Received: 22 October 2025

Annexure K

Letter regarding Development Contributions

Prepared by Home Capital Partners

Home Capital Partners

1 Kairua Road,
Hornby, Christchurch
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17 October 2025

Nelson City Council
110 Trafalgar Street
PO Box 645
Nelson 7040

Attention: Martin Kozinsky

Development Contributions – 115-121 Milton Street, The Wood, Nelson

Dear Martin,

We're writing to you regarding the Development Contributions (DCs) for the proposed social housing development at 115-121 Milton Street, The Wood, Nelson.

Milton Street Development Limited Partnership (a legal entity under the Home Foundation Group) is entering into a lease agreement with The Salvation Army for the provision of social housing for a 25-year period. This initiative aligns with government objectives to increase the availability of affordable social housing within the Nelson community.

The Salvation Army is a registered Community Housing Provider, RA040, under the Community Housing Regulatory Authority. Under clause 7.1 of Nelson City Council's Policy on Development Contributions 2024, it states that Council will not require DCs to be paid in respect of social housing developments undertaken by, or for:

- A Community Housing provider that is registered with the Community Housing Regulatory Authority, or
- Iwi Trusts, or
- Any other partnership where Council has entered into an agreement to provide social housing.

We consider that this development falls under the first criteria:

'…social housing developments undertaken by, or **for**:

- A Community Housing provider that is registered with the Community Housing Regulatory Authority,

Given the nature and social purpose of the proposal, we therefore respectfully request that Council confirm that this development meets the eligibility criteria.

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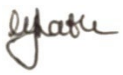
In the extremely unlikely event that the government were to cancel or terminate the social housing contract during the lease term then the Home Foundation Group provide an undertaking that they will pay the required development contributions, if required, on a pro-rata basis, reflecting the remaining portion of the intended 25-year lease period.

At the end of the 25-year lease, The Salvation Army may choose to renew the lease or purchase the properties utilising a gifted 30% Capital Gains Share, or the property and tenancy management arm of the Home Foundation Group, Te Wawata Kainga Limited (a legal entity under the Home Foundation Group, please refer to the enclosed organisational structure) and a registered Community Housing Provider, RA112, under the Community Housing Regulatory Authority, will take over the management of this development. In the event that the Home Foundation Group were to sell the development after the lease period, our organisation would be prepared to discuss the application of development contributions at that point.

Please do not hesitate to contact us should you require any further details or supporting documentation in relation to this request.

We look forward to your response.

Yours sincerely,



Nicola Lathe
Legal & Operations Manager
Home Capital Partners c/o Milton Street Development LP

Enclosure
Home Foundation Group Structure

HOME FOUNDATION GROUP STRUCTURE AS AT OCTOBER 2025

