

Council loan gets community housing up and running

Support from Christchurch City Council is enabling the Ōtautahi Community Housing Trust (OCHT) to extend its provision of much-needed community housing, says Trust chief executive Cate Kearney. Kearney says the Trust's new Tiwaiwaka Lane development demonstrates what can be achieved when organisations such as hers are given sufficient financial backing.

“Tiwaiwaka Lane is a model for community housing development both in what is being provided and how it is being funded,” says Kearney.



Ribbon cutting ceremony at Tiwaiwaka Lane

Houses at Tiwaiwaka Lane meet the New Zealand Green Building Council's 6 Homestar Built rating, meaning they are easier and cheaper to keep warm and more environmentally friendly than a typical new house built to building code.

While that involves a greater upfront cost, it will produce savings over the long term by generating better health outcomes and lower power bills for tenants and reducing maintenance costs for us, says Kearney.

Kearney says the building standards are one example of the Trust's commitment to providing sustainable housing solutions. The way Tiwaiwaka Lane has been financed is another, with Christchurch City Council providing development funding loans to support the Trust's development plans.

“The demand for community housing is massive,” says Kearney. “We want to step up and help to meet that demand, but getting the capital we need to develop new housing is difficult,”

“As a non-profit organisation with a limited balance sheet we don’t fit the criteria banks and other mainstream lenders require.

“We have the income stream to repay a loan, underpinned by the government’s provision of income-related rent subsidies and long term contracts, but we need money upfront to get projects underway,” says Kearney.

“Christchurch City Council has shown how that can be done at no cost to the ratepayer: we hope central government and others will see the benefits this type of arrangement can bring to the community as a whole.”
