

Organisation:

Parents for Climate – Taupō

First name: Hannah**Last name:** Rainforth

**Would you like to present your submission in person at a hearing taking place 4-6 May 2021?
Hearings in Turangi and Mangakino will be arranged if there are enough people wanting to present.**

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Yes

Taupo hearing Day 1

Additional requirements for hearing:

Feedback

Water

As our climate changes, we may experience longer periods of dry weather in the Taupō District. In order to reduce our use of water, we propose that new developments be required to install rainwater harvesting systems for roof water as part of building covenants. These systems could be used, for example, to water gardens. Council could also subsidise retro-fitting rain water harvesting systems for existing buildings.

Transport

Reducing our transport emissions is key to meeting the target of net zero emissions by 2050. Changing the way we get around will be the most effective way to reduce our transport emissions. This means moving from the use of private vehicles to the use of active transport methods (walking and cycling) and public transport. The “walkable neighbourhood” model should be used when planning for the growth of our communities. In a walkable neighbourhood, the day-to-day services that people require, like food and education, are located within a 15-20 minute walk.

Taupō has a huge recreational cycling culture, but commuter cycling is not as common. In order to encourage commuter cycling, safe cycling routes need to be provided from our suburbs into the centre of our towns. These need to be safe for children in particular, as the morning and afternoon school run are some of the peak times for congestion on our roads. There is plenty of research that suggests that people will cycle more when safe cycleways and shared paths are provided. For example, after building a cycling network, New Plymouth saw a 35% increase in cycling between 2006 and 2013, and increases in the numbers of people commuting by bike on shared pathways were reported in excess of 50%.^[1] It takes time to build cycleways, so in the meantime the council should investigate the feasibility of designating certain key footpaths in the district as shared paths.

To encourage better use of public transport within the Taupō District our public transport system should be redesigned to utilise small electric shuttle buses running frequently and stopping in more places, rather than one lumbering diesel bus running one route infrequently. More bus shelters should be built to make it more attractive for people to use public transport during poor weather. A commuter bus between Tūrangi and Taupō should also be investigated.

[1] <https://www.nzta.govt.nz/assets/Walking-Cycling-and-Public-Transport/docs/benefits-of-investing-in-cycling/cyclelife-benefits-booklet.pdf>

Parks, Reserves & Sports Grounds

We encourage planting more of our reserve land in native trees to sequester carbon, provide habitat for native species, provide shade for people using the reserves and reduce mowing. This planting should take the form of micro-forests rather than individual trees, to maximise the biodiversity gains.

We would like to see council encourage wildflower plantings on verges and in areas of our parks. This will reduce mowing and fertiliser use, increase food for bees and butterflies, and sequester carbon through building an organic layer in the soil.

We encourage further fruit tree plantings such as those at Laughton Reserve. Fruit trees could even be planted along the roadside berms, for these berms which do not have services buried beneath them.

Solid Waste

The Council composting workshops are a good initiative but require people to be proactive. We would like the council to investigate scaling up the current composting facility, and implementing food, green waste and compostable paper collection. Composting green waste minimises the production of methane, which is a powerful greenhouse gas. Compost can also be used as an organic fertiliser which sequesters carbon by adding back into the soil.

We would also like council to investigate single side of the road rubbish collection. In this model a rubbish truck only has to drive down each street once. It therefore travels a shorter distance, and makes fewer stops. This saves time, money, and CO₂ emissions. It also increases public safety, as when a rubbish truck makes fewer stops there are fewer chances for accidents. When the town of North Port in Florida moved to this model, they saved \$335,975 on fuel, and 2,170,272 pounds

CO₂ over eight years^[1]. There may be some busy streets where this model would not work, but in the majority of quiet streets in our towns it would be very simple for residents to walk their rubbish bags and recycling over to the other side of the street.

[1] https://www.cityofracine.org/Departments/Public-Works/Solid-Waste/_Documents/One-Side-of-the-Street-Garbage-Collection,-North-Port-FL/

Stormwater

With a changing climate we can expect more frequent and heavy rain events within our District. We need to plan for this to reduce strain on our stormwater system. This is a threat for the water quality of Lake Taupo. The stormwater retention ponds that are part of some new developments, and stormwater defenders such as those installed at Lake Terrace, are a good start. The installation of these solutions should continue and increase.

However, the best solution to stormwater is to prevent it entering the system at all by maximising permeable surfaces in our built environment. This increases opportunities for rainfall to be attenuated within vegetation and soils. The percentage impervious cover in an urban stream catchment has been shown to be directly related to degraded water quality and reduced aquatic

biodiversity^[1]. Impervious surfaces can be minimised through measures such as use of permeable paving within driveway and car parking areas. These solutions could be made part of the consent requirements of new developments, and retrofitted to Council-owned carparks over time.

[1] <https://www.landcareresearch.co.nz/uploads/public/researchpubs/HeraldH30.pdf>

General comment

We propose that Taupō District Council carry out a carbon audit of its operations and set a target for emissions reductions. This would demonstrate the Council's commitment to the Local Government Leaders Climate Change Declaration. Many other councils have already taken this step, including Waikato Regional Council.

We also propose that Council dedicate funding and additional staff resources to sustainability and climate initiatives in our District. Combining this initiative with a biodiversity officer who works to protect significant biodiversity and Significant Natural Areas in our district would bring gains across multiple areas – climate change action, building climate resilience, providing ecosystem services and increasing amenity and recreation values in our District.

Council is planning a new building. Whether this is leased or owned by Council, Council has an opportunity to show leadership in our community by creating a green build. This goes beyond energy efficiency to taking into account the environmental impacts of the building materials, and opting for renewable resources such as timber and natural fibres wherever possible, rather than steel, concrete (which generally has a high carbon footprint) and synthetic building materials.

Attached Documents

File

Parents for Climate – Taupō Submission on the Taupō Long Term Plan

Introduction

Parents for Climate – Taupō is made up of ordinary parents standing up for climate action, to ensure all children have a liveable planet to thrive on. Part of the Parents for Climate Kaupapa is 'Systemic Change'. We aim to share, promote and lobby solutions that are working now, to support our transition to a regenerative culture.

Taupō District Council agreed to sign up to the Local Government Leaders' Climate Change Declaration in 2019. This was a confirmation of the Council's commitment to respond to climate change. However, as yet we have seen only minimal action taken on climate issues within the Taupō District. We only have 29 years to meet the New Zealand Government's commitment to net zero emissions of CO₂ by 2050. More importantly, at current rates of consumption, we have only six years, eight months left before we have blown the carbon budget required to keep warming to 1.5° C.

We thank you for considering our submission. We would like to see the following climate solutions included in the Taupō Long Term Plan :

Council Operations

We propose that Taupō District Council carry out a carbon audit of its operations and set a target for emissions reductions. This would demonstrate the Council's commitment to the Local Government Leaders Climate Change Declaration. Many other councils have already taken this step, including Waikato Regional Council.

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Thank you.

² https://www.cityofracine.org/Departments/Public-Works/Solid-Waste/_Documents/One-Side-of-the-Street-Garbage-Collection,-North-Port-FL/

³ <https://www.landcareresearch.co.nz/uploads/public/researchpubs/HeraldH30.pdf>

Organisation:

Amplify (Enterprise Great Lake Taupo Trust)

First name: Murray

Last name: McCaw

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*

Yes

Taupo hearing Day 1 Additional requirements for hearing:

Additional time requested if available please.

Feedback

Issue 1: Funding of council water supplies
Option 1

Leasing or owning a CAB
Option 1

Taupo Museum and Art Gallery Building
Option 2

Lake Taupo Protection Project
Option 1

Lake Taupo Protection Project hearing
No

Economic Development & Events
Please see attached for full submission.

Attached Documents

File
Final Amplify Submission TDC LTP April 21



15 April 2021

Gareth Green
Taupō District Council
Private Bag
Taupō

Dear Gareth

Re: Long-Term Plan 2021-31

We are submitting on Taupō District Council's Long-Term Plan, 2021-2031.

Amplify (the trading name for Enterprise Great Lake Taupō Trust) is the economic development agency for the Taupō district, and we are charged with growing the local economy. Our strategic objectives are closely aligned to those of Taupō District Council (TDC), in that we wish Taupō to be a vibrant and prosperous District where both people and talent thrive.

We have led the economic development activity for the District since 2007 and have proactively worked alongside TDC to improve economic outcomes across the district. It was pleasing to record that (pre Covid19 pandemic), Taupō had been the 5th fastest growing Territorial Authority in New Zealand, measured in terms of GDP growth and productivity. Our work in recent years has directly created jobs, attracted new residents and businesses to the area, elevated investment opportunities that resulted in significant developments across the District, and created a highly regarded external-facing brand and reputation for excellence and expertise.

We want to build on this platform, continue to deliver outstanding value for our community through TDC's investment in our activities, and support our economy to rebound fully post Covid19 and achieve the growth this community deserves. The Long-Term Plan is a critical enabler of this growth and recovery.

The Amplify Board and Team have reviewed the LTP Consultation Document and supporting materials, and present below a number of points for TDC's consideration.

Long-Term Plan Priorities and key issues

1. Amplify supports the Long-Term Strategy for our District and is pleased to see that 'growing resilient economies' is a key focus of the long-term strategy.
2. We note the new strategic goals and congratulate TDC on setting an ambitious vision for our district. We are buoyed by this approach and are committed to working alongside TDC to enable Taupō 'to be the most prosperous and liveable district in the North Island by 2022'. Covid19 impacts aside, we believe we are well on track to achieving this vision.
3. We note the prudent rethink on projects and activities to balance affordability for ratepayers vs the growing needs for significant infrastructure enablement, and believe that at large, the balance is correct.
4. We ask Councillors to be brave in their decision making when considering the inclusion of major projects in the future period of the plan.

5. In response to the leading four issues;
 - a. Funding of Council Water Supplies: We support Option One: Full district-wide funding of water (we concur that this is an equitable method for cost distribution and improves the liveability of the District).
 - b. Leasing or owning a Council Administration Building: We are pleased to see that TDC is committing to progress with the Council Administration Building project. We have previously submitted in support of TDC owning a building on the Tuwharetoa St Carpark. However, we agree that a long-term Lease scenario provides additional advantages, and as such support the preferred option.
 - c. Taupō Museum and Art Gallery: We have previously supported the development of a new museum and art gallery and continue to advocate for this project to be included in the long-term plan. We feel that as our community evolves and grows, the importance of our taonga and history becomes more relevant. Furthermore, an enhanced arts/museum offering would add a much-needed cultural product to appeal to visitors. We believe a public-private partnership approach should be pursued under Option Two.
 - d. Lake Taupō Protection Project: Whilst not a matter of economic development per se, our Board have considered the options provided for the ongoing funding for this project and support Option One.
6. In response to other matters included in the consultation material;
 - a. A new Turangi Recreation Activity Centre: We are fully supportive of the commitment to progress with the development of a new fit-for-purpose and future-proofed activity centre for Turangi.
 - b. The future of Waioira House: We are fully supportive of Council's commitment to rebuild a suitable facility for the co-location of social service agencies in Taupō. We encourage TDC to consider emerging community needs and user groups in planning for a new hub, and not be limited to 'replace' old for new. This is an opportunity to create a future-proofed facility that provides multiple uses and benefits for our wider community.
 - c. Three waters reform / Critical Assets: We support TDC's approach to proactively participate in the Three Waters reform and the approach to critical asset planning.
 - d. Climate Change: This District has a catalytic opportunity to lead NZ's response to carbon reduction efforts through several emerging technologies that are being developed here. We encourage TDC to lead in climate change activity across the District and advocate for private sector developments that assist in the achievement of national standards.
 - e. Delivering our Capital Programme: We acknowledge the significant volume of capital works currently underway and planned for across the District and recognise that TDC is endeavouring to establish a suitable operating environment to ensure efficient delivery of these projects. We recognise the commitment through the tender process to support local business where possible in these capital programmes. We encourage TDC to consider adding further investment over the 10-year plan, in addition to the Central Government funding envelope, for projects such as the Taupō Town Centre Transformation. If there are project funding shortfalls that could mean certain aspects of this project cannot be completed (i.e., 'the finishing touches'), we believe these elements should be considered for additional capital investment. Let's do it right and create the legacy outcomes you're seeking.

Housing

7. We note the public consultation document is largely silent in terms of TDCs role and vision for supporting the provision of affordable housing across the District. We attest that in order to be the most 'liveable' district in the North Island, addressing our housing issues needs to be a focus area for the Long-Term Plan.
8. Amplify has been looking into housing challenges across the District over the past three years, as the lack of suitable and affordable housing is one of our most significant economic growth constraints.
9. Housing affordability for tenants, prospective first home buyers and those households with low to moderate income levels, is a significant issue in our District. Having insecure or unaffordable housing has social consequences in terms of increasing rates of homelessness, overcrowding and demand for public housing. Other issues underpin the affordability conundrum including but not limited to –
 - a. The cost and timeliness of new development, exacerbated of more recent times by Covid-19 and supply-chain pressures.
 - b. A lack of shovel ready infrastructure and a lack of the financial capacity of Local Government to keep up with infrastructure needs.
 - c. Central Government tinkering with housing settings.
10. The research we commissioned by BERL in 2019, that was released and shared with TDC in early 2020, provided several recommendations for response mechanisms to address some of the challenges are facing as a community.
11. As a response to this independent research and advice, we have developed a Business Plan for standing up a Community Housing Alliance as the vehicle to address community housing issues. This Plan has been informed by the BERL reports (Nov 2019 and March 2020), Ngati Tuwharetoa's Kainga Strategy and engagement with local stakeholders.
12. It is acknowledged that the solutions and supports required to realise the Plan are not solely the responsibility of Taupō District Council and that the Plan will also need to be used to lobby other Crown agencies such as Kainga Ora and Ministry for Housing and Urban Development.
13. It is, however, the Council that can make an immediate impact with a commitment to action in this space.
14. From our collective work, four action points have been drafted that we submit for your consideration;
 - a. Action 1: Council must develop a dedicated Housing Plan and attach the required, long-term resourcing to it.
 - b. Action 2: Council should support the establishment of a Community Housing Alliance with a one-off \$50,000 allocation to stand-up the function of the Alliance including a delivery plan for Community Housing in our District.
 - c. Action 3: Council should review, alongside Alliance members, its current delivery of and long-term plans towards Council owned housing.
 - d. Action 4: Council should as part of support for community housing development, via the District Plan review process, develop inclusionary zoning provisions.
15. We cite the examples of Hastings (Place Based Housing Plan), Queenstown Lakes (Inclusionary Zoning) and Palmerston North (Papaioea Housing Alliance), as Councils who have committed to community housing for their communities. We strongly encourage Taupō District Council to endorse the actions above and work with its community to address the serious housing needs of many in the local population.
16. The draft Business Plan is attached as an appendix to this submission for your reference.

Funding Economic Development Activity in Taupō District

17. Our Board has updated our Strategic Plan for the next three-year tranche (attached) that presents a balance of *high growth initiatives* with *critical business support* functions – the extent of current TDC funding allows us to deliver one of those well to the detriment of the other – however to achieve TDCs vision we need to do both to truly grow the economy and recover post Covid.
18. We have demonstrated our ability to not rely on TDC funding exclusively to deliver benefits to our community and have fully leveraged the funds received by TDC. This approach will continue with increased funding, delivering exponential benefits to the ratepayers.
 - a. Just over 50% of our income for this financial year has come from TDC, the balance from project grant funding, central government project funding and sponsorship/event revenue.
 - b. Our expenditure is spread across the core functions of the business; 31% on business support, 25% on business growth initiatives, 27% on strategic projects and a modest 17% on opex.
19. Amplify’s service delivery has expanded significantly over the past three years, and we are now working with a wider cross section of businesses across the whole district to provide valuable and beneficial support at no cost to the business.
 - a. We provided free, targeted, and specialised support to 635 businesses across the Taupō District in the 2020 calendar year. This is an 800% increase in service delivery compared to the previous year.
 - b. Half of these business support clients were Tourism businesses (including accommodation, activity operators, retail, and hospitality). The balance was a distributed mix across all sectors of our economy including primary production, professional services, construction & trades, and health & wellness.
 - c. We issued \$800,000 worth of business support vouchers to 300 businesses across the district, 51% of which went to support Tourism businesses.
 - d. Whilst this surge of business support client engagement was understandable due to the impacts of Covid-19, it is not sustainable moving forward. The demand for our services has not diminished, yet we have not received any additional funding from local or central Government to provide the additional resourcing we need to effectively support our business community to recover and rebound.
20. Alongside this business support function, we have recently elevated three key workstreams that we believe are essential for the sustained growth (albeit in some sectors of our economy - recovery) of the District.
 - a. Inwards Investment: Tourism, forestry, energy generation and direct heat/cascading use, and agriculture largely drive the Taupō economy. There is significant potential for investment to gain added value from these industries. We have a dedicated resource now focusing on elevating inward investment opportunities in these areas. This role has been part-funded by Central Government for this financial year. We believe it is essential this function and focus is maintained moving forward and therefore additional funding is required.

- b. Geothermal: A core theme of our strategic plan, that cuts across all six pillars, is how this community can better leverage and experience the direct and indirect economic benefits of our geothermal environment. Some of our work in this space has included;
- i. the creation of a Geothermal Cluster Lead to drive high engagement and bring forward added value investment in this area,
 - ii. the creation of the New Zealand Geothermal Week (inaugural event scheduled for July 2021),
 - iii. partnering with mana whenua, central government, and generation stakeholders to fully leverage local benefits (best demonstrated by the recent announcement by Contact Energy to progress the Tauhara power station project),
 - iv. the global launch at the World Geothermal Congress of Taupō's position as NZ's Centre for Geothermal Excellence
 - v. the development of an industrial heat-park, allowing multiple smaller heat users to co-locate at one site to minimise cost-outlay and increase efficiency.

Whilst our industry partners are contributing financially to this workstream, we cannot stretch our limited funds to deliver this work into the next three-year period without an increase in our base funding.

- c. Workforce Support Network: This service was developed last year through the recognised need for urgent support for the local community as the District navigates through the repercussions of the Covid-19 pandemic. One of our labour market work streams is to work with local businesses and industry to strengthen employment pathways and a new focus has been highlighted due to Covid-19 that there is a need to realign the service model to work with job seekers (aged 25+) to support them through the transition from one role to another (redeployment or into education/training) ideally without needing to apply for job seeker benefit support for an extended period of time. We have therefore created a support network providing real solutions for both employees and employers within the Taupō District. Whilst labour market forces over the next three years are challenging to predict, it is realistic to consider that there will be a definite need for targeted services, support, and facilitation to remediate the Covid-19 impacts and the forecast 2400 job losses across the district. Our Workforce Support Lead has worked with more than 70 businesses over the past three months to provide targeted labour market support, and to build our understanding of current and future workforce needs. She has also supported several residents who have lost their job to Covid19 impacts and has used the network to place these people into new careers. We have also delivered the successful Turangi Careers Expo as part of this workstream, with three other targeted Careers events planned for 2021. The funding for this initial work was secured (as a pilot) from Baytrust and MSD. Without increasing our base funding, we may struggle to offer this essential service moving forward.

21. We need to consider how we can reimagine our economy – shifting away from an environment that is heavily skewed towards low income / low skilled roles into one that has a diverse mix of employment options available across the spectrum. We need to consider how can we transition into a value-added economy where the value for a product or service is created here in Taupō, not sent outside the district (or offshore), and how can we attract more of these types of activities to balance out our current service-based economy. We can create value across our District and across our economy by improving our productivity (measured in terms of how much GDP is generated per employee) and work to keep as much of wealth generated from our district, in our district. Many factors influence business productivity, such as worker skills, market openness, competition, regulations and regulators, management capability, innovation, and the presence of dynamic and collaborative clusters. We have clear workstreams and measures built into our three-year plan to address the above productivity enablers with a focus on growing the collective wealth of the district.
22. Amplify requests a \$200,000 increase in annual funding (from \$435,000 to \$635,000 per annum) for three years (FY22; 23; 24) to allow us to continue to sustain and evolve our programmes and services, as detailed above and on the attached Strategic Plan.
23. This would equate to your economic development agency receiving a modest 12.8% of the allocated total funding in your budget for 'Economic Development Activities'.
24. Amplify would continue to leverage this funding and secure additional grants and project partners to achieve an annual operating budget of \$1,000,000 for our activities across the District.

We welcome the opportunity to speak to this submission at the May hearings, and request a longer speaking time if possible, to allow time to fully discuss these matters with Councillors.

Yours faithfully



Murray McCaw
Chairman
Enterprise Great Lake Taupō Trust (trading as Amplify)

Amplify Strategic Plan Summary 2021-2024

Vision: Taupō is a vibrant and prosperous district, where both talent and business thrive.

Mission: We leverage Taupō's natural advantages and work with business & stakeholders to champion sustainable growth throughout the district.

Purpose: We exist to grow the economy of the Taupō district.

We do this by being the champion for development and sustainable growth; collaborating with others to accelerate outcomes; facilitating and enabling programmes and services that support local business & industry; focusing our energy and resources on projects that have demonstrable impact; supporting & connecting across the private & public sectors; and delivering high value outcomes in all that we do.

	SHORT TERM HORIZON		MEDIUM TERM HORIZON		LONGER TERM HORIZON	
	Home of competitive, innovative and sustainable business	Smart, nimble and connected	A place where talent thrives	Great ideas grow from shed to stock exchange	Leverage our natural advantage	Investment ready environment to accelerate growth
Outcomes	Taupō District's economy is underpinned by a diverse mix of business from a wide range of sectors. From sole traders to large industry, our businesses are robust, dynamic and competitive. Our labour market needs are fulfilled to ensure industry productivity is sustained, and a variety of education providers and options are offered. Our tourism offerings are the best in NZ and authentically reaffirm the Great Lake Taupō point of difference.	As an organisation, we are focused on creating high value outcomes for our stakeholders and with our partners. We operate with an ethos of fiscal prudence, and leverage the skills and connections of our Board and team to fulfil our duties. Our strong governance and dynamic operating model ensure we are agile in thinking and action. Our business community benefits from being informed, connected and inspired. We are connected to the right influencers and advocate to achieve our mission.	With World-class education and training opportunities on offer, Taupō District is a place where career pathways are both defined and enabled. Our recognised position as New Zealand's Centre for Geothermal Excellence ensures we are at the leading edge of innovation. We celebrate and showcase our local talent, and attract high-achievers to our district.	Taupō District is a fertile and supportive innovation environment where entrepreneurs can take an idea and successfully turn it into a business reality. Start-ups are attracted to the region by our low-cost / high-support model. Our innovation culture and access to incubation and rapid-growth resources result in widespread start-up success.	Taupō District is recognised as New Zealand's Centre for Geothermal Excellence, with academia & industry maximising our abundant natural resource. We are prominent in the national mix of international film-worthy locations with pathways for production and a robust facilitation package on offer. The District has a strong Health & Wellbeing sector that fully leverages our spa destination potential. Our central location and commitment to carbon-free NZ targets attracts synergistic commercial and educational opportunities.	New business and industry is attracted to the Taupō district by our natural and competitive advantages. Our physical environment is ready for large scale investment with essential infrastructure in place. We roll out the red carpet for investors, not the red tape, and have a proactive approach to seeking new opportunities for the district.
Interventions	<ol style="list-style-type: none"> 1. Diversify & enhance tourism infrastructure & experience offerings 2. Increase business support service 3. Increase training and education opportunities for businesses and individuals 4. Participate in Regional Skills Leadership Group workstream 	<ol style="list-style-type: none"> 5. Provide opportunities for businesses to learn, engage and connect 6. Increase business community understanding of our services 7. Strengthen connections within key central govt agencies 	<ol style="list-style-type: none"> 8. Establish and further develop Centre for Geothermal Excellence cluster 9. Increase scope, scale, quality and type of education offerings 10. Increase profile of high-achievers 11. Attract skilled talent to the district 	<ol style="list-style-type: none"> 12. Provide access to incubation programmes 13. Actively foster and promote innovation culture 14. Provide opportunities for start-up validation 15. Provide pathways for investment and capital raising 	<ol style="list-style-type: none"> 16. Improve our understanding of Health & Wellbeing and Carbon-Reduction opportunities 17. Increase political awareness of Taupō District's capacity to deliver significant projects 18. Develop relevant business cases / feasibility studies 	<ol style="list-style-type: none"> 19. Ensure relevant TDC plans and policy align to growth objectives 20. Mitigate barriers for new activity and investment 21. Increase inbound business enquiry and establishment 22. Raise profile of investment opportunities
Indicators	<ul style="list-style-type: none"> • Increased number of business units • Increased regional GDP • Increased number of jobs • Lower unemployment rate • Increased number of businesses engaging Amplify services • Increased avg visitor length of stay 	<ul style="list-style-type: none"> • Increased engagement with Amplify • Staff and Board turnover • Media monitoring • Business Survey feedback 	<ul style="list-style-type: none"> • Increased training/education offerings and participation numbers • Increased profile of local success stories • Increase global recognition for Centre for Geothermal Excellence • Increase participation in Geothermal Cluster 	<ul style="list-style-type: none"> • One Taupō business is listed on the NZX • Increased number of local businesses pitching through Enterprise Angels • Number of successful capital raises • Number of start-ups engaging with Amplify and participating in our programmes 	<ul style="list-style-type: none"> • Three international film enquiries are facilitated, and five national producer/director/scout famils are hosted by 2024. • Business cases are produced 	<ul style="list-style-type: none"> • Increased number and value of Non-Residential consents • Increased number of business units • Levels of inbound enquiry through Amplify • Participation in strategic investment decisions
Initiatives	<ul style="list-style-type: none"> • Identify growth constraints and develop mitigation strategies • Deliver targeted business support services & growth programmes • Audit of tourism infrastructure & experiences and develop relevant new opportunity business cases • Ensure relevancy and broaden scope of education and training programmes & services offered locally 	<ul style="list-style-type: none"> • Deliver inspiring events that foster collegiality • Deliver consistent communications to stakeholders via multiple channels • Develop strategic relationships with key influencers and agents • Leverage significant civic and private investments to grow the economy • Partner with TDC to undertake economic insight research 	<ul style="list-style-type: none"> • Identify education and training gaps and potential providers • Deliver innovative talent attraction marketing and development pathways • Support 'Taupo Pathways' to achieve their strategic objectives • Expand Geothermal Cluster • Showcase local success-stories • Advocate for enhanced and relevant tertiary education provision 	<ul style="list-style-type: none"> • Deliver start-up specific training and support programmes • Support 'Silicon Lake Initiative' activity • Develop business case for Clean Tech Innovation Hub • Increase awareness of investment & capital raising streams • Investigate feasibility of creating a start-up mitigation fund • Launch start-up validation tool 	<ul style="list-style-type: none"> • Partner with Film BOP to attract film production companies to Taupō and develop 'film friendly' processes for the district. • Seek investment for tourism ideation outputs • Develop Geothermal Cluster activities • Develop business cases for identified opportunities 	<ul style="list-style-type: none"> • Identify investment barriers and develop mitigation strategies • Engage with TDC to seek alignment with policy, plans and objectives • Identify investment opportunities and develop business cases • Engagement and participation with NZTE, MBIE et al • Participate fully in District Plan review • Produce relevant marketing material to support investment opportunities
Our Stakeholders		Our Partners			Our Values	
<ul style="list-style-type: none"> • Ratepayers & Residents of Taupō District • Taupō District Council • Business & Industry in Taupō District 		<ul style="list-style-type: none"> • Iwi • Hub Agencies • Bay of Connections / Te Waka / Film BOP • Tertiary & Research Institutes • MBIE / RSLG • NZTE 			<ul style="list-style-type: none"> • Authentic • Regional focus • Proactive • Empowering • Collaborative • Dynamic 	



Taupo Community Housing Business Plan

April 2021

Executive Summary

This Business Plan forms the basis for a group to develop options for affordable housing, both rentals and home ownership, across the Taupo District. It should be read in conjunction with the Business and Economic Research Limited (BERL) reports of November 2019 and March 2020, and Ngati Tuwharetoa's *Tuwharetoa Kainga Strategy: 2020 and Beyond* document.

This plan is the basis for immediate action; both in terms of a submission to the Taupo District Council's Long Term Plan (LTP) process, and includes a Work Plan to "stand-up" an Alliance based approach to tackling housing issues.

It is acknowledged that the Plan is not solely prepared for the Council LTP process but will also be used to lobby other Crown agencies including but not limited to Kainga Ora and Ministry for Housing and Urban Development.

Thanks to the team at Amplify and to the members of the current community housing interest group for their review and input.

Recommended Actions: Short Term

Action 1: *Establish a Community Housing Alliance for the Taupo District.*

Action 2: *Lobby Taupo District Council for \$50,000 to support the establishment of a Community Housing Alliance and their development of Assisted Housing options*

Action 3: *Once operational, discuss alignment of the work programme with that of Ngati Tuwharetoa*

Action 4: *Lobby Taupo District Council to develop a dedicated Housing Plan and attach the required, long-term resourcing to it*

Action 5: *Lobby Taupo District Council, as part of the District Plan review process, to develop inclusionary zoning provisions for housing developments in the Taupo District equivalent to 5% of all available land*

Action 6: *Lobby Taupo District Council to review its current approach and long term plans to Council owned affordable housing*

Recommended Actions: Medium term

Action 7: *Develop a detailed financial model to support both a rent-to-own and shared equity scheme for Taupo District whanau*

Action 8: *Engage Ministry of Housing and Urban Development (MHUD) and develop a proposal for Progressive Home Ownership (PHO) for the Taupo District*

Recommended Actions: Longer term

Action 9: *Progress affordable rentals once the track record of the Alliance is established and funds are beginning to recycle from rent-to-own and shared equity programmes*

Context for Action

The key issues in the current housing market have been thoroughly traversed in Crown reports, by financial and housing sector commentators, in the media, and in local reports and strategies. These issues include (but are not limited to) –

- Affordability and availability of both rental accommodation and housing stock in general. Naturally these pressures have had social consequences in terms of increasing rates of homelessness, overcrowding and demand for public housing
- The cost and timeliness of development, exacerbated of more recent times by Covid-19 and supply-chain pressures
- A lack of shovel ready infrastructure and a lack of the financial capacity of Local Government to keep up with infrastructure needs (both maintenance of existing and delivery of new)
- The Crown tinkering with housing settings, e.g.: loan-to-value ratios (LVRs), tenancy laws, bright-line tests, but making no in-roads with respect to affordability. This is a cross-party issue over many election cycles
- Housing quality issues with existing stock, and what to do about that problem

The macro nature of these issues and the incredible complexity of the sector place many of the levers beyond the control of localised, community based stakeholders. It is important therefore that community groups have clarity on their purpose, look to align their work with others working locally in the sector, and avoid adding even further complexity.

With that approach in mind this Business Plan has been developed with the following three outcomes front and centre –

To align with and build upon local work already underway

The report in November 2019 by BERL - *Taupō Housing Review and Recommendations* - concluded that Phase Two of the work should focus on the desirability and practicality of strategic action to:

1. Develop community housing to provide homes and associated support for the most vulnerable groups
2. Build affordable rental homes for families on lower incomes
3. Facilitate the building of affordable homes for families who can service a mortgage, or part of a mortgage, but who cannot accumulate the deposit
4. Support the development of kaupapa Māori housing
5. Investigate the potential for employer-led developments to house their workers.

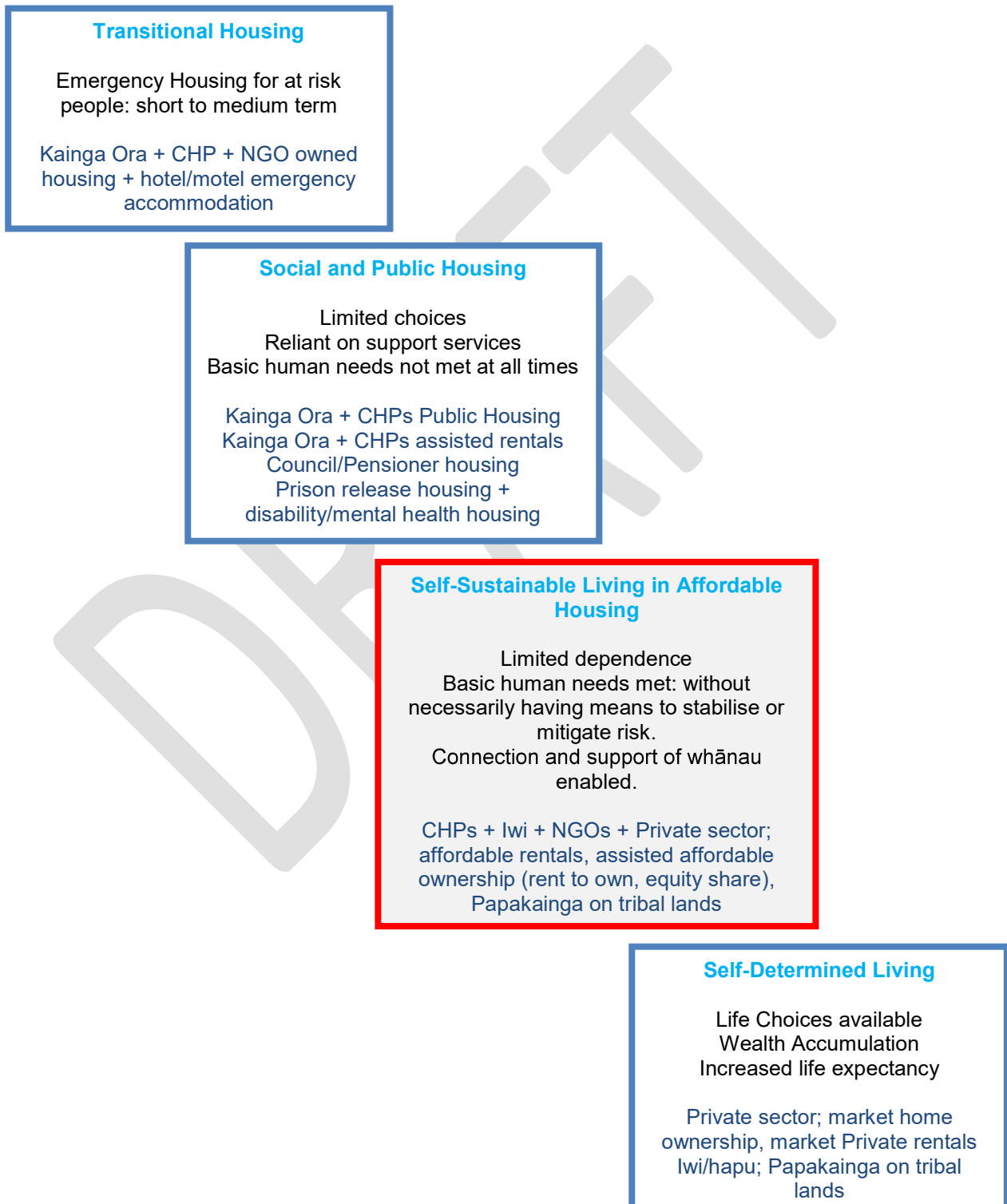
A follow-up report from BERL briefly touched on these points; with points 1-3 of most relevance to this Plan.

Shortly after the conclusion of the BERL work, the *Tuwharetoa Kainga Strategy: 2020 and Beyond*, was completed providing a comprehensive approach to issues across the housing continuum. It is

clear in its intent and its desire to work alongside central and local Government and in a complimentary way with Non-Governmental Organisations (NGOs) and others.

To focus on a Community Housing approach

The housing continuum covers a broad range of agencies and approaches from emergency accommodation to the private market. Given significant, existing Crown investment in the transitional and social/public housing spaces, the focus of this work rests in the highlighted box inclusive of affordable rentals and assisted affordable ownership.



To inform the development of a Taupo District Council housing strategy

At present there is no comprehensive Housing Strategy for Taupo District Council. The Council does however “own and operate” low income housing and have various land holdings across the District. As highlighted in the BERL report it is not land availability but the cost of land and the associated development which is creating shortages of affordable supply and associated social wellbeing issues.

While this is not solely the Council’s problem to resolve, they do have levers available to support groups including Iwi and not for profits (with a track record in the housing sector), to assist locals/local families with housing needs.

These levers include but are not limited to –

- Reviewing their current approach to the delivery of affordable housing
- Freeing up land holdings for community housing developments
- Regulating new developments of a certain size to include a portion of affordable housing
- Investing in new infrastructure specifically targeted to affordable housing
- Reducing or removing costs for affordable housing developments
- Lobbying alongside the community with central government for co-funding

The Action Plan: First Steps

Amplify has facilitated much of the recent work in this space; including commissioning the BERL reports and engagement with a recently established interest group. Locally though there is limited capacity to advance this work. There is no local Community Housing Provider (CHP), although some of the new funding streams, e.g.: Progressive Home Ownership (PHO) Scheme no longer require a CHP. Most of the providers servicing Taupo are regional or national; Independent Living Choices being a notable exception, and all are currently in the social delivery space. Some construction companies, e.g.: Penny Homes, have Crown funding to deliver affordable housing and others, e.g.: Northlit Living focus their building products on certain population groups; in their case the elderly.

There is however no one entity or group in a position currently to tackle this issue. To establish a new group via a new entity, e.g.: a Charitable Trust; is time consuming, requires Trustees with the right competencies and skill mix, and would start the work with no track record whatsoever.

The proposed solution in this case is to form a local Alliance – this has already been discussed with members of the informal interest group that Amplify has been working with. An alliance is *“an agreement between two or more individuals or entities stating that the involved parties will act in a certain way in order to achieve a common goal.”* It has three main facets –

1. An Agreement which is
 - formal documentation of the commitment of each member
 - can be a legal agreement, contract or charter
 - defines the alliance purpose, the outcomes required and the roles and accountabilities of its members
 - distinguishes alliances from other forms of collaboration which may be informal or ad hoc

2. Parties Act in a certain way in that
 - members sign up to a set of principles, values and behaviours
 - decisions are based on these and on the outcomes to be achieved together
 - everyone takes responsibility for implementing the decisions

3. A common goal which
 - will depend on the situation and ambition of those setting up the alliance
 - will shape the type of alliance you create

While Alliances, at least in New Zealand, are more common in commercial settings, e.g.: large construction projects, the principles are also seen in the Collective Impact work which underpins a range of social developments including Whanau Ora. Numerous Whanau Ora Alliances, e.g.: Te Tihi o Ruahine (Manawatu, Horowhenua, and Rangitikei) use an alliancing approach, in Te Tihi's case to deliver affordable housing.

Action 1: *Establish a Community Housing Alliance for the Taupo District.*

[A draft Alliance Agreement is provided as Appendix 1. A simple work plan to stand-up a local Alliance is also provided below.]

Action 2: *Lobby Taupo District Council for \$50,000 to support the establishment of a Community Housing Alliance and their development of Assisted Housing options*

Action 3: *Once operational, discuss alignment of the work programme with that of Ngati Tuwharetoa*

[Ideally the Alliance would include representation from Ngati Tuwharetoa. This demonstrates a benefit of Alliancing existing entities over establishing a new entity which it is unlikely the tribe would want to be formally part of.]

Taupo Community Housing

An outline for standing up a local approach to affordable housing in the District

Purpose

- To establish an Alliancing approach to tackling the availability of affordable housing supply in the Taupo District
- To build on work already completed or underway, including Ngati Tuwharetoa's housing strategy
- To ensure Taupo District Council has a dedicated strategy and approach to community housing
- To work with local and central Crown agencies to implement programmes in support of creating affordable rentals and affordable home ownership options for whanau/families in the Taupo District

Task	Task Name	Status	Complete By	Resource designates	Dependencies	04-21	05-21	06-21	07-21	08-21	09-21	10-21	11-21	12-21	01-22	02-22	03-22	04-22	05-22	06-22
1	Create the conditions for Taupo District Council Long Term Plan support																			
1.1	Develop Business Plan and set of recommendations by way of a submission to the LTP process	Complete	16 April	Amplify and Hyphenate Support from community stakeholders		█														
1.2	Prepare oral submission to the LTP process	In progress	4-6 May	Amplify and community stakeholders			█													
1.3	LTP identifies need to address affordable housing including a housing plan to be developed within Council and resourcing attached	TBC	TBC		1.1-1.2			█	█	█										
1.4	Establish ongoing engagement with Council regarding affordable housing	TBC	TBC	Housing Alliance	2.1-2.4			█	█	█	█	█	█	█	█	█	█	█	█	█
2	Confirm establishment and membership, and stand up a Housing Alliance																			
2.1	Confirm Alliance approach and founding membership	In progress	23 April	Community stakeholders		█														
2.2	Design a fit-for-purpose Alliance group model - form and function NB: template Alliance Agreement provided in Business Plan: Appendix 1	In progress	30 April	Housing Alliance	2.1	█														
2.3	Complete simple stakeholder engagement plan - to meet needs of the Alliance <ul style="list-style-type: none"> • Government agencies • Key influencers • Community, consumers, whanau 	TBC	14 May	Housing Alliance			█													
2.4	Develop vision, values and principles to underpin, critical success factors, target outcomes, indicators for success and consult with key stakeholders	TBC	21 May	Housing Alliance			█													
2.5	Develop the "What" by co-designing draft concepts with Council and key community stakeholders NB: some high level modelling of concepts provided in Business Plan	TBC	TBC	Housing Alliance				█	█	█										
2.6	Finalise optimal business and funding model	TBC	TBC	Housing Alliance	2.2-2.5				█	█										
2.7	Consult the "How" with key stakeholders <ul style="list-style-type: none"> • Engagement methodology • Options for community housing 	TBC	TBC	Housing Alliance	2.6					█	█	█								
3	Confirm first initiatives																			
3.1	Detailed Business Plan + proposals to relevant non Council funders	TBC	TBC	TBC									█	█	█	█				

The shortages of affordable rentals and affordable homes for purchase is not unique to the Taupo District. Around the country there are models with elements that could be modified if required and then applied across the District. Many of those successful models include significant involvement of and support from local government.

Example 1: Hastings

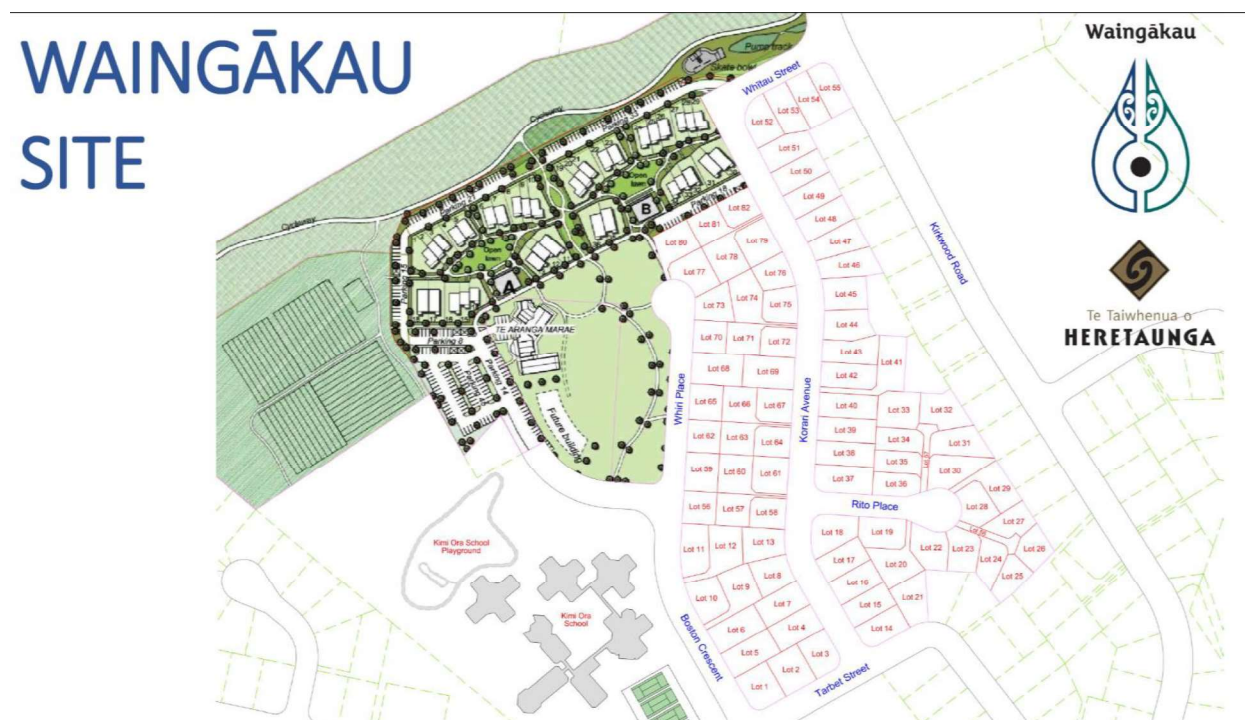
Hastings District Council has a vision for their community which is very much inclusive of an affordable housing focus –

Every Whanau and every household has access to a safe, stable, healthy affordable home in a thriving resilient community with access to education, employment and amenities

Their solution is underpinned by a Place Based Housing Plan and strong partnerships/relationships with Crown agencies (Kainga Ora, Ministry of Social Development, Te Puni Kokiri, Ministry of Housing and Urban Development and Hawkes Bay District Health Board) and Iwi/Maori organisations (Te Taiwhenua o Heretaunga, Ngati Kahungungu Iwi Inc and Heretaunga Tamatea Settlement Trust).

To date the following initiatives have been undertaken or are underway –

- 35 homes in Tarbet Street
- \$8m papakainga pipeline
- \$30m of co-investment to develop affordable housing on Council owned land
- Waingakau Village – the sale of Council land to Te Taiwhenua o Heretaunga



- Support for the College Building Academy as a pipeline for employment

Action 4: Lobby Taupo District Council to develop a dedicated Housing Plan and attach the required, long-term resourcing to it

Example 2: Queenstown Lakes

Queenstown Lakes Community Housing Trust (QLCHT) receives the bulk of its funding by way of developers' contributions, through the Inclusionary Zoning process. It also receives grants from Housing New Zealand and land from the local Council.

'Inclusionary zoning' is a planning approach where developers are compelled to deliver a certain proportion of a development as affordable housing – housing delivered to the market at a particular set price point, and which must be 'retained' in perpetuity as affordable housing.

QLCHT has been involved in developments in Queenstown, Lake Hayes, Arrowtown and Wanaka.

Riverside, Albert Town, Wanaka

In late 2016 11 sections were received from subdivision developer Infinity Wanaka, in the Riverside Park development in Albert Town. 11 houses were built, with a mixed tenure of Shared Ownership, Rent Saver and Affordable Rental, with all families moving in, in 2017. The houses are on average 95m² + 25m² of garaging on 400m² of land. The average value at the time of completion was just under \$530,000



Cherwell Lane, Shotover Country, Queenstown

In 2018, another six sections in Shotover Country were gifted (44 sites having been gifted and built upon in 2016) through the inclusionary zoning process. Six new 2 and 3 bedroom homes were completed in 2019 and saw the launch of the Housing Trust's new Secure Home programme – a leasehold style model, focussed on affordability and security of tenure.

The thresholds for entry to QLCHT are as follows –

Number of people in your household	Maximum household income (per annum)		
	Affordable Rental	Rent Saver	Secure Home
1	\$61,790	\$75,446	\$89,101
2	\$69,060	\$84,321	\$99,583
3	\$75,062	\$92,310	\$109,018
4	\$81,418	\$99,411	\$117,404
5	\$87,233	\$106,511	\$125,790

Action 5: Lobby Taupo District Council, as part of the District Plan review process, to develop inclusionary zoning provisions for housing developments in the Taupo District equivalent to 5% of all available land

Example 3: Palmerston North

Faced with a housing waitlist exceeding 300 the Palmerston North City Council (PNCC) embarked on the redevelopment of the 60-year-old Council flats in Papaioea Place. Redevelopment of thirty-two of the 48 flats commenced in 2017 and a post-Covid, 'shovel ready' funding boost of \$4.7, ensured the second phase of the work could start.

The new units are wheelchair accessible, most with wet-floor bathrooms, with insulation and double glazing as well as natural light helping tenants stay warm and save on power. In all 48 new flats will be completed with the remaining 16 old flats to be demolished at the later date allowing for the build of 30 new flats and a community centre.



Action 6: Lobby Taupo District Council to review its current approach and long term plans to Council owned affordable housing

In addition, PNCC is part of the Papaioea Housing Alliance, formed in 2018, which includes Te Tihi o Ruahine Whanau Ora Alliance, Ministry of Social Development, Kainga Ora, Emerge Aotearoa and Tanenuiarangi Manawatu Incorporated. The ten-year vision of the Alliance is that ...

By 2028, the Housing Alliance has contributed towards a wider range of affordable housing options, improving support and engagement at all levels, helping more whānau to realise their housing aspirations and improving self-empowerment and positivity. Our communities are safer and healthier than ten years ago, higher levels of social consciousness prevail, socio-economic status and community participation has improved, community sustainability and resilience is higher than it has been achieved and our whānau have achieved Whānau Ora”

The first project under the Alliance is nearing completion. He Tahuu Korero is a co-funded (Te Puni Kokiri, Ministry for Housing and Urban Development and Westpac) affordable housing development for ten homes; 5 in Highbury and 5 in Awapuni, on un-used Kainga Ora land. Kainga Ora land has also been purchased for 15 Progressive Home Ownership homes to be constructed by early 2023.



PNCC has also reached out to the Alliance, and the wider community seeking Expressions of Interest for affordable housing options in its new Tamakuku Terrace subdivision. The full Council will meet in April to consider the EOIs they received.



Making a Difference: What to focus on?

As outlined in the Programme Plan for standing up a Taupo Community Housing Alliance, engagement with Taupo District Council, and ultimately a range of other government agencies, will be required on an ongoing basis.

The fundamental issue to be resolved for the Alliance or indeed any group seeking to advance community housing initiatives is access to land. As noted in the Queenstown Lakes model the inclusionary zoning provisions regulate developers to ensure land is provided for community housing. In Palmerston North surplus Kainga Ora land was purchased; the first block at historical levels (2017 book value) and subsequent blocks via a five-year deferred settlement. Other options may be for the Council to commit land it currently owns to a community housing programme and write that asset down over 10-15 years or to maintain ownership of the land but lease it for community housing at a low or peppercorn rate; or for a philanthropic party to pay for the land.

On the assumption that land can be secured either at no cost or on a long term, deferred settlement there are two logical approaches that could be adopted.

Assisted Ownership

There are many variations of the assisted ownership model in New Zealand; from longstanding programmes such as those offered by Housing Foundation to subsidisation of build costs via for example Habitat for Humanity's "sweat equity" approach, to Trusts such as He Korowai in Kaitaia who have re-zoned farm land to Maori title and transported unwanted state houses from Glen Innes to the site, refurbished them and then set up rent-to-own arrangements with low income whanau.

In general, assisted ownership is offered as a means to assist people who may not be able to access market ownership options usually through two different types of programmes:

- Rent-to-buy programmes provide affordable rental accommodation but with the ability to purchase the home, as a portion of the rent is accrued toward the cost of the deposit.
- Shared ownership/shared equity, programmes enable a family to qualify to purchase a percentage of the market value of the home through a tenants-in-common legal agreement with the community housing organisation holding the remaining share.

In both cases there needs to be clear legal provisions covering issues such as –

- The attribution of capital uplift or capital gain. Most programmes have a 3-5 year rental period at the outset where no equity or uplift is attributable to whanau, after which time anywhere between 20% and 100% of equity is attributed
- The ownership of the land, e.g.: to keep the cost down the Alliance (or some other entity) may retain the ownership
- Rates, insurance and maintenance – who covers those costs during the assisted ownership period
- How often can equity payments be made by whanau and/or how often is rent-to-own equity calculated?

- What Tenancy terms and conditions, outside of the standard, apply? In the case of He Korowai Trust there is a Tenancy Agreement as well as a comprehensive Whanau Agreement which specifies terms such as; whanau being drug and alcohol free and children being enrolled in early childhood education or school. In Palmerston North the Whanau Agreement deals with tikanga but also access to a shared space (an urban papakainga concept) and rules around pets, vehicles, parking and so on
- If there is a “buy-back” period after the whanau have purchased the home, i.e.: to avoid on-selling to realise the equity gains. This is often a 3-5 year pre-emptive right for the Alliance to purchase the property back
- Any other compulsory financial supports such as financial capability workshops or savings programmes such as contributions to Kiwisaver

For the purposes of establishing affordability, the newly updated (1 April 2021) Home Start Grant thresholds have been used. The Waikato District has recently been updated to \$550,000 for new builds.

The Ministry for Housing and Urban Development Progressive Home Ownership Programme (PHO) provides for 50% of land and build costs, subject to providers being able to demonstrate access to land, the balance of finance and eligible whanau. The 50% is loaned interest free for a maximum of 15 years and is paid 30% upon proof of land purchase, 30% on confirmation of the house(s) being “closed in” and 40% on confirmation of practical completion.

Below is a fictitious profile for a PHO eligible whanau and the model for paying in to a rent-to-buy scheme. The following notes are relevant –

- This model meets with Home Start and PHO Programme criteria
- Household income is \$85,000 per annum
- Weekly rent-to-buy costs for a \$500,000, four-bedroom home are \$470/week inclusive of rates, insurance and routine maintenance – this represents an acceptable 35% of gross income, and is fixed for ten-years
- This whanau may be eligible for an accommodation supplement but they would need to apply given income levels and the model includes them having \$20,000 jointly in KiwiSaver
- They continue to contribute 3% of their income to Kiwisaver
- They have three dependents
- At Y10, factoring in market growth, the property is estimated to be worth \$671,000. The whanau having paid off \$61,100 through rent-to-own, have also grown their Kiwisaver balance to \$91,000, are eligible for \$20,000 in Home Start Grants, and have earned \$43,000 in equity gain; their balance to purchase the property is ~\$454,000
- NB: Given the equity share arrangement, the Alliance would make “profit” from the sale of \$129,000 which could be recycled in to more affordable homes. An alternative model to this is for the Alliance not to make as larger profit either by attributing more of the capital gain to whanau or by fixing the purchase price “at day zero” for a period of say 5-8 years to give whanau certainty.

Whanau 1: \$85,000 household income

\$58,000 (partner A) and \$27,000 (partner B)

Kiwisaver of 3%

3 dependents

Weekly household view	Partner A	Partner B	Household	
Income after tax and ACC	\$ 899.50	\$ 439.99	\$1,339.49	
Other income				
Kiwisaver	\$ 33.46	\$ 15.58	\$ 49.04	
Rent/mortgage (4 bedroom house)			\$ 470.00	35%
Rates			\$ -	covered by Alliance
Credit card payments			\$ 15.00	
HP or other loans			\$ 10.00	
Child support			\$ -	
Regular savings			\$ 10.00	
Groceries			\$ 300.00	
Power/Gas			\$ 120.00	
Phone			\$ 70.00	
Internet/Pay TV			\$ 15.00	
Home garden/maintenance			\$ -	covered by Alliance
Eating out			\$ 30.00	
Clothing/grooming			\$ 10.00	
Entertainment			\$ 20.00	
Childcare/education			\$ 60.00	
Healthcare			\$ 25.00	
Other personal/family expenses			\$ 10.00	
Home insurance			\$ -	covered by Alliance
Contents insurance			\$ 15.00	
Vehicle insurance			\$ 10.00	
Life/medical/disability			\$ -	
Vehicle rego/WOF			\$ 5.00	
Maintenance			\$ 10.00	
Fuel			\$ 50.00	
Public transport			\$ 20.00	
Miscellaneous expenses			\$ 15.00	
			\$1,339.04	

	0	1	2	3	4	5	6	7	8	9	10
Build Price + 3% growth	\$ 500,000	\$ 515,000	\$ 530,450	\$ 546,364	\$ 562,754	\$ 579,637	\$ 597,026	\$ 614,937	\$ 633,385	\$ 652,387	\$ 671,958
Whanau annual rent to buy	\$ 24,440	\$ 24,440	\$ 24,440	\$ 24,440	\$ 24,440	\$ 24,440	\$ 24,440	\$ 24,440	\$ 24,440	\$ 24,440	\$ 24,440
Contribution to equity share (25% of rent payments)	\$ -	\$ 6,110	\$ 6,110	\$ 6,110	\$ 6,110	\$ 6,110	\$ 6,110	\$ 6,110	\$ 6,110	\$ 6,110	\$ 6,110
Total capital gain	\$ -	\$ 15,000	\$ 30,450	\$ 46,364	\$ 62,754	\$ 79,637	\$ 97,026	\$ 114,937	\$ 133,385	\$ 152,387	\$ 171,958
Whanau capital gain (25% share of from Y4)	\$ -	\$ -	\$ -	\$ -	\$ 15,689	\$ 19,909	\$ 24,257	\$ 28,734	\$ 33,346	\$ 38,097	\$ 42,990
Whanau equity (equity share + capital gain)	\$ -	\$ 6,110	\$ 12,220	\$ 18,330	\$ 40,129	\$ 50,459	\$ 60,917	\$ 71,504	\$ 82,226	\$ 93,087	\$ 104,090
Whanau Kiwisaver: 3%, started with 20k	\$ 25,620	\$ 31,865	\$ 38,235	\$ 44,732	\$ 51,359	\$ 58,119	\$ 65,014	\$ 72,047	\$ 79,221	\$ 86,537	\$ 94,001
Total whanau equity											\$ 198,090
HomeStart x 2											\$ 20,000
Balance to purchase											\$ 453,868

An equity share arrangement would be similar to the model above except whanau would buy a share of the property – some schemes require that to be more than 50% - and the payment to the Alliance is proportionally reduced. Or the land could remain in the ownership of a third party (the Alliance, the Council, Iwi or some other not-for-profit community organisation). The three different options are illustrated below; all are eligible under the PHO Scheme -

Schemes available through the Progressive Home Ownership Fund

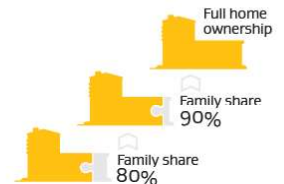
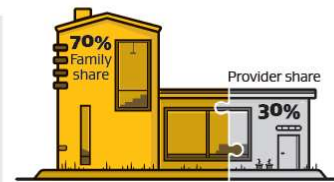
How can a family on a moderate income of \$85,000 afford to purchase their first home?

Shared ownership example:

The family owns a majority share of a home, and a provider owns the remaining share.

The household can buy the provider share out over time.

House price is \$650,000
Family provides a minimum of 5% deposit (\$30,000)
Family takes out a mortgage for a 65% share of the house (\$425,000)
Provider takes a 30% share of the house (\$195,000)



Rent to buy:

The family rents a home from the provider.

The provider gives the family the right to buy the home within a set amount of time.

1-5 years: Rental phase

The family pays rent to the provider, possibly at below market rates to enable them to save a deposit. Or the family pays a standard market rent and the provider sets aside a portion of that rent as a deposit on behalf of the family.

6-15 years: Ownership phase

When the family is ready, they buy the home from the provider either outright or through a shared ownership scheme.



Leasehold example:

The household purchases the leasehold property, which is set at the cost of house construction.

The household has a 100 year lease set well below market rates, which only ever increases with annual inflation.

House price is \$650,000
Family buys house at cost to construct (\$350,000)
Family provides a minimum of 5% deposit (\$17,500)
Family takes out a mortgage for rest of house cost (\$332,500)
Provider owns the land and the household pays a ground rent that is set at 1.5% of the land value.



The household has guaranteed security of tenure and affordability for 100 years. When the family decides to leave the home, it sells the house back to the provider at original purchase price plus inflation.

Find out more information at <https://www.hud.govt.nz/residential-housing/progressive-home-ownership>

Note that when the PHO Scheme was released it was focused on the following target locations: Auckland, Hamilton City, Matamata-Piako and Waipa, Tauranga City and Western Bay of Plenty, Napier City, Palmerston North City and Manawatu, Wellington region (Kāpiti Coast, Porirua, Upper Hutt, Lower Hutt and Wellington), Nelson and Tasman, Dunedin City and Queenstown-Lakes. This information no longer appears on the MHUD website, suggesting post-pilot other regions can make application.

Action 7: *Develop a detailed financial model to support both a rent-to-own and shared equity scheme for Taupo District whanau*

Action 8: *Engage Ministry of Housing and Urban Development (MHUD) and develop a proposal for Progressive Home Ownership (PHO) for the Taupo District*

Assisted Rental

The second logical approach is assisted rental; this is not a public housing approach, i.e.: Income Related Rent Subsidies (IRRS) will not be available. The option of transferring people from IRRS to the private market, even when those private rentals are partially subsidised has not been included in

this Plan, primarily because the step up from paying 20% of household income to say 70-80% of private rental costs is too great in almost every circumstance.

Subsidised rental therefore refers to rents funded by a tenant portion with the balance of the market rent provided by the Accommodation Supplement, or set at 70-80% of market rent with other capital funding provided. As a household's income increases, a reassessment of the subsidised rental can occur and may result in payment of a full market rent in due course.

In terms of eligibility for the Accommodation Supplement, it is available if you:

- have accommodation costs
- are aged 16 years or more
- are a New Zealand citizen or permanent resident
- normally live in New Zealand and intend to stay here
- are not paying rent for a social housing property. Social housing properties are provided by Kāinga Ora and approved community housing providers.

It also depends on:

- how much you and your spouse or partner earn
- any money or assets you and your spouse or partner have.

By using the tools on the Ministry for Social Development website - <https://check.msd.govt.nz/profiles/welcome> - it is possible to estimate both the Accommodation Supplement and other benefits available for whanau. Below are two profiles as examples -

	Profile 1	Profile 2
Relationship status	A couple: 45 and 48	Sole parent: 32
Dependents	Two children: 5 and 8	Four children: 2, 9, 11 and 18
After school care	Yes to both	Yes to 2 year old
Student loan	No	No
Annual earnings 1	48k (more than 30 hours per week)	28k (15-29 hours per week)
Annual earnings 2	10k (14 hours or less per week)	n/a
Cash assets	6k (Kiwisaver)	Nil
Current rent	\$420/week (private rental)	\$320/week (private rental)
Accommodation supplement	Between \$38 and \$115 per week	Between \$120 and \$137 per week
Childcare	\$4.20/hour/child	\$5.30/hour/child
Family Tax Credits	n/a	\$387/week

In the case of Profile 1, at the lower end of the accommodation supplement estimate, net rental remains within an acceptable range (~34.2% of gross income). In Profile 2, given the family tax credits, the net rental as a proportion of total income is much lower than Profile 1.

With affordable rentals outside the IRRS provisions, as well as the issues with land supply, the working capital to get the builds underway is a significant challenge to overcome. Some build companies have offered 5%-10% deposits with the balance on completion, however it is unclear whether such an arrangement would be acceptable to a financier, e.g.: a trading bank, even if whanau rent was covering the repayments. Assuming the capital issue can be overcome, housing typologies will be important as a number of duplex units or 2 bedroom townhouses may make the programme more affordable. More work would be required in this regard, involving financial institutions and build partners.

Until more information is known regarding the access to working capital and/or affordability from a servicing perspective of assisted rentals, it is suggested that the focus be on the rent-to-buy and shared equity models with recycled funds being used as working capital in out-years for the building of rental units. The Alliance will by that time have both a track record (with the Crown, financiers and the community) and a strong balance sheet position to leverage.

Action 9: *Progress affordable rentals once the track record of the Alliance is established and funds are beginning to recycle from rent-to-own and shared equity programmes*

First name: Lara

Last name: Davies

**Would you like to present your submission in person at a hearing taking place 4-6 May 2021?
Hearings in Turangi and Mangakino will be arranged if there are enough people wanting to present.**

*

I do NOT wish to speak in support of my submission and ask that the following submission be fully considered.

Feedback

Issue 1: Funding of council water supplies
Option 1

Leasing or owning a CAB
Option 1

Taupo Museum and Art Gallery Building
Option 1

Lake Taupo Protection Project
Option 1

Lake Taupo Protection Project hearing
No

Attached Documents

File

No records to display.

Organisation:

Taupo Age Friendly Steering Group

First name: Lara**Last name:** Davies

**Would you like to present your submission in person at a hearing taking place 4-6 May 2021?
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Option 1

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Option 1

Lake Taupo Protection Project hearing
No

General comment

Following significant public consultation with community members from Taupo, Turangi and Mangakino, the Taupo Age Friendly Steering Group would love to see the following ideas to be considered for the Long Term Plan:

1. The older members of our community would like to see more seating at an optimal height to make it easier to stand, with armrests, to be available throughout the Taupo District. It would be incredible if when the Council made upgrades to the current seating, the needs of the older person could be taken into consideration.
2. The older members of our community would be grateful to if the Council could work towards establishing safe access points to the beaches around the lake. This would make the lake areas more accessible and therefore more enjoyable for our older community members as well as for people with wheelchairs or family's with buggy's.

Thank you for taking the time to ask for our submissions.

Best wishes, Lara Davies

Attached Documents

File

No records to display.

First name: Catriona

Last name: Eagles

**Would you like to present your submission in person at a hearing taking place 4-6 May 2021?
Hearings in Turangi and Mangakino will be arranged if there are enough people wanting to present.**

*

I do NOT wish to speak in support of my submission and ask that the following submission be fully considered.

Feedback

Taupo Museum and Art Gallery Building
Option 2

Lake Taupo Protection Project
Option 1

Lake Taupo Protection Project hearing
No

Transport

As a regular user of Acacia Bay North, I would like to see a small project undertaken to slow traffic at Acacia Bay North in particular however Acacia Bay South also.

Some traffic calming measures ie bumps/painted lines/narrowing of the road, may help to make this section of the road safer by slowing traffic.

With the kayak from the kayak business, small children, cars reversing on the road, it is chaos some time yet drivers come around the corners quickly.

Painting lines is fairly cost effective and could be undertaken in the locations shown in the attachment.

Additionally the carparks in this location require the lines painting again.

Attached Documents

File
AB Photo

