M) is reallocated to the design and construction of City Link

2. What is the delivery confidence of the City Link Bridge? (cost estimates, schedule, risks etc)

The project team of City Link Bridge is current developing technical requirements, consenting approach, procurement documents and cost estimates. We are aiming for Council approval by June 2025 to release RFT to the market for a design and construct contract in July/August 2025. The delivery plan is aligned and integrated with NZTA and GWRC works under "Co-ordinated Delivery Plan". Once the delivery supplier comes on-board (estimated January 2026), a detailed delivery plan will be developed including project schedule, risks and forecast. The delivery confidence is high, subject to securing IAF funding subsidy.

3. Are there any further details you can provide specifically in relation to how the bridge directly enables housing? This one is probably a question for Lucie.

The City Link Bridge makes access to the central city (the primary IAF catchment area i.e. the area serviced by the stormwater and wastewater upgrades) from the relocated Melling train station possible within a 10 minutes' walk. Proximity to a train station providing quick and direct access to the main centre of employment for the region (Wellington CBD) is a primary consideration when people select a place to live. Without such good access, the central city will not live up to its residential intensification potential. Moreover, without City link Bridge and city intensification, the Greater Wellington Regional Council will unlikely to keep the Melling rail line open as per their media statement. This will further reduce the attractiveness of the area for housing with reduced multi-modal transport access.

4. What are HCC's options for the delivery of the City Link Bridge should the variation not be agreed?

The reduction in walking and cycling activity class because of GPS 2024 resulted in Waka Kotahi NZ Transport Agency not allocation any funding subsidy to this project. Without the IAF funding, the council will have to reconsider the viability of this project due to extremely high impact on the LTP 2024-34. This may lead to council removing all funding for this project.

Regards
s 9(2)(a)

s 9(2)(a)

Head of City Delivery

Hutt City Council, 30 Laings Road, Hutt Central, Lower Hutt 5010

P: M: s 9(2)(a) W: www.huttcity.govt.nz



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From: s 9(2)(a) <[redacted]@kaingaora.govt.nz>
Sent: Thursday, 27 February 2025 11:57 am
To: s 9(2)(a) <[redacted]@huttcity.govt.nz>
Cc: s 9(2)(a) <[redacted]@kaingaora.govt.nz>; s 9(2)(a) <[redacted]@huttcity.govt.nz>; s 9(2)(a) <[redacted]@huttcity.govt.nz>
Subject: [EXTERNAL] RE: IAF - City Link Bridge Variation

Hi s 9(2)(a)

Sorry just adding one more query to the list below:

- What are HCC's options for the delivery of the City Link Bridge should the variation not be agreed?

Ngā mihi,

s 9(2)(a)

Senior Commercial Lead

Infrastructure Acceleration Fund

Mobile: s 9(2)(a)

Email: s 9(2)(a) <[redacted]@kaingaora.govt.nz>



From: s 9(2)(a) <[redacted]@huttcity.govt.nz>
Sent: Thursday, 27 February 2025 8:46 AM
To: s 9(2)(a) <[redacted]@huttcity.govt.nz>
Cc: s 9(2)(a) <[redacted]@kaingaora.govt.nz>; s 9(2)(a) <[redacted]@huttcity.govt.nz>; s 9(2)(a) <[redacted]@huttcity.govt.nz>
Subject: IAF - City Link Bridge Variation
Importance: High

Hi s 9(2)(a)

We've had some queries come back from MHUD on the Ministerial Briefing and it would be helpful if HCC could provide a response to the queries below.

1. Last year we spoke about HCC's ability to fund both the Stormwater Pipeline and the City Link Bridge projects and any potential project costs increase if the variation is approved by Ministers. As discussed, under the terms of the Funding Agreement HCC are responsible for covering any increases to project cost above what's in the Funding Agreement, and while this was understood (and would be covered under the terms and conditions of the variation), MHUD have asked what assurance we have been provided from HCC that Council are willing and able to cover any potential cost increases. Would you and Jon be able to provide a written response to this?
2. What is the delivery confidence of the City Link Bridge? (cost estimates, schedule, risks etc)
3. Are there any further details you can provide specifically in relation to how the bridge directly enables housing? This one is probably a question for Lucie.

If you're free at all tomorrow and would like to catch up with myself and s 9(2)(a) we're available between 9am and 2:30pm. Otherwise feel free to give me a call on my mobile.

Ngā mihi,

s 9(2)(a)

Senior Commercial Lead
Infrastructure Acceleration Fund

Mobile: s 9(2)(a)

Email: s 9(2)(a) [@kaingaora.govt.nz](mailto:s 9(2)(a)@kaingaora.govt.nz)



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- (1) reply promptly to that effect, and remove this email, any attachment and the reply from your system;
- (2) do not use, disclose or act on this email in any other way. Thank you.

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From: s 9(2)(a) @huttcity.govt.nz
Sent on: Thursday, March 13, 2025 11:30:35 PM
To: s 9(2)(a) @kaingaora.govt.nz
CC: s 9(2)(a) @kaingaora.govt.nz
Subject: RE: [EXTERNAL] RE: IAF - City Link Bridge Variation (HCC response)

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Hi s 9(2)(a)

I agree with you that HCC preference is to transfer the funds from IAF to the City Link Bridge in line with our existing request and this keeps it clean and provides a clear demarcation between Stormwater funding subsidy and City Link Bridge subsidy.

Regards
s 9(2)(a)

s 9(2)(a)

Head of City Delivery

Hutt City Council, 30 Laings Road, Hutt Central, Lower Hutt 5010

P: M: s 9(2)(a) **W:** www.huttcity.govt.nz



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From: s 9(2)(a) @kaingaora.govt.nz
Sent: Tuesday, 11 March 2025 8:29 am
To: s 9(2)(a) @huttcity.govt.nz
Cc: s 9(2)(a) @kaingaora.govt.nz
Subject: RE: [EXTERNAL] RE: IAF - City Link Bridge Variation (HCC response)

Hi s 9(2)(a)

MHUD have come back with another query in blue below.

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Is the below a possible option?

Is there an option for the IAF funds to remain within the stormwater project and reduce HCC co-funding share? HCC can then redeploy there co-funding saving to the bridge. This would mean that the bridge would be 100% HCC funded but the total IAF funding would remain within the stormwater project. The crown would then only have exposure to one project instead of two projects.

Are you able to advise whether this would be an option for HCC? I believe this option would require HCC to amend their LTP to move funding around which is an expensive and time consuming exercise and the option to simply transfer IAF funding to the City Link Bridge is HCC's preferred option.

Ngā mihi,

s 9(2)(a)

Senior Commercial Lead
Infrastructure Acceleration Fund

Mobile: s 9(2)(a)

Email: s 9(2)(a) [kaingaora.govt.nz](mailto:s 9(2)(a)@kaingaora.govt.nz)



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From: s 9(2)(a) <[redacted]@kaingaora.govt.nz>
Sent on: Sunday, September 22, 2024 10:31:18 PM
To: s 9(2)(a) <[redacted]@huttcity.govt.nz>; s 9(2)(a) <[redacted]@eidconsultancy.co.nz>
CC: s 9(2)(a) <[redacted]@kaingaora.govt.nz>
Subject: IAF - RiverLink Variation Request Form
Attachments: IAF - Variations Request Form - P150 RiverLink - 30.09.2024.docx (56.99 KB)

Hi s 9(2)(a) <[redacted]>

As discussed last week, we have an IAF Variations Request Form that we'll need Hutt City Council to complete in relation to the potential variation request to reallocate IAF funding from the Stormwater Pipeline projects and reallocate it to the RiverLink / Melling walking and cycling bridge.

More just an FYI for you to have a look at the form at this stage and once HCC formalise their position on the variation request, I'll ask you to complete the form with the relevant information.

Let's run through the from it next time we meet and I can answer any questions you might have.

Nga mihi,

s 9(2)(a) <[redacted]>

Senior Commercial Lead
Infrastructure Acceleration Fund

Mobile: s 9(2)(a) <[redacted]>

Email: s 9(2)(a) <[redacted]@kaingaora.govt.nz>



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IAF Agreements - Variation Request Form

Please use this form to request a variation to any IAF Funding Agreement or Housing Outcomes Agreement. When complete, please provide to the designated IAF Commercial Lead in WORD format. The IAF Team will review the request and may require additional details, documentation or clarification.

All variation requests must be submitted by the Contract Administrator for the relevant IAF Agreement.

Key Details relating to the IAF Funding:

Key Information	Response
Funding Agreement/Housing Development <i>PXXX – IAF Agreement Name</i>	P150 - RiverLink and Valley Floor Intensification
Funding recipient	Hutt City Council
Developer(s) <i>Name of Developer(s) under the Housing Outcomes Agreement(s)</i>	Urban Plus
Contract administrator for this request	s 9(2)(a) - Head of City Delivery, Hutt City Council
Contact email	s 9(2)(a)@huttcity.govt.nz
Contact phone number	s 9(2)(a)
IAF Senior Commercial Lead <i>Name of IAF SCL responsible for this IAF Agreement</i>	s 9(2)(a)
Date of Funding Agreement <i>Date as per original IAF Funding Agreement</i>	11 October 2022
Date(s) of any other previously agreed Delivery Plans or other variations	22 May 2024
Total Funding Amount <i>Total capped amount of IAF funding, as per the Funding Agreement</i>	\$98,900,000

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<p>Total Dwellings</p> <p><i>Total dwellings to be enabled as per the Funding Agreement.</i></p> <p><i>If this request is related to an HOA, specify the total number of dwellings for the HOA</i></p>	<p>3,520</p>
<p>Types of Infrastructure</p>	<p><input checked="" type="checkbox"/> Transport <input checked="" type="checkbox"/> Waters <input checked="" type="checkbox"/> Flood Management</p>
<p>Name of the IAF Funded EIP(s) that this request for variation applies to</p>	<p><i>List any of the Enabling Infrastructure Projects (EIP) in the Funding Agreement that are impacted by this request:</i></p> <p>Melling Stormwater Pipeline, Woburn Stormwater Pipeline</p>
<p>Other IAF-funded Infrastructure Projects (if any):</p>	<p><i>List any other EIPs in the Funding Agreement that are not included in the box above. Put "N/A" if there aren't any</i></p> <p>N/A</p>
<p>Status of Infrastructure:</p>	<p><i>What stage is the infrastructure currently at? Concept Design, Detailed Design, Procurement, Construction? Is it on track? Ahead or behind schedule? Please provide high-level overview.</i></p> <p>Stage 1 is complete with Council having commenced the Stage 2 works on both the Stormwater and Wastewater projects. The projects are behind the original baseline programme in regards to when practical completion will be achieved however, this is largely due to the projects tie in with the RiverLink programme of works. RiverLink is a combination of the New Melling Bridge and Flood Bank Upgrades and is being delivered by NZTA and GWRC. As there are elements of the IAF stormwater and wastewater projects that tie in with the RiverLink works, the RiverLink Alliance will need to deliver certain elements of the IAF projects as they intergate with one another. There have been continuous delays associated with the New Melling Bridge project and which have led to a delay to the practical completion dates of the IAF projects.</p>
<p>Status of overall Housing Development(s):</p>	<p><i>What is the context on the ground? Have houses been built? Consented? Any important information about the developer or relationships in the community?</i></p> <p>As RiverLink is an intensification project, dwellings are continuously being delivered throughout the catchment area. The level of activity has certainly slowed over the last two years following a similar trend to the housing market throughout New Zealand however, since the IAF Agreements were signed in October 2022, 668 new dwellings have been consented and 149 new dwellings have been completed.</p>
<p>Nature of the request (in basic terms):</p>	<p><i>In simple terms, what is the basic request and the background to it? E.g. "delayed Milestone completion dates due to weather event" or "X IAF funded EIP</i></p>

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completed with IAF funding underspend of \$Y and request to apply the underspend to Z IAF funded EIP"

The Feasibility stage investigations of the project identified a single stormwater project which enables the agreed Infrastructure Acceleration Fund (IAF) housing outcomes but at a reduced cost to the projects originally identified when the Funding Agreement was entered into in October 2022. The updated stormwater pipeline identified during the feasibility stage, provides the same overall solution in terms of housing outcomes but at a reduced cost whereas the original solution couldn't be delivered within the allocated budget of \$135m.

Based on the updated cost estimate of new stormwater solution of \$107m, the IAF funding would reduce to circa \$72m from \$98.9m . The current approach is for the full allocation of funding to remain within the project until it has been tendered for construction to allow for any unforeseen cost increases until that may arise.

Therefore, Hutt City Council is requesting to merge the Melling Stormwater Pipeline and the Worburn Stormwater Pipeline into a single Stormwater Pipeline Project noting that it provides the stormwater solution required to enable the Housing Outcomes within Hutt Central and aligns with Councils preferred option.

What type of variation is being requested?

(complete all variation types that apply)

Variation Type	Yes or No	Provide relevant information to support assessment of this request
1 Does this request relate to an update that is anticipated by the Funding Agreement or a previous Delivery Plan?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<i>If yes, please state what milestone the Delivery Plan relates to:</i> There is a condition within the Funding Agreement to agree a Delivery Plan for the Stage 2 milestones following the completion of the Stage 1 works.
2 Request to waive or vary any conditions in the Special Terms of the Funding Agreement or the Housing Outcomes Agreement	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<i>If yes, please set out what conditions is proposed to be waived or partially waived:</i>

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3	Request to terminate the IAF Funding Agreement	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<p>If yes, please set out the high level reason for why termination is requested and any attachments that provide other information, such as the formal letter from the CE of the Council, to withdrawal from the IAF Agreement:</p>
4	Request to vary or enter into new Housing Outcomes Agreement (including where a Developer is transferring the Land that is the subject of a Housing Outcomes Agreement)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<p>If yes, please state who will be entering into the HOA and why:</p>
5	Request to terminate a Housing Outcomes Agreement	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<p>If yes, please state the name of the HOA and any attachments that provide further information, such as a formal letter from the developer:</p>
Time Related Variations			
6	Update to Milestone dates	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<p>List the current milestone date and proposed new date for the milestone to be achieved:</p> <p>Practical Completion date of the Stormwater Pipeline project will be extended by 18 months due to the required intergration with RiverLink which is being delivered by NZTA and GWRC.</p> <p>All other milestones were TBC subject to completing a Delivery Plan at the end of Stage 1.</p> <p>Complete the following sections in Appendix A:</p> <ul style="list-style-type: none"> Item 7, Part 1, Funding Agreement Part A, <p>Schedule 2, Funding Agreement</p>
7	Update to dwellings to be completed in each year (under a Housing Outcomes Agreement)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<p>Describe the impact on changes to when the first dwelling will be completed and any knock-on effects:</p> <p>Complete the following sections in Appendix A:</p> <ul style="list-style-type: none"> Schedule 5, Funding Agreement <p>Schedule 3, Housing Outcomes Agreement</p>
Scope Related Variations			

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8	Update to makeup of EIPs <i>E.g. one or more projects to combine into a single project or one project to be split into separate projects</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<p><i>Explain which EIPs will be changing and what is the driver for the this, e.g. contract awarded and all three projects to be delivered by same contractor or e.g. decision made to award projects to separate contractors and therefore will be tracking delivery and costs as two separate projects</i></p> <p>Request to merge the two stormwater projects into a single project following the early stage feasibility works that determined an alternative single stormwater pipeline could be delivered and achieve the same outcomes.</p> <p>Complete the following sections in Appendix A:</p> <p>TBA</p>
9	Update to Milestone deliverables and/or requirements/conditions for satisfaction of a milestone	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<p><i>Describe what deliverables/requirements/conditions are proposed to change and why this is necessary/requested.</i></p> <p>N/A - The changes were anticipated and subject to agreeing a Delivery Plan at the end of Stage 1.</p> <p>Complete the following sections in Appendix A:</p> <ul style="list-style-type: none"> Item 7, Part 1, Funding Agreement Part A, Schedule 2, Funding Agreement
10	Removal of an IAF Funded EIP and: a. will become a Non-IAF-Funded EIP or b. the EIP to be removed from the Funding Agreement entirely *This will require Ministerial approval	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<p><i>List which EIPs are requested to be changed and why option a or b is appropriate:</i></p> <p>N/A</p> <p>Complete the following sections in Appendix A:</p> <ul style="list-style-type: none"> Item 6, Part 1, Funding Agreement Item 7, Part 1, Funding Agreement <p>Part A, Schedule 2, Funding Agreement</p>
11	Update to the type and total number of dwellings to be completed under a Housing Outcomes Agreement	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<p><i>What is the current and proposed new number of dwellings and explanation for the variance:</i></p> <p>Complete the following sections in Appendix A:</p> <p>Row #1 of Item 5, Part 1, Housing Outcomes Agreement.</p>
Cost Related Variations			

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<p>12</p>	<p>Update to allocation of IAF Funding per IAF-Funded EIP (eg. following contract award)</p> <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	<p><i>What is the quantum of funding requested to be reallocated, between which EIPs and what is the driver of this request:</i></p> <p><i>Complete the following sections in Appendix A:</i></p> <ul style="list-style-type: none"> Item 10, Part 1, Funding Agreement (if affected) - EIP Maximum Amount Payable table/ Expected annual payment profile of IAF funding <p><i>Part A, Schedule 2, Funding Agreement</i></p>
<p>13</p>	<p>Update to allocation of IAF Funding per EIP to include EIP(s) that is /are currently Non-IAF Funded EIP(s)</p> <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>*This requires Ministerial approval</p>	<p><i>What is the quantum of funding requested to be reallocated from the IAF-funded EIP to the non-IAF funded EIP? What will the balance of IAF funding be for the IAF-funded EIP after the reallocation and how will co-funding obligations be met?</i></p> <p><i>Complete the following sections in Appendix A:</i></p> <ul style="list-style-type: none"> Item 6, Part 1, Funding Agreement Item 7, Part 1, Funding Agreement Part A, Schedule 2, Funding Agreement <p><i>Part C, Schedule 2 Funding Agreement</i></p>
<p>14</p>	<p>Transfer of remaining IAF funding (underspend) within the maximum IAF Funding amount for an IAF-Funded EIP milestone, to the next IAF-Funded EIP Milestone</p> <p>(clause 1.1(b)(i) Part 2: General Terms)</p> <p>E.g. moving funding between milestones within the same project</p> <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	<p>What is/are the IAF Funded EIP(s) and the relevant Project milestone(s) in respect of which there are underspends?</p> <p><i>List the EIPs and milestones here:</i></p> <p>What is the amount of the remaining IAF-funding for the Eligible Costs that is for the benefit of:</p> <p>IAF:</p> <p>Recipient:</p> <p>Developer(s)/Landowner(s):</p> <p>Total:</p> <p>What amount of the cost overrun for the next project milestone will be covered by underspends in Eligible Costs that have accrued for the benefit of:</p> <p>IAF:</p>

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Recipient:

Developer(s)/Landowner(s):

Total:

Complete the following sections in Appendix A:

- Item 10, Part 1, Funding Agreement (if affected) - Expected annual payment profile of IAF funding
- Part A, Schedule 2, Funding Agreement

15 **Transfer of remaining IAF funding (underspend - within the maximum IAF Funding amount) to another IAF Funded EIP**

- Yes
 No

(clause 1.1(b)(ii) Part 2: General Terms)

What is/are the IAF Funded EIP(s) and the relevant Project milestone(s) in respect of which there are underspends?

List the EIPs and milestones here:

Not transferring any underspend but merging two projects together and therefore merging the allocated budgets of the Melling Stormwater Pipeline and the Woburn Stormwater Pipeline into a single project now called the Stormwater Pipeline Project.

What is the amount of the underspends in the Eligible Costs that is for the benefit of:

IAF:

Recipient:

Developer(s)/Landowner(s):

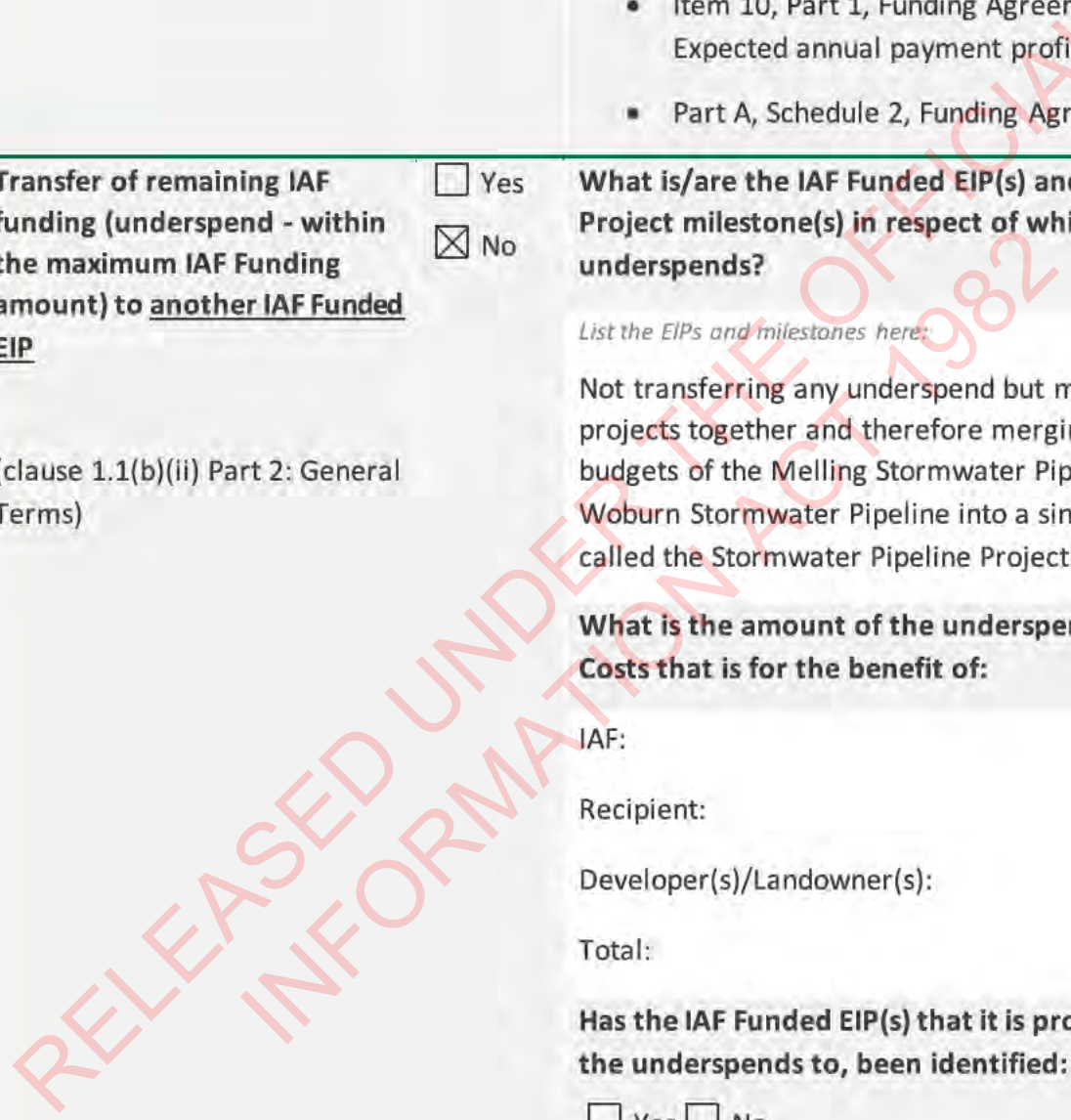
Total:

Has the IAF Funded EIP(s) that it is proposed to transfer the underspends to, been identified:

- Yes No

If yes, List the EIP and associated milestone they are proposed to be transferred to here:

If yes, what amount of the cost overrun will be covered by underspends that have accrued for the benefit of:



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IAF:

Recipient:

Developer(s)/Landowner(s):

Total:

Recipient to confirm:

16	No change to the scope of the IAF Funded EIP in respect of which there are underspends AND the IAF Funded EIP that it is proposed to transfer the underspends to.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
17	The increase in Eligible Costs of the IAF Funded EIP that it is proposed to transfer the underspends to is due only to cost overruns (and not to change in project scope)	<input type="checkbox"/> Yes <input type="checkbox"/> No
18	The underspends in the Maximum IAF Funding Payment Milestone amount is due to genuine cost underspends and not to change in project scope)	<input type="checkbox"/> Yes <input type="checkbox"/> No

<p>19 Is there any other information related to this request for variation that has not been addressed by the above questions?</p>	<p><i>If so, please provide that information here:</i> Q17 & Q18 above are not applicable to this variation.</p>
--	---

Why is the variation required?

Question:	Information required:	Details from Recipient:
<p>20 What are the driver(s) or reason(s) for the variation?</p>	<p>Recipient to provide details including:</p> <ul style="list-style-type: none"> The circumstances that led to this request? 	<p><i>Provide an explanation here and/or the names of any other documentation submitted that includes further information on this point:</i></p> <p>The Feasibility stage investigations of the project identified a single stormwater project which enables the agreed Infrastructure Acceleration Fund</p>

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What has changed since the Funding Agreement was signed?

- Is the request a result of external factors, such as a weather event or change in legislation/ regulatory environment?

Recipient to provide supporting information including validation of cost estimates and project scope assurance (if applicable to the variation requested)

(IAF) housing outcomes but at a reduced cost to the projects originally identified when the Funding Agreement was entered into in October 2022. The updated stormwater pipeline identified during the feasibility stage, provides the same overall solution in terms of housing outcomes but at a reduced cost whereas the original solution couldn't be delivered within the allocated budget of \$135m.

21	What steps has the Recipient taken to mitigate the need for the variation?	Recipient to provide details on what action has already been taken and to what extent it was or wasn't effective	<p><i>Provide an explanation here and/or the names of any other documentation submitted that includes further information on this point:</i></p> <p>The Feasibility and Multiple Criteria Analysis assessments determined that the two stormwater projects originally planned for as concepts were not feasible to deliver within the allocated budget, therefore an alternative solution was developed which demonstrates value engineering to deliver the required outcomes.</p>
22	What other options are available to the Recipient if the request for variation is not approved?	Recipient to outline what Plan B is if this request is not approved. What other options (if any) are available?	<p><i>Outline the process, timeline, and other implications/risks for this alternative solution:</i></p> <p>Council has now approved the single stormwater option and there is no option to revert back to delivering the two stormwater pipelines as a superior solution (single pipeline) was identified during the investigation stage of the project that provides the same outcomes at a lower cost.</p>
23	What variations has the Recipient previously sought?	Recipient to provide details, including whether or not they variations have been agreed with Kāinga Ora.	<p><i>Outline what other requests for variation have been requested in relation to this Funding Agreement and if they were approved or not:</i></p> <p>N/A - A Delivery Plan for the Stage 1 milestones was previously agreed however this was anticipated within the Funding Agreement.</p>

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Impacts and Opportunities:		
24	Impact(s) on, and opportunities in relation to, timing for delivery of the EIP(s)	<p>What are the impact(s) on, and opportunities in relation to, timing*:</p> <p>If the request for variation is approved?</p> <p><i>Describe what this will enable for the Council? What are the positive outcomes? How does this continue to support acceleration?</i></p> <p>There will be potential IAF savings by delivering a single stormwater pipeline if the request is approved.</p> <p>If the request for variation is not approved?</p> <p>Not approving a request to deliver a project that is further advanced than the original concepts that were signed up in the Funding Agreement would be problematic as the revised project provides the same benefits but at a lower cost.</p>
25	Impact(s) on, and opportunities in relation to, cost for delivery of the EIPs and how any increased cost will be met.	<p>What are the impact(s) on, and opportunities in relation to, cost (and how any increased cost will be met)*:</p> <p>If the request for variation is approved?</p> <p>If this variation request is approved then any increase in overall project costs for IAF projects, over and above the Kainga Ora contribution, will be covered by Hutt City Council.</p> <p>If the request for variation is not approved?</p> <p>If not approved, Hutt City Council will not be able to deliver the two stormwater projects due to increased costs since the Funding Agreements were signed.</p>
26	Impact(s) on, and opportunities in relation to, delivery of the Housing Outcomes (including timing of delivery and type and total number of dwellings)	<p>What are the impact(s) on, and opportunities in relation to, delivery of the Housing Outcomes*:</p> <p>If the request for variation is approved?</p> <p>If approved, Hutt City Council will then be able to deliver the Stormwater Pipeline to enable the IAF housing outcomes.</p> <p>If the request for variation is not approved?</p> <p>If not approved, Hutt City Council will not be able to deliver the Stormwater Pipeline to enable the IAF housing outcomes.</p>
27		<p>What are such wider impact(s)*:</p>

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	<p>Wider impact(s), including impact(s) on other projects, arrangements/outcomes (including non-housing outcomes) and relationships (all considered at both a local government and central government level) where the affected EIP is a (direct or indirect) dependency:</p>	<p>If the request for variation is approved?</p> <p>If this variation is approved then it will enable the delivery of IAF housing outcomes as well as the delivery of RiverLink outcomes around urban regeneration, city revitalisation and transport improvements.</p> <p>If the request for variation is not approved?</p> <p>If this variation is not approved then it will impact on Council's ability to deliver the RiverLink programme outcomes around urban regeneration, city revitalisation and transport improvements.</p>
<p>28</p>	<p>What are the other impacts (if any)*</p>	<p>If the request for variation is approved?</p> <p>None</p> <p>If the request for variation is not approved?</p> <p>None</p>
<p>* Recipient to provide supporting information, where available.</p>		

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