

Greater Christchurch Partnership

Te Tira Tū Tahi One Group, Standing Together

Joint Housing Action Plan Levers for enabling affordable housing

Proposed Workshop Purpose

Provide recap and overview of work to-date

Share key learnings

Explore the range of options available to inform development of Phase 2 - Implementation





We are working in a rapidly changing context

Greater Christchurch Partnership Progress

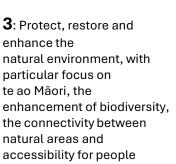
Joint H endors	December 2023 lousing Action Plan sed by the Greater church Partnership ittee	Early 2024 Joint Housing Action Plan adopted by partner Councils	Research t actions cor	mmitted to in lousing Action	December 2024 Present Phase 1 findings to the Greater Christchurch Partnership Committee				
Government context									
	May 2024	July 2024	Oct	ober 2024	November 2024				
h	\$140m for new social nousing through Comm			Approvals Bill eleased.	Enhanced financing optic announced as part of				
	Housing Providers from 2025.	July		Residential Development Underwrite scheme for developers.	Levelling the playing field for Community Housing Provider sector. Greater Christchurch Partnership				
	Kainga Ora Review Published								
F	Published					Te Tira Tū Tahi One Group, Standing Together			

Housing in the context of the Greater Christchurch Spatial Plan





1: Protect, restore and enhance historic heritage and sites and areas of significance to Māori, and provide for people's physical and spiritual connection to these places 2: Reduce and manage risks so that people and communities are resilient to the impact of natural hazards and climate change





4: Enable diverse , quality and affordable housing in locations that support thriving neighbourhoods that provide for people's day-today needs



5: Provide space for businesses and the economy to prosper in a low carbon future



6: Prioritise sustainable and accessible transport choices to move people and goods in a way that significantly reduces greenhouse gas emissions and enables access to social, cultural and economic opportunities



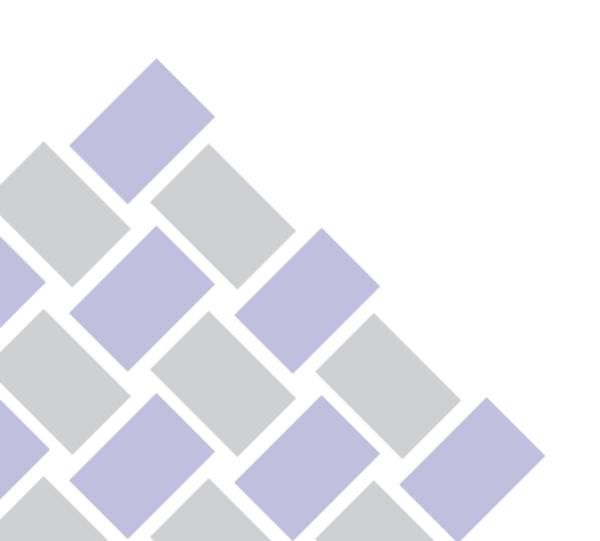


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Part 1 – Scene setting





The problem

Social housing

shortfall

Migration increasing demand

NZ's housing problem: mismatch of price, location, typology and tenure – and not enough of it

Canterbury housing problem

Quantum shortfall: 38 houses for every 100 people and declining (Aus has 43, France 55)

Emergency accommodation shortage

Urban growthdriven housing problems Rural housing problems

Jobs available but insufficient housing for workers to rent or buy

Housing Action Plan: Providing more smaller, accessible, cheaper (good quality) houses

House price

inflation

Tourism-driven housing problems Insufficient low-cost accommodation for key workers and locals

Investment in 'Air BnB'/ short term rentals skewing the market

The indicators

6.5x

Ratio of average house price to annual household income (June 2024) - Greater Christchurch



Selwyn - Average weekly rent Sept 2024 (Sept 2023)



Greater Christchurch - Median rentals changes June 2024 compared to June 2023

33,390

Number of Greater Christchurch residents receiving Accommodation Supplement in September 2024 \$533 (\$513)

Waimakariri - Lower quartile weekly rent Sept 2024 (Sept 2023) – Ministry of Housing and Urban Development

2,300

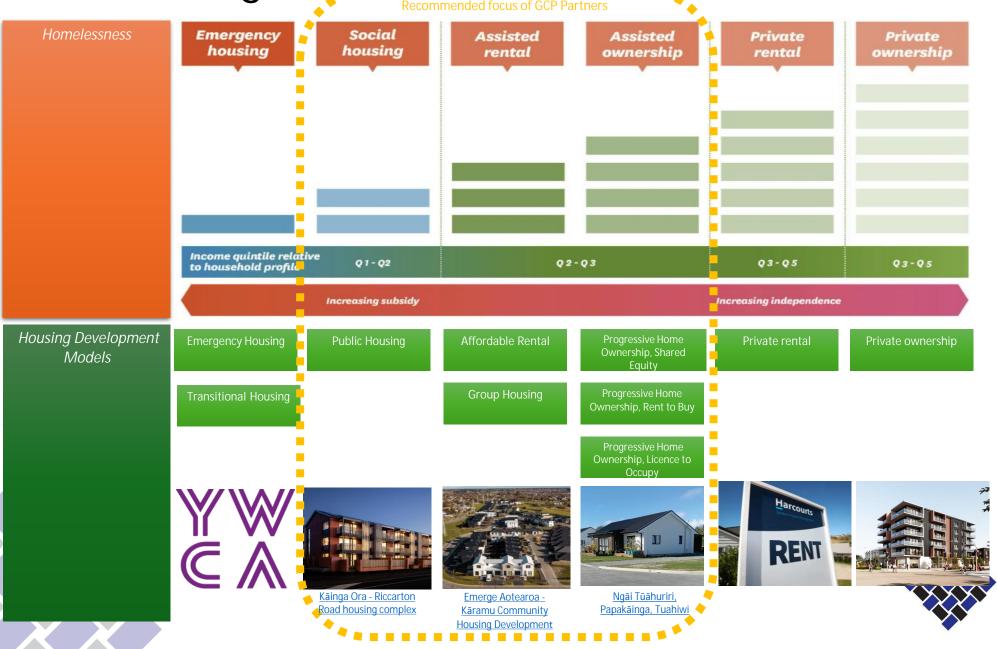
of people on Public Housing Register in September 2024 (CC, SDC and WDC combined). This is after 785 public homes provided Jun 2023-July 2024 Community Housing Providers -197; Kainga Ora- 588)



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Our housing focus



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Carey St Case Study



40 homes Paenga Kupenga - 10 Affordable Rentals Ōtautahi Community Housing Trust - 14 Affordable Rentals

- 11 Social Rentals
- 5 Progressive Home Ownership



Glue Place Sandilands Elm Grove



Ōtautahi Community Housing Trust – 89 Homes

E.







Does the Committee have any questions on the context or background to the Joint Housing Action Plan?





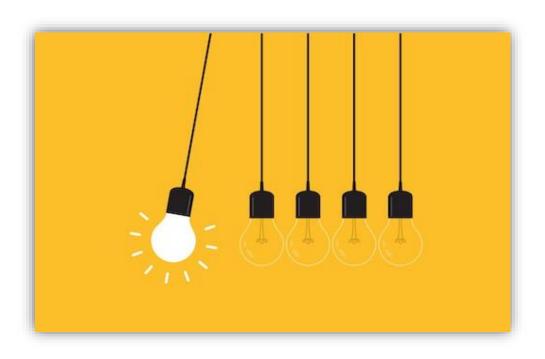
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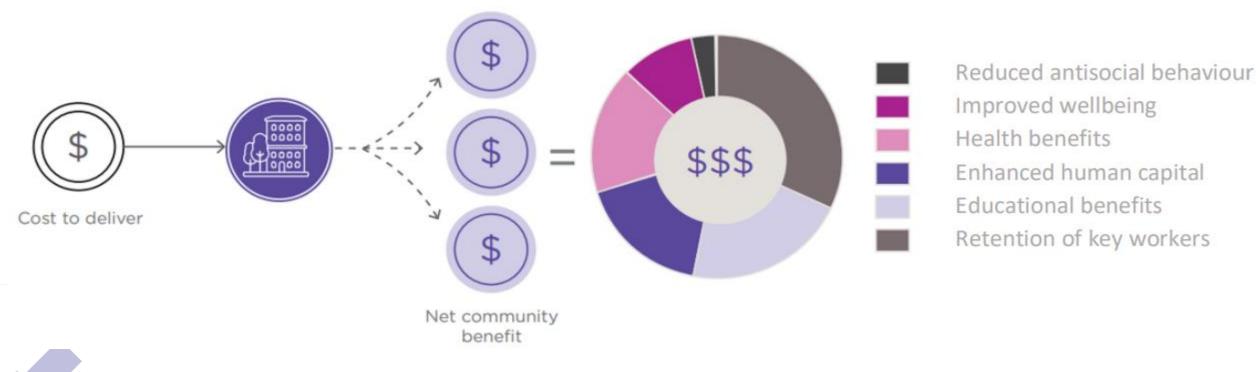
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Part 2 – Key takeaways from phase 1 Investigations



Takeaway #1 Housing is essential infrastructure

Every \$1 spent on affordable housing provides \$3 of community benefit



Source: Melbourne housing strategy, SGS Economics and Planning, 2019



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Takeaway #2 Partnering with housing not-for profits is the best option for increasing affordable housing



omcare

RUS



Community Housing Aotearoa

NGĀ WHARERAU O AOTEAROA



Ōtautahi community housing trust



Housing Foundation KĀINGA MAHA

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Takeaway #3 Partners have flexibility in choice of options, support and pace

Level of support and influence sought over affordable housing outcomes Continuum of Support for Affordable Housing Med - Facilitator High - Investor Low - Enabler Enabling efficient housing Facilitating affordable Investing in affordable markets housing supply housing Pace in use of levers for Affordable Housing Gradually - Staged Concurrently -Progressively -

application of levers

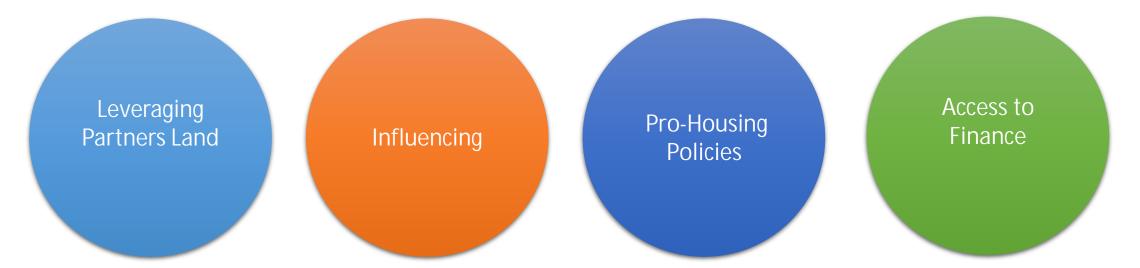
Sequenced use of levers

All levers at once



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Takeaway #4 GCP Partners can influence affordable housing



Make best use of partners strategic property holdings Work together to make more affordable housing happen and Government to make it easier to do Pursue policy changes that foster affordable housing and local Community Housing Trusts/ Providers Providing access to finance for new affordable housing by local Community Housing Providers Greater Christchurch



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Part 3 – Deep Dive on key findings and discussion



Options for how Partners could best apply the levers

Leveraging Partners Land

- Long-term 'peppercorn' leases by Territorial Authorities and Crown to CHPs
- Discounted land sales to
 Community Housing
 Trust/Providers

Examples:

- CCC Carey St, Ōtautahi
 Community Housing Trust
- Christchurch NZ New Brighton, Kāinga Maha
- CCC Sandilands

Influencing

- Engage with the Government on RMA Reforms – Enable Inclusionary Zoning; Allow density bonuses.
- Foreign Institutional Investment

 Support Overseas Investment Act amendments.
- Multiplier effect Seek match funding by Government on a revenue basis (Council Partners 10%; Govt 90%).
- Monitoring for opportunities

Examples:

- Community Housing Aotearoa – Inclusionary Zoning enabled in RMA
- Property Council New
 Zealand Overseas
 Investment Act Amendments

Pro-Housing Policies

- Inclusionary Zoning Monetary and/or Property
- Density/ Height bonuses
- Increasing priority to Community Housing Trust/Providers in surplus properties and discounted land sales
- Planning concessions discounts on charges and fees
- Development Contributions
 Remission
- Council Rates Rebates to Community Housing Trust/Providers

Examples:

- Queenstown Lake District Council – 2% \$ value, 5% of property
- CCC Development Contribution Remissions Policy

Access to Finance

- Low/ no interest loans to Community Housing Trust/Providers
- Match funding contribution on a project basis.

Examples:

- Use of Local Government Funding Agency
- Community Housing Funding Agency and supporting the Community Housing Investment Fund.

Financial support - Actions 3, 4 and 5

ACTION 3 Investigate the introduction of inclusionary zoning by all three Councils to collectively increase the supply of social and affordable rental housing.

ACTION 4

Investigate and test incentives to develop affordable housing (e.g. density bonuses, value capture, rates concessions for Community Housing Providers, planning concessions).

ACTION 5

Investigate expanding Christchurch City Councils development contribution rebates for social housing to all councils. Investigate extending this to include social, affordable rental and progressive home ownership.



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How does Inclusionary Zoning work?

Monetary Contributions Example:

• High – all development charged 2% Inclusionary zoning example

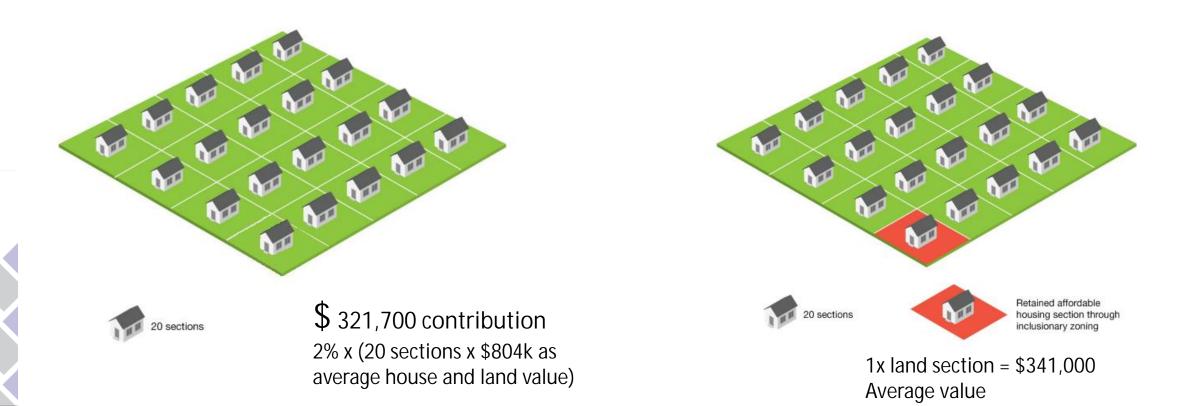
An example of inclusionary zoning could be a greenfields development of 20 sections

Land Contributions Example:

• High – all development charged 5%

Inclusionary zoning example

An example of inclusionary zoning could be a greenfields development of 20 sections contributing one section to Council and the Community Housing Trust as affordable housing.



Affordable housing outcomes

Formative

			New Affordable	More difficult, higher yield
	Actio	n Policy Options JHAP Action 3, 4, and 5	Housing 2025-2034	Land/dwelling Contribution High
4,500		Monetary contributions Low (1%)	1,441	Monetary Contribution High
4,000	#3	Monetary contributions Medium (2% low density)	2,882	
		Monetary Contributions High (2% to all development)	4,439	
		Land/dwelling Contribution Low (4% low density)	2,448	
		Land/dwelling Contribution Medium (5% low density)	3,060	
500		Land/dwelling Contribution High (5% to all developme	ent) 4,714	Land/dwelling Contribution
		Density Bonuses (Applicable to HDRZ sites only)	150	Medium
3,000	#4	Targeted Rate (equivalent of \$20 household per annun	n) 227	•
		Local Government Funding (LGFA access with loan + ca	apital) 113	Monetary Contribution Medium
500		Rates Concessions	177	
		Planning Concessions (Circa \$5,000 discount per deve	lopment) 44	 Land/dwelling Contribution Low
		Development Contribution Remission Low (~\$6K/ dw	velling) 31	
000	#5	Development Contribution Remission Medium (~\$8K/	/ dwelling) 39	
		Development Contribution Remission High (~\$10K/ dv	welling) 47	
500				Monetary Contribution Low
		Medium, m	edium yield	
000				
500		Dates Conc.	essions for CHPs Targeted Rate	
	Eccier lewervield			y Bonuses for CHPs
-		sier to implement		More difficult to implement →

Difficulty of implementation of policy option

Discussion

Key questions for consideration:



- Action 4 Incentives: What incentives are most attractive to Partners?
- Action 5 DC Rebates: What level of interest is there from Partners in implementing a consistent housing policy for development contributions rebates to Community Housing Providers, Community Housing Trusts and Mana Whenua for affordable housing developments in Greater Christchurch?

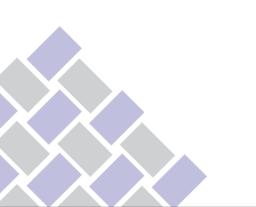


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Partnering and Influencing – Action 6

ACTION 6

Support wider advocacy to influence financial institutions to invest in affordable housing solutions e.g. pension fund investment in buildto-rent housing in Greater Christchurch.





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Action 6 – Advocacy for investment in GC

What avenues are there for Partners through advocacy and partnering to increase the quantity and diversity of affordable housing options in well serviced areas?

Current Supply

- A small group of developers Mostly doing 2-3 storey terraces, semi-detached houses and 4 bed houses
- Lack of Build to Rent developments
- Kainga Ora the major public house builder (562 new homes in GC in past year Aug 2024)
- Small number of local Community Housing Trusts/Providers active

Known barriers to medium rise apartments (Supply): • Feasibility, Risk, Financial, Capability, Land, Appeal, Average rents too low for Build-to-Rent players

Partnering with Private Sector - Feasibility & Risk

Partnering with Peak Bodies & Organisations

Leverage Govts funding tools & legislative reforms

Partners 'Pulling' Other Levers

Partnering/Advocacy options:

- RMA reforms Enable Inclusionary Zoning
- Foreign Institutional Investment
- Co-funding (w/ Partners \$ and land levers)
- Scanning for other opportunities

Future Supply

- NZ apartment and International developers are active in Greater Christchurch
- Multiple Build-to-Rent developments and providers
- Capabilities and capacity Community Housing Trusts/Provider substantially grown.
- Diverse range of residential typology

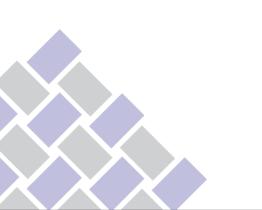


Discussion



Key questions for consideration:

✤ What would the committee like to actively advocate for?





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In-direct support - Actions 1, 2 and 7

ACTION 1

Identify publicly-owned sites (Crown and Council) appropriate for affordable housing development across all three council districts; and determine what is required to acquire/consolidate these for development.

ACTION 2 Identify mechanisms to enable development of affordable housing on public land.

ACTION 7

Investigate expanding or mirroring the Ōtautahi Community Housing Trust model (providing charities and charitable community housing providers access to finance and land)



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Mapping of sites for potential affordable housing

- ✤ No Partners prioritise Affordable Housing in surplus property decision making
- ✤ Opportunity to include: i) Give priority in policies; ii) Offer \$ discount in policy;

iii) Consult early-on



Discussion

Key questions for consideration:

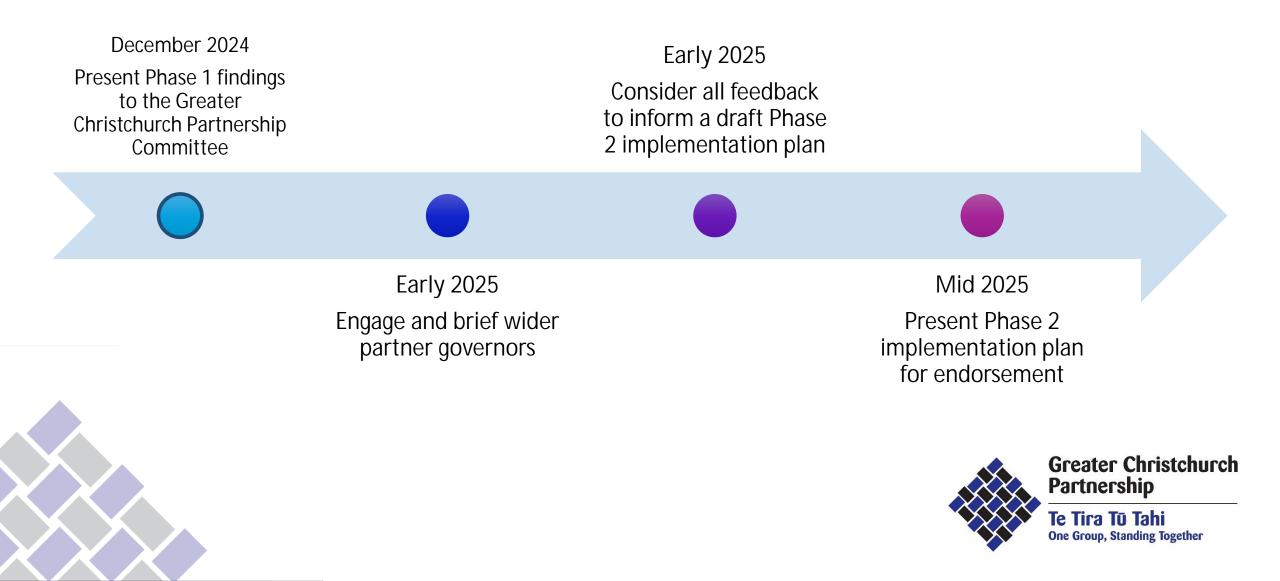


What appetite is there for offering sites to the Community Housing Providers/Community Housing Trusts and mana whenua for affordable housing retained in perpetuity at below market rates or long term 'peppercorn' leases?





Where to from here?



Key messages

A Growing Problem –The affordable housing 'gap' is growing and Partners cannot rely on their planning regulation tools to positively influence it.

Partnering magnifies influence -By working with the housing not-for-profit sector Partners can magnify their levers: 1) funding; 2) leverage land holdings; 3) establishing proaffordable housing policy settings; 4) Influencing and advocacy. Exploring options together -This workshop is the first step in engaging with Partners to explore options to inform development of Phase 2 implementation of the Joint Housing Action Plan.



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