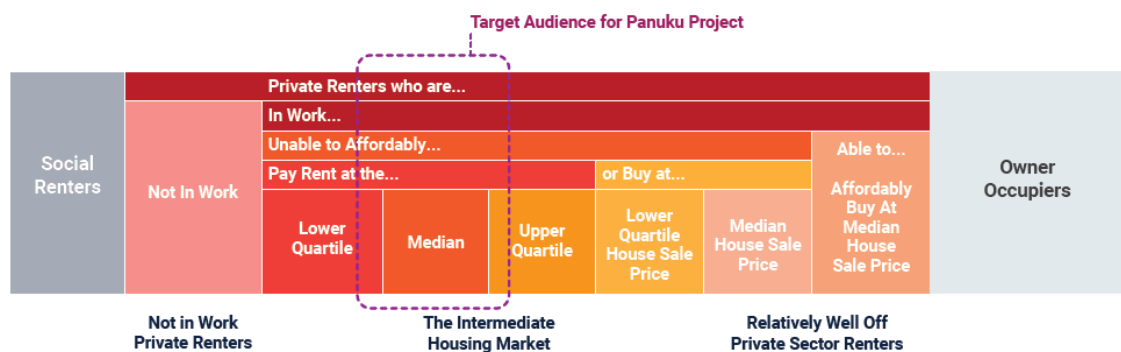


Community Focused Housing – Update to Board

As part of our urban regeneration leadership role we have been investigating community focused housing models to find out more about what barriers exist (e.g. legal, financial, governance) and what would need to change to facilitate a community focused housing scheme to be implemented in the NZ context. This work is aligned to the Auckland Plan and Panuku Housing Mix Guidance (i.e. a commitment to exploring new and innovative housing models).

We have been working with consultants, The Urban Advisory (TUA) and have involved council and Kāinga Ora colleagues in developing a case study within the Avondale area. It was prepared in the form of a business case, comparing different models. The report defines community-focused housing models, explores housing demand analysis for Avondale, compares unit title and cooperative ownerships and the impact of a community land trust on affordability. It discusses how such a project would be delivered and the risks.

Community focused housing is a new model that offers a way to provide affordable rental and/or ownership and fill the gap between social housing and market housing on the housing continuum. It targets the intermediate housing market.



Five different models were investigated on the Avondale central site as follows:

- Option 1A. Tower development with unit title ownership and land included in the purchase price.
- Option 1B. Tower development with cooperative ownership, with the land in a Community Land Trust.
- Option 2A. Three-storey development with unit title ownership and land included in the purchase price.
- Option 2B. Three-storey development with unit title ownership, with the land in a Community Land Trust.
- Option 2C. Three storey development with cooperative ownership, with the land in a Community Land Trust.

The options were assessed against criteria such as contribution to residential choices, belonging and participation, affordability and flexibility for residents (short and long term), deliverability (within current frameworks), risk, market acceptance, amenity, innovation, sustainability, revenue return (short and long term). A key concern was whether the option provided perpetual or one-off affordability.

The preferred option from the analysis by the study participants, was option 1B, the tower block with cooperative ownership with a community land trust. However, a key issue that became apparent was the need for a contracting party to underwrite the significant development risk (c.\$25m). Panuku does not have this mandate. A smaller scale pilot is likely to be more practical.

A copy of the full report is available in the Resource Room for the Board and a presentation on this could be arranged to the Priority Location Committee. A public facing version of the document is being prepared that can be more widely distributed and contribute to the wider korero.

Deputations from Queenstown Lakes Community Trust, Co-Haus Grey Lynn, Society for Alternative Housing Development and others were made to the Council recently, supporting community-led housing models, such as co-housing and community land trusts. These groups confirmed the huge interest and the key barriers including relating to a new model of housing ownership and construction including legal complexity, tax status, banking and access to finance. They also highlighted land availability and resource consent certainty. There was strong interest and positive support from councillors, including for a pilot to be established.