



Housing Affordability Forum Meeting

Agenda

Wednesday 31 July 2019 12:15-2:00pm

Classic Developments, 160 Seventeenth Ave, Tauranga

1. Apologies	Chair
2. Minutes and Actions from 29 May 2019 (<i>Paper A</i>)	Chair
3. Update on Tauranga City Council plan changes	Janine Speedy
6. Update from Tauranga Community Housing Trust	Jo Gravit
7. SmartGrowth Partnership Bi-Monthly Report – see 17 July SLG agenda for the report	For reading
8. What's hot	All
9. Key message to SmartGrowth Leadership Group	All

Terms of reference

Purpose:	<p>The purpose of the Housing Affordability Forum ('the forum') is to provide a mechanism for SmartGrowth to progress initiatives to improve the affordability of housing in the sub-region. The forum will enable direct participation into the implementation, monitoring and review of SmartGrowth, in collaboration with the strategy partners and lead agencies into the range of challenges facing the sub-region in relation to improving the affordability of housing.</p>
Role:	<p>The role of the Housing Affordability Forum ('the forum') is as follows:</p> <ul style="list-style-type: none"> • Identification of potential strategy actions across the range of key determinants that impact on housing affordability • Leading the implementation of specific strategy actions as agreed e.g. pilot project • Raise awareness and educate stakeholders and the general public • Supporting the delivery of other partner projects relating to housing affordability • Monitoring of all relevant strategy actions. • Development of policies by the SmartGrowth Partners relating to housing affordability • Making representations/submissions to local, regional and national Government in relation to housing affordability
Membership:	<p>The Housing Affordability Forum has representation from the following groups/industries/sectors:</p> <ul style="list-style-type: none"> • Development community • Local authorities (council officers and elected members) • Economic Development specialists • Planning and urban design specialists • Community Housing Trusts • Real estate sector • PATAG • Tangata whenua • Relevant central Government agency • SmartGrowth Programme/implementation Manager
Key Principles	<p>The key principles underpinning the establishment of the Housing Affordability Forum are:</p> <ul style="list-style-type: none"> • The provision of sufficient affordable housing to provide for low to medium income residents as well as support the region's future labour force; • Acceptance that, without intervention, the market will be unable to provide adequate affordable housing; and Recognition of the different spatial and cultural needs of residents,
Other SmartGrowth Forums and the SmartGrowth Leadership Group (SSG) — Linkages and Reporting:	<p>The Chair of the forum will represent the group on the SmartGrowth Strategic Partners Forum and any other SmartGrowth Forums as required.</p> <p>The minutes will be provided to the SmartGrowth Strategic (Managers) Group (SSG) for information and for action as required.</p> <p>Meeting minutes and reports for each of the SmartGrowth Partner Forums will be available to the other forums.</p>

<p>SmartGrowth Leadership Group (SLG)— Linkages and Reporting:</p>	<p>The forum members are able to present to the SLG at any of the formal meetings with agreement of SLG Chair and at any agreed workshops, held between SLG and the forum. Every six months SLG has a workshop with the individual forums to discuss a range of matters and issues. The minutes of the forum meetings are provided to SLG as part of the regular reporting process and any particular issues are drawn out and highlighted in the bi-monthly report presented to SLG by the Independent Chair, Programme /Implementation Manager and Strategic Adviser.</p>
<p>Information Provision and Feedback:</p> <p>Meetings:</p>	<p>Relevant draft reports, ideas, submissions, and proposed initiatives are provided to the Forum for discussion and input prior to matters going to SLG for decision-making. These may be part of a meeting agenda item, or if between meetings. circulated by email to the Forum Chair, for feedback.</p> <p>Attendance and Presentations The Independent Chair, Programme/Implementation Manager and Strategic Advisor may attend meetings from time to time. Provide written reports, advice and seek input on various matters. SLG members may also be invited to attend the Forum from time to time.</p> <p>Frequency The Forum will meet as required, prior to the SLG meeting to provide information and feedback on specific issues directly relating to Strategy implementation.</p> <p>Servicing The Forum will be serviced by SmartGrowth through the Programme/implementation Manager for matters including venues, agenda circulation, minute-taking and report materials.</p> <p>Chair A chair will be appointed by the Forum</p>

Housing Affordability Forum – Membership

The forum membership is representative of the wider community within the western Bay of Plenty and is currently represented by the following individuals and organisations;

Name	Organisation
Libby Gosling	Chair / Classic Group
Alan Dowman	Habitat
Annie Hill	Priority One
Bobbie Cornell	Closer Developments
Buddy Mikaere	Combined Tangata Whenua Forum
Christine Ralph	Planning Sector
Darren Toy	Housing New Zealand
Dave Macfarlane	Property Developers Forum
Jo Gravit	Tauranga Community Housing Trust
Max Mason	Habitat
Nicci Armour	Closer Developments
Peter Malcolm	Closing the Gap
Roger Dowling	Beca
Tony Marsden	SILC
Vicki McLaren	Accessible Properties
SmartGrowth & Partner Staff	
Andrew Mead	Tauranga City Council
Cr Grant Dally	Western Bay of Plenty District Council
Cr Kelvin Clout	Tauranga City Council
Cr Terry Molloy	Tauranga City Council
Meagan Holmes	Tauranga City Council
Megan Rumble	SmartGrowth Coordinator
Phillip Martelli	Western Bay of Plenty District Council

FORUM	Housing Affordability Forum
DATE & TIME	Wednesday 29 May 2019, 12:15 – 2:00pm
LOCATION	Classic Developments, 160 Seventeenth Ave, Tauranga

Forum Members Present	Libby Gosling (Classic Group/Chair), Christine Ralph (Planning Sector Rep), Max Mason (Habitat), Darren Toy (HNZ), Paul Taylor (Classic Group), Alan Dowman (Habitat)	
SmartGrowth	Megan Rumble (SmartGrowth Coordinator)	
Other	Terri Eggleton (BayTrust),	
Partner staff / councillors	Andries Cloete (WBOPDC), Cr. Terry Molloy Apologies: Phillip Martelli (WBOPDC)	
Apologies (forum members)	Tony Marsden (SILC), Jo Gravit (Tauranga Community Housing Trust), Cr. Kelvin Clout (TCC), Annie Hill (Priority One), Bobbie Cornell (Closer), Dave Macfarlane (Mantra Properties), Grant Dally (WBOPDC), Buddy Mikaere (Lateness), Vicki McLaren (Accessible Properties), Cr. Terry Molloy (Lateness)	
Previous minutes and matters arising		<p>The minutes of the previous 8 March 2019 meeting were accepted as a true and correct record.</p> <p>Previous actions</p> <p>All previous action were addressed</p> <p>Max Mason wished to record that he is in attendance as an individual and representing Habitat not in his capacity as city councillor.</p>
	Action	Megan to make updates to HAF membership post note: actioned by Megan
What's hot		Christine R updated the forum on recent submissions made by HAF. A series of submissions were made in 2018 to TCC encouraging them to make changes to their residential zone provisions to allow for a more affordable range of housing typologies. The subgroup along with members from the Property Developers Forum attended a workshop where a range of options were presented and improvements were suggested. It is difficult to deliver more affordable housing particularly smaller homes given the existing rules. It was confirmed TCC are looking to make provisions for duplexes. A lot was discussed. There will be another workshop in July where another iteration will be

		<p>discussed. From there it will be decided what will be put to politicians in view of a notified plan change. It will be up to HAF and the other forums to front up to the politicians alongside council staff to encourage action before the election and to gain varying housing typology outcomes.</p> <p>Additionally, annual plan submissions were made by HAF to all three councils in late April and Christine R spoke to the TCC one at the hearing. Annual Plans have now been signed off.</p> <p>Question - Is funding still allocated for the Housing Action Plan? It was noted the funding is secure however this needs to be confirmed.</p>
	Action	Confirm that SmartGrowth Housing Action Plan funding is still in place.
Update from Western Bay of Plenty District Council		<p>Andries Cloete provided an update on the WBOPDC proposed changes to key District Plan Rules. Phillip Martelli sent his apologies. Andries noted along with TCC, WBOPDC are looking to deliver range of housing options. View the PowerPoint slides here. There is a working group in place with TCC – meeting every six weeks to ensure the councils are aligning.</p> <p>Questions and discussion followed:</p> <ul style="list-style-type: none"> - Consultation programme and process? Andries noted workshops have been held, mainly in Omokoroa thus far. A workshop was also held with developers and consultants. Generally public consultation will take place after election – there is more work to do initially. - Splitting the plan changes like TCC? Andries noted council did consider this however councillors are keen to get it right the first time so this won't be going ahead. There are also other changes incorporated with this e.g. earthworks in residential zones. WBOPDC view is it is not worth the risk of not delivering what the communities want. - Tweaking the rules in existing areas to make it easier? Andries noted one can already achieve medium density (smaller than 225sqm per dwelling) in a number of areas with the exciting rules e.g. close to schools or adjacent to a reserve, walking distance to a town centre. It was noted more education is required around this in that case and the building industry needs to know where the opportunities are! - Key messages from developers? Do they know these rules? Would like more certainty that if they do something different that it would get approved, therefor enabling this type of development. It was noted smaller, more targeted workshops and meetings are needed. - Look at the outcome desired and then put provisions in place from there - ring-fence. - Need to do it now!! We don't have until 2023.

		HAF recommends and urges the WBOPDC team to come back to HAF and include HAF in the next consultation round given the forum wasn't consulted in the first round.
	Action	WBOPDC team to ensure they include HAF in any future plan change consultation.
Update from Habitat for Humanity		<p>Max Mason, Habitat Chairperson was present to provide an update on Habitat's operation and current projects. Max Introduced Alan Dowman – Habitat General Manager. Max provided an overview of the organisation – the key outcome to provide more affordable homes for lower income families. The organisation is an affiliate, charitable company, and therefore able to use the Habitat for Humanity branding a certain requirement is met. Max noted the organisation have built 75 homes in the wider BOP. The focus is on building smaller homes for families of modest income, assisting families to own a home. Subcommittee meets the family and then agrees, ensuring the choice is sustainable financially. Ensuring people are in the right employment or contract. Habitat are able to keep prices low due to sponsorship and grants. Successful families rent the home for the first five years which then becomes their deposit and they then take over repayments from there. Max noted Habitat have restructured recently mean 'Restore' is now profitable again. Further changes and review will continue.</p> <p>Alan provided an overview. The organisation began the year with 19 sections fully developed or nearing completion. Budgeting to build 8 houses this year for families in need. Currently starting on the fourth house. Budgeting a further eight next year. Alan noted Habitat have just purchased their next parcel of land which will be part of the extreme development programme. He noted families are encouraged to convert their deposit earlier than five years if possible. The homes are a very modest affordable home, double glazed, heat pump installed, built on site. Alan noted the organisation are pleased with how it has come together, feedback from families has been excellent. The future is exciting and looks promising.</p> <p>Question and Discussion followed:</p> <ul style="list-style-type: none"> - Standard floor plan or looking at other options? Further typologies? Generally standardised plan to keep to cost effective – keeping the balance. Looking to plan changes before introducing new models. - Not below value based on volunteers etc. Tradies paid normal rates. A lot do work for minor rates however. Often families do purchase for lower than registered valuation. - Looking to opportunity around Maori owned land. Does the family then generally within the Hapu/Iwi? Lease model or cooperative ownership model. - Money limiting fact? External funding allows Habitat to accelerate over and above the 3-4 houses per year which is needed. - Opportunities to be involved particularly for people who want to make a difference and pay it forward – anyone interested contact Alan

		<ul style="list-style-type: none"> - It was noted the BOP has done well in terms of continuing on with building and providing homes. - Excellent work - a tough balance given there is so much need in our communities. - Build costs - \$380k. <p>Alan Dowman alan@innovative.nz</p>
	Action	Max and Alan to join HAF membership and keep the forum updated on the work of Habitat.
Report back on TCC plan changes workshop		This was covered off earlier in the meeting – see above.
	Action	Nothing to note
Update from BayTrust on the proposed shared equity model workshop.		<p>Terri Eggleton provided an overview and update on the proposed shared equity ownership model. View Terri's slides here.</p> <p>Background - BayTrust is one of the community trusts in the region covering Katikati, up past Te Kaha down to the middle of Ruapehu and all points in between. Originally, the money came from the trust banks. The business side was sold to Westpac which then created pools of money and trustees were appointed. Started with \$87m and now hold \$219m. BayTrust award grants to community groups and not for profit organisations throughout the region. Many years ago BayTrust started doing loan funding for eligible projects which could be paid back over a period of five years. When the GFC hit, loan funding was no longer. Terri then discovered impact funding. Over the years BayTrust have developed portfolios - housing, economic development (inclusive growth approach – benefit to the right people in the community) and environment. Through that work BayTrust were approached by The Housing Foundation NZ – not for profit entity. YouOwn have successfully set up the shared equity model who have had buy in banks. These two entities have said they would love to bring this into the area if we can provide a certain amount of funding.</p> <p>BayTrust are going through the due diligence process at present - rigid process - but are very keen to speak with interested parties - Terri noted substantial other players are needed to provide an additional \$3m first before this can be achieved- In the mean time in a holding pattern. More than happy to talk to other potential investors.</p> <p>Terri also wanted to raise awareness of BayTrust's ability to invest in social impact. Very interested in the housing space. Current investments with TCHT. Need measurable social impact – project specific. Criteria on website.</p> <p>Infrastructure on rural Maori land. Yes, if social impact, yes. Buying into one part of a bigger project.</p>

	Action	Anyone interested in discussing investment in the shared equity model to contact Terri.
Minister Twyford's visit media release for discussion (Paper B)		<p>Paper B - taken as read. It was noted NZTA have limited funds and no large roading projects will be going ahead in the region other than the safety components. No multi modal investment. UFTI project team will attend the next HAF meeting and provide an update – the base case report is due to be published in July.</p> <p>Discussion followed and it was noted if the sub region improves public transport ridership to the national average it would eliminate the need for these roading projects. If school buses were provided free of charge again a huge shift would be made – impact on peak times. How do you facilitate getting the free buses back? Where would the money come from? Targeted rates. Free buses into the CBD also something to look at.</p> <ul style="list-style-type: none"> - Cr. Molloy noted a trial in place out of Welcome Bay and discussion around funding is being had. Looking to collectively fund it, discussion. - The change to multimodal will be generational, have to get infrastructure in place first. - Robert Brodnax, UFTI Project Director, was at the recent Cycle Tauranga forum and he was very strong on his intention to integrate cycle lanes, bus lanes. <p>Need the affordable homes where the multimodal is. How do you get affordable homes in areas you're trying to intensify given the cost of land is going to be so high. High end houses to subsidise the lower end.</p> <p>Classic Developments have good examples in both Omokoroa and Hobsonville. Lowest around \$459k in Omokoroa. Mid \$600's in Hobsonville.</p>
	Action	UFTI project team update to be included on July agenda.
General Business		Darren Toy to update the forum on the proposed Urban Development Authority (UDA) at the September HAF meeting. The UDA is due to come into play 1 October with partial legislation. Full legislation mid next year.
	Action	Megan to send invitation for HAF meetings for the second half of 2019. Include Darren Toy UDA update on the agenda for September.
Key message for SmartGrowth Leadership Group		HAF requests that SmartGrowth proceed urgently to set the Housing Action Framework's work plan, targets and responsibilities. HAF would like a report back on this progress at the next HAF meeting.

Meeting ended at 2:07pm. Next meeting TBC

**Housing Affordability Forum
OUTSTANDING ACTIONS**

May	Megan to make updates to HAF membership post note: actioned by Megan
May	Confirm that SmartGrowth Housing Action Plan funding is still in place.
May	WBOPDC team to ensure they include HAF in any future plan change consultation.
May	Max and Alan to join HAF membership and keep the forum updated on the work of Habitat.
May	UFTI project team update to be included on July agenda.
May	Anyone interested in discussing investment in the shared equity model to contact Terri.
May	Megan to send invitation for HAF meetings for the second half of 2019.
May	Darren Toy - UDA update on the agenda for September.