

[REDACTED]

From: [REDACTED]
Sent: Tuesday, 1 May 2018 3:06 PM
To: [REDACTED]
Subject: RE: Prefab housing - potential for NZ Super Fund to invest in domestic capacity

Thank you

From: [REDACTED]@parliament.govt.nz]
Sent: Tuesday, 1 May 2018 3:01 p.m.
To: [REDACTED]@nzsuperfund.co.nz>
Subject: RE: Prefab housing - potential for NZ Super Fund to invest in domestic capacity

Alert: External email.

I have put in a call to Min Twyford's office.

[REDACTED]

Office of the Hon Grant Robertson | Minister of Finance, Minister for Sport and Recreation
7.6 Executive Wing, Parliament Buildings, PO Box 18041, Wellington
Phone: [REDACTED] | Mobile: [REDACTED] | Email: [REDACTED]

From: [REDACTED]@nzsuperfund.co.nz]
Sent: Tuesday, 1 May 2018 1:33 PM
To: [REDACTED]@parliament.govt.nz>
Subject: FW: Prefab housing - potential for NZ Super Fund to invest in domestic capacity

Hi [REDACTED], as discussed I'm just back from leave this week. Further to the below, we would be keen to see the part of the Cabinet paper relating to us if possible.

Kind regards

From: [REDACTED] [mailto:[REDACTED]@businessdesk.co.nz]
Sent: Monday, 16 April 2018 12:40 p.m.
To: [REDACTED]@nzsuperfund.co.nz>
Subject: Prefab housing - potential for NZ Super Fund to invest in domestic capacity

Alert: External email.

Hi [REDACTED]

I've left you a voicemail about this as well.

I've seen papers for a Cabinet housing committee that discuss the potential for the NZ Super Fund to invest in a prefab housing facility in the central North Island and to target construction of 1,000 KiwiBuild-consistent affordable dwellings annually, subject to land availability.

I'm working on a piece that will run in The Listener in about 3 weeks, of which this would be a part.

Is there anything the Fund can say at this stage about this possibility? I'm Auckland Wed/thurs this week if there were an opportunity for a face-to-face briefing. I recognise this could be a bit sensitive, but the papers were quite explicit and I'd like to be able to write something about it.

Thanks,

[Redacted]

[Redacted]

BusinessDesk

[Redacted]

www.businessdesk.co.nz



BusinessDesk

[REDACTED]

From: [REDACTED]
Sent: Tuesday, 27 February 2018 12:23 PM
To: Murray Nash
Cc: [REDACTED]
Subject: NZ Super Fund partnership aspirations with MBIE in the residential development sector

Hi Murray

Further to [REDACTED] email and our conversation last week I provide some thoughts on NZSF's aspirations in the residential sector.

I would appreciate it if we had a chance to discuss this note before it was too widely circulated within MBIE.

You mentioned you might be able to catch up on Thursday in Auckland – please let me know if you are free.

Cheers

[REDACTED]

About the New Zealand Superannuation Fund (NZSF)

The NZSF is the long-term savings vehicle of the NZ Government set up to partially meet the rising future cost of New Zealand Superannuation. Our enabling legislation is the New Zealand Superannuation and Retirement Income Act 2001. This legislation set up the Fund as a double-arms'-length autonomous Crown entity. NZSF commenced investing Sept 2003 and in 2009 a ministerial directive required that the Fund "actively seek and consider New Zealand investments". The NZ Direct Investment team is responsible for investing in NZ businesses and projects that meet our investment criteria.

The first withdrawals from the Fund are not scheduled until 2030 and the Fund will not peak in size until 2080 (current Treasury estimates). Since inception, we have added \$7.0 billion of value vs. the passive benchmark to deliver a 10.7% rate of return p.a. and a fund size of ~\$39 billion. Currently our NZ investments are valued at ~\$5.4 billion.

Our partnership style

The NZ Direct team is a long term, NZ-focused investor with an active approach to governance that is founded on international best practice.

We aim to work with investment partners that have:

- a strong alignment with the Fund - compatible values, similar investment horizon, approach to structuring and managing investments
- our partnership aspirations include building tangible relationships with other "NZ Inc." parties including the Crown, Maori, SOEs and Local Councils and with global sovereign/pension funds
 - e.g. NZ Post and ACC in the Kiwibank transaction (2016)
 - e.g. Housing NZ and Ngai Tahu in building affordable homes in Hobsonville (2015)

- we target “off market” transactions that play to our competitive advantage (Crown ownership, scale, liquidity and long term investment horizon) and in which we are able to undertake comprehensive due diligence. The transactions above were completed in an off market fashion with NZSF being a unique and preferred partner given its Crown ownership, flexibility, skill and reputation as an investment partner
- we target transactions with investment sizes NZ\$100m+

How NZSF adds value

NZSF adds value through its active governance approach and providing strong analytical and strategic support. We work openly and constructively with partners to achieve the best outcomes for all. Key features of our investment style include:

- growth-oriented patient capital able to look through market cycles
- formulating a strong and comprehensive shareholders’ agreement to govern and formalise interactions and expectations between shareholders
- striving to achieve best-in-class governance throughout investment
- a strong commitment to best practice environmental, social and governance principles (founding signatory of UN Principles for Responsible Investment)
- developing close working relationships with Board and management to support core operations and growth opportunities

Our investment appetite and experience in residential property development

Our mandate requires that we seek investments that provide a commercial return for the Crown without exposing it to undue financial or reputational risk. We believe that our experience to date in the residential development sector demonstrates our ability to combine achieving acceptable risk adjusted returns while also addressing social issues faced by our communities. Our ambition is to build on the experience and relationships we have created in this sector to deliver a large, long term real estate development project that will make a major contribution to the housing issues we face.

We believe the NZSF is uniquely placed to deliver a large, innovative housing solution given our:

- Large balance sheet: We target investments in excess of \$100m. [REDACTED] These investments [REDACTED] making the Fund a very strong long term development partner given its ability to deliver regardless of economic and credit cycles.
- Reputation and Brand: The Fund has a track record of successful investing in NZ and is seen as a very reputable partner in the NZ capital markets. We have shown our ability to structure and execute deals with the Crown (e.g. Kiwibank and Hobsonville Land Company) and work with Iwi (e.g. Ngai Tahu and Kākano forestry collective). Our brand enables significant access in order to facilitate deals coming together. We see ourselves as an natural and politically acceptable partner for the Crown.
- Long term investor in NZ: Our NZ investment thesis is underpinned by long term macro views around NZ population and property. We seek investments that [REDACTED] Our long term view and strong balance sheet allows us to be less concerned around near term cash flow timing as long as long term returns are achieved. We have a genuine intergenerational commitment to NZ that is reflected in how we invest.
- Ability to innovate: The NZ Direct team has a very broad mandate that when combined with our strong balance sheet and long term view of the market allows us significant flexibility in how we structure deals. Our ability to step outside traditional funding models and to be more flexible within investment structures allows the Fund to innovate. Some examples of our ability and intention to innovate are reflected in our Hobsonville investment (which is discussed in more detail below) and our current investigations into building a volumetric housing factory in NZ.
- Market connections: [REDACTED]

[Redacted]

- Connections to Iwi: The Fund has a commitment to engage with Iwi, [Redacted]

[Redacted]

The Funds JV at Hobsonville point in Auckland is an excellent example of how we are able to satisfy commercial and social objectives in partnership with the Crown (Hobsonville Land Company is a fully own subsidiary of Housing NZ). The Hobsonville affordable housing investment is a joint venture between NZSF, Ngai Tahu Property and New Ground Capital. NZSF and Ngai Tahu lead the consortium to develop 208 homes at Hobsonville Point by late of 2018 (deal signed Dec 2015). NZSF and Ngai Tahu each hold 48% of the project. New Ground Capital holds the remaining 4%. The negotiated deal delivered a number of unique points:

- The majority of the homes will be built and sold but ~25% of the homes will be held in a vehicle that will offer tenants long term rental contracts between 3 and 7 years. The tenants are able to give 90 days' notice at any time to exit the tenancy but the landlord is not able to force tenants to leave the lease early. This is a first in the NZ market.
- The rental homes are held in a vehicle that is set up to enable institutional investors the ability to easily buy and sell shares in the entity. Currently the shares are held by the founding partners but as the entity grows these could be sold to managed funds or listed. It is very common overseas for Institutional investors to hold units in similar entities on a large scale - we see this investment as being on the cutting edge of this trend here in NZ.
- Of the ~75% of home sales that will be built and sold 70% will be below the Auckland median house price (currently circa \$840k) with 30% below \$600k, increasing the supply of affordable homes in the Auckland market.
- [Redacted]
- The deal contained obligations that the JV deliver houses within a fixed period of time (no ability to stop building if market conditions turned). This assured Hobsonville Land Company that affordable units would be delivered into the market within a short timeframe,
- [Redacted]
- [Redacted]
- [Redacted]
- The project will take just under 3 years from deal signing to final houses delivered to market.

Partnership aspirations with MBIE

We are proud of what we have been able to achieve at Hobsonville point but ideally that project would have been many times larger. The Fund believes it has a unique ability to deliver commercial returns for its shareholder while also helping to solve the housing issues facing our country. [Redacted]

[Redacted] We wish to discuss how we can assist the Crown in meeting its housing objectives using our balance sheet, partners and ability to innovate. [Redacted]

[Redacted]

Specifically we are interested in discussing:

- [Redacted]
- [Redacted]



DDI: [Redacted]
Mobile: [Redacted]
Email: [Redacted]

A Great Team Building the Best Portfolio

PO Box 106 607, Auckland 1143, New Zealand
Level 12, Zurich House, 21 Queen Street, Auckland 1010, New Zealand
Office: +64 9 300 6980 | Fax: +64 9 300 6981 | Web: www.nzsuperfund.co.nz



[Redacted]

From: [Redacted]
Sent: Friday, 2 March 2018 3:58 PM
To: 'Murray Nash'
Cc: [Redacted]
Subject: NZ Super and MBIE partnership strawman

Hello Murry

Thanks for your time the other day.

As per our discussion I provide some more detailed thoughts on how MBIE and NZSF could work together to achieve our mutual objectives.

Let's discuss next steps after your meeting on Monday.

[Redacted]

[Redacted]

DDI: [Redacted]
 Mobile: [Redacted]
 Email: [Redacted]

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 Level 12, Zurich House, 21 Queen Street, Auckland 1010, New Zealand
 Office: +64 9 300 6980 | Fax: +64 9 300 6981 | Web: www.nzsuperfund.co.nz



NZ Superfund as a unique partner

In my previous email I outlined NZSF's appetite and experience in residential property development. That email also provided a number of reasons that NZSF believed it was uniquely placed to deliver a large scale, innovative housing solution. These included the Fund's balance sheet, brand and reputation, long term view, ability to be flexible and to innovate within investment structures and finally its strong partnerships with developers and iwi.

As we now begin to consider the detail of how we can work together, it should also be noted that the Fund has a number of commercial attributes that give it a competitive advantage from a pricing and public perception perspective.

- [Redacted]
- Ability to risk adjust the required rate of return: The Fund does not have an absolute return target for investments. It prices its capital in relation to risk. This means that as the risks of a project change - our return expectations change. [Redacted]

- All profits are returned to the Crown: Partnering with the Fund to invest means that all profits are returned to our common shareholder for the benefit of all NZ. This provides a strong rationale to explore mutually beneficial partnerships.

[REDACTED] Given the current social need and public focus on the housing sector we believe that a large scale partnership between MBIE and the NZSF would also be well received.

Our intention is to pursue an open and trusted relationship with MBIE that seeks to achieve both parties objectives.

Partnership, innovation and procurement processes

The Fund understands the need for procurement and probity. However, we believe that our unique ability to act as a trusted partner, [REDACTED] to innovate and to deliver returns to a common shareholder provides strong support [REDACTED] Put simply, because of who we are we believe we are able to achieve outcomes other investors cannot.

We firmly believe that an open, trusted, partnership approach is the best way to achieve innovation in this sector. What the Fund and its JV partners have been able to achieve in its Hobsonville investment (discussed in more detail below) demonstrates the type of innovation that can be achieved when operating within a partnership model. The outcomes that have been achieved at Hobsonville [REDACTED]

The Funds JV at Hobsonville point in Auckland is an excellent example of how we are able to satisfy commercial and social objectives in partnership with the Crown (Hobsonville Land Company is a fully own subsidiary of Housing NZ). The Hobsonville affordable housing investment is a joint venture between NZSF, Ngai Tahu Property and New Ground Capital. NZSF and Ngai Tahu lead the consortium to develop 208 homes at Hobsonville Point by late of 2018 (deal signed Dec 2015). NZSF and Ngai Tahu each hold 48% of the project. New Ground Capital holds the remaining 4%. The negotiated deal delivered a number of unique points:

- The majority of the homes will be built and sold but ~25% of the homes will be held in a vehicle that will offer tenants long term rental contracts between 3 and 7 years.
- The tenants are able to give 90 days' notice at any time to exit the tenancy but the landlord is not able to force tenants to leave the lease early. This is a first in the NZ market.
- The rental homes are held in a vehicle that is set up to enable institutional investors the ability to easily buy and sell shares in the entity. Currently the shares are held by the founding partners but as the entity grows these could be sold to managed funds or listed. It is very common overseas for Institutional investors to hold units in similar entities on a large scale - we see this investment as being on the cutting edge of this trend here in NZ.
- Of the ~75% of home sales that will be built and sold 70% will be below the Auckland median house price with 30% below \$600k, increasing the supply of affordable homes in the Auckland market.
- Total construction cost of [REDACTED] that was 100% equity funded.
- The deal contained obligations that the JV deliver houses within a fixed period of time (no ability to stop building if market conditions turned). This assured Hobsonville Land Company that affordable units would be delivered into the market within a short timeframe.
- [REDACTED]
- The JV [REDACTED] with Hobsonville Land Company.
- The project will take just under 3 years from deal signing to final houses delivered to market.
- The investment size was small from the Funds perspective - ideally this project would have been many times larger.

The MBIE (and Crown) partnership objectives

From our conversation the other day, I noted the following objectives for MBIE and the Crown in this sector:

- Delivery of Kiwibuild homes [redacted]: The primary objective is to meet the Kiwibuild programs goals.
- Delivery of affordable housing: Although not specifically within the scope of the Kiwibuild project - increasing the supply of affordable/key worker housing is also of interest.
- Delivery of social housing: Although not specifically within the scope of the Kiwibuild project - increasing the supply of social housing is also of interest.
- Encouraging innovation: MBIE is interested in innovation of housing and rental ownership models.
- Encouraging productivity improvements: Improving productivity of the sector and supply chain is a key objective. Looking for a “step change”.
- Funding for enabling infrastructure: MBIE is interested to explore new funding models for enabling infrastructure e.g. the three waters.
- Achieving value and capital efficiency for tax payers: Solutions must be value for money for tax payers and maximise the ability of Crown capital to provide social outcomes.

The NZ Superfund partnership objectives

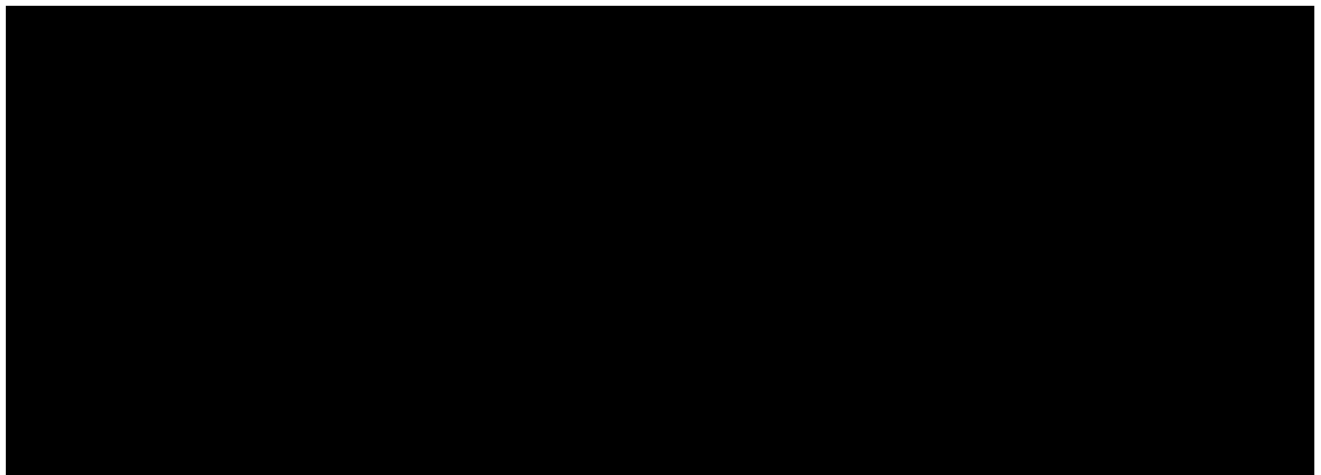
For completeness I note the objectives of NZSF in this sector:

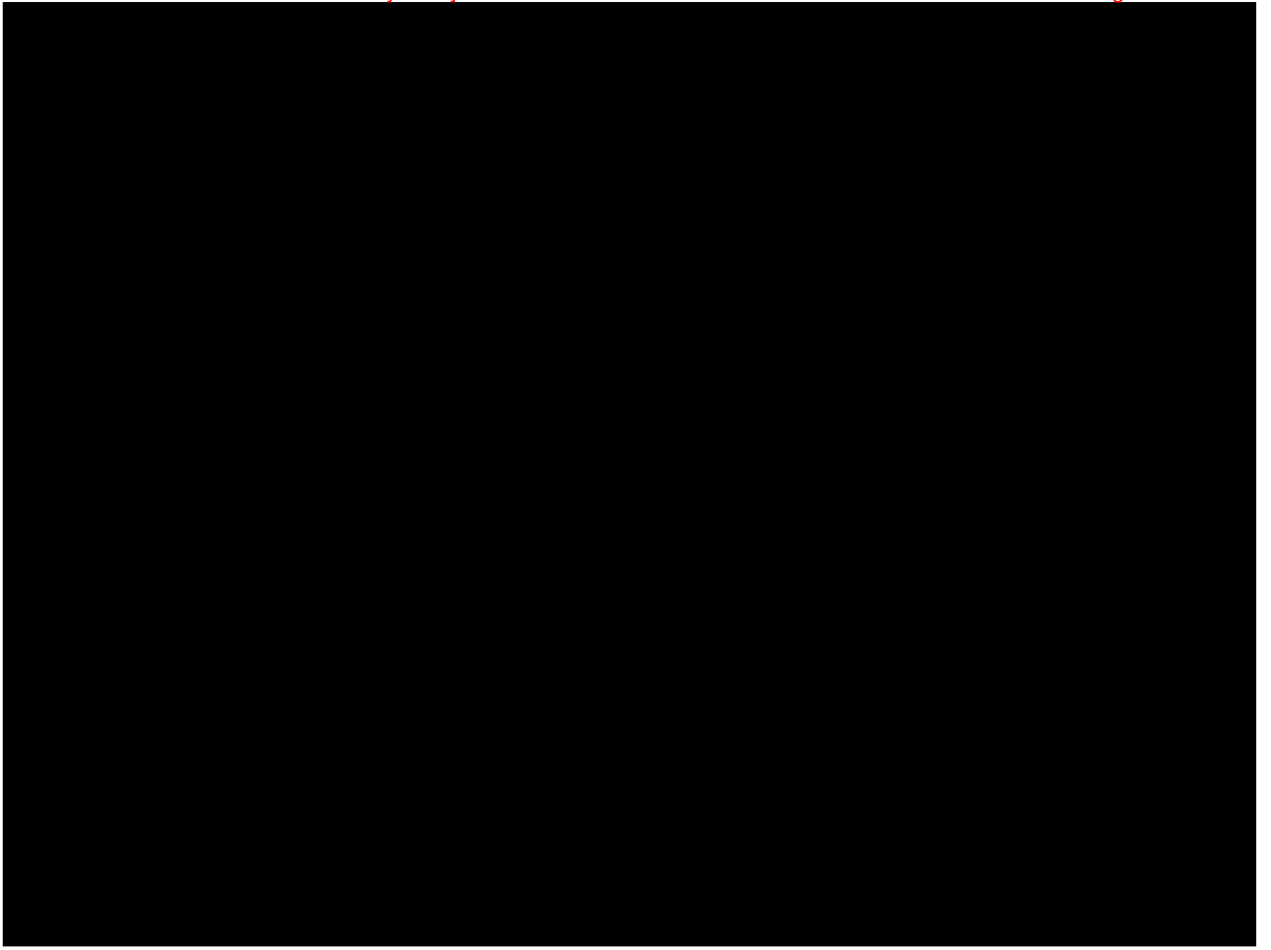
- Achieve risk adjusted returns: The Funds primary objective is to make risk adjusted returns for shareholders.
- Achieve a significant investment size: The Fund is looking to make large investments given the scale and long term nature of the housing problem.
- Access to long term macro investment themes: Our NZ investment thesis is underpinned by long term macro views around NZ population and property. [redacted]
- Work in partnership with the Crown: We see ourselves as natural partners for the Crown. [redacted]
- Contribute to solving housing and construction productivity issues: Applying our capital to investments that solve social issues is a win-win for the Fund.
- Facilitate Iwi investment: In being consistent with our commitment to partner with Iwi, the Fund would seek the participation of [redacted] in any future project.
- Move quickly: We are willing and able to move quickly.

Examples of how a partnership between MBIE and NZSF could meet our mutual objectives

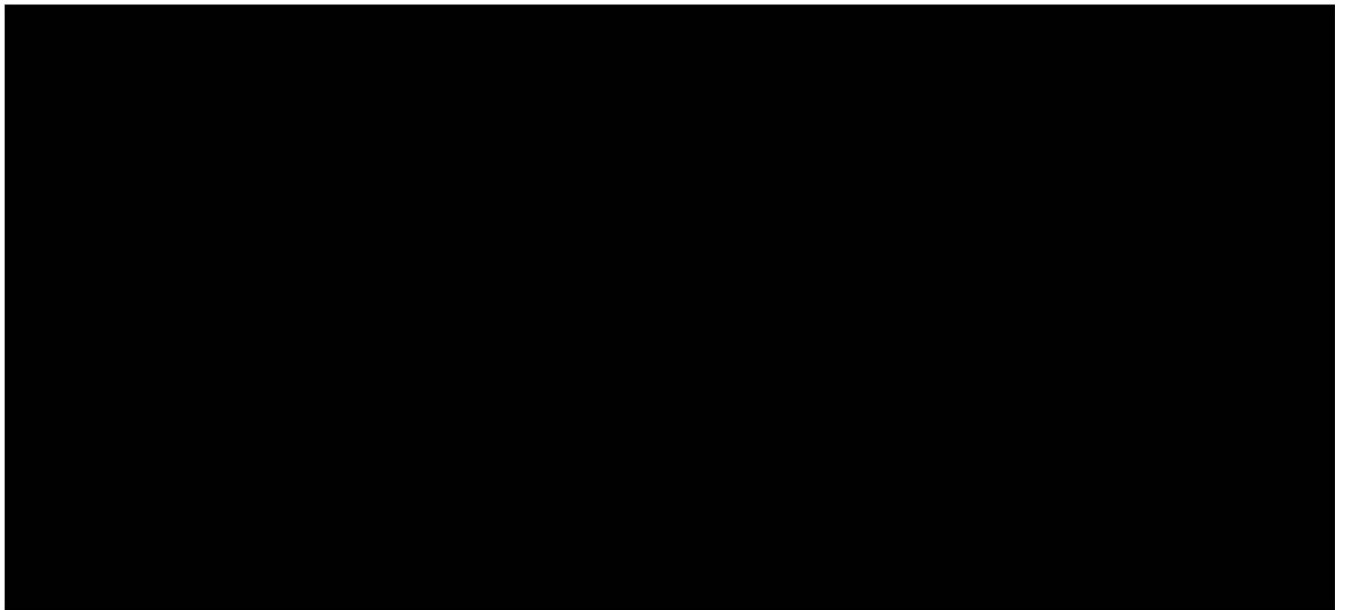
I provide two examples of how MBIE and NZSF could partner.

1.

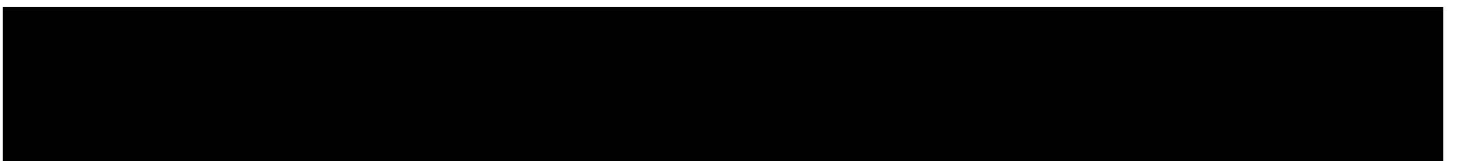




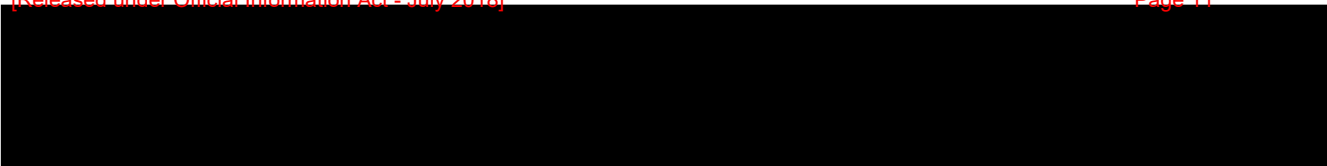
2.



Moving forward



-
-



[REDACTED]

From: [REDACTED]
Sent: Tuesday, 13 March 2018 11:57 AM
To: [REDACTED]@mbie.govt.nz'
Subject: NZSF - MBIE
Attachments: 2456250-3-NZSF - MBIE partnership letter.DOCX

Hi Murray

Here is our latest turn of the document.

Im tied up in something for the rest of the afternoon now but we can discuss tomorrow after the [REDACTED] meeting.

Feel free to send through any comments.

Cheers

[REDACTED]

NZSF & MBIE – PARTNERSHIP OPPORTUNITIES IN RESIDENTIAL PROPERTY

Contributors: NZSF, [REDACTED]

13 March 2018

Introduction:

MBIE, NZSF, [REDACTED] have been discussing [REDACTED]
[REDACTED]

1. [REDACTED]

2. [REDACTED]

Specifically, our discussions have revolved around investing in a volumetric housing factory located in [REDACTED] and utilising Off-Site Manufacturing (OSM) and [REDACTED]

[REDACTED] The factory is expected to:

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

This paper summarises our group conversation on 7 March at NZSF offices

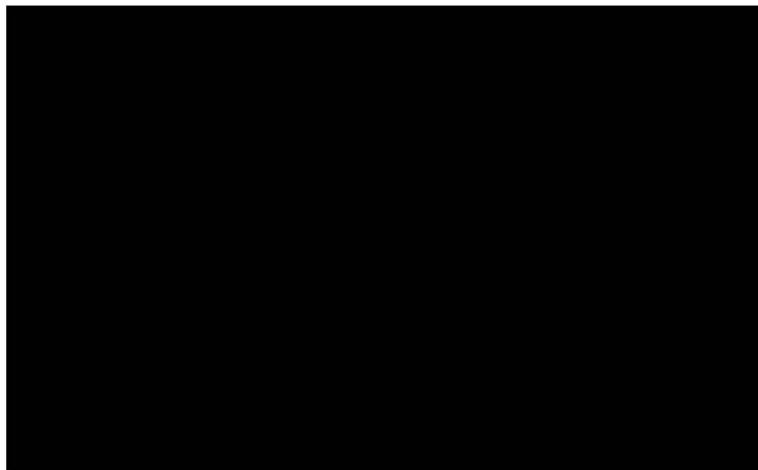
Three key questions are asked:

- What is our vision?
- How can the Government help?
- What are the benefits to the Government and NZ?

The tables below contain our response to these questions

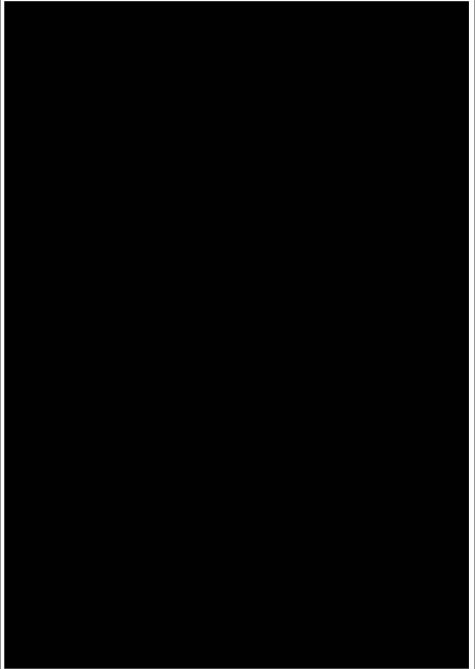
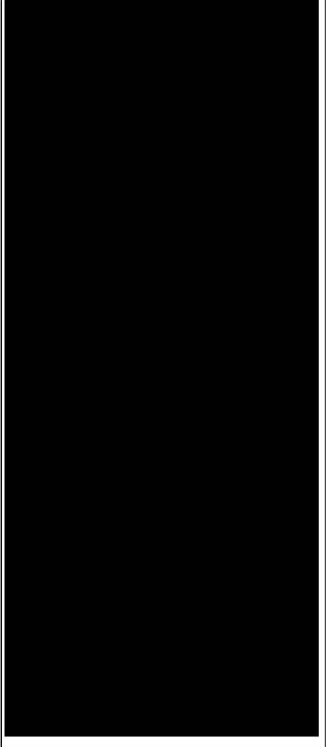
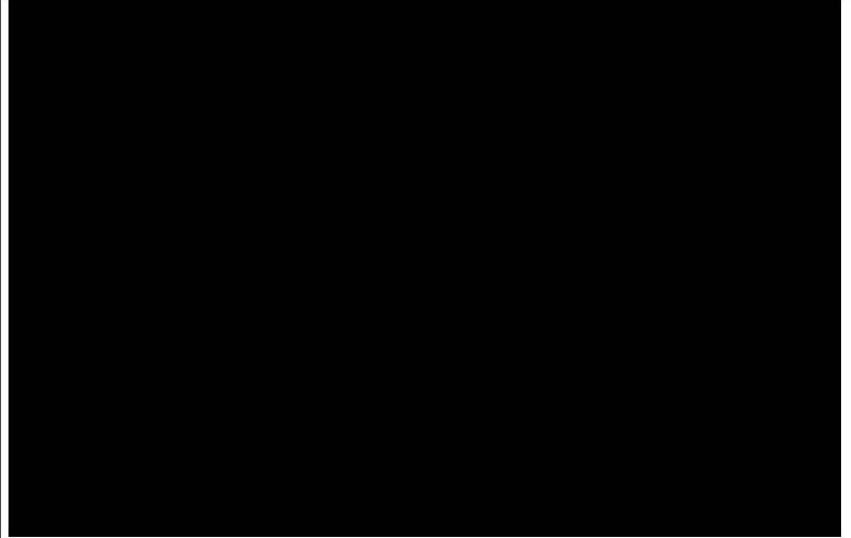
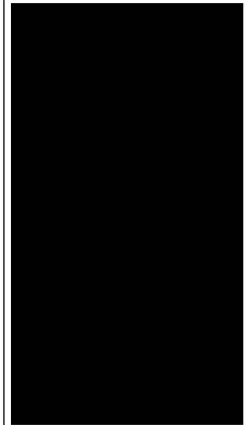
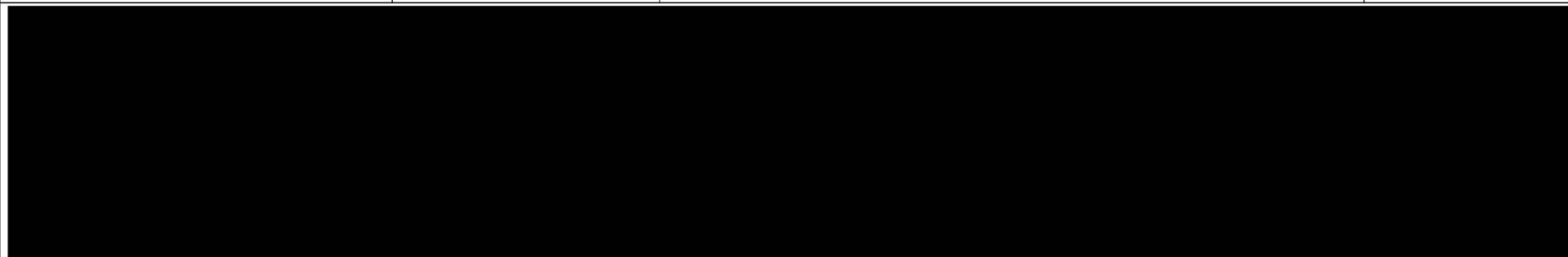
A “strawman” for moving forward:

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]


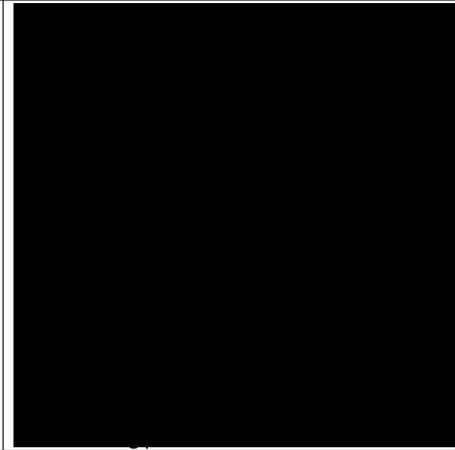





- With regards to an initial deal:
 - [REDACTED]
 - [REDACTED]
 - [REDACTED]
 - [REDACTED]

What is our vision?

Land supply	Land Developer	Builder	Hold / Sell
			
			

How can the Government help?

Land supply	Land Developer	Builder	Hold / Sell
			 

Benefits to the Government and NZ?

Land supply	Land Developer	Builder	Hold / Sell
[Redacted]	[Redacted]	[Redacted]	[Redacted]

General benefits:

- When working in a partnership with NZSF profits and taxes are returned to the Crown.
- Working [Redacted] with a trusted partner [Redacted]
- Utilizing the NZSF balance sheet.
- [Redacted]
- Innovation in procurement, production and ownership models of housing.

[REDACTED]

From: [REDACTED]
Sent: Thursday, 15 March 2018 10:04 AM
To: 'Murray Nash'; Steve Garner
Cc: [REDACTED]
Subject: NZSF meeting yesterday

Hi Murray and Steve

Thanks for your time yesterday and your wider willingness to engage with NZSF and support our efforts. It is appreciated.

I thought I would quickly summarise the main outcomes and actions moving forward. Your comments welcome.

Cheers

[REDACTED]

PS - I've thrown a final "hail Mary" out on [REDACTED]

NZSF OBJECTIVES:

- [REDACTED]
- [REDACTED]

Topic	Comment	Action NZSF	Action MBIE
[REDACTED]			



DDI:
Mobile:
Email:



A Great Team Building the Best Portfolio

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Office: +64 9 300 6980 | Fax: +64 9 300 6981 | Web: www.nzsuperfund.co.nz



[REDACTED]

From: [REDACTED]@parliament.govt.nz
Sent: Friday, 16 March 2018 10:30 a.m.
To: [REDACTED]
Subject: RE: Meeting with Minister Twyford

Alert: External email.

Great – thanks [REDACTED]. And yes, please do bring [REDACTED]

Have a good weekend.
[REDACTED]

From: [REDACTED]@nzsuperfund.co.nz
Sent: Friday, 16 March 2018 10:13 AM
To: [REDACTED]@parliament.govt.nz
Subject: RE: Meeting with Minister Twyford

Hi [REDACTED]

Confirming I can attend the below. If possible, could [REDACTED] from my team also attend (Minister Twyford met him this morning). [REDACTED] is our housing specialist.

Kind regards,
[REDACTED]

From: [REDACTED]@parliament.govt.nz
Sent: Friday, 16 March 2018 9:33 a.m.
To: [REDACTED]
Subject: Meeting with Minister Twyford

Alert: External email.

Good morning [REDACTED]

Minister Twyford has asked me to see if you are able to attend a meeting on Thursday April 5 10.30-midday at Parliament. The meeting has the following attendees:

Minister Twyford
Minister Parker
Minister Jones
Kiri Allan
[REDACTED]

The agenda is to discuss the idea of a vertically integrated business from timber cutting rights through processing, high value engineered timber products, to offsite manufacturing of homes.

Thanks,



Office of Hon Phil Twyford
Minister of Transport | Minister of Housing and Urban Development

Private Bag 18041 | Parliament Buildings | Wellington 6160 | New Zealand

P: [REDACTED] M: [REDACTED]



Authorised by Hon Phil Twyford, Parliament Buildings, Wellington

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[REDACTED]

From: Mark Fennell
Sent: Friday, 6 April 2018 6:44 AM
To: [REDACTED]
Cc: [REDACTED]
Subject: RE: Meeting notes - NZ Building value chain

Ok, thanks

From: [REDACTED]
Sent: Friday, 6 April 2018 6:36 a.m.
To: Mark Fennell <MFennell@nzsuperfund.co.nz>
Cc: Matt Whineray <mwhineray@nzsuperfund.co.nz>; [REDACTED]; [REDACTED]
[REDACTED]
Subject: Re: Meeting notes - NZ Building value chain

Mark - the separate discussions [REDACTED] is having with MBIE and PT is all about us potentially playing a role in being a builder of scale in NZ... hence playing a part role in being a disruptor. yesterday was not the forum to raise our plans/ideas

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On Fri, Apr 6, 2018 at 6:21 AM +1200, "Mark Fennell" <MFennell@nzsuperfund.co.nz> wrote:

Thanks [REDACTED]

Of those two work streams in the last bullet point, is there one that we think we can contribute on ?

Cheers

[REDACTED]



DDI: [Redacted]
Mobile: [Redacted]
Email: [Redacted]

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<image004.png> <image006.png> [Subscribe](#) to NZ Super Fund news.

Please consider the environment before printing this e-mail.

[REDACTED]

From: [REDACTED]@parliament.govt.nz>
Sent: Friday, 6 April 2018 3:40 PM
To: [REDACTED]
Subject: RE: Meeting with Minister Twyford and officials

Categories: Follow up

Alert: External email.

Thanks [REDACTED]. Just go to the Beehive and use the main entrance (called Executive Wing entrance) and proceed through security. Reception will then direct you to us.

Thanks

From: [REDACTED]@nzsuperfund.co.nz]
Sent: Friday, 6 April 2018 2:44 PM
To: [REDACTED]@parliament.govt.nz>
Subject: RE: Meeting with Minister Twyford and officials

Thanks

Are there any special instructions to get in? Not sure where exactly I should go.

[REDACTED]

From: [REDACTED]@parliament.govt.nz]
Sent: Friday, 6 April 2018 8:36 a.m.
To: [REDACTED]nzsuperfund.co.nz>
Subject: RE: Meeting with Minister Twyford and officials

Alert: External email.

Mōrena,

Sorry to hear that [REDACTED]

Look forward to seeing you 30th April.

Thanks,

[REDACTED]

[REDACTED]

Office of Hon Phil Twyford

Minister of Transport | Minister of Housing and Urban Development

Private Bag 18041 | Parliament Buildings | Wellington 6160 | New Zealand

P: [REDACTED] M: [REDACTED]

E: [REDACTED] www.labour.org.nz



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From: [REDACTED]@nzsuperfund.co.nz]
Sent: Friday, 6 April 2018 8:27 AM
To: [REDACTED]@parliament.govt.nz>
Subject: RE: Meeting with Minister Twyford and officials

Hi [REDACTED]

Apologies for the delay in replying – I have been on bereavement leave.

Yes I will be able to make that time.

Thanks

[REDACTED]

[REDACTED] NZ Direct Investments

DDI: [REDACTED]
Mobile: [REDACTED]
Email: [REDACTED]

A Great Team Building the Best Portfolio

PO Box 106 607, Auckland 1143, New Zealand
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From: [REDACTED]@parliament.govt.nz]
Sent: Tuesday, 27 March 2018 11:20 a.m.
To: [REDACTED]@nzsuperfund.co.nz>
Subject: Meeting with Minister Twyford and officials

Alert: External email.

Good morning [REDACTED]

Minister Twyford is having a meeting with officials about NZ Super Fund and affordable housing on Monday 30 April 3.30-4.30pm at Parliament and he wondered if you could also attend at that time?

Thanks,



**Office of Hon Phil Twyford
Minister of Transport | Minister of Housing and Urban Development**

Private Bag 18041 | Parliament Buildings | Wellington 6160 | New Zealand

P: [REDACTED] M: [REDACTED]

E: [REDACTED] www.labour.org.nz



Authorised by Hon Phil Twyford, Parliament Buildings, Wellington

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[Redacted]

From: [Redacted]
Sent: Thursday, 3 May 2018 9:35 AM
To: [Redacted]
Cc: Matt Whineray; Mark Fennell; [Redacted]
Subject: Filenote: Affordable housing meeting at Parliament

Date: 30 April 2018, 4pm

Location: Minister Twyford's Office, Wellington

Summary: A lot of positive noises coming out of the Government to support the Funds aspirations in this space. Still some questions around what they can deliver but they appear motivated and engaged.

Attendees:

- NZSF: [Redacted]
- Minister Twyford
- Minister Jones
- MBIE (Kiwibuild): Murray Nash, Steve Garner
- MBIE (Provincial Growth Fund): [Redacted]
- Treasury: [Redacted]
- Minister of Finance Office: [Redacted]
- Minister Twyford's Office: [Redacted]

Notes:

- Minister Twyford asked NZSF to summarise our interest in the housing market
 - The NZ Direct team started looking at direct property transactions around 3 years ago
 - Looking for scale
 - Want to partner with Government, Councils and Iwi
 - Looking to build our profile in this space and our networks of development partners
 - Looking to apply our capital in a way that meets our investment hurdles but also plays a significant role in addressing our countries housing issues
 - Gave a brief outline of the work we have done to date and projects we have done/are currently looking at (Hobsonville, [Redacted] etc.)
 - Outlined [Redacted] on an offsite modular housing factory to manufacture houses [Redacted]
 - [Redacted]
 - [Redacted]
- Minister Twyford asked NZSF what can the Government do to help. [Redacted] outlined:
 - [Redacted]
 - [Redacted]
 - [Redacted]
- The Ministers response:

- [Redacted]
- [Redacted]
- [Redacted]

- [Redacted]

Action points:

- Minister Twyford noted the following action points for his team:
 - Begin the work to review:
 - [Redacted]
 - [Redacted]
 - [Redacted]
 - [Redacted]
- NZSF noted action points:
 - Keep Minister in loop on our progress post our trip to Europe

Key takeaways for NZSF:

- The Government was very open to helping [Redacted]
- The Government was also open to partnering [Redacted]
- [Redacted]
- [Redacted]
- Feedback from MBIE Kiwibuild team:
 - [Redacted]
 - [Redacted]
 - [Redacted]

[Redacted]

DDI: [Redacted]
 Mobile: [Redacted]
 Email: [Redacted]

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[Redacted]

From: [Redacted]
Sent: Wednesday, 13 June 2018 10:21 AM
To: Matt Whineray
Cc: Mark Fennell; [Redacted]
Subject: FYI - summary of Kiwibuild engagement

Hi Matt

As discussed on Friday here is a summary of our Kiwibuild activity in case you wish to update the Board.

We are working with the Kiwibuild team in two main areas.

1. [Redacted]

We have been investigating how offsite manufacturing techniques ("OSM") [Redacted] houses to the market, [Redacted]

[Redacted] We have been discussing this opportunity with Kiwibuild staff and the Minister himself. [Redacted]

[Redacted] These discussions appear to be the ones leaked in the Listener.

[Redacted]

[Redacted]

2. [Redacted]

[Redacted]

[Redacted]

Who specifically are we interacting with:

We have been getting very consistent and active engagement from the Government. Specifically we have been dealing with:

- Kiwibuild staff (Murray Nash, Steve Garner)
- we have met with the new Head of Kiwibuild (Stephen Barclay)
- we have had several interactions directly with the Minister – including two sessions in Wellington.

Happy to discuss if you need any more detail



DDI: [Redacted]
Mobile: [Redacted]
Email: [Redacted]

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[REDACTED]

From: [REDACTED]
Sent: Friday, 22 June 2018 10:36 AM
To: [REDACTED]@parliament.govt.nz)
Cc: [REDACTED]
Subject: Minister of Housing to comment on Super Fund interest on the Nation tomorrow - For your info



Good morning [REDACTED]
[REDACTED] is away from the office today, but has asked me to let you know that [REDACTED]
[REDACTED] had a discussion with the Minister of Housing yesterday in relation to our interest in commercial investment in housing initiatives. Minister Twyford has an interview on the Nation tomorrow morning and said he plans to mention our interest with respect to modular or pre-fabricated housing, linked to the Fund's existing investment at Hobsonville Point and a recent visit to Europe to research the technology and potential partners for a pre-fabricated housing factory in NZ. We will confirm to the Minister's office that we are comfortable with that reference. Please let me know if you need further information.
Best regards
[REDACTED]

[REDACTED]

DDI: [REDACTED]
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Email: [REDACTED]

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Please consider the environment before printing this e-mail.

[REDACTED]

From: [REDACTED]@parliament.govt.nz>
Sent: Friday, 22 June 2018 10:38 AM
To: [REDACTED]
Subject: RE: Confirming NZ Super OK

Alert: External email.

Hi [REDACTED]
Thanks for your email. I was able to call you and check about this.
Many thanks,

-----Original Message-----

From: [REDACTED]@nzsuperfund.co.nz]
Sent: Friday, 22 June 2018 10:00 AM
To: [REDACTED]@parliament.govt.nz>
Cc: [REDACTED]@nzsuperfund.co.nz>
Subject: Confirming NZ Super OK

Hi [REDACTED]
Just confirming that NZSF is comfortable for Minister Twyford to briefly mention our interest in housing, as discussed with [REDACTED] on The Nation tomorrow.

[REDACTED]

Sent from my iPhone

From: [REDACTED]@nzsuperfund.co.nz
Sent: Tuesday, 26 June 2018 3:50 PM
To: [REDACTED]
Subject: Filenote: Kiwibuild - Introduction to New Head (Stephen Barclay)

Link to meeting notes: [Kiwibuild - Introduction to New Head \(Stephen Barclay\)](#)

Kiwibuild - Introduction to New Head (Stephen Barclay)

Meeting Subject: EXT: Introduction to new Head of Kiwibuild - MBIE (Stephen Barclay, Murray Nash, Steve Garner)





Meeting Date: 30/05/2018 1:30 p.m.

Location: Room L12 - Waitakere - PAX 18 - External

Link to Outlook Item: [click here](#)

Invitation Message

Participants

-  [REDACTED] (Meeting Organizer)
-  [REDACTED] (Accepted in Outlook)
-  [Matt Whineray](#) (Tentative in Outlook)
-  [REDACTED] (Accepted in Outlook)

Notes

- Meeting was to introduce the new Head of Kiwibuild Stephen Barclay
- Matt gave an introduction to NZSF, our reason for being, key endowments, investment style etc.
- [REDACTED] gave a more detailed insight into the New Zealand Direct Team, our investments, asset management style, risk appetite etc.
- We discussed our interest in property development (e.g. Hobsonville) and willingness to play in the land and development piece
- As part of this RE development strategy/capabilities, we updated Stephen on the fact that we have been exploring commercial investment opportunities in modular/pre-fabricated housing
- [REDACTED]
- [REDACTED]
- Stephen has only been in the role a couple of days so is in information gathering mode, he was Chief People and Transformation Officer at the Ministry of Health, and prior to that he was Chief Executive of the San Francisco America's Cup Events Authority

[Redacted]

From: [Redacted]@nzsuperfund.co.nz
Sent: Friday, 29 June 2018 8:24 AM
To: [Redacted]
Cc: Matt Whineray; Mark Fennell; [Redacted]
Subject: Filenote: Meeting with Minister Twyford on [Redacted] affordable housing

Date: 28 June 2018, 11.15am to 12pm
Location: Minister Twyford's Office, Wellington

Summary:

- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]

Attendees:

- Minister Twyford
- NZSF: [Redacted]
- [Redacted]
- MBIE: [Redacted]
- Treasury: Jon Grayson (Financial and Commercial)
- Minister Twyford's Office: [Redacted]

Notes:

- Minister Twyford opened the meeting by explaining he was interested in investigating different ways of assisting people to access affordable housing [Redacted] and funding public good housing.
- He was interested to hear the view of large institutional investors and under what conditions they would consider funding schemes.
- [Redacted]
- [Redacted]
- The conversation then pivoted to how to encourage long term rentals. [Redacted]
- The MBIE staffers then talked about different structures that they had been considering with NZSF and [Redacted] providing thoughts.
- [Redacted]
- [Redacted]
- [Redacted] the parties agreed to keep discussing.

Action points:

- NZSF and [Redacted] to meet with MBIE in the future to have a more detail conversation.



DDI:
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