



Remember
submissions
close at 5pm,
Friday 21
October 2022

Proposed District Plan submission form

Clause 6 of Schedule 1, Resource Management Act 1991

Feel free to add more pages to your submission to provide a fuller response.

Form 5: Submission on Proposed Far North District Plan

TO: Far North District Council

This is a submission on the Proposed District Plan for the Far North District.

1. Submitter details:

| | | | |
|---|---|--|-------------------------|
| Full Name: | | | |
| Company / Organisation Name: (if applicable) | Kairos Connection Trust and Habitat for Humanity Northern Region Ltd | | |
| Contact person (if different): | Shirley Ayers for Kairos Conrad LaPointe for Habitat | | |
| Full Postal Address: | c/- Kerikeri Baptist Church, PO Box 357, 41 Hobson Avenue, Kerikeri, 0290 | | |
| Phone contact: | Mobile: 021 881 568 | | Mobile: 027 239 1082 |
| Email (please print): | chrishirley130@icloud.com conrad.lapointe@habitat.org.nz | | |

2. (Please select one of the two options below)

- I **could not** gain an advantage in trade competition through this submission
 I **could** gain an advantage in trade competition through this submission

If you could gain an advantage in trade competition through this submission, please complete point 3 below

3. I **am** directly affected by an effect of the subject matter of the submission that:
 (A) Adversely affects the environment; and
 (B) Does not relate to trade competition or the effect of trade competition

- I **am not** directly affected by an effect of the subject matter of the submission that:
 (A) Adversely affects the environment; and
 (B) Does not relate to trade competition or the effect of trade competition

Note: if you are a person who could gain advantage in trade competition through the submission, your right to make a submission may be limited by clause 6(4) of Part 1 of Schedule 1 of the Resource Management Act 1991

The specific provisions of the Plan that my submission relates to are:

(please provide details including the reference number of the specific provision you are submitting on)

As per written submission



Confirm your position: Support Support In-part Oppose
(please tick relevant box)

My submission is:
(Include details and reasons for your position)

as per written submission

I seek the following decision from the Council:
(Give precise details. If seeking amendments, how would you like to see the provision amended?)

As per written submission

I **wish** to be heard in support of my submission
 I **do not wish** to be heard in support of my submission
(Please tick relevant box)

If others make a similar submission, I will consider presenting a joint case with them at a hearing
 Yes No

Do you wish to present your submission via Microsoft Teams?
 Yes No Also quite happy to meet in person

Signature of submitter:
(or person authorised to sign on behalf of submitter)

Kairos Connection Trust

Habitat for Humanity Northern Region Ltd

Date: 13/10/2022

Date: 13/10/2022

(A signature is not required if you are making your submission by electronic means)



Important information:

1. The Council must receive this submission before the closing date and time for submissions (5pm 21 October 2022)
2. Please note that submissions, including your name and contact details are treated as public documents and will be made available on council's website. Your submission will only be used for the purpose of the District Plan Review.
3. Submitters who indicate they wish to speak at the hearing will be emailed a copy of the planning officers report (please ensure you include an email address on this submission form).

Send your submission to:

Post to: Proposed District Plan
Strategic Planning and Policy, Far North District Council
Far North District Council,
Private Bag 752
KAIKOHE 0400

Email to: pdp@fndc.govt.nz

Or you can also deliver this submission form to any Far North District Council service centre or library, from 8am – 5pm Monday to Friday.

Submissions close 5pm, 21 October 2022

Please refer to pdp.fndc.govt.nz for further information and updates.

Please note that original documents will not be returned. Please retain copies for your file.

Note to person making submission

Please note that your submission (or part of your submission) may be struck out if the authority is satisfied that at least one of the following applies to the submission (or part of the submission):

- It is frivolous or vexatious
- It discloses no reasonable or relevant case
- It would be an abuse of the hearing process to allow the submission (or the part) to be taken further
- It contains offensive language
- It is supported only by material that purports to be independent expert evidence but has been prepared by a person who is not independent or who does not have sufficient specialised knowledge or skill to give expert advice on the matter.

SUBMISSION ON THE NOTIFIED PROPOSED FAR NORTH DISTRICT PLAN

TO: Far North District Council

NAME OF SUBMITTER: Kairos Connection Trust and Habitat for Humanity Northern Region Ltd

This is a submission on the proposed Far North District Plan.

I could not gain trade competition advantage as a result of this submission.

The specific provisions of the proposal that my submission relates to are:

- Part 2 – District- Wide Matters - Strategic Direction
- Part 2 – District-Wide Matters - Energy, Infrastructure, and Transport
- Part 2 – District-Wide Matters – Subdivision
- Part 3 – Area-Specific Matters – Zones
- Inclusionary Housing Zoning

We wish to be heard in support of our submission.

If others make a similar submission, we would consider making a joint case with them at the hearing.

1. Introduction to Kairos Connection Trust and Habitat for Humanity

1.1. **Kairos** – (καιρός) is an Ancient Greek word **meaning** the right, critical, or opportune moment. It is also the basis of our English word ‘crisis’, particularly to provide a Kairos (or new opportunity for hope after a crisis moment).

1.2. Kairos Connection Trust (“Kairos”) is a Kerikeri based registered community trust established in 2017. We operate a Foodbank from Kerikeri Baptist Church. We have a vision to see local families on low-moderate incomes food-secure and with a secure long-term roof over their heads.

Habitat for Humanity Northern Region (Habitat) is a housing charity and registered Community Housing Provider (CHP). Our vision is a world where everyone has a decent place to live.

In pursuit of this vision HFHNR operates across Tai Tokerau and Tāmaki Makaurau builds and manages new and affordable housing, which includes Progressive Home Ownership (PHO) and social rental public housing. We also deliver a wide range of essential repair, renovation, and health focused programmes aimed at building strength, stability, and independence through shelter. All our work is delivered partnership with local stakeholders and government entities.

2. Outline of Issues Relating to the supply of Affordable Housing in the Far North District

- 2.1. In Kerikeri we have 'the working poor' and many of these workers have been squeezed out of Kerikeri to surrounding towns (Kawakawa, Paihia, Kaikohe and Kaeo), simply because they cannot afford to rent or buy a home in Kerikeri. These working poor salaries/wages range from the minimum wage in our packhouses, retail, hospitality and care support sectors to the modest salary/wage of those in teaching, administration and management. The age range includes Millennials, middle-aged through to the 'retiring poor'.
- 2.2. Our housing crisis is at a point where we **MUST** act **NOW** if we want to maintain the values of a fair and equal society to offer accessibility to safe, warm and secure long-term housing to every NZ family working and retiring in Kerikeri.
- 2.3. Fortunately, we have the supply and trade knowledge available to build cost-effectively in Kerikeri. We have also been offered support and free house plans from Queenstown Lakes Community Housing Trust, for which we are very grateful.
- 2.4. Even though the number of Far North District families registered on the MSD Housing Register is 51+, there are many more on low to modest incomes who can neither afford to rent or buy in Kerikeri. Habitat for Humanity is currently establishing rental accommodation in Kerikeri for those on low incomes. Kairos aims to partner with Habitat, to provide further affordable housing (rental and for purchase) to those employed in Kerikeri on modest incomes.
- 2.5. If Far North District Council (FNDC) were to incorporate inclusionary zoning principles in our district plan, this will enable agencies such as Kairos and Habitat the opportunity to provide affordable homes for rent or purchase by families on modest incomes.
- 2.6. Kairos and Habitat understand that the Council has undertaken a desk top study to investigate residential land supply availability across the General Residential, Rural-Residential and the Mixed Use zones to accommodate predicted future housing demand. While this study is informative, it does not take into account other environmental or infrastructure constraints that might limit the potential for that land to be developed. Nor is land supply the only factor that influences affordable land supply, particularly in close proximity to urban centres. In terms of indicating certainty about which land can be serviced with existing or planned infrastructure, Kairos and Habitat support the Council's approach to consolidating the urban zones to include only serviceable residential land. The ability to develop a mix of housing typologies that includes smaller homes for 1 or 2 people by way of a multi-unit development is also generally supported, subject to the amendments sought in this submission.

3. Regional Policy Statement Context

3.1. We understand the Regional Policy Statement for Northland includes regional form Objectives 3.11 and Policy 5.1.1 that require planned and coordinated development that is guided by the regional form and development guidelines and maintains or enhances a sense of place and character in the surrounding environment. Any proposed plan provisions are required to give effect to the Regional Policy Statement.

4. FNDC Population Growth and Employment Assessment – Infometrics – Far North – Projections Report - May 2022

4.1. Kairos has reviewed the FNDC commissioned Infometrics Far North Projection Report, which indicates that employment growth over the long and short term will be driven by service industries. The majority of the service industry types referred to in the report are generally low – medium income generating jobs. The availability of affordable accommodation options for persons employed in these roles will be a critical factor in whether these industries are able to grow as predicted. The report indicates that the Kerikeri-Waipapa Structure Plan Area will absorb the greatest share of District growth over the next 50 years.

5. Proposed Far North District Plan Provisions (PDP) and Decision(s) Sought

5.1. Part 1 – Introduction / Significant Resource Management Issues

Part 1 of the PDP identifies ten significant resource management issues. Of interest to Kairos Trust is ‘Urban Sustainability’ and ‘Affordable Infrastructure’ including better management of urban infrastructure, land and building resources to reduce wasted and inefficient use of existing land and infrastructure resources that contribute to higher living costs.

Kairos and Habitat NZ support the identification of these issues that provide a framework for district plan provisions to enable a greater supply for availability of affordable housing.

5.2. Part 2 – District Wide Matters - Strategic Direction

The PDP Strategic Directions overview sets out the overarching direction for the District Plan as expressed through the Strategic Directions chapters. Kairos and Habitat support these directives, in particular giving effect to the District Strategy titled Far North 2100 that includes social, cultural and economic and environmental prosperity. Access to quality and affordable housing accommodation as an outcome of urban growth management is fundamental to the social wellbeing of Far North communities.

5.2.1. Economic and Social Wellbeing

| | |
|----------|--|
| SD-SP-01 | Community wellbeing is heightened by a sense of place. |
|----------|--|

| | |
|----------|--|
| SD-SP-03 | Encourage opportunities for fulfilment of the community's cultural, social, environmental, and economic wellbeing. |
|----------|--|

Kairos and Habitat agree that community wellbeing is heightened by a sense of place and that the ability to live and work in the same settlement contributes to social and economic wellbeing. Housing affordability in urban settlements, particularly Kerikeri is having a negative effect on social and economic wellbeing.

5.2.2. Urban form and development

SD-UFD-01 The wellbeing of people who live in and visit towns in the Far North is considered first when it comes to planning places and spaces.

SD-UFD-02 Urban growth and development consolidated around existing reticulated networks within town centres, supporting a more compact urban form, affordability and providing for a mix of housing typologies.

Kairos and Habitat agree that the wellbeing of people who live in the Far North should be prioritised when it comes to planning places and spaces, and that affordable housing should be available to those living in the District on low-moderate incomes. Based on the local experience of Kairos in communication with Ngati Rehia hapu, and other community housing providers, these incomes groups are being 'squeezed out' of Kerikeri by market housing prices without due consideration for locals and single parent families on low-moderate incomes.

Achieving economic prosperity objective SD-EP-01 is dependent on businesses having access to a diverse local workforce for in particular, horticulture, tourism and hospitality and various care-based services.

Decision Sought:

1. Retain SD-SP-01 as proposed. \$138.001
2. Retain SD-SP-03 as proposed. \$138.002
3. Retain SD-UFD-01 as proposed. \$138.003
4. Retain SD-UFD-02 as proposed. \$138.004

5.3. Part 2 – District Wide - Energy, Infrastructure, and Transport

5.3.1. The adequacy of urban three waters infrastructure to service land use development in reticulated urban centres is critical to the realisation of FNDC's assessment of future urban residential land supply and assumptions about future housing yield. With respect to wastewater infrastructure, the Section 32 overview information appears to indicate that urban zones have been consolidated to include land that is currently able to be serviced or is within areas where there are planned services. However, this is not clear from either the subdivision or zone rules that require servicing capacity to be confirmed at the time of a subdivision or land use consent application.

5.3.2. Kairos and Habitat are concerned that if it is a developer's sole responsibility to confirm the capacity of a wastewater infrastructure and demonstrate to Council that a controlled or permitted activity housing proposal is capable of being serviced, that this uncertainty and investigation cost will be a disincentive to proceeding with a proposal. Kairos and Habitat seek that the Council publicise baseline capacity information about its wastewater infrastructure in all of its urban centres and that proposed objectives and policies reflect the fact that it is the Council's responsibility to service urban development that is permitted in a zone.

Decision Sought:

1. Amend I-O5 to: *“The provision of infrastructure is integrated with Plan enabled subdivision and land use and is coordinated at the time of subdivision and development.”* \$138.005
2. Amend I-P5 to: *“Require the coordination of infrastructure planning and delivery ~~at the time~~ of Plan enabled land use, subdivision and development, so that land use and infrastructure is integrated, efficient and aligned.”* \$138.006

5.4. Part 2 – District Wide – Subdivision

5.4.1. Kairos and Habitat support the ability to increase the subdividable urban residential intensity potential in the General Residential zone via the proposed multi-unit development activity category (SUB-R5). However, it would seek that the Council provide more information and greater confidence to developers about the capacity of existing urban wastewater systems to service “Plan enabled” permitted and controlled residential activity, in particular the viability of proposed multi-unit residential development densities that are smaller than the general minimum allotment sizes. This is of particular importance for a subdivision proposal considering a land use consent for a multi-unit development forming the basis of a ‘controlled activity’ subdivision application could be approved without reference to infrastructure capacity requirements. To be a controlled activity, proposed subdivision Rule SUB-R5 also be required to meet the SUB-S5 standard and be subject to ‘matter for discretion’ (b) which relates to the capacity and impact on the existing reticulated wastewater system.

5.4.2. The FNDC Section 32 Kerikeri Summary Report indicates that in the General Residential Zone, up to 1,055 additional sites could be created, with these sites having the ability to realise 3,165 dwellings by way of a multi-unit development proposal. It would seem disingenuous of the Council to suggest that there is sufficient residential housing land supply to accommodate future growth where the majority of those unit titles would need to be created via a Discretionary subdivision consent application that relies on there being sufficient wastewater capacity that is currently unknown.

5.4.3. With regard to multiple standalone dwellings on a single site, Kairos and Habitat question the rationale for removing operative provisions that currently enable this to occur. The ability to relocate affordable standalone dwellings onto a single site would complement the Council’s suite of residential controls and enable an alternative housing typology that may be better suited to family living. The ability to locate multiple standalone dwellings on a single site could be retained, even if the density was limited to one dwelling per 300m², which is the current Discretionary Activity standard.

5.4.4. In the Mixed Use zone, there appears to be uncertainty about the potential residential unit yield from this zone, which is unlimited in the zone where units are located above the ground floor within a 12 metre (3 storey) high building. The FNDC Section 32 Kerikeri Summary Report suggests that the latent residential development capacity of the Mixed Use zone be based on an estimated one unit per 250m², which is the minimum subdivision allotment size standard in this zone. This is a potential yield of 1,386 additional dwellings. However, with no zone control on the minimum unit floor area size and where carparking and access standards can be met,

the potential yield (albeit theoretical in the Kerikeri context) could be much higher if subdivision were not applied for and ownership of units retained in a single certificate of title. Again, in fairness to potential developers, Kairos and Habitat would seek that the Council confirm based on the wastewater infrastructure capacity, what the potential yield of this zone is.

Decision Sought:

1. **SUB-03** – That the Council clarify what is meant by *‘infrastructure should be provided in an integrated, efficient, coordinated and future proofed manner at the time of subdivision.’* S138.007

It is not clear from the objective if this responsibility lies with the developer or the Council. It is the view of Kairos and Habitat that in urban reticulated environments, provision of the necessary connections and coordination of infrastructure services for ‘Plan enabled’ development is the responsibility of the Council.

2. **SUB-P6** – That the Council clarify the availability of infrastructure capacity in its urban reticulated environments so that this policy can be achieved at the time of subdivision or land development stage. S138.008

3. **SUB-R5** – That this rule is retained with the following changes: S138.009

- Delete reference to compliance with the SUB-S1 ‘minimum allotment size’ as the nature of a multi-unit development would be a unit density of 1 per 200m² and could not therefore meet the ‘Controlled Activity’ status for a subdivision of the units already approved by way of a land use consent. The retention of this rule as proposed to be worded would mean that all subdivision applications based on the multi-unit development provision would be Discretionary.

As a comprehensive development proposal, Council is proposing to restrict its discretion to matters such as effects on neighbourhood character, residential amenity and the surrounding residential area resulting from both external impacts beyond the boundary of the site and internal amenity including parking, access and outdoor living space, which would address the matters set out in the proposed subdivision control standard SUB-R5(a).

4. **SUB-S5** Wastewater Disposal – That the Council clarify this standard that requires that where a connection to council owned reticulated wastewater scheme is available, all allotments must connect. This is because the matters for discretion include the ‘capacity of, and impacts on the existing reticulated wastewater disposal system. The existing capacity of urban wastewater systems is unknown so it would be difficult to confirm that there is capacity without an extensive and expensive investigation. S138.010

5.

5.5. Part 3 – Area Specific Matters – ZonesGeneral Residential Zone

5.5.1. Kairos and Habitat NZ generally support the Council's approach to consolidating the urban General Residential Zone to only include land that can be serviced by three waters infrastructure. The ability to establish a variety of residential housing densities and typologies within functional and high amenity living environments is also supported. However, as commented above, greater certainty about the ability of existing infrastructure to service this type of 'Plan enabled' development i.e., by way of a permitted or controlled activity is still required rather than fully relying on permitted rule standards to demonstrate this at the time of a land use consent proposal.

5.5.2. Kairos and Habitat are concerned that the Council is proposing to remove the permitted activity ability to locate multiple standalone residential units on a single site. The rationale for this change is unclear and is not in keeping with its apparent intention to enable a greater variety of housing typologies. For community housing providers, there will not necessarily be the need or desire to subdivide a site, or develop a multi-unit type of development. Kairos and Habitat asks that the Council retain the ability to locate multiple standalone residential units on a site, and accepts that the density of these units might as a permitted activity be limited to 1 unit per 600m² of site area or 1 unit per 300m² as a Discretionary Activity.

Decision Sought:

Providing the Council provides clarity about the servicing capacity for 'Plan Enabled' development:

1. Retain GRZ-O1 as proposed **S138.011**
2. Retain GRZ-O2 as proposed **S138.012**
3. Retain GRZ-O4 as proposed **S138.013**
4. Retain GRZ-O1 as proposed **S138.014 - inferred to relate to GRZ-P1**
5. Retain GRZ-P3 as proposed **S138.015**

6. Amend GRZ-R3 'Residential activity (standalone residential units) to:

S138.016

"Activity status: Permitted

Where:

PER-1

1. *The number of standalone residential units on a site does not exceed one unit per 600m² of site area.*
2. *The site does not contain a multi-unit development.*

Add:

Activity status – Restricted discretionary (GRZ-R#)

Where

RD - #

1. The number of standalone residential units on a site does not exceed one unit per 300m² of site area.
2. The site does not contain a multi-unit development.

Mixed Use Zone

5.5.3. Kairos and Habitat understand that the Mixed Use zone has replaced the existing Commercial zone. Residential activities are provided for in the proposed zone, but only if these are located above ground level. Proposed Objective MUZ-O5 and Policy MUZ-P5 indicate that this is to ensure that active street frontages are maintained, and to avoid adverse effects on the function, role, sense of place and amenity of the Mixed Use zone, except where the boundary interface is with the Open Space zone.

5.5.4. Kairos and Habitat support the continued ability to establish residential activities in the Mixed Use Zone. However, as not all building development on a Mixed Use site would necessarily affect street frontages and facades, particularly on a rear site, or if an apartment style building was located behind an existing building, Kairos and Habitat are seeking that the ability to locate residential activities at ground level is enabled under specified circumstances. An additional 'permitted activity' could be controlled either by way of a setback distance from the street / road boundary and/or the location of residential units to be located behind an existing building. Requiring residential units to be located above ground floor can limit unit accessibility by disabled or elderly persons and the cost of installing a lift in a building can be prohibitive to an affordable housing development.

5.5.5. Regarding the amenity of residential living in the Mixed Use zones, Kairos and Habitat seek that the Council consider a minimum size for residential units because as presently proposed, there is no ability to ensure that units are suitably sized for habitation. The retention of noise insulation controls on residential units is supported.

Decision Sought:

1. **Amend MUZ-O5** – “Residential activity is located in the Mixed Use Zone where adverse effects on street frontages are avoided.” S138.017
2. **Amend MUZ-P5** – “Restrict activities that are likely to have an adverse effect on the function, role, sense of place and amenity of the Mixed Use zone, including: S138.018
 - a. residential activity, retirement facilities and visitor accommodation adjacent to street frontages.
 - b. ...
3. **Amend MUZ-R5** – Residential Unit S138.019

Activity Status: Permitted

Where:

PER-1

The residential unit is located above the ground level of a building where it adjoins a road boundary unless it existed at 27 July 2022

PER-2

Residential units established after 27 July 2022 comply with standard: Noise – S5 Noise Insulation.

Add new rule (adopted from the Auckland Unitary Plan City Centre zone provisions)

S138.020

The minimum net internal floor area of a residential unit shall be:

- 35m² for studio units

The minimum net internal floor area for studio units may be reduced by 5m² where a balcony, ground floor terrace or roof terrace of 5m² or greater is provided.

- 45m² for one or more bedroom unit

The minimum net internal floor area for one or more bedroom units may be reduced by 8m² where a balcony, ground floor terrace or roof terrace of 8m² or greater is provided.

6. Inclusionary Housing

6.1. To further improve housing choices for low-moderate income households in the Far North and in addition to the amendments sought above, Kairos and Habitat seek that the Council consider including a separate Inclusionary Housing chapter, or integrate throughout proposed subdivision and residential and mixed use zone chapters, provision for inclusionary housing that would require a 5% share of the estimated value of the sale of subdivided lots (or as appropriate to the Far North context) to a nominated CHP to ensure the establishment of affordable housing within its high growth urban environments. The appropriate % share of lots would need to be determined for the Far North District, as it would essentially be a financial contribution condition for which a district plan policy is required under Section 108 (10).

S138.021 to
S138.024

6.2. A similar model is currently proposed as the 'Inclusionary Housing' plan change to the Queenstown Lakes District Plan. A copy of the plan change is attached to this submission and would require the allocation of lots to a Trust, or Community Housing Provider (CHP) via the District Plan financial contributions subdivision and land use development policies and rules. In the Queenstown context, this is viewed as a preferred option over requiring a % sale of affordable units per development and provides options for residential tenure, including retained affordable options (i.e., land remains in the ownership of the CHP and the house building is owned by the eligible recipient).

6.3. In the Queenstown plan change, the primary objective of this approach is:

“Provision of affordable housing for low to moderate income households in a way and at a rate that assists with providing a range of house types and prices in different locations so as to support social

and economic well-being and manage natural and physical resources, in an integrated way.”
(Proposed Objective 40.2.1).

The objective reflects the intent of the provisions that also have a strategic context articulated in the Queenstown Lakes Spatial Plan that was adopted in July 2021 –
<https://www.qldc.govt.nz/your-council/council-documents/queenstown-lakes-spatial-plan>.

The proposed objectives, policies and financial contribution requirements are assessed to be consistent with the purpose of district plans under section 72 of the Resource Management Act, although this will be formally tested through the upcoming submissions and decisions process.

- 6.4. By way of an example that could be adopted in the Far North District context, the Queenstown Lakes Council Rules Standard 40.8.1 that applies to both subdivision and land use residential development proposals in growth targeted or residential zone areas (including visitor accommodation and independent living retirement units), states that an affordability housing financial contribution is required for:

1. Subdivision:

(a) *“Residential subdivisions within urban growth boundaries or other Residential Zones outside urban growth boundaries:*

i. resulting in more than 1 but less than 20 new lots: a monetary contribution shall be paid to the Council equal to 5% of the estimated sales value of serviced lots; or

ii. resulting in 20 or more lots: a contribution of land comprising 5% of serviced lots transferred for no monetary or other consideration to the Council.”

2. Development:

a. Residential floorspace for any new or relocated units on lots that have not been subject to a financial contribution under 1 (a) above:

A monetary contribution shall be paid to the Council equal to the lesser of:

(i) 2.0% of the estimated sales value of the additional units, or

(ii) \$150 per sqm of the net increase in residential floorspace.

b. Residential floorspace for any new or relocated units on lots that have not been subject to a monetary contribution under 1 (b) above:

A monetary contribution shall be paid to the Council equal to:

(i) \$75 per sqm of the net increase in residential floorspace.

c. For new residential floorspace on lots that have provided a monetary contribution under 1(a) above, a ‘top up’ monetary contribution shall be paid to the Council, equal to the formula (A) – (B):

With (A) being the lesser of: 2.0% of the estimated sale value of the additional units, or \$150 per sqm of the net increase in residential floorspace, and

(B) being the per lot contribution paid under 1(a).

- 6.5. Monetary or land contributions collected by the Council for affordable housing purposes are administered by the Queenstown Lakes Community Trust. Similarly, a CHP could be nominated by FNDC. Monetary contributions are required prior to the issue of a 224(c) certificate or no later than 3 months after the issue of a building consent. An alternative to a financial contribution or a retention mechanism option is also provided for, for example where land in perpetuity for affordable housing purposes by Kainga Ora, or CHP.
- 6.6. Kairos and Habitat acknowledge that the Council would need to investigate the appropriate % threshold for contributions in the Far North context.
- 7. Lastly, Kairos and Habitat request any consequential and further or other relief which may be necessary to give effect to the changes sought in this submission.

Signed:



.....
Kairos Connection Trust

Date: 13/10/2022
.....



.....
Habitat for Humanity Northern Region Ltd

Date: 17.10.22
.....

Proposed District Plan

Chapter 3: Strategic Direction

3.2 Strategic Objective

Add the following to 3.2.1 - The development of a prosperous, resilient and equitable economy in the district (addresses issue 1):

3.2.1.10 Affordable housing choices for low to moderate income households are provided in new residential developments so that a diverse and economically resilient community representative of all income groups is maintained into the future.

3.3 Strategic Policies

Inclusionary housing

3.3.52 Ensure that affordable housing choices for low to moderate income households are incorporated into new neighbourhoods and settlements and in redevelopments of existing neighbourhoods.

3.3.53 Ensure that affordable housing provided in accordance with Policy 3.3.52 is retained to meet the long term needs of current and future low to moderate income households.

3.3.54 Require from development and subdivision that involves a residential component the transfer of land or money to the Council as a financial contribution towards meeting Objective 3.2.1.10 and policy 3.3.52 and 3.3.53, with contributions primarily sourced from residential subdivision and development within urban growth boundaries.

Part 5 of the Proposed District Plan

Add the following new District-wide chapter:

40 Inclusionary Housing

40.1 Purpose

The purpose of this chapter is to make provision for housing choices for low to moderate income households in new neighbourhoods and in redevelopments of existing neighbourhoods.

The combination of multiple demands on housing resources (including proportionately high rates of residential visitor accommodation and holiday home ownership); geographic constraints on urban growth and the need to protect valued landscape resources for their intrinsic and scenic values, means that the District's housing market cannot function efficiently. This has long term consequences for low to moderate income households needing access to affordable housing. In turn, this has adverse outcomes for the integrated and sustainable management of natural and physical resources, including pressure for additional urban expansion, displacement of lower income households to outlying settlements, and reduction of social and economic wellbeing.

Affordable housing is where a low- or moderate-income household spends no more than 35% of their gross income on rent or mortgage (principal and interest) payments. In the Queenstown Lakes District, and for the purposes of these provisions, 120% of the District's Median Household Income for the most recent 12 months is used to define a low to moderate income.

The rules in this chapter apply to most forms of subdivision and development for residential activities. Provision is made for affordable housing by imposing a standard requiring a financial contribution to be made. This Chapter sets out the purpose of the financial contribution, and the manner in which the level of contribution (i.e. the amount) is determined. The financial contribution to be provided to the Council is for a different purpose to any development contribution listed in the Council's current contributions policy and is imposed in addition to a development contribution.

The primary means of implementation of contributions received by the Council will be through the work of the Queenstown Lakes Community Housing Trust.

40.2 Objectives and Policies

40.2.1 Objective: Provision of affordable housing for low to moderate income households in a way and at a rate that assists with providing a range of house types and prices in different locations so as to support social and economic well-being and manage natural and physical resources, in an integrated way.

Policies

40.2.1.1 Target affordable housing contributions to residential subdivisions and developments (including Residential Visitor Accommodation and independent living units in retirement villages) where housing is in high demand and generally close to employment, educational and community services, being land within Urban Growth Boundaries, or where a plan change or resource consent seeks to establish urban scale development.

- 40.2.1.2 Require residential developments that indirectly influence housing choices for low to moderate income households, such as residential development in Special and Settlement zones and rural residential subdivisions to contribute to meeting affordable housing needs.
- 40.2.1.3 Ensure that residential subdivision and development set out in Policy 4.2.1.1 and 4.2.1.2 provides a financial contribution for affordable housing. Avoid subdivision or development for residential activities that does not provide a contribution, or otherwise does not make appropriate provision to help meet the affordable housing needs of the District.
- 40.2.1.4 Recognise that the following forms of residential development either provide affordable housing or do not generate pressure on housing resources and should not be subject to the affordable housing contribution:
- a) social or affordable housing delivered by Kāinga Ora, a publicly owned urban regeneration company, the Council or a registered community housing provider;
 - b) managed care units in a Retirement Village (as defined by the Retirement Villages Act 2003) or Rest Home (under the Health and Services Disability Act 2001); and
 - c) Residential Flats.
- 40.2.1.5 Determine the amount of financial contributions in consideration of the following matters:
- a) The longer-term demand for affordable housing;
 - b) The impact of a contribution on the commercial feasibility of development at an area-wide scale and over different time periods;
 - c) The differences in commercial feasibility between greenfields and brownfields urban development; and
 - d) Whether the subdivision and development is located inside or outside of Urban Growth Boundaries.
- 40.2.1.6 Financial contributions in the form of a monetary contribution are preferred. Contributions in the form of land must be lots located within the subdivision site. Contributions of lots located outside the subdivision site may only occur where this leads to a superior outcome in terms of access by future residents to services and community facilities.
- 40.2.1.7 Financial contributions received by the Council shall be used for the purposes of providing affordable housing for low to moderate income households.
- 40.2.1.8 Provision of affordable housing by means other than a financial contribution to Council (such as direct transfer of land or units to a Registered Community Housing Provider or to a low to moderate income household) should only occur in exceptional circumstances and must include appropriate eligibility criteria and retention mechanisms.

40.3 Other Provisions and Rules

40.3.1 District Wide

Attention is drawn to the following District Wide chapters.

| | | |
|-------------------------|---|---|
| 1 Introduction | 2 Definitions | 3 Strategic Direction |
| 4 Urban Development | 5 Tangata Whenua | 6 Landscapes |
| 25 Earthworks | 26 Historic Heritage | 27 Subdivision |
| 28 Natural Hazards | 29 Transport | 30 Energy and Utilities |
| 31 Signs | 32 Protected Trees | 33 Indigenous Vegetation and Biodiversity |
| 34 Wilding Exotic Trees | 35 Temporary Activities and Relocated Buildings | 36 Noise |
| 37 Designations | 39 Wāhi Tūpuna | District Plan web mapping application |

40.4 Interpreting and Applying the Rules

- 40.4.1 Contributions of money from a subdivision activity must be paid to the Council before the issue of a certificate under section 224(c) of the RMA. Where land forms part or all of a contribution, all necessary legal agreements to ensure implementation of such a contribution must be completed and executed before the issue of a certificate under section 224(c) of the RMA.
- 40.4.2 Contributions of money from a land use activity must be paid to the Council no later than 3 months after the issue of the necessary building consents under the Building Act 2004. If land forms part or all of a contribution, all necessary legal agreements to ensure implementation of such a contribution must be completed and executed before the issue of the necessary building consents under the Building Act 2004.
- 40.4.3 Where a rule specifies a set monetary contribution per square metre of floorspace, this amount shall be adjusted in accordance with the most recent changes to Statistics New Zealand Producer Price Index for Construction Outputs - EE11 Building construction SQUEE1100, with March 2023 as the base year.
- 40.4.4 For the purposes of this Chapter, residential floorspace is defined as any floorspace in a building that accommodates a residential activity, except the floor area of any garage or carport.
- 40.4.5 Where an activity does not comply with a standard listed in the standards tables, the activity status identified by the 'Non-Compliance Status' column shall apply. Where an activity breaches more than one Standard, the most restrictive status shall apply to the Activity.

40.4.6 The following abbreviations are used in the following tables. Any activity which is not permitted (P) or prohibited (PR) requires resource consent.

| | | |
|-------------------|----------------------|-------------------------------|
| P – Permitted | C – Controlled | RD – Restricted Discretionary |
| D – Discretionary | NC – Non – Complying | PR - Prohibited |

40.7 Rules – Activities

| | Table 45.4 – Activities - Inclusionary Housing | Activity Status |
|--------|--|-----------------|
| 40.7.1 | Subdivision or development that is proposed to contain or is capable of containing residential lots or units (including residential visitor accommodation units and independent living units in retirement villages) and provides an affordable housing financial contribution in accordance with standard 40.8.1. | P |
| 40.7.2 | Subdivision or development that is proposed to contain or is capable of containing residential lots or units (including residential visitor accommodation units and independent living units in retirement villages) which does not provide an affordable housing financial contribution in accordance with standard 40.8.1. | D |

40.8 Rules - Standards

| | Table 45.5 – Standards - Inclusionary Housing | Non-compliance status |
|--------|--|-----------------------|
| 40.8.1 | <p>An Affordable Housing Financial Contribution shall be provided to Council as follows:</p> <ol style="list-style-type: none"> 1. Subdivisions: <ol style="list-style-type: none"> a. Residential subdivisions within urban growth boundaries or other Residential Zones outside urban growth boundaries: <ol style="list-style-type: none"> i. resulting in more than 1 but less than 20 new lots: a monetary contribution shall be paid to the Council equal to 5% of the estimated sales value of serviced lots; or ii. resulting in 20 or more lots: a contribution of land comprising 5% of serviced lots transferred for no monetary or other consideration to the Council. b. Residential subdivisions in a Settlement Zone, Rural-Residential Zone, Wakatipu Basin Rural Amenity Zone Lifestyle Precinct or Special Zone: <ol style="list-style-type: none"> i. A monetary contribution shall be paid to the Council equal to 1.0% of the estimated sales value of the lots created. | D |

| | Table 45.5 – Standards - Inclusionary Housing | Non-compliance status |
|--|---|-----------------------|
| | <p>2. Development:</p> <ul style="list-style-type: none"> a. Residential floorspace for any new or relocated units on lots that have not been subject to a financial contribution under 1 (a) above: A monetary contribution shall be paid to the Council equal to the lesser of: <ul style="list-style-type: none"> (i) 2.0% of the estimated sales value of the additional units, or (ii) \$150 per sqm of the net increase in residential floorspace. b. Residential floorspace for any new or relocated units on lots that have not been subject to a monetary contribution under 1 (b) above: A monetary contribution shall be paid to the Council equal to: <ul style="list-style-type: none"> (i) \$75 per sqm of the net increase in residential floorspace. c. For new residential floorspace on lots that have provided a monetary contribution under 1(a) above, a ‘top up’ monetary contribution shall be paid to the Council, equal to the formula (A) – (B): <p style="margin-left: 40px;">With (A) being the lesser of:</p> <ul style="list-style-type: none"> 2.0% of the estimated sale value of the additional units, or \$150 per sqm of the net increase in residential floorspace, and <p style="margin-left: 40px;">(B) being the per lot contribution paid under 1(a).</p> <p>3. Exemptions:</p> <p>For the purposes of this standard, the following types of residential activities shall not be counted as contributing to the total number of residential units in a development, nor be counted towards fulfilling the requirement of 40.8.1:</p> <ul style="list-style-type: none"> a. a Residential Flat b. social or affordable housing delivered by Kāinga Ora, a publicly owned urban regeneration company, the Council or a registered community housing provider that complies with the requirements of Schedule 40.1, where affordable housing comprises at least 10% of the dwelling units in the development; or c. a managed care unit in a Retirement Village or Rest Home (as defined by the Retirement Villages Act 2003 or the Health and Disability Act), or d. a residential unit located in a Zone that already contains affordable housing provisions in the district plan, or where previous agreements | |

| | Table 45.5 – Standards - Inclusionary Housing | Non-compliance status |
|---------------|---|------------------------------|
| | <p>and affordable housing delivery with Council have satisfied objective 3.2.1.10 and 40.2.1 and their associated policies.</p> <p>4. Interpretation:</p> <p>The estimated sales value of lots, units or residential floorspace shall be determined by a valuation report prepared, at the applicant’s expense, by a Registered Valuer (as mutually agreed by the Council and the applicant) within the 3 months prior to the financial contribution being paid. In the event of disagreement, the Council shall appoint a valuer to determine the matter</p> | |
| 40.8.2 | Affordable lots provided in accordance with 40.8.1.1. a. ii. shall be located within the development site, serviced and unencumbered. | D |
| 40.8.3 | Where development is to be staged, the affordable housing contribution is to be provided as each stage proceeds, on a proportionate lot basis. | D |

40.9 Assessment Matters

40.9.1 Discretionary Activities

40.9.1.1 The amount of the contribution

- a. Whether the site or development has unique or unusual characteristics that would mean full provision of the required number of affordable lots or monetary contribution imposes a significant financial burden on the development that would make the development unviable, as demonstrated by a site-specific development feasibility assessment that utilises industry accepted assessment methodologies, and an alternative mix or contribution is appropriate. It is expected that a full assessment of costs will be provided based on an “open book” approach i.e. the developer will be expected to make all of the relevant cost information available.

40.9.1.2 Land versus monetary contribution

- a. Whether the contribution is more appropriately provided in the form of money rather than land (lots) due to the location of the lots; their size and/or on-going high costs of upkeep (including resident’s society or body corporate fees or similar).

40.9.1.3 Off-site provisions

- a. Where lots are required, whether off-site locations may be considered for all or part of the requirement where:

- i. there are exceptional reasons to avoid on-site provision, such as the site being poorly located for affordable housing, and/or
- ii. the alternative sites are in close proximity to the development (i.e. within 2kms) and offer a superior outcome in terms of improved access to services and transport and or improved mix of dwelling types. Particular consideration will be given to whether the off-site provision will better address priority needs, particularly family housing, and/or
- iii. the applicant has entered into a legally binding agreement with a Council approved community housing provider who can demonstrate that on-site provision will not meet their operational requirements and that an off-site location will deliver a superior outcome in terms of the number, mix and/or on-going management of the required retained affordable housing.

40.9.1.4 Staging of dwellings units and/or lots

- a. Deferral of provision of affordable lots or units to subsequent stages should generally not occur.
- b. Whether delayed delivery of the affordable dwellings or lots can be appropriately secured through a suitable binding agreement with the Council, the terms of which may include a bond.

40.9.1.5 Alternative forms of contribution

- a. Alternative forms of contribution to that specified in 40.8.1 (such as sale of lots or units direct to a Community Housing provider or a low to moderate income household) should not result in a lesser contribution.
- b. Transfer of lots or units should involve an appropriate retention mechanism and be subject to eligibility criteria (as specified in Schedule 40.1).
- c. Alternative forms of contribution should only be considered where exceptional circumstances apply.

40.10 Schedule 40.1

Where a financial contribution is not provided, and an alternative solution proposed, then the requirements in 40.8.1 must be met by compliance with the following:

Retention Mechanism

40.10.1.1 The lot or floorspace being sold to an eligible buyer with a legally enforceable retention mechanism which is fair, transparent as to its intention and effect and registrable on the title of the property, including, but not limited to, a covenant supported by a memorandum of encumbrance registered on the certificate of title or consent notice under the RMA, that:

- a. limits ownership and re-sale (including a future residential unit in the case of a vacant site subdivision) to:
 - i. a registered community housing provider, Kāinga Ora, a publicly owned redevelopment agency or a registered community housing provider, or

- ii. an occupier who is approved by the council as meeting the eligibility criteria below, and
- b. limits rent and resale to an eligible buyer based on a formula that ensures that the lot or dwelling remains affordable into the long term, including a future residential unit in the case of vacant site subdivision; and
- c. prevents circumvention of the retention mechanism and provides for monitoring of the terms of the retention mechanism covenant or consent notice and the process should those terms be breached including where occupiers have defaulted on the mortgage and lenders seek to recover their interests in the property, and
- d. is legally enforceable by the council in perpetuity through the means of an option to purchase in favour of the council at the price determined in accordance with (e), supported by a caveat.
- e. at the time of resale, requires the reseller to:
 - ii. apply the same formula used to determine the price of the original purchase;
 - iii. allows the reseller to recover the cost of capital improvements made subsequent to purchase, approved by the council at a value determined by a registered valuer.

Eligibility

40.10.1.2 For the purposes of 40.10.1.1 an eligible buyer shall:

- a. Be a household with a total income of no more than 120% of the District's area median household income;
- b. Be a household whose members do not own or have interest in other real estate;
- c. Must not own or be a beneficiary of a business or trust that has adequate income and/or assets that enable you to enter into home ownership independently;
- d. Will live at the address and not let or sub let the unit to others; and
- e. Have at least one member who is a New Zealand resident or citizen.

Affordability

40.10.1.3 Affordability means households who have an income of no more than 120% of the district's median household income and spend no more than 35 per cent of their gross income on rent or mortgage repayments, where:

- a. median household income shall be determined by reference to Statistics New Zealand latest data, and as necessary, adjusted annually by the average wage inflation rate;
- b. in the case of purchase, normal bank lending criteria shall apply. Body Corporate or Resident Society fees may be included in the calculation of purchase costs;
- c. In the case of the sale of a vacant site only, the site is sold at a price such that the resulting dwelling plus the site will meet the criteria set out above.

Kairos Connection Trust & Ngati Rehia

Affordable Housing Submission to FNDC September 2021



Kerikeri Employer Perspectives

- ▶ **All** Kerikeri employers surveyed are very concerned for accommodation for their staff, especially in the wake of COVID (2020), including our 1,000+ packhouse staff.
- ▶ Community Fitness Gym are concerned for **ALL** new employees, particularly those aged 20-35.
- ▶ Kerikeri High School are noticing a trend for new teachers coming into the area having difficulty finding accommodation. They are aware of some new teachers having to move in with other teachers in order to stay in the area to teach at Kerikeri High School. Kerikeri Primary School have the same problem.

- ▶ New World are concerned for **80% of their staff** (including Management) and have actually lost staff in the past due to a lack of affordable accommodation to rent or buy in Kerikeri.
- ▶ FNDC employ (370-380 staff) on average 4-6 new staff per month. Salaries are moderate to high for Northland. There has been a growing trend over the last 2 years with incoming staff **not even looking in Kerikeri to rent or buy because there is nothing affordable available.**
- ▶ It has become apparent that even those in Management in Kerikeri on modest incomes are being adversely affected. Time and time again, when interviewed about their staff, Managers shared their own stories of difficulty in finding suitable accommodation in Kerikeri.
- ▶ Kairos & Ngati Rehia are also concerned for our Millennials coming home from University. Many would like to come home to Kerikeri but can't because they are already disadvantaged by student debt and for these young couples, while jobs may be available, **affordable accommodation to rent or buy IS NOT.**

THIS IS APPALLING!!!!

- ▶ Kerikeri Village is concerned for **60% of staff! That is an alarming statistic!** Especially since they pay above the minimum wage. They have cases of both partners working full-time but not being able to find accommodation to rent or buy in Kerikeri.
- ▶ KK Village are aware of Arvida's 450 unit residential care facility under development and it is apparent that Summerset are intending to develop the 'Bing' property behind 'Woodlands'. As far as we are aware, there are **NO** plans to house the required workers.

| Retirement Village/Gated Community | Units* |
|------------------------------------|-------------|
| Kerikeri Village | 73 |
| Quail Ridge | 199 |
| Inlet Estate | 48 |
| Orchard Estate | 80 |
| Oakridge | 103 |
| Arvida | 450 |
| Summerset* | ? |
| Total | 953+ |

- ▶ Currently, 60% of Superannuants in NZ own their own home but **40% do NOT** which means they have no home to sell to afford the 'licence to occupy' at a residential care village. This is expected to grow to 50% within the next 30 years or sooner!

Current market rental prices in Kerikeri as at May 2021 (Source Tenancy Services NZ)

| HOUSE - KERIKERI | | | | | |
|------------------|--------------|----------------|-------------|----------------|--|
| SIZE | ACTIVE BONDS | LOWER QUARTILE | MEDIAN RENT | UPPER QUARTILE | |
| 1 bedroom | 27 | \$308 | \$340 | \$365 | |
| 2 bedrooms | 147 | \$430 | \$450 | \$483 | |
| 3 bedrooms | 342 | \$478 | \$525 | \$580 | |
| 4 bedrooms | 96 | \$598 | \$630 | \$650 | |

Rental Affordability in Kerikeri (May 2021)

| Size & Status | Net weekly income | Lower Quartile | Median Quartile | Upper Quartile |
|--|-------------------|----------------|-----------------|----------------|
| 1-Brm | | \$308 | \$340 | \$365 |
| Single Superannuant % Income | \$ 436.94 | 70% | 78% | 84% |
| Single Minimum wage earner | \$ 678.85 | 45% | 50% | 54% |
| 2-Brm | | \$430 | \$450 | \$483 |
| Single parent/caregiver minimum wage with one child | \$739.98 | 58% | 61% | 65% |
| Couple with no dependants 1.5 incomes on minimum wage (\$20 per hour) | \$ 1,018.28 | 42% | 44% | 47% |
| Couple with no dependants 1.5 incomes on average Northland wage (\$27.30 per hour) | \$1,367.63 | 31% | 32% | 35% |
| 3-Brm | | \$478 | \$525 | \$585 |
| Single parent/caregiver with 2 children on minimum wage (\$20 per hour) | \$739.98 | 65% | 71% | 79% |
| Couple with 2 dependants 1.5 incomes on minimum wage (\$20 per hour) | \$ 1,079.41 | 44% | 49% | 54% |
| Couple with 2 dependants 1.5 incomes on average Northland wage (\$27.30 per hour) + \$69 FTC | \$1,336.63 | 35% | 39% | 43% |
| 4-Brm | | \$598 | \$630 | \$650 |
| Couple with 3 dependants 1.5 incomes on minimum wage (\$20 per hour) | \$ 1,079.41 | 55% | 58% | 60% |
| Single parent/caregiver with 3 children on minimum wage (\$20 per hour) | \$ 739.98 | 81% | 85% | 88% |

Notes:

1) If the threshold for affordable is 35% of net income, red indicates unaffordable, green indicates affordable

Availability of Rental Homes in Kerikeri (August 2021)

- ▶ **As at 12 August 2020 Trademe Kerikeri has 1 x 2-brm unit to rent @ \$350.00 per week.**
- ▶ **Only affordable for a net household income of \$1,000 or more.**
- ▶ **The only other 2-brm unit in Kerikeri was \$550 per week (Upper Quartile)**

- ▶ **There was one 3-brm unit in Kerikeri @ \$450 per week, affordable for a household income of \$1,240.**
- ▶ **The only other 3-brm unit in Kerikeri @ \$570 per week (almost Upper Quartile)**

Houses for purchase in Kerikeri (August 2021)

- ▶ According to Real Property Kerikeri “The median price in Kerikeri for a house is **\$850,000** for the first quarter of 2021.”
- ▶ Those who have lived and worked on the average wage in Northland of \$56,784 or \$1092 per week as at April 2020 (*Source: Stats NZ*) can no longer afford to purchase a home. In fact the median house price is now almost **15 times** the average wage or salary.

Availability of Houses for purchase in Kerikeri (August 2021)

- ▶ A search on Trademe for houses for purchase in Kerikeri under \$500,000 showed **only 3** x 2-brm units @ \$475,000 each.

Contrast this with Queenstown Lakes Community Housing Trust

- ▶ Julie Scott, QLCHT Executive officer (Inclusionary Zoning)



COMMUNITY
HOUSING TRUST

QUEENSTOWN LAKES

“Home is a
name, a word,
it is a strong
one.”

Charles Dickens



Fast Facts

14yrs
Operating

6
Trustees

2.75
FTE Staff

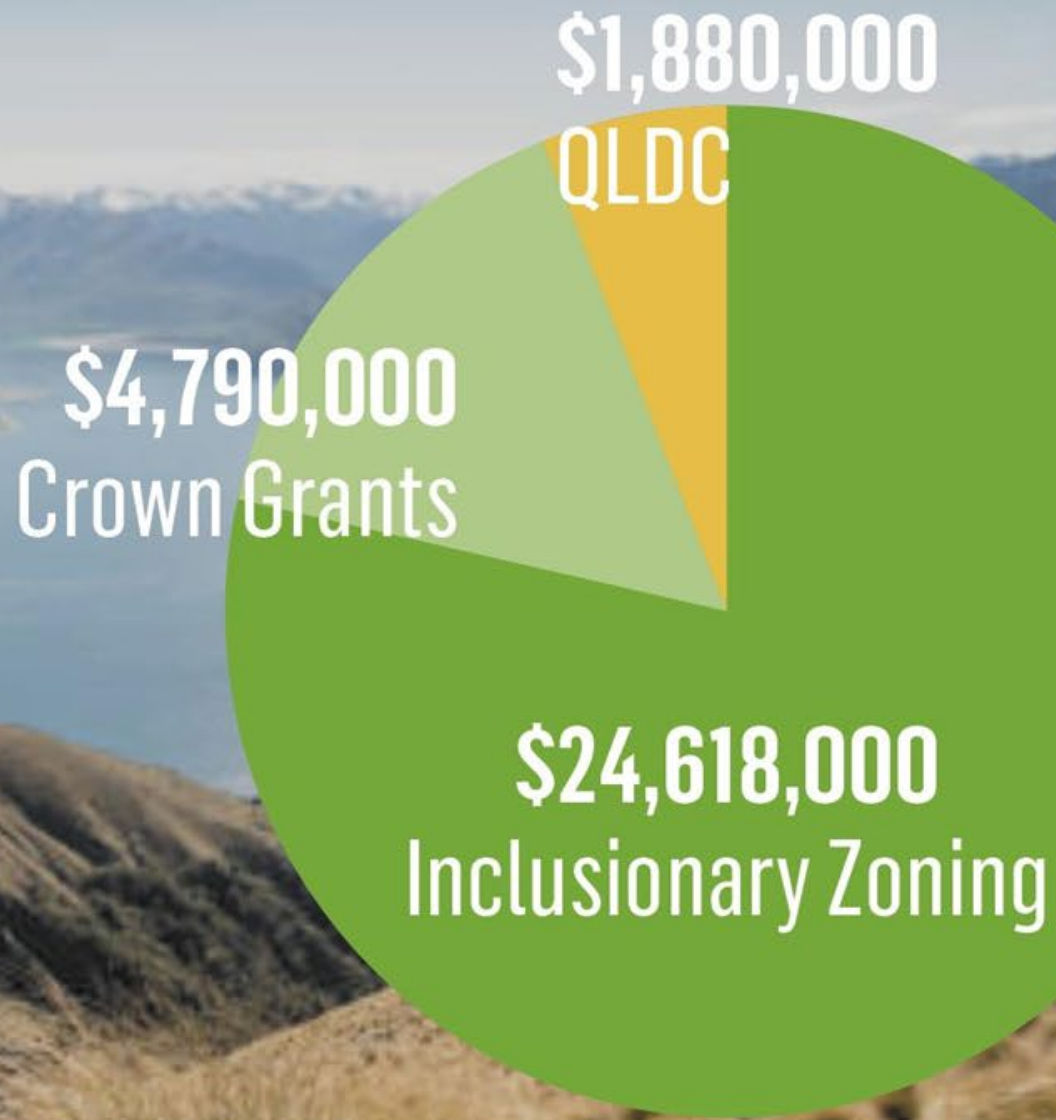
3
Councillor Liaisons

QLDC
Initiated

\$34m
Net Assets

225
Households Helped

Sources of funding



Inclusionary Zoning Philosophy

- Value uplift created through the rezoning of land.
- This uplift is enabled through Council planning processes, eg private plan changes under the RMA process, Special Housing Area legislation.
- Council (on behalf of the community) requests the land developer to share some of that uplift with the community for the purposes of affordable housing, eg 5% of titled sections.
- Land (or \$ value) retained on behalf of community in perpetuity.

QLCHT Inclusionary Zoning Pipeline



Plus many more through existing IZ Deeds through Wanaka and Queenstown – totalling approx. 300 sections.

All land to be retained in **PERPETUITY**

Secure Home Programme



- The Trust owns the land.
- Household buys lease to the property with bank mortgage and deposit.
- Purchase price = cost to construct (no margin).
- Household pays ground rent to QLCHT of 1.5% pa of land value, e.g. \$101 pw on \$350k section.
- QLCHT retains freehold title on behalf of the community in perpetuity.
- Bank has security against leasehold title for purchaser's mortgage to be registered against.

Secure Home Programme



- 100 year lease with ground rent increasing annually with CPI.
- Resale price of house capped to CPI and can only be sold back to QLCHT.
- New household buys in at same price QLCHT bought back at.
- Improvements to property must be approved by QLCHT, and can be added to resale price.
- Bank requires 20% deposit, or 5% with First Home Loan. KiwiSaver and HomeStart grant can be applied.

Secure Home Example

3 bedroom house in Lake Hayes Estate which cost \$380k to build:

| | | | | |
|-------------------------------|-------------------|--------------------------------------|---------------------|------------------|
| Mortgage | \$ 342,000 | Mortgage repayments* | Annual \$ 18,411 | Weekly \$ 354 |
| Deposit (10%) | \$ 38,000 | Rates, insurance & maintenance | \$ 5,200 | \$ 100 |
| Upfront purchase price | \$ 380,000 | Ground rent (1.5% on \$350k section) | \$ 5,250 | \$ 101 |
| | | TOTAL | \$28,861 | \$ 555 |

\$555 weekly compared to median rent of \$650 for 3 bed
Secure Home vs. Rent = No Brainer!

*Repayments on a \$342k mortgage over a 25 year term @ 2.5%, and repayments include principal so mortgage getting paid off.

Secure Home Programme

Household has all the benefits of home ownership except the ability to make large capital gains.

House remains in community in perpetuity.

**It's a nest –
not a nest egg!**

Cherwell Lane

2019
COMPLETED

Developer contributed land
6 into Secure Homes

Hikuwai

2021
COMPLETED

Developer contributed land
4 into Secure Home
2 into Rental



Toru, Frankton

2021
COMPLETED

50 units purchased from developer
16 into rentals
26 into Secure Home



Kairos & Ngati Rehia invitation to FNDC

- ▶ FNDC adopt the 'Inclusionary Zoning' principles currently operating through Queenstown Lakes and other regional Councils in NZ to ensure all proposed and future residential developments in Kerikeri set aside % of land for approved housing providers (e.g. Kairos Connection Trust and Ngati Rehia).
- ▶ We invite FNDC to lead by example in allocating 10% of the 'Sportshub' 44 hectares at SH10 Waipapa to Ngati Rehia/Kairos, proportionate to need (i.e. approx $\frac{2}{3}$ Maori (Ngati Rehia), $\frac{1}{3}$ Others (Kairos))
- ▶ **Note:** Kairos is currently seeking to become a registered Community Housing Provider.

10% Inclusionary Zoning Policy to Ngati Rehia/Kairos

