

David Mead for QLDC: Summary of Evidence, Inclusionary Housing Variation

Sec 42 Report

1. I prepared the section 42A report and addendum. I have been involved in the preparation of the Inclusionary Housing Variation, covering consideration of issues and options, alternatives, feasibility testing and section 32 reporting.
2. I helped prepare Plan Change 24 to the QLDC district plan and was involved in the proposed retained affordable housing provisions of the Proposed Auckland Unitary Plan (which were not supported by the Auckland IHP).
3. Submissions to the Inclusionary Housing variation generally oppose the proposal. Submissions mainly address costs and benefits and alternatives or seek specific exclusions. There are relatively fewer submissions on the detail of the proposed provisions.
4. The Variation builds on past practices in QLD with developer agreements and Special Housing Areas which have implemented a variety of different affordable housing provisions.
5. Alternatives such as increased housing supply, stronger controls on short term letting of homes, or rates funding for the Housing Trust are not as effective or efficient as the proposed method:
 - (a) Local experience is that increased supply of housing development capacity has not, by itself, resulted in delivery of housing affordable for low to moderate income households (either as new homes, or increased stock of 'second hand' dwellings).
 - (b) Council has sought to better manage short term rentals through the district plan review. There is no certainty that houses withdrawn from short term rental pool will automatically transfer to long term rental.
 - (c) Use of rates and/or other sources of funding also faces community concerns, will likely affect low income households, may draw funding away from necessary infrastructure (slowing growth) and reduces effectiveness of

provision of affordable housing in that Housing Trust has to effectively operate as another developer.

6. The proposed Variation adopts a financial contribution model rather than an inclusionary zoning approach (ie certain number of lot/houses must be sold at an affordable price). This is on the basis of:

- (a) Financial contribution easier to comply with
- (b) Greater clarity of required contribution upfront
- (c) Effective delivery of retained affordable housing via Housing Trust.

7. In terms of the proposed provisions, I have recommended a number of amendments based on submissions. These cover:

- (a) Removal of reference to ODP affordable and community housing provisions from Chapter 1
- (b) Small amendment to the new strategic objective referencing attainment over time of more affordable housing
- (c) Clarification in the purpose statement that application of the provisions does not require affordable housing to be located in all residential developments
- (d) Addition to Policy 40.2.4 referencing areas where existing agreements and district plan provisions mean that the proposed financial contribution provisions need not apply
- (e) Introduction of new policy that specifically references Hāwea / sticky forest land
- (f) Introduction of a clause in the interpretation section stating that council will maintain a schedule of areas that meet the 'exclusion' policy and standard (i.e. areas where there are developer agreements and/or existing district plan provisions related to affordable housing).

- (g) Amendment to 40.4.2 such that payment of financial contribution from developments is within three months of code compliance issue (not building consent)
- (h) Clarification of the meaning of the term residential floorspace (40.4.4)
- (i) Adding a purpose statement to 40.5, to ensure alignment with section 77E (2) of the RMA
- (j) Amending 40.6 to consistently refer to 'additional residential lots'
- (k) Adding a new clause to 40.6.1 referencing credits from 'tiered' subdivisions
- (l) Amending 40.6.2 (development) so it applies to multi-unit developments (not single house on a lot).
- (m) Clarifying that the development contribution requirements do not apply to single house developments (replacement or new).
- (n) Amendment to Interpretation section to clarify that valuation of lots as part of consent applications is appropriate (not as part of 224c stage).
- (o) Relocation of 'per square metre' inflator from the Interpretation section to be included in the rule (40.6.4)
- (p) Amendment to 40.6.4 acknowledging that (in accordance with 108(9)), Māori land within the meaning of Te Ture Whenua Māori Act 1993 is exempt from providing a financial contribution in the form of land.