Attachment 1

Housing our People in Our Environment (HOPE) Strategy- Progress Update, April 2007

Adopted by Council in June, 2005, the HOPE Strategy is the blueprint for a wide range of Council and community actions related to increasing the supply of affordable housing. Two of its sections, "3- Goals" and "4-Actions" are repeated here to provide context for this report. All text original to the HOPE Strategy is shown in **bold**. Changes or comments are shown in the standard type face.

Since adoption, significant progress has been made on several of the Strategy's actions. "Section 4- Actions" has been amended to provide detail on the progress to date; no change has been made to the wording of the Goal or Action itself.

3. GOALS OF THE AFFORDABLE HOUSING STRATEGY

3.1 The Overall Goal

> *1. **To increase access to quality, affordable housing that is integrated into the community so as to support the community's outcomes related to the sustainable economic, social and environmental development of the QLDC area.***

This goal reflects three main 'pillars' of a long-term sustainable affordable housing strategy. At a high level, the Strategy needs to signal that it is not just a matter of increasing the supply of affordable housing. Affordable housing also needs to be of good quality and integrated into the community.

Quality therefore refers to:
- **The suitability of the dwelling to meet the specific needs of the household, in terms of size and layout; and;**

- **The quality of the design and construction of the dwelling and its facilities and services, including reasonable physical condition, energy efficiency and privacy.**

Integration therefore refers to:
- **The suitability of the location enabling the household to access employment, shops, schools and community facilities without long trips by car; and**

- **All suburbs and settlements having some affordable housing, avoiding an over-concentration of affordable housing in some areas.**

3.2   Three Additional Specific Goals

> **2.   To facilitate initiatives to increase the supply of affordable quality housing for rent to seasonal workers, as an end in itself, as well as the flow- on benefits it will bring to the long term rental market.**
>
> *3.*   **To significantly increase the supply of quality, affordable, and secure rental property to meet the needs of committed local residents, employed in key industries that are important to the economic and social wellbeing of the community.**
>
> *4.*   **To support development of the owner occupier housing market for committed local residents employed in key industries that are important to the economic and social wellbeing of the community, and to ensure the retention of this housing as affordable housing.**

Targets

Initial targets are to deliver (in the medium term):
- **Planning mechanisms and financial initiatives to encourage the market place to deliver in the order of 250 more affordable rental and owner occupied houses in Queenstown and in the order of 60 in Wanaka.**
- **Successful lobbying of Central Government to result in an increased Accommodation Supplement levels for the District and in the order of 20 additional HNZC rental units.**
- **20 housing units of mixed rental and transitional ownership in a pilot project run by a Community Housing Trust.**

Long Term targets were estimated to deliver a range of affordable housing, using a mix of rental and ownership tools, to meet the needs of approximately 2320 households (1790 households in Queenstown and 530 in Wanaka). This topic is more thoroughly explored in the draft "Document B: Guidance for Developers".

Perhaps more importantly for the District will be the development of expertise and institutional capacity, to address housing affordability over the longer term.

4.   ACTIONS

4.1   Overview of Actions

This strategy concentrates on actions that the QLDC community can take in the next 3 to 5 years (interpreted as from 2005 to 2008-2010) **to help address housing affordability issues. The main part of the strategy deals with council-initiated actions aimed at specific groups within the community. A key proposal is the development of a locally initiated pilot project, undertaken under the umbrella of a Community Housing Trust.**

Affordable housing initiatives recommended for the Affordable Housing Strategy can be grouped under the following broad categories;

- **Policy development, advocacy, research and education.**
Advocate for improved access to affordable, adequate and good quality housing, supported by research and monitoring and community education programmes.

- **Planning mechanisms.**

Use planning mechanisms to facilitate the provision of high quality affordable housing by the market place.

- **Financial initiatives.**

Use Council's resources (and the resources of collaborative partners) to facilitate the provision of affordable housing, now and into the future.

- **Delivery**

Establish a Community Housing Trust and develop a pilot project to deliver a range of rental and owner-occupied housing units aimed at specific segments of the housing market that will not benefit from the above actions. Use council land, private sector funding and central government funding to assist this project.

The following table lists proposed actions, and indicates which Goal the action is associated with, who is responsible, and the suggested timeframe.

S (Short) = within 1 to 2 years
M (Medium) = 2 to 4 years
L (Long) = 5+ years

Goal		Action	Actions to Date	Original Timeframe
				Status
		Policy, Advocacy, Research and Monitoring		
Goal 1, 2,3,4	**1.**	**Council to appoint a Community Housing Officer to co-ordinate development and implementation of the Strategy.**	Senior Policy Analyst-Housing commenced work 1 October 2005.	**Short;** **Complete**
Goal 1, 2, 3, 4	**2.**	**Develop a Memorandum of Understanding with central government to work towards the goals outlined in this Strategy.**	MOU between QLDC and Housing New Zealand Corporation (HNZC) signed 14 September 2006.	**Short;** **Complete**
Goal 1	**3.**	**Develop and implement a monitoring programme, including undertaking a housing needs assessment every two years and a programme for reviewing this Strategy**	This report is the first monitoring effort. Housing needs assessment to progress in second half of 2007 in consultation with Queenstown Lakes Community Housing Trust (Trust).	**Short;** **ongoing**
Goal 1	**4.**	**Develop and implement a communication plan for the community** • **Why the need for the strategy:** • **What type of housing is likely to provided by the strategy** • **What it will cost and who will pay for it.**	Ongoing communications led by Council's communications officer. Consultation with the Trust has begun to clarify Trust and Council initiatives.	**Short;** **Ongoing**
Goal 2, 3, 4	**5.**	**In partnership with the business community, undertake a study of the current costs incurred by businesses due to the lack of affordable housing and distribute the findings back to the business community.**	Completed April 2006; consultation with the Trust has indicated that an annual, albeit improved survey would be beneficial.	**Short;** **Complete**

Goal 2, 3	6.	**In collaboration with local employers develop a framework for maximizing opportunities for employers to contribute to the provision of affordable rental housing that will benefit their employees.**	Deferred pending readiness of the Trust to further develop such a framework.	**Short;** **Ongoing**
Goal 1	7.	**Develop and promote employer housing funding schemes for employees. The Council to model its own schemes for its employees.**	Deferred pending readiness of the Trust to further develop such a framework. Public comments were not supportive of Council advancing a scheme before a community-wide scheme is operating.	**Short;** **Ongoing**
Goal 1	8.	**Facilitate access to energy efficiency advice for residential construction, and particularly for any pilot projects developed under this strategy. Facilitate partnerships to implement energy efficient retrofitting projects, targeted to lower income households.**	Council's Strategy Committee committed to the Eco Design Advisor Programme on 21 February 2007; the programme is expected to start in July, 2007. The Document B: Guidance for Developers draft dated April 2007 includes further advice, proposing a standard of quality and energy efficiency.	**Short;** **Complete**
Goal 3,4	9.	**Advocate for the provision of increased levels of capital and operations funding from Central Government (HNZC and EECA) to recognise the particular housing needs of the QLDC area.**	HNZC committed $100,000 in September, 2006 towards establishing the Trust. Advocacy continues for central government support of wider initiatives.	**Medium;** **Complete/ Ongoing**
Goal 3	10.	**Lobby for the expansion of HNZC's housing stock, in recognition of the high levels of housing stress in the area.**	Advocacy continues.	**Medium;** **Ongoing**

Goal 1,2	11.	Develop and implement a communications plan for the business sector about the positive aspects of contributing to the provision of affordable housing for their employees, and the tax situation that supports this type of contribution.	To be initiated in partnership with the Trust; not yet initiated.	Medium; Not yet started
Goal 2,3 &4	12.	Monitor and evaluate pilot projects developed during under this strategy and ensure that the findings are made widely available to the community, including business and development interests. Ensure that any lessons learned in the pilot projects are used to support future collaborative efforts.	To be initiated in partnership with the Trust; not yet initiated.	Medium; Not yet started
		Planning		
Goal 3,4	13.	Encourage developers to enter into voluntary agreements to provide affordable housing as part of larger scale subdivision and housing developments, and ensure that the affordability of any such housing is retained into the future.	4 Stakeholder deeds have been executed to date delivering approximately 72 sections to the Trust; another 4 are in progress.	Short; Complete & Ongoing
Goal 3,4	14.	Investigate the potential for the adoption of incentives such as density bonuses for affordable housing, in any proposals for up-zoning and particularly when zoning new urban areas and, if appropriate, include in the District Plan. Tie the provision of affordable housing to a suitable retention mechanism, and introduce location criteria to ensure affordable housing is located close to activities and transport.	Proposed Plan Change 24: Community Housing is progressing; an updated preferred direction is scheduled for discussion by the Strategy Committee of Council in May 2006.	Short; Ongoing
Goal 3,4	15.	Support increases in opportunities for affordable housing in lower density residential areas through the provisions for residential flats (for long term rental) in the District Plan.	See Proposed Plan Change 24: Community Housing. See revised "Definition of Residential Flat" as adopted August 2006.	Short; Ongoing

Goal 3,4	**16.**	**Extend the current assessment criteria for Comprehensive Residential Development in lower density residential areas to include the provision of affordable housing as consideration in whether to grant consent to the development. Improve the implementation of the assessment criteria, to ensure all criteria are assessed. Tie the provision of affordable housing to a suitable retention mechanism.**	See Proposed Plan Change 24: Community Housing.	**Short;** **Ongoing**
Goal 2	**17.**	**Identify any unnecessary constraints in the District Plan on non-traditional housing forms in locations that are otherwise appropriate for seasonal workers' housing, and, if so identified, work towards their removal.**	See Proposed Plan Change 24: Community Housing.	**Short;** **Ongoing**
Goal 3,4	**18.**	**Continue to improve the design standards of intensive housing developments so that they are attractive to permanent residents.**	See Proposed Plan Change 24: Community Housing. See: Guidance for Developers draft dated April 2007 for further information	**Short;** **Complete/ Ongoing**
Goal 3, 4	**19.**	**Introduce affordable housing into the policies of the District Plan so that it can become a relevant matter when Plan Changes/ Variations are proposed, as well as when resource consent applications are considered, for example in relation to discretionary activities. This is so the impacts of planning changes on affordability, both positive and negative, are addressed.**	See Proposed Plan Change 24: Community Housing.	**Medium;** **Ongoing**

Goal 3,4	20.	**Investigate how to implement a distinction in the District Plan between higher density visitor accommodation areas and higher density residential areas to provide a stock of housing for permanent residents and ensure that the clear separation is ensured in any new urban zoning. Undertake the implementation.**	See Proposed Plan Change 23: Visitor Accommodation and Residential Amenity.	**Medium;** **Ongoing**
		Financial		
Goal 1	21.	**Council to contribute a small grant (funded from the rates) towards the initial running costs of the Community Housing Trust.**	Initial start-up grant of $50,000 committed in the current LTCCP. Scheduled for disbursement to the Trust 1 July 2007.	**Short;** **Complete**
Goal 1	22.	**Advocate so that the particular needs of the District are taken into account in Government proposals to amend the RMA or LGA to allow for contributions from developers to be levied for affordable housing.**	Discussions with Central Government are underway.	**Short;** **Ongoing**
Goal 1	23.	**Identify the most effective way of maximizing the contributions from the Council's limited resources to achieve the goals of the strategy, and in particular, where the provision of land is likely to be more effective than the provision of finance. Identify sites suitable for future affordable housing development and purchase if necessary.**	Research underway.	**Short;** **Ongoing**
Goal 1	24.	**Develop criteria to be applied whenever Council decides to sell council-owned land, to assess whether the proceeds should go towards the provision of affordable housing, and implement.**	Research underway.	**Short;** **Ongoing**

Goal 2,3,4	25.	Undertake an analysis of all council-owned (freehold) land to determine suitability for an affordable housing contribution, based on clear criteria. Select a suitable small site for a pilot project.	Research underway.	Short; Ongoing
Goal 2	26.	Support the implementation of other Council policies involving collaboration with the private businesses to help increase wages and salaries in the local economy, in such initiatives as promoting quality tourism.	Not yet started.	Medium; Not yet started
		Delivery		
Goal 1, 2, 3,4	27.	Establish a Community Housing Trust with Trustees drawn from the District Council, the private sector (representing employees and developers in the District), community organisation (with experience relevant to housing affordability) and from the community at large.	Trust launched March 2007.	Short; Complete
Goal 3,4	28.	Establish criteria and mechanisms for determining the eligibility of households for any affordable rental housing developed by the Trust. Ensure that these criteria are made known to the community in advance of implementation of the first pilot programme.	Document A: Applicant Eligibility Criteria adopted by Council 5 May 2006; designed to be updated annually. Second version scheduled for review by Strategy Committee of Council at their May 2007 meeting.	Medium; Complete/ Ongoing
Goal 3,4	29.	Establish appropriate retention mechanisms to be used for the pilot project(s), to ensure that affordability is retained into the future. Ensure that full details of the chosen retention mechanisms are made known to the community (see The Nature and Scale of Housing Affordability Issues in the District – June 2004, for a discussion of retention mechanisms).	Establishment of the Trust is the first retention mechanism. Progress is underway on Document C: Retention Mechanisms, which may include but are not be limited to Conditions of Consent; Easements; Covenants; Regulatory Agreement; or other legal provisions that enable the Trust or Council to ensure affordability is achieved over time.	Medium; Ongoing

Goal 3,4	30.	Seek funding from HNZC's Housing Innovation Fund, from the Council, and from the private sector to implement the pilot project.	Application by the Trust is underway.	Medium; Ongoing
Goal 2, 3, 4	31.	Actively facilitate the development of pilot projects, with employers and / or developers and / or Housing New Zealand, by identifying interested partners, seeking funding, brokering deals, developing retention mechanisms etc. Ensure that the development is small in scale, of high quality design and construction and is energy efficient.	Indication to date is that this action is best accomplished by the Trust with the support of the Council. The Trust will provide further detail at a future time.	Medium and Long Ongoing
Goal 1	32.	Building on the experience of the initial pilot project and other actions under this Strategy, and from the ongoing monitoring of housing needs, identify the most appropriate form of affordable housing development for long-term / committed local residents, and actively facilitate the development of further projects.	Not yet initiated.	Long Not yet initiated

In Summary:

Complete: 10 Actions

Started, and Ongoing: 18 with an additional 4 of the Completed actions continuing to another phase

Not yet initiated: 4