

Housing Action Plan

October 2018



*Western Bay of Plenty
District Council*



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1. Vision

All Western Bay of Plenty residents are well housed.

Residents have access to homes that are:

1. AFFORDABLE:

The right size house at the right price

2. ACCESSIBLE:

In the right location, and designed to meet my needs

3. HABITABLE:

That's warm, dry and healthy

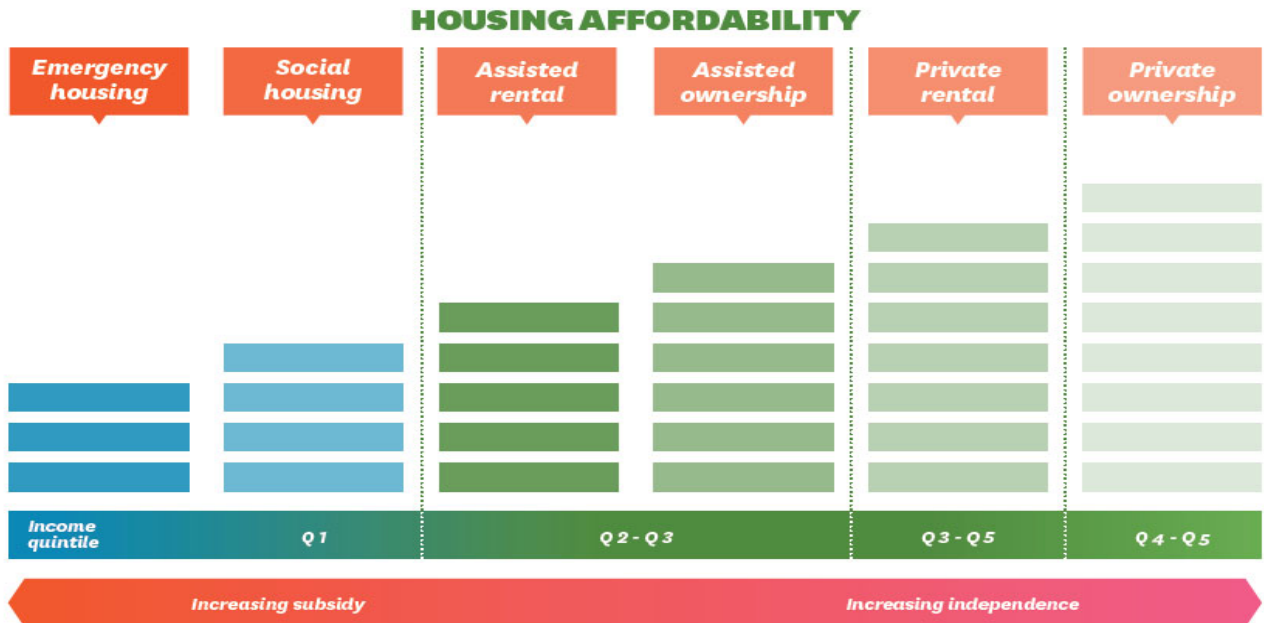
4. WITH SECURITY OF TENURE:

For as long as I need it.

This vision is aspirational. The actions set out in the Action Plan refer to the range of actions Council can take, where they have an influence.

The vision cannot be achieved by Council alone, however Council will position its activities and influence to contribute towards achieving the vision, within its resourcing capabilities.

2. The Housing Continuum:



The income quintile is:

Very low income households (Q1)

Housing support and subsidies ensure that for these households a maximum of 25% of their gross income is spent on housing. Emergency and Social Housing are targeted as these households.

SUBSIDY: Income Related Rent Subsidy (IRRS)

Low to moderate income households (Q2-3)

Low to moderate income households can afford to spend no more than 30% of their gross income on rent or mortgage costs.

SUBSIDY: Accommodation Supplement or accommodation provided as below-market rental.

Rent to buy, affordable equity and shared ownership schemes (usually localised).

Kiwisaver grants to first home buyers.

Moderate income and above households (Q4-5)

These households own or rent housing under the prevailing market conditions. Some of these households may receive the accommodation supplement.

Kiwisaver grants are available to first home buyers.

3. Council Priority Actions

Affordable Housing

The right size house at the right price

Q1: Emergency and Social Housing

1. Remain an active member of Our Community Project and contribute to research undertaken by that group.
2. Investigate potential social housing developments in Te Puke, in partnership with other potential providers.
3. Support The People's Project Housing First initiative in Tauranga, in particular work to build capacity for other groups to deliver housing first initiatives.

Q2 and Q3: Assisted Rental and Assisted Ownership

4. Continue to provide pensioner housing – review the activity with a view to supporting the delivery of more pensioner housing.
5. Advocate to central government for the extension of the Income Related Rent Subsidy to Council-owned elder housing units.
6. Continue to support the Joint Agency Group work to develop papakainga.
7. Partner to carry out research into Maori housing need, and support development of a Maori Housing Strategy.
8. Continue to support the process to develop affordable housing on a designated block within the Omokoroa Special Housing Area.
9. Use Council-owned land to develop joint initiatives for housing developments that contribute assisted rental and assisted ownership models to the market.
10. Consider opportunities to purchase land to facilitate the development of housing developments that contribute assisted rental and assisted ownership models to the market (within Council's fiscal parameters).

Q4 and Q5: Private rental and private ownership

11. Use Council planning tools to ensure a mix of housing typology and price points can be delivered – this includes:
 - A review of the residential zone provisions to explore way to deliver a range of housing typologies
 - A review of the residential zone provisions for minor dwellings
 - Exploring incentives to enable assisted rental and assisted ownership models to be developed (such as Finco waivers, Special Housing Areas)
 - Exploring inclusionary zoning.

Accessible Housing

In the right location and designed to meet my needs

1. Review the Post-Harvest zone in the District Plan to ensure it is fit for purpose to provide for seasonal worker accommodation.
2. Deliver the Future Development Strategy to ensure the supply of residential and business land is identified to provide for the next 30 years of growth.
3. Explore district-plan and other tools to incentivise the use of Lifemark accreditation.
4. Review district plan and Infrastructure development code to deliver 8-80 neighbourhoods.

Habitable Housing

That's warm, dry and healthy

1. Continue to support A Healthy Whare Project to expand into new communities.
2. Contribute to the work of the Regional Healthy Housing Forum.

Security of Tenure

For as long as I need it

1. Continue to monitor rental housing stock (as per requirements of the NPS).
2. Advocate for and support central government initiatives that improve tenure security.

4. Targets

Affordable Housing

- 110 additional affordable housing units are delivered across the district over the next 3 years.

Made up of:

30 additional social housing units over the next 3 years.

(Aligns to Ministry of Housing and Urban Development Public Housing Plan 2018-2022).

80 assisted rental or assisted ownership households.

- Deliver a new Maori Housing Strategy to be in place by 2019 (this will include its own targets).

Habitable Housing

- 100 homes are warmer, drier and safer over the next 3 years.
- 3 more district communities are involved in healthy whare initiatives over the next 3 years.

Accessible Housing

- A Plan change for the residential zone has been notified.
- Changes have been made to the Infrastructure Development Code to deliver more accessible neighbourhoods.
- Methods to deliver more accessible homes (including incentives for meeting certain accessibility standards such as Lifemark accreditation are explored, with recommendations being implemented.

5. Implementation Plan

AFFORDABLE HOUSING					
The right size house at the right price					
	Actions	Timeframe	Lead	Time Requirement	Budget
1.	Remain an active member of Our Community Project and contribute to research undertaken by that group	Year 1 to 3	Policy Team	5 hours a month	Staff resources only.
2.	Investigate potential social housing developments in Te Puke, through the Tauranga Social Housing Advisory Group.	Year 2	Strategic Property / Policy	To be determined over the next year.	Staff resources only.
3.	Support The People's Project Housing First initiative in Tauranga, in particular work to build capacity for other groups to deliver housing first initiatives.	Year 1 - 3	Policy	5 hours a month	Staff resources only.
4.	Continue to provide pensioner housing & review the activity with a view to supporting the delivery of more pensioner housing	Year 2	Provision – Strategic Property Review Lead - Policy	?	\$30,000.
5.	Continue to support JAG.	Year 1 - 3	Policy and Planning Takawaenga Maori	10 hours a month	\$40,000 per annum.
6.	Partner to carry out research in Maori housing need, and support development of a Maori Housing Strategy.	Year 1	Policy and Planning Takawaenga Maori	10 hours a month	To be determined.
7.	Use Council-owned land to develop joint initiatives for housing developments that contribute assisted rental and assisted ownership models to the market.	Years 1-3	Strategic Property		Project budget to be put forward through annual work programmes.
8.	Consider opportunities to purchase land to facilitate the development of housing developments that contribute assisted rental and assisted ownership models to the market (within Council's fiscal parameters).	Years 1-3	Strategic Property		Project budget to be put forward through annual work programmes.
9.	Advocate to central government for the extension of the Income Related Rent Subsidy to Council-owned elder housing units.	Year 1	Governance	40 hours	Staff time only

10.	<p>Use Council planning tools to ensure a mix of housing typology and price points can be delivered – this includes:</p> <ul style="list-style-type: none"> - A review of the residential zone provisions to explore way to deliver a range of housing typologies - A review of the residential zone provisions for minor dwellings (including tiny houses) - Exploring incentives to enable assisted rental and assisted ownership models to be developed (such as Finco waivers, Special Housing Areas) - Exploring inclusionary zoning <p><i>Aligns with Subdivision for People project</i></p>	Years 1-3	Resource Management Planning	Within resource management work programme	Budget included in resource management work programme.
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ACCESSIBLE HOUSING					
	ACTIONS	Timeframe	Lead	Time requirement	Budget
	Review the Post-Harvest zone in the District Plan to ensure its fit for purpose to provide for seasonal worker accommodation.	Year 2	Resource Management		Included within resource management work programme
	Deliver the Future Development Strategy to ensure the supply of residential and business land is identified to provide for the next 30 years of growth.	Year 1	Resource Management		Funded through SmartGrowth budget.
	Explore district-plan and other tools to incentivise the use of Lifemark accreditation	Year 2-3	Resource Management	To be determined.	To be determined by scope of work.
	Review district plan and Infrastructure development code to deliver 8-80 neighbourhoods <i>Aligns with Subdivision for People project, could be delivered through that work programme.</i>	Year 2 (explore) Year 3 - implement	Development Engineering	To be determined.	To be determined by scope of work.

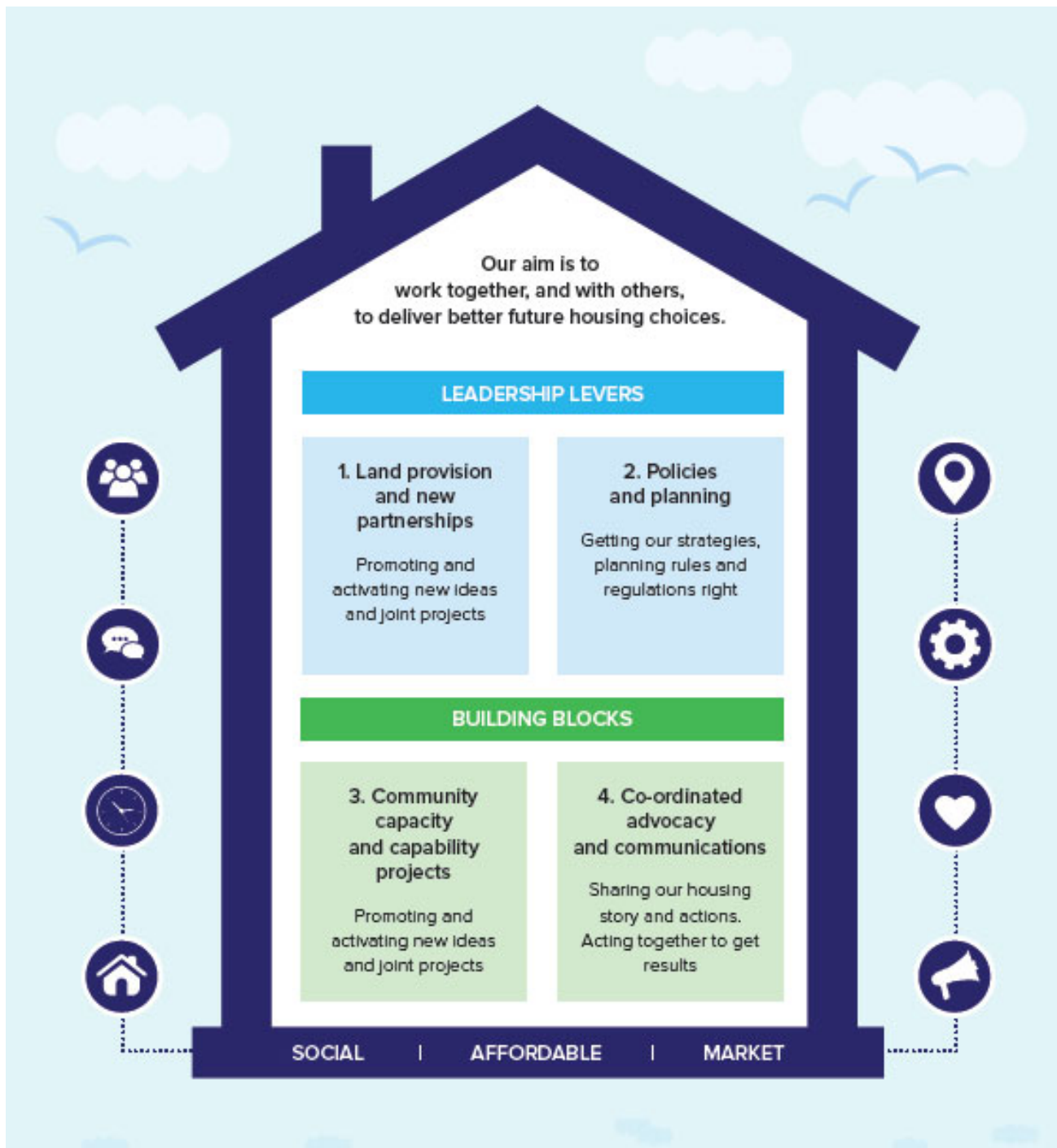
HABITABLE HOUSING					
The right size house at the right price					
	Actions	Timeframe	Lead	Time Requirement	Budget
	Work with project partners to deliver A Healthy Whare Project to more communities. Target : 2 communities over the next 3 years.	1-3 years	Policy and Planning /Community Development.	10 hours a month	\$40,000 pa.
	Contribute to the work of the Regional Healthy Housing Forum.	Ongoing	Policy and Planning	2 hours a month	\$5000 pa

SECURITY OF TENURE					
The right size house at the right price					
	Actions	Timeframe	Lead	Time Requirement	Budget
	Continue to monitor rental housing stock (as per requirements of the NPS).	Years 1-3	Policy and Planning (Antoinette, NPS work) Resource Management (Phillip, NPS work)		Within existing work programmes.
	Advocate for and support central government initiatives that improve tenure security.		Policy and Planning (primarily can be achieved through Regional Healthy Housing Forum)		No additional funding required.

Appendices

Appendix A – Alignment to Smart Housing Framework

The SmartGrowth partnership has four focus areas on housing, as set out in the Diagram below:



Council's actions set out in the Draft Action Plan align to the four action areas of the Smart Housing Framework as follows:

1. Land provision and new partnerships

Actions 2, 9 and 10 under Affordable housing align with this focus area:

- Investigate potential social housing developments in Te Puke, through the Tauranga Social Housing Advisory Group.
- Use Council-owned land to develop joint initiatives for housing developments that contribute assisted rental and assisted ownership models to the market.
- Consider opportunities to purchase land to facilitate the development of housing developments that contribute assisted rental and assisted ownership offerings to the market (within Council's fiscal parameters).

2. Policies and Planning

Actions

- Use Council planning tools to ensure a mix of housing typology and price points can be delivered – this includes:
 - A review of the residential zone provisions to explore way to deliver a range of housing typologies
 - A review of the residential zone provisions for minor dwellings
 - Exploring incentives to enable assisted rental and assisted ownership models to be developed (such as Finco waivers, Special Housing Areas)
 - Exploring inclusionary zoning
- Review the Post-Harvest zone in the District Plan to ensure its fit for purpose to provide for seasonal worker accommodation.
- Deliver the Future Development Strategy to ensure the supply of residential and business land is identified to provide for the next 30 years of growth.
- Explore district-plan and other tools to incentivise the use of Lifemark accreditation.
- Review district plan and Infrastructure development code to deliver 8-80 neighbourhoods

3. Community capacity and capability projects

- Continue to support JAG.
- Partner to carry out research in Maori housing need, and support development of a Maori Housing Strategy.
- Work with project partners to deliver A Healthy Whare Project to more communities.
- Contribute to the work of the Regional Healthy Housing Forum.
- Remain an active member of Our Community Project and contribute to research undertaken by that group.

- Support The People’s Project Housing First initiative in Tauranga, in particular work to build capacity for other groups to deliver housing first initiatives.

4. Coordinated advocacy and communications

- Advocate to central government for the extension of the Income Related Rent Subsidy to Council-owned elder housing units.
- Continue to monitor rental housing stock (as per requirements of the NPS).
- Advocate for and support central government initiatives that improve tenure security.

Appendix B – Evidence Base

The main evidence base for this Action Plan is the Housing Demand and Need Report, which was commissioned by the Smartgrowth partnership, Tauranga City Council, Western Bay of Plenty District Council and BayTrust.

Future Demand for Housing

Demand

8200 more dwellings required by 2047:

1,970 dwellings needed as rental accommodation for those over 65
4,030 dwellings needed as owner-occupied accommodation for those over 65
3460 households experiencing “housing need” today.
“Housing need” projected to increase to 6700 households by 2047.

The Housing Demand and Need Report used population demographic projections and rates of home ownership to determine the Western Bay’s future demand for housing.

There is significant growth in households over the age of 65, both for owner-occupation and rental accommodation.

There is also significant growth in households described as having ‘housing need’ – that is, households spending more than 30% of their income on housing costs. This is an internationally recognised measure of housing need.

Future Demand for Housing Typologies

Type

85% of new dwellings since 2001 were **3, 4 or 5 bedroom**
510 more **1 & 2-bedroom owner-occupied** homes needed by 2047
2070 more **1 & 2-bedroom rental dwellings** needed by 2047

Projected Increase in demand for multi-unit vs stand along dwellings, particularly for renters

There is a significant growth in the demand for 1 & 2 bedroom homes, both for owner occupation and rental accommodation. This aligns with the overall decrease in household size and increase in households over the age of 65.

Housing Quality

Quality

7.9% of homes **overcrowded** (2006 census data)

49% of all stock built **post-1990**

Multi-units mainly built between **1970 and 1989**

Rental housing stock typically in poorer condition

44% of owner-occupied homes and **56%** of rental homes show **visible signs of mould**

There are identified areas of poor quality housing in the District. Census 2018 will provide more insights into housing condition, and overcrowding.

Housing Costs

Cost

Average house price \$623,705
(QV, Dec 2017)

Increase of 9.1% from Dec 2016

Median rent up 6.8% from June 2016 to June 2017 (up 49% over the last 10 years)

House price is unaffordable for 82.6% of buyers

Rent is unaffordable for 66% of renters

(Source: MBIE Housing Affordability Measure to 31 March 2016, which is the most up to date measure available.)

Housing costs have increased significantly over the last 5 years, both for owner occupiers and renters.

From 1991 to 2017, house prices increased on average by 6.4% per annum. Rents increased on average by 4.4%. Over the same time period, incomes increased on average by 3.4%.

Housing Action Plan

All Western Bay Residents are Well Housed

Affordable

Q1 - Emergency and Social Housing

- The People's Project
- Potential social housing developments in Te Puke

Q2 & Q3 - Assisted Rental and Assisted Ownership

- Council owned land development
- Pensioner housing stock
- Acquisition where partnerships are available
- Māori Housing Strategy
- Joint Agency Group work

Q4 & Q5 - Private rental and private ownership

- The People's Project
- Potential social housing developments in Te Puke

Accessible

- Post Harvest Zone Review
- Future Development Strategy
- District Plan tools to incentivise universal design
- 8-80 neighbourhoods

Habitable

- A Healthy Whare Project
- Regional Healthy Housing Forum

Security of Tenure

- Monitoring rental housing stock
- Support for central government initiatives that improve tenure security

Targets

- 30 more social housing units by 2020
- 80 more assisted rental and assisted ownership units by 2020
- Māori Housing Strategy in place - separate targets

Targets

- District Plan reviews complete by 2020

Targets

- 3 more communities involved in A Healthy Whare Project

Targets

No specific targets.