

**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

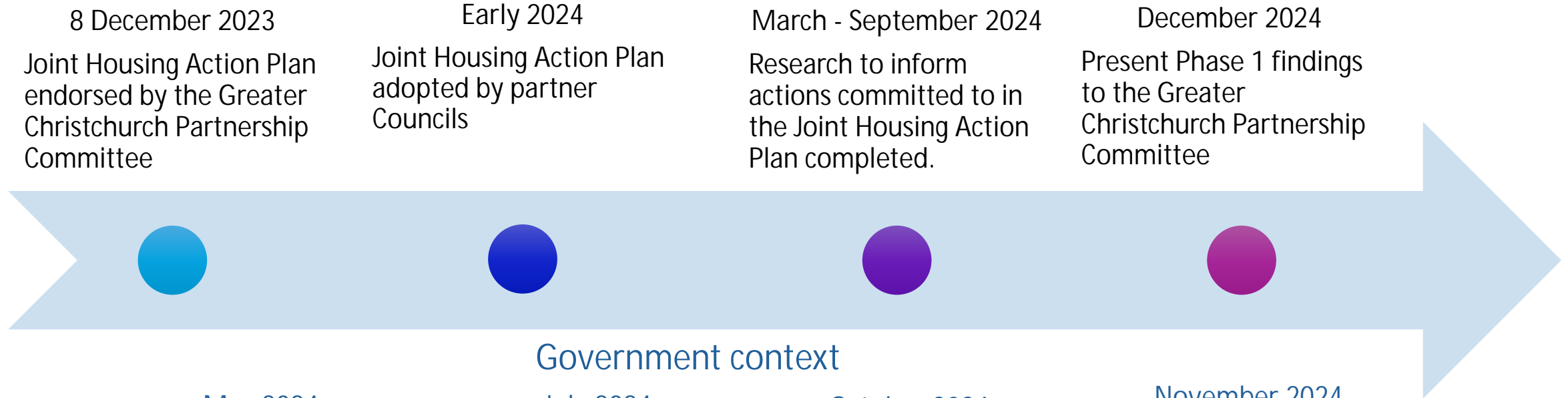


**Greater Christchurch
Partnership**

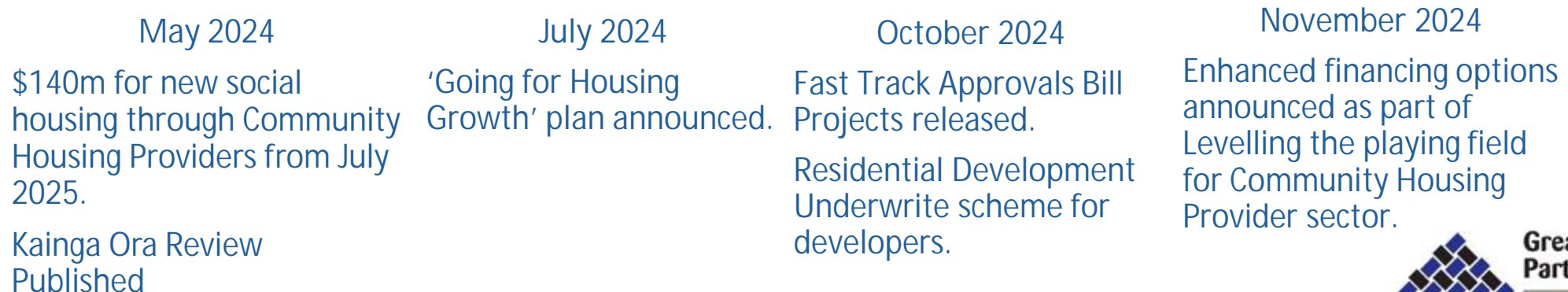
Te Tira Tū Tahi
One Group, Standing Together

We are working in a rapidly changing context

Greater Christchurch Partnership Progress



Government context



**Greater Christchurch
Partnership**
Te Tira Tū Tahī
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



3: Protect, restore and enhance the natural environment, with particular focus on te ao Māori, the enhancement of biodiversity, the connectivity between natural areas and accessibility for people



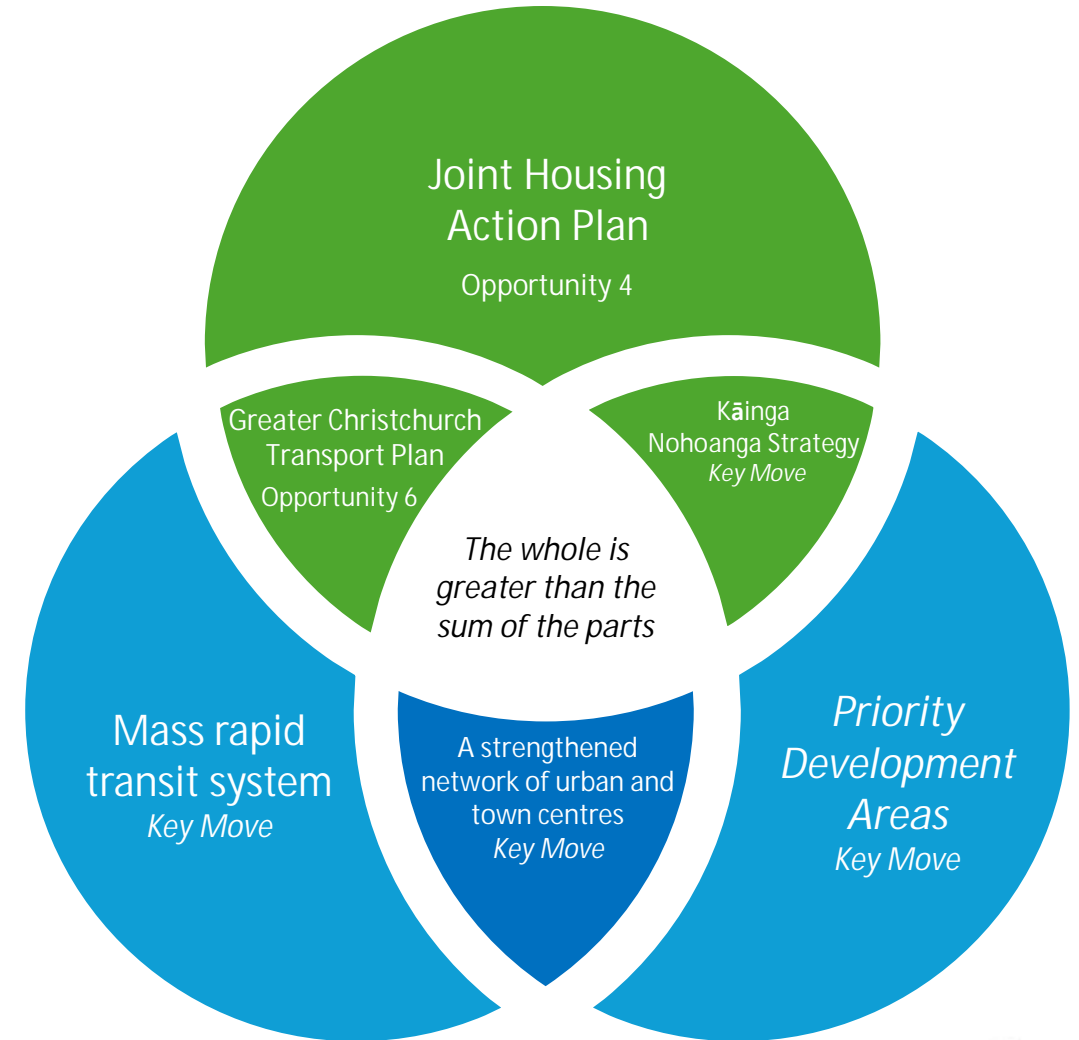
4: Enable diverse, quality and affordable housing in locations that support thriving neighbourhoods that provide for people's day-to-day needs



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

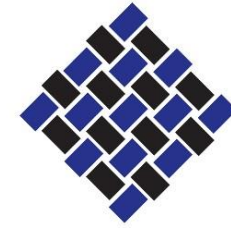


6: Prioritise sustainable and accessible transport choices to move people and goods in a way that significantly reduces greenhouse gas emissions and enables access to social, cultural and economic opportunities



Greater Christchurch Partnership

Te Tira To Tahī
One Group, Standing Together



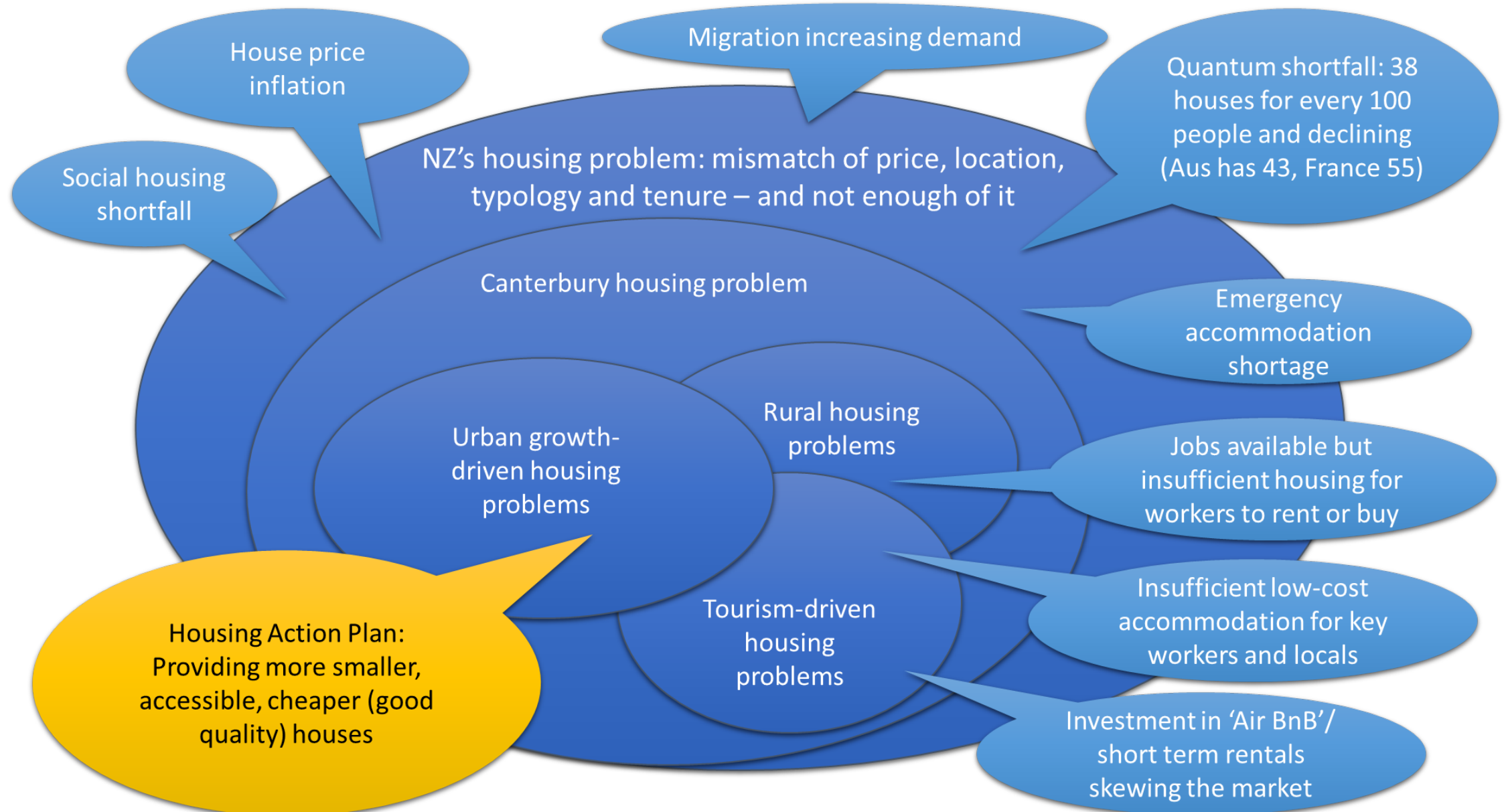
**Greater Christchurch
Partnership**

Te Tira Tū Tahi
One Group, Standing Together

Part 1 – Scene setting



The problem



The indicators

6.5x

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

\$597 (\$584)

Selwyn - Average weekly rent Sept 2024 (Sept 2023)

+9% ↑

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)



**Greater Christchurch
Partnership**

Te Tira Tū Tahī
One Group, Standing Together

Recent headlines...

Public housing: Can companies do the job of charities?

THE PRESS

Trust embarks on second biggest development yet

THE PRESS

Chch home values up 40%

Real Estate · Business

12 Sep 2024 +2 more Liz McDonald

Thursday, 5 September 2024

Christchurch bucks trend as property values fall across NZ

THE PRESS

House prices defying the downturn in some areas

THE PRESS

'Hundreds living rough after leaving emergency housing'

Residential Real Estate · Real Estate · Business
31 Aug 2024 Lauren Crimp of RNZ

THE PRESS

Homelessness, then a phone call came ...

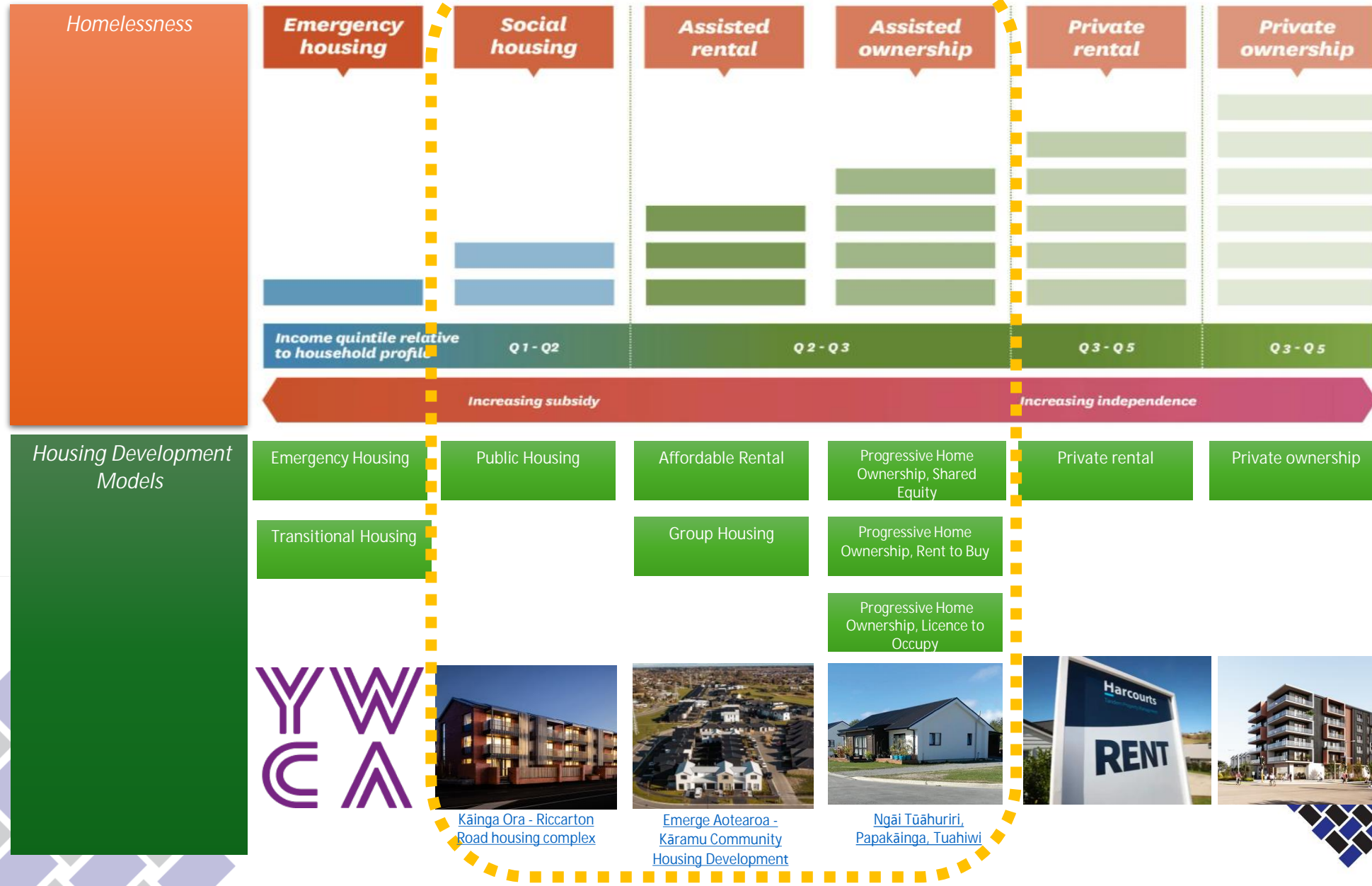
Family

14 Sep 2024 +1 more Maddy Croad

High cost of living hits incomes, with more households falling into 'in-work' poverty

Our housing focus

Recommended focus of GCP Partners



Greater Christchurch Partnership

Te Tira Tū Tahi
One Group, Standing Together

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



Questions

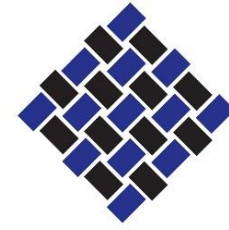


Does the Committee have any questions on the context or background to the Joint Housing Action Plan?



**Greater Christchurch
Partnership**

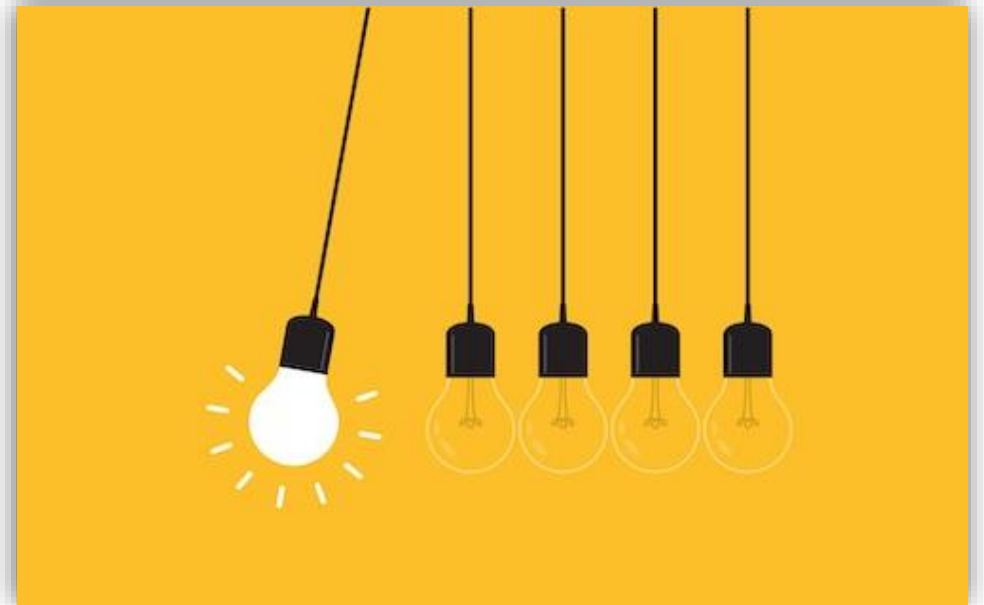
Te Tira Tū Tahi
One Group, Standing Together



**Greater Christchurch
Partnership**

Te Tira Tū Tahi
One Group, Standing Together

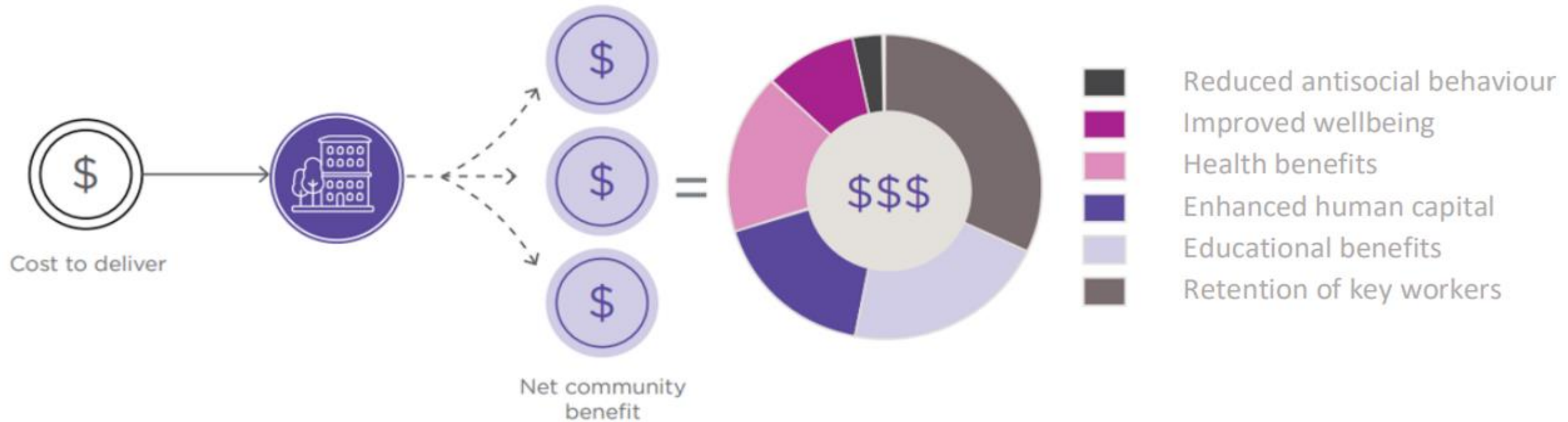
Part 2 – Key takeaways from phase 1 Investigations



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



**Greater Christchurch
Partnership**

Te Tira Tū Tahi
One Group, Standing Together

Takeaway #2

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



KĀINGA MAHA

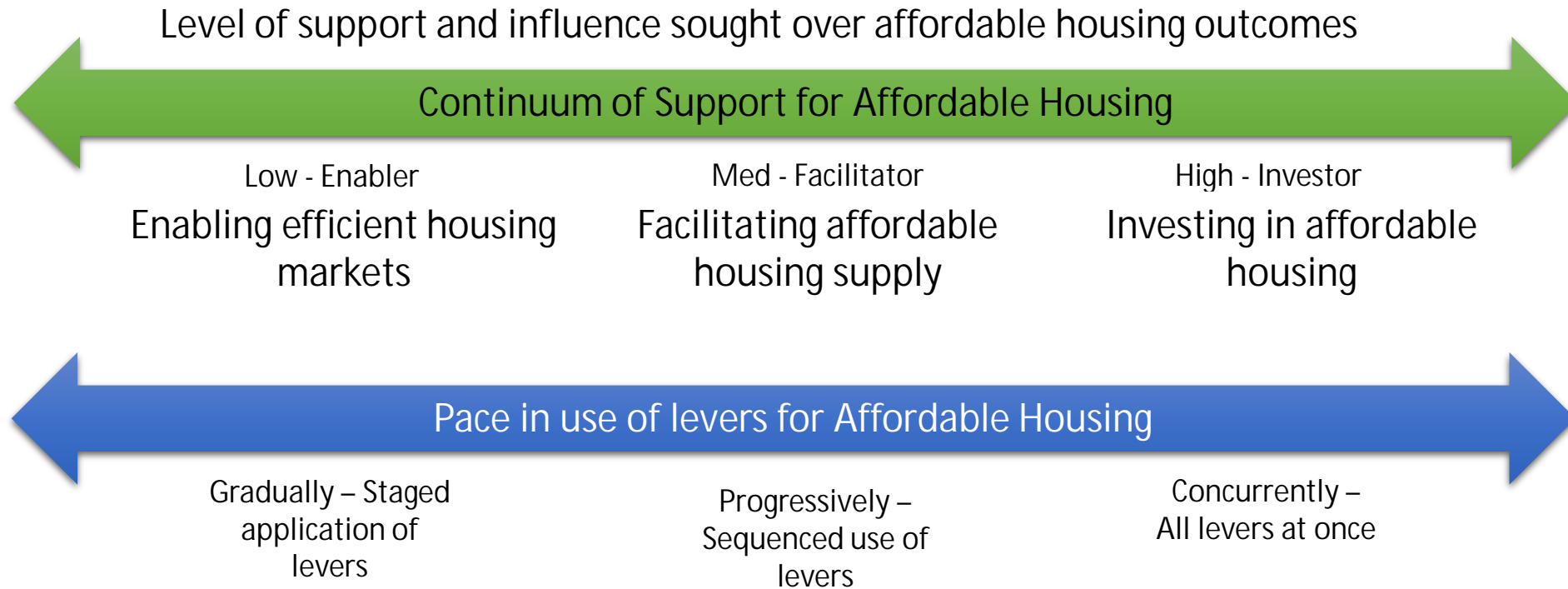


Greater Christchurch
Partnership

Te Tira Tū Tahi
One Group, Standing Together

Takeaway #3

Partners have flexibility in choice of options, support and pace



**Greater Christchurch
Partnership**

Te Tira Tū Tahi
One Group, Standing Together

Takeaway #4

GCP Partners can influence affordable housing

Leveraging
Partners Land

Make best use of
partners strategic
property holdings

Influencing

Work together to make
more affordable housing
happen and Government
to make it easier to do

Pro-Housing
Policies

Pursue policy
changes that foster
affordable housing
and local Community
Housing Trusts/
Providers

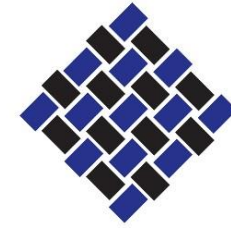
Access to
Finance

Providing access to
finance for new
affordable housing by
local Community
Housing Providers



**Greater Christchurch
Partnership**

Te Tira Tū Tahi
One Group, Standing Together



**Greater Christchurch
Partnership**

Te Tira Tū Tahi
One Group, Standing Together

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
- ❖ 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.



**Greater Christchurch
Partnership**

Te Tira Tū Tahi
One Group, Standing Together

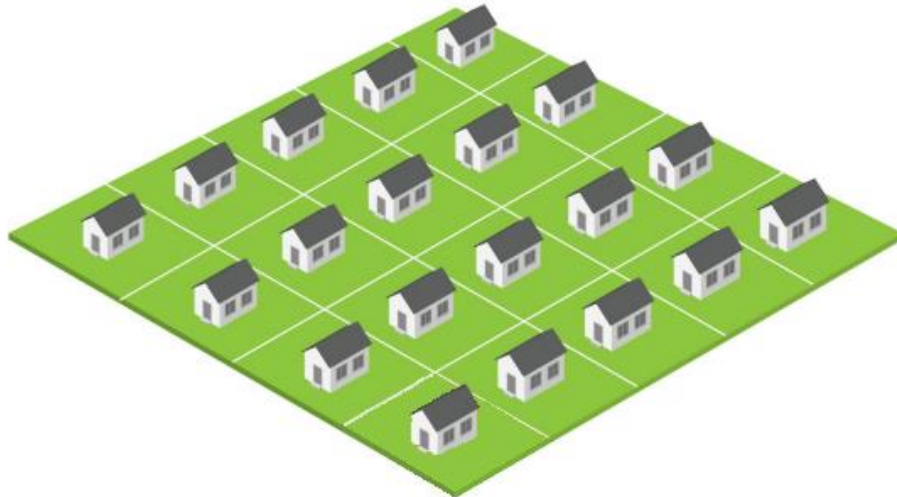
How does Inclusionary Zoning work?

Monetary Contributions Example:

- High – all development charged 2%

Inclusionary zoning example

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



\$ 321,700 contribution
 $2\% \times (20 \text{ sections} \times \$804\text{k as average house and land value})$

Land Contributions Example:

- High – all development charged 5%

Inclusionary zoning example

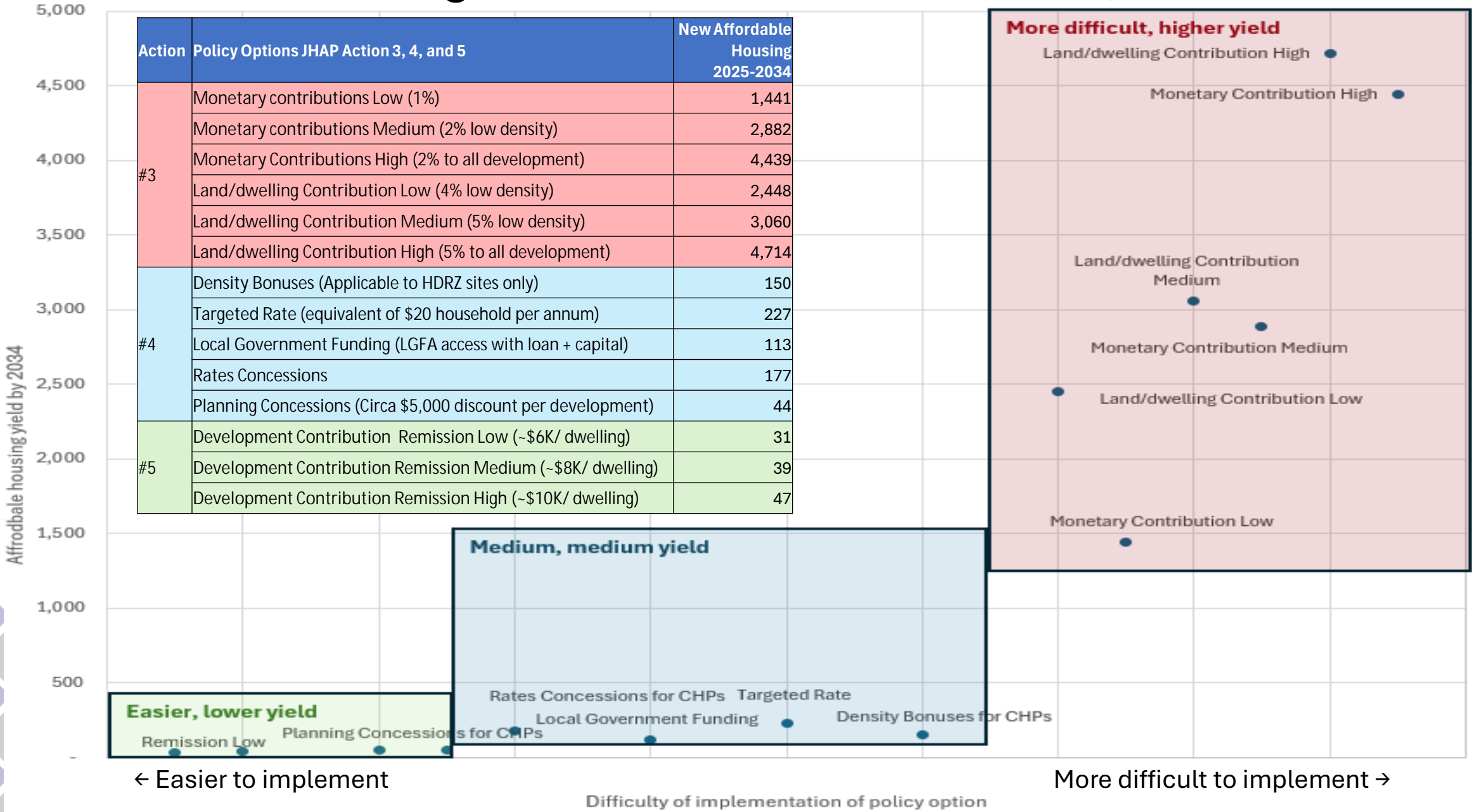
An example of inclusionary zoning could be a greenfields development of 20 sections contributing one section to Council and the Community Housing Trust as affordable housing.



Retained affordable housing section through inclusionary zoning

1x land section = \$341,000
Average value

Affordable housing outcomes

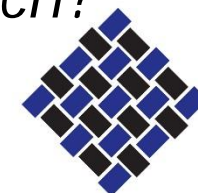


Discussion



Key questions for consideration:

- ❖ *Action 3 Inclusionary Zoning: What support is there by Partners in progressing the investigation into Inclusionary Zoning further?*
- ❖ *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?*



**Greater Christchurch
Partnership**

Te Tira Tū Tahī
One Group, Standing Together

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 build-to-rent housing in Greater Christchurch.

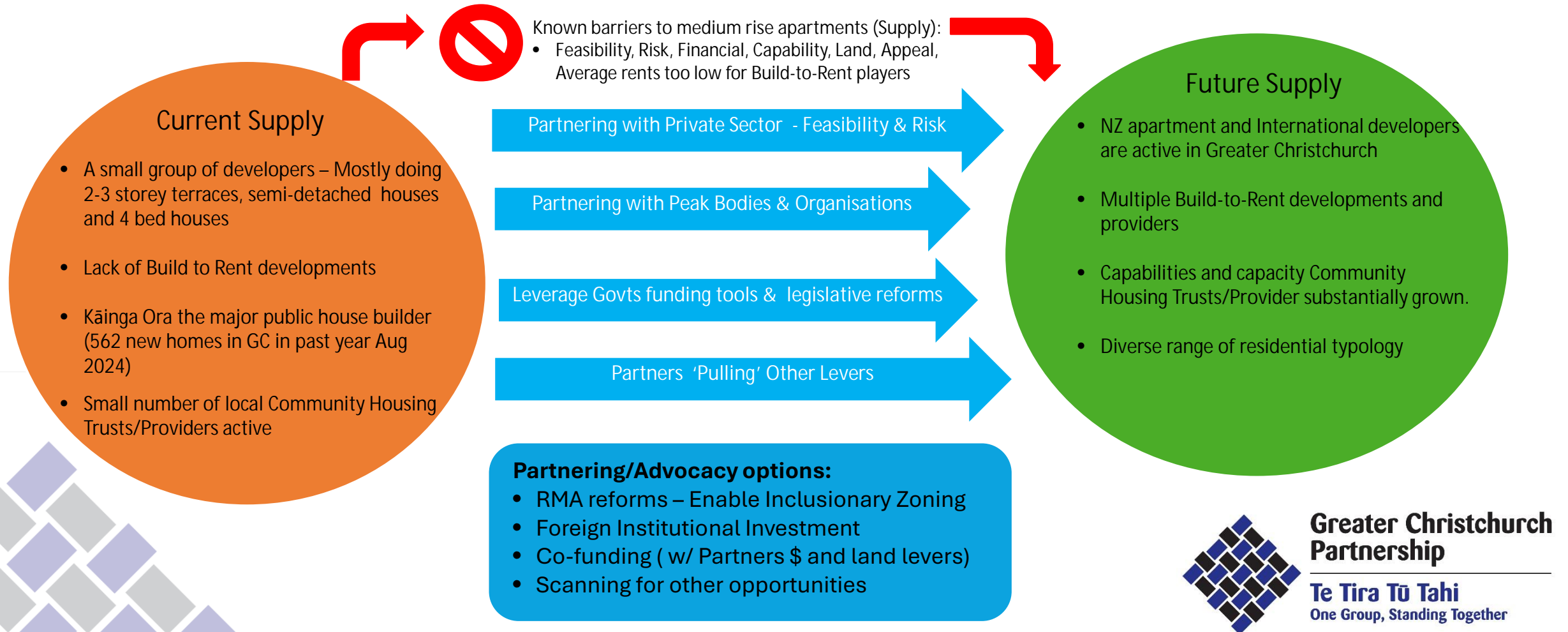


**Greater Christchurch
Partnership**

Te Tira Tū Tahi
One Group, Standing Together

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?



Discussion

Key questions for consideration:

- ❖ *What would the committee like to actively advocate for?*



**Greater Christchurch
Partnership**

Te Tira Tū Tahi
One Group, Standing Together

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)



**Greater Christchurch
Partnership**

Te Tira Tū Tahi
One Group, Standing Together

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



Greater Christchurch Partnership

Te Tira Tū Tahi
One Group, Standing Together



Discussion

Key questions for consideration:



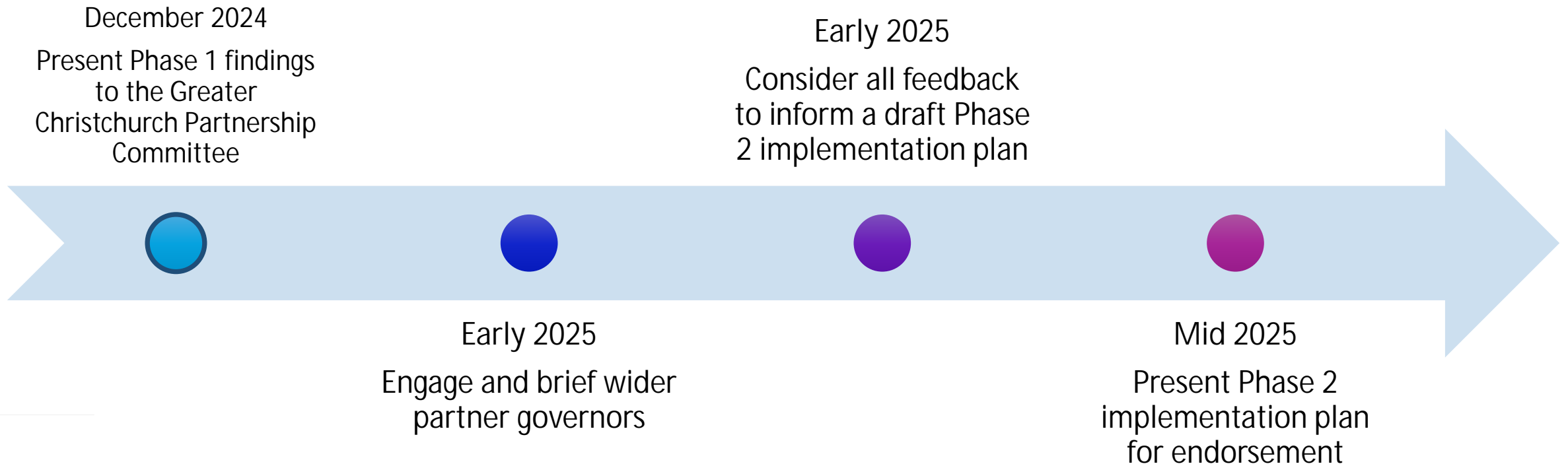
- ❖ *What appetite is there for offering sites to the Community Housing Providers/Community Housing Trusts and mana whenua for affordable housing retained in perpetuity at below market rates or long term 'peppercorn' leases?*



**Greater Christchurch
Partnership**

Te Tira Tū Tahi
One Group, Standing Together

Where to from here?



**Greater Christchurch
Partnership**

Te Tira Tū Tahi
One Group, Standing Together

Key messages

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

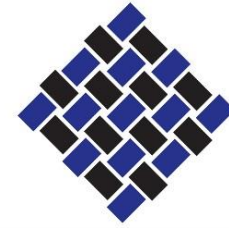
Partnering magnifies influence -
By working with the housing not-for-profit sector Partners can magnify their levers: 1) funding; 2) leverage land holdings; 3) establishing pro-affordable housing policy settings; 4) Influencing and advocacy.

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.



**Greater Christchurch
Partnership**

Te Tira Tū Tahi
One Group, Standing Together



**Greater Christchurch
Partnership**

Te Tira Tū Tahi
One Group, Standing Together



THANK YOU!