

## Submission on “Using Land for Housing, Issues Paper November 2014”, Productivity Commission

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Submitter: Waikato Environment Centre

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The Waikato Environment Centre (WEC) is a non-governmental organisation with a vision of healthy environments supported by thriving communities. WEC is a centre for environmental learning, a voice for the environment, and a catalyst for environmental action. WEC is managed by Ruth Seabright and governed by a Board of Trustees. The Trustees are Marianna Tyler, Pamela Storey, Bruce Graham, Kareen McLaren, Warren Gumbley, Robert Moore, Sharon Robinson, Katherine Hay, Aaron Fleming and Jason Cargo.

The Waikato Environment Centre would like thank the Productivity Commission for the opportunity to present our submission, and for your time in its consideration.

### General Comments and Recommendations

Housing affordability is a key issue facing the Waikato region. Housing development has significant implications for Waikato communities in terms of their wellbeing and ability to live sustainability.

The commission notes that one of the most important issues affecting the supply of affordable housing is the availability of land. WEC recommends that the Productivity Commission also considers the other significant interconnected issues affecting affordable housing including interest rates, property taxes, inequality and social housing provision. WEC recommends a more comprehensive approach to addressing housing affordability that extends beyond land availability.

*WEC recommends the development of a range of housing options that meet the complex social, economic, cultural and environmental needs of communities in Aotearoa New Zealand*

After Auckland, Hamilton is one of the fastest growing cities. Rural communities in the Waikato are experiencing declining population. It is predicted that as the population ages, increasing

numbers of people will move to Hamilton, in part to access the more accessible health and social services.

The commission has been asked to determine how they can deliver an effective supply of development capacity for housing. WEC realises the importance of land supply for the adequate supply of housing. WEC is concerned that there is not enough public conversation about the housing options that people would like particularly as they reach older age. The Productivity Commission notes that there is a considerable increase in the number of smaller households. However, what is not clear is whether or not this is the desired household unit or simply the default option because of a lack of housing choices available including multi-generational or inter-generational housing options.

The planned Enderley Housing Development in Hamilton is one development example where the desires of the community for housing and living have been considered and consequently multigenerational housing construction, green space and play areas are all part of the development. WEC encourages the Productivity Commission to identify developers who have evidenced a commitment to the provision of housing that facilitates and meets the social, economic, culture and environmental needs of their communities. The experiences of these developers and the communities they serve would provide potentially good direction for councils committed to housing developments that adequately meet the needs of their communities.

*WEC recommends higher density housing developments and the prevention of urban sprawl*

Urban sprawl is a considerable issue for Hamilton. WEC supports the Smart Growth strategies outlined by the Productivity Commission: “Smart growth advocates favour denser communities where cities “grow up rather than out”. Principles typically include:

- limiting sprawl through urban growth boundaries;
- increasing residential density through more liberal land use regulation; and
- a focus on pedestrian- and cycle-friendly environments, and public transport, rather than roads” (p. 20).

The Waikato Environment Centre encourages the Productivity Commission to identify councils who are adhering to the principles of Smart Growth and encourages the commission to undertake a more thorough review of the ways in which adherence to Smart Growth principles can enable both sustainability and housing affordability.

*WEC recommends the incorporation of permaculture design and sustainability principles in housing developments*

WEC agrees that greater housing density should be encouraged to promote affordable housing. However, the ways in which this housing density is developed is critical to how it may serve the complex social, cultural, economic and environmental needs of the community. WEC recommends that permaculture design principles are considered in any plans to increase the density of housing so that, for example, communities have the opportunity to access and utilise green spaces and to develop sustainable, resilient ways of life. WEC recommends a requirement that developers engaged in housing developments incorporate design principles that enable sustainability and community resilience.

*WEC recommends the realisation of market failures*

There are clear market failures in the provision of housing in New Zealand. WEC recommends that the Productivity Commission recognises that the market mechanism alone will not provide for all complexities of housing need or an increased level of affordable housing.

*WEC recommends consideration of climate change*

WEC encourages the Productivity Commission to consider issues of climate change and the ways in which housing may be developed to encourage sustainable practices, including reduced fossil fuel dependency and waste minimisation.

*WEC recommends the revitalisation of local economies*

Rural populations are declining in the Waikato. However, some families have shifted to rural Waikato locations in order to access more affordable housing. The development of resilient local economies is a central aspect of sustainability. The revitalisation of local economies would reduce housing demand in some of the larger urban centres.

In conclusion, WEC recommends that a commitment to sustainability underpins any approach to the provision of affordable housing in Aotearoa New Zealand.