

SmartGrowth Housing Affordability Forum (HAF) July 2016

1. Purpose

To present the position statement of SmartGrowth HAF regarding our requirements for accommodating growth within the western Bay of Plenty sub-region

2. Introduction

According to the Governance & Advisory Forums Terms of Reference (2013), the role of the Housing Affordability Forum (HAF) is to provide advice on:

- Identify potential strategy actions across the range of determinants that impact on housing affordability
- Lead the implementation of specific strategy actions as agreed e.g pilot project
- Raise awareness and educate stakeholders and the general public
- Support the delivery of other partners' projects related to housing affordability
- Monitor of all relevant strategy actions
- Develop policies by SmartGrowth partners related to housing affordability
- Make representations/submissions to local, regional, and national Government in relation to Housing Affordability.

The lack of affordable housing is the primary concern of the HAF.

3. Position statements for the settlement pattern review:

- (i) Adequate social and affordable housing is at risk when expected to be provided by the open housing market.
- (ii) Intensification is essential to provide sustainable and diverse housing solutions. The concept of Compact Cities is strongly supported.
- (iii) Affordable and liveable housing (including papakāinga, social and emergency housing) needs to be provided in new growth areas/compact city to ensure adequate housing for families/workforce.
- (iv) The role of central government in contributing towards infrastructure costs such as new roading, services supply etc. and in the incentivisation of affordable houses needs to be recognised.

- (v) Adopt an agreed definition of affordable housing (including initial and life-time costs encompassing both rental and own your own homes)
- (vi) A range of housing typologies is required within each community better reflecting household composition trends i.e. high number of 1-2 person households, ageing population and growing Māori population.
- (vii) Growth areas need to be located to minimise transport costs, access to work and social infrastructure recognising the social and financial costs of low density housing (e.g. underutilised infrastructure, increased vehicle emissions and increased commuting time).
- (viii) Best practice for the following be utilized:
 - a. **Cost of materials:** The cost of building materials and their contribution to housing costs needs to be examined
 - b. **Lifetime cost of building regarding maintenance** ensure quality of construction and materials as well as design to enable houses last longer than 50 years
 - c. **Performance of house:** Designs to maximise energy and resource efficiency, good indoor environmental quality, high thermal performance and passive cross ventilation and solar gain. A house that performs well will reduce operating costs, and provide a healthy living environment which will help to reduce fuel poverty
 - d. sustainable designs that are purpose built e.g. shared community living
- (ix) Recognise the overall costs to households (e.g. transport costs and commuting time and associated impacts on health) of low and high density developments, not just the initial cost of building a dwelling, in this respect intensification is favoured over low density development.
- (x) Ensure lessons are learnt from the construction of commercial buildings that use pre-fabricated materials resulting in significantly cheaper building costs.
- (xi) Location of affordable housing within developments needs to be considered i.e. scattered rather than a concentration in one area.
- (xii) Capacity of Māori land for affordable housing considered in the planning for new growth areas with different solutions including papakainga models being incentivised
- (xiii) Affordability housing needs to be retained over time e.g. shared equity with conditions placed on the title to control future on selling
- (xiv) HAF endorses all the position papers including the one of the DHB as housing is identified in each

4. Specific outcomes HAF is seeking:

- (i) As part of the SmartGrowth Settlement Review, an integrated strategic level advice paper on housing issues and options in the sub region is required to

facilitate a sub-regional housing strategy for the next twenty-five years. It needs to:

- Review all recent housing and relevant planning focused papers addressing local western BOP housing issues
- Confirm recent economic and demographic data related to our current and future population
- Offer options on long term changes that are required to achieve sustainable positive social impact and a significantly improved range of housing choices, with access to transport, facilities and environmentally sustainable infrastructure
- Through SmartGrowth facilitate stakeholder agreement including social lenders, central and local government policy makers and developers as equity partners to all work cooperatively towards housing solutions within the revised settlement pattern.
- Be informed by a sub-regional housing needs assessment which would¹:
 - Develop strategic views of housing demand and need both now and in the future;
 - Develop a sound approach to planning for the mix of housing required and assess the effects of covenants on housing typologies;
 - Assist SmartGrowth to assess the level of affordable housing required in an area and the barriers to this occurring eg consent costs and profit margins;
 - Assist with the assessment of future social housing requirements within a market;
 - Enable greater integration between housing activity and the settlement pattern review;
 - Provide the opportunity to identify the needs of distinctive communities in ways that can influence the design and delivery of housing provided by a range of organisations;
 - Provide a basis for ongoing monitoring of the local housing market and the impact of both general and housing specific policy interventions.
 - Meet National Policy Statement for Urban Development requirements for a housing needs assessment.
 - Achieve Action 21A4 in the Settlement Pattern Implementation plan to: consider future housing needs – undertake research to assess housing needs including supply and demand to cater for

¹ The Proposed National Policy Statement on Urban Development Capacity stipulates that local authorities are required to undertake a housing assessment at least every three years.

changing demographics and the possibility for now including outlying small settlements for future expansion.

- (ii) Councils enter into affordable housing development public private partnerships to incentivise and ensure affordable housing outcomes are achieved.
- (iii) Councils must implement Compact City recommendations in a range of locations to facilitate higher densities. Planning incentives or “no density controls” would enable smaller dwellings including duplexes and apartment clusters which offer flexibility of design to suit both greenfields and brownfields development

Councils introduce inclusionary zoning as a means of requiring all developments to provide for affordable housing.

Investigate options such as ‘license to occupy’ or cross lease arrangements as a model to achieve affordable housing.

- (iv) Comprehensive Guarantees and Producer Statements, minimum standards for waste management, and energy efficiency for every new dwelling need to be standard

7. Other very important considerations

- Consideration of timing and type of social infrastructure required to meet the needs of new communities is critical e.g. schools, libraries, reserves, emergency services, hospitals/GP clinics etc.
- Place making/community building is also necessary.
- Strong advocacy by local government, the DHB and community funders is urgently needed to seek Government led long term policies for well integrated housing solutions in our sub-region
- The responsibility for the funding of adequate supplies of social housing needs to be clarified as there is public recognition that public investment is essential – i.e. do we pay national taxes or local rates
- A culture change is required so that housing is regarded as a right to shelter and not primarily a tradeable investment

Author: HAF/Lisa Hickling

