4 August 2021

Committee Secretariat

Environment Committee

Parliament Buildings

Wellington

RE: Natural and Build Environments Bill – Draft for Consultation

Thank you for the opportunity to offer our views on the “Natural and Built Environments Bill” exposure draft.

1. Community Housing Aotearoa (CHA) is an Incorporated Society and a peak body for the community housing sector. In order to achieve our vision of ‘all New Zealanders well-housed’, we have a strategic focus on supporting a well-functioning housing system and working toward the progressive realisation of the right to housing. We are also mindful of the larger institutional and regulatory settings within which our members and other community organisations operate. We are keen to ensure these settings support the delivery of homes affordable to households of varying income levels.
2. Our 75 provider members provide homes for nearly 30,000 kiwis nationally across 18,520 homes, and our 30 partner members include developers, consultants and local councils. Community Housing Providers (CHPs) are primarily not for dividend entities that develop, own and manage social and affordable housing stock, with rental and progressive homeownership tenure offerings. We work closely with Te Matapihi, which represents Iwi-based and Māori community housing providers. More about us can be found [here](http://www.communityhousing.org.nz).
3. We agree with and support reform of the Resource Management Act to deliver better environmental and development outcomes. We also agree with and support the need to give effect to the principles of Te Tiriti o Waitangi and provide greater recognition of te ao Māori, including mātauranga Māori in these reforms.
4. Community Housing Aotearoa is concerned about the mismatch between current housing supply in terms of both typology and affordability. We know many Local Authorities share this concern and believe Inclusionary Zoning can be one useful tool - in addition to government’s broader construction and housing initiatives. Community housing providers offer a key component of any successful Inclusionary Zoning programme – the ability to retain value uplift, and deliver affordable housing – whether affordable rental, or progressive homeownership. Our providers do this in partnership with their local Council, and their local community.
5. Community Housing Aotearoa urges the Government to enable Local Authorities to utilise Inclusionary Zoning when they have documented that development is not delivering the types of homes needed at prices that are affordable to local residents. We believe this must be included in the Natural and Built Environments Act to ensure there is clear national direction and standards for how this planning tool can be utilised. Adding this option for Local Authorities into the Act will provide the legal certainty which is currently lacking.
6. We note that the Government Policy Statement – Housing & Urban Development discussion document (page 41) specifically mentions such a tool. The GPS – HUD expects to see “*better tools for government, councils, and other entities to make proactive decisions about strategic planning and investment, including to help ensure that any windfall gains from planning change or public investment are captured and re-directed*”. This type of value capture is a common feature in Inclusionary Zoning programmes.
7. Local Government New Zealand (LGNZ) members have passed a remit to ask the Government to introduce legislation that would *“fully enable Councils to address housing affordability in their communities through a range of value uplift and capture tools, one such tool being ‘inclusionary zoning”*.
8. New Zealand previously enabled and defined a framework to capture value uplift. The Affordable Housing: Enabling Territorial Authorities Act 2008 provided the explicit authority to local authorties to meet documented local housing needs using through value capture. Although it was repealed less than two years later, it serves as a model for consideration. It defined a nationally consistent methodology to document need, and the mechanisms to ensure the retention of affordable housing.
9. We understand that some may feel the reforms on their own will deliver affordable homes and that Inclusionary Zoning is therefore not necessary. We believe that the reforms may increase affordability, but enablement through the NBA is a prudent addition should affordability not result in all communities or change over time.
10. Housing needs assessments updated regularly are already part of the Urban Development Act and will continue in the Strategic Planning Act – so their use to document need as a basis for Inclusionary Zoning would also mean that the argument it may not be needed in the future is not a worry since a future needs assessment would document that and no further delivery would be required in that case.
11. We have produced two discussion papers exploring Inclusionary Zoning. The first is a entitled “[Is there a place for affordable housing planning requirements in New Zealand](https://www.communityhousing.org.nz/resources/article/cha-releases-discussion-document-on-inclusionary-zoning)”. The second is a review of what can be learned from the repealed [Affordable Housing: Enabling Territorial Authorities Act of 2008](https://www.dropbox.com/s/aqd0fax37rs3xie/IZ%20enablement%20via%20AHETA%20tools%20V1.5%20for%20release.pdf?dl=0). Both documents provide greater detail for your consideration.

In summary, we support the direction indicated in the exposure draft. We urge you to ensure that the resulting Bill specifically enables Local Authorities to have an additonal tool to ensure new development truly delivers the types of homes needed and are truly affordable for all whānau.

We request the opportunity to speak our submission and answer any questions regarding the ability of incusionary zoning to deliver affordable homes.

Kind regards



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