

Media release

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Time to throw out inflated market prices and redefine housing affordability - CHA

Community Housing Aotearoa is calling on the Government's new Housing and Urban Development Authority to move away from inflated market prices and instead produce homes that are truly affordable.

Minister of Housing and Urban Development, Phil Twyford, has just announced the creation of a Housing and Urban Development Authority (HUDA) bringing together three existing entities; Housing New Zealand, its subsidiary HLC, and the Government's KiwiBuild Unit.

HUDA will have responsibility for leading large-scale urban development projects, managing around 65,000 homes and running the KiwiBuild programme.

CHA's Chris Glaudel says the new Housing and Urban Development Authority provides an opportunity to rethink how public housing is delivered in New Zealand.

"It is vital the Minister puts local families and communities at the heart of all urban development projects led by HUDA. Homes must be of a good quality, affordable, and part of diverse and sustainable communities. Proposed developments should be created in partnership with local councils, communities and iwi."

He says it is also time for the Government to look closely at the affordability of HUDA homes.

"These homes need to be affordable relative to family incomes in the communities where they are developed, rather than to prevailing inflated market prices. Otherwise, the results will continue to be subject to claims that it is middle class welfare. "

Community Housing Providers are keen to partner with Government to fix the housing crisis, he says.

"To date our efforts to partner have been frustrated by the required market price of land in government-owned redevelopment areas. HUDA must exercise its powers to lower the cost of land to enable a range of affordable rental and ownership options to meet the needs of ordinary Kiwi families. Unless HUDA moves away from the definition of affordability used under KiwiBuild, not much will change for working families on median or low incomes."

Chris Glaudel says HUDA needs to focus on being a developer to build new affordable homes and needs to partner with iwi and Community Housing Providers to take on the long-term role as a landlord, building on their strong and enduring community links.

"We can and must do better to ensure all New Zealanders are well-housed. We call on the Minister to work in partnership to develop a clear and cohesive housing strategy to make sure that all the parts of the housing system are working together.

“This approach works with the Government investment being retained and recycled for intergenerational benefits, not private gain. The community housing sector can deliver this over the long term without being subject to changing political cycles. Unless the underlying settings are right, we will get more of the same - only at scale and pace,” he says.

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Contact: Chris Glaudel 027 462 0605

***Community Housing Aotearoa** is the peak body for New Zealand's community housing sector. Our 90 provider members house approximately 25,000 people nationally across 13,000 houses. Our 19 partner members include developers, consultants and local councils.*