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2 July 2015 Newsletter

Dear Colleagues,

It's hard to make sense of all the announcements right now. It seems like everything is up in the air.

Tax Exemption Status -Ministers decision on tax exemption status is a second class solution.

Under the new provisions which we expect to be included in tax legislation currently going through Parliament, the existing KiwiSaver/HomeStart income and asset limits on individual households would apply to organisations who utilize the Community Housing Entity form of tax exemption, if they are not able to retain Charity status. We are awaiting a further summary of the exact provisions and will make those available as soon as we know what they are. Read the announcement here

CHA's media release here

QLCHT media release here

Habitat for Humanity media release here

Social Housing Reform (Transaction Mandate) Bill

This **bill** announced in the House on 1 July 2015 provides Ministers with the ability to directly mandate transactions. It concludes with the

following on page 8 of the disclosure statement:

"The transaction mandate is an unusual legal mechanism. It provides Ministers with the ability to effect the transfer of HNZC assets in HNZC's name, without a decision-making role for the HNZC board. While there are no direct precedents for this approach in other statutes, it is analogous to a private law power of attorney – a well-established means of giving effect to transactions by one party on behalf of, and in the name of, another party".

Was this explained at the Market Information sessions last week? Since the proposed Invercargill and Tauranga transactions are meant to be several months away, why the need for this approach to proceed with the transactions?

Stock Transfers - Market Information

Last week's Market Information sessions on Stock Transfers left a lot of questions:

- Leasing. What do you think? Would a 99 year term with peppercorn rent, and the ability to secure debt against the property work for you? Pro's and Con's.
- Priority for better tenant outcomes or price? Seems like they haven't released that info yet and the sector seems to definitely want to know that better outcomes should get priority over any price considerations
- Local/NZ provider? What criteria will the RFP have to allow a local provider to confirm that it can do a better job for tenants than a new entrant? Again, does price outweigh local expertise?

We've commented in the media that the debate about whether an offshore provider could be eligible exposes the longstanding gaps in the CHRA regulations – that providers don't actually need to be either not for profit nor NZ-based. How do we know that the public equity will be retained for community benefit?

If you are able to submit feedback by the 3 July 2105 deadline, please do so, and send your feedback to CHA as well and we'll prepare some further comments to Treasury.

CHA Contract to support Sector Capability & Capacity

CHA and the Ministry of Business, Innovation and Employment (MBIE) have agreed a contract effective for three years from 1 July 2015. The agreed scope of work involves providing expanded support to the sector. A summary of the expanded scope is located in the **Our Place** document.

Ngāti Whātua Files Statement of Claim in Auckland High Court

Ngāti Whātua filed a statement of claim in the High Court at Auckland on 26 June 2015 to seek a ruling to fast-track the resolution of the difference of opinion over the extent of Ngāti Whātua's Right of First Refusal (RFR) to surplus Crown land. Read the press release here.

Welcome to our New Staff

CHA is pleased to announce the addition of 3 new members of our team.

Lucinda McNally, Communications Progamme Manager is to be based in Auckland and is with us for an intense period through to mid-September 2015, completing a communications strategy for our sector, assisting with the Our Place strategy, and several other key workstreams to help make our voice louder and clearer. You can reach Lucinda at strategy@communityhousing.org.nz

Gunda Tente, Programme Assistant and Angie Cairncross, Communications Coordinator will both be based in Wellington, providing greater support to members through membership support, the newsletter and website. You can reach Gunda on support@communityhousing.org.nz and from next week, Angie at comms@communityhousing.org.nz

In the News

"Government deliberately works blind in state house plan"
NZ Herald columnist Brian Rudman's opinion piece seems to align
with what we've been saying for some time now. Read here

State Housing stock selloff – Sallies say it will 'exploit communities'. Read more here

What do you think about leasing? Read the NZ Herald article here

Scott Figenshow: Govt's state housing plans

Community Housing Aotearoa Director Scott Figenshow talks to Tim Dower on KPMG Early Edition about the Government's plans to sell unwanted state housing to a community group in Australia. Read more here

Community provider pans Govt's offshore state house sale plan

Gold Coast based social housing provider Horizon Housing is a potential buyer of hundreds of state houses the Government wants to sell off.

Read more here

New Zealand Construction News June/ July 2015

The New Zealand Construction News, edition June/ July 2015 has two articles relating to community housing - one on Tamaki Redevelopment and an opinion piece by Scott Figenshow.

Read more here

The New Zealand Housing Foundation (NZHF) receives recognition reward

The **Tindall Foundation Celebrates 20th Anniversary** by Honouring Five Inspirational Organisations.

The New Zealand Housing Foundation was one of five community and environmental organisations receiving a recognition award for their outstanding contribution to Aotearoa New Zealand. A Celebrations Event was held at Government House in Auckland on Wednesday, 24 June 2015. Brian Donnelly, NZHF CEO received the award on behalf of The New Zealand Housing Foundation: "Recognised for outstanding leadership in the social housing sector,

using innovative practices and leadership in the affordable housing field".

Read more here