

Q&A – Hutt Valley housing announcement

What is being announced today?

Housing New Zealand is going to build and refurbish more than 700 houses in the Hutt Valley over the next five years. This is made up of:

New builds – up to 330 homes

- Building 30 homes in Naenae, Taita and Waterloo at a cost of about \$9.5 million - construction underway
- Commencing master planning for up to 300 homes across four Lower Hutt sites in Epuni and Naenae are being explored (will be a mix of social, affordable and market).

Refurbishment – 383 homes

- Investing around \$67.3 million to retrofit 323 homes across large buildings and 60 standalone or single houses in the Hutt Valley to make them warm and dry and bring them up to standard

Why now?

The Hutt Valley is a growing community where there has been a significant increase in demand for social housing over the last 18 months. The removal of older buildings for fire damage or earthquake risk provides an opportunity to respond to this demand, while also increasing the overall supply of housing and driving urban regeneration, like the development in Pomare.

Housing New Zealand's Hutt Valley stock is also amongst the oldest in its portfolio across the country. The refurbishment programmes will renew these homes to ensure Hutt Valley's social housing tenants live in warm, dry and fit-for-purpose homes.

How much is this costing?

Project	Cost
30 homes on four vacant sites in Naenae, Taita and Waterloo	About \$9.5 million
Up to 300 potential homes across four Lower Hutt sites	To be confirmed by master plan
383 homes to be retrofitted to make them warm and dry, and bring them up to standard	\$67.3 million: made up \$61 million for 323 units in large buildings, and a further \$6.3 million for 60 standalone homes/units in smaller buildings

New builds programme

Where are the four initial development sites, what kinds of homes is Housing New Zealand building, and when will the homes be completed?

Site works are commencing immediately at four sites in Lower Hutt to provide 30 new social houses at a cost of around \$9.5 million.

The new homes will be mixture of smaller homes and homes for larger families. These are exactly the kinds of social houses needed to meet demand.

Location	# of units	Expected completion
Seddon Street, Naenae	20 x 1-bedroom	Mid 2018
	1 x 5-bedroom 1 x 6-bedroom	Late 2018
Buller Grove, Naenae	2 x 4-bedroom 2 x 2-bedroom	Early-to-mid 2018
Molesworth Street, Taita	2 x 4 bedroom	Early 2018
Galway Street, Waterloo	2 x 4 bedroom	Early 2018

The 30 homes will be all social housing.

How many houses are being demolished on these sites?

None. They are all vacant sites.

The Seddon Street site previously accommodated 2 earthquake-prone buildings which had to be demolished because they were uneconomic to repair.

The other three sites previously accommodated single dwellings that had to be demolished due to fire damage.

Where are the 300 other homes under consideration?

Housing New Zealand has commenced master planning at four Lower Hutt sites for up to 300 new homes, which would be a mix of social, affordable and market housing.

Location	Size	Site potential
Durham Cres, Cambridge Terrace & Hampton Court in Eponi	1.88ha	Up to 200 homes
Oxford Terrace, Eponi	2,724m ²	Approx. 40 homes
Naenae Road, Naenae	6,546m ²	Approx. 40 homes
Whites Line East, Waiwhetu	2,492m ²	Approx. 20 homes

The majority of this land is already vacant, as a significant number of Housing New Zealand's buildings in the area were earthquake-prone and had to be demolished, or were no longer fit for purpose.

There are currently 27 tenanted homes across the four sites. Housing New Zealand will work with the tenants of these homes to relocate them to other suitable Housing New Zealand homes as part of any redevelopment

What is the breakdown of social, affordable and market?

The planning of up to 300 additional homes will be a mix of social, affordable and market.

Of these 300, a third are planned to be social housing and at least 20 per cent will be sold as affordable homes (to be confirmed by the master plan).

Housing New Zealand is developing a master plan and concept design for the site which sets out the potential layout and mix of housing types, and considers infrastructure requirements. A business case that includes an assessment of financial feasibility will then be submitted to Housing New Zealand’s Board for approval.

Redevelopment plans for all four sites are intended to be finalised before the end of the year.

Epuni (Durham Crescent, Cambridge Terrace and Hampton Court)

The largest site of 1.88 hectares (18,800m²) in Epuni has potential for 200 new homes.

These 200 houses would be a mix of social, affordable and market homes (exact mix is to be decided in the master plan).

A site of this size is an opportunity to create a community – which is why Housing New Zealand is first carrying out a robust master planning process.

Housing New Zealand is currently developing a master plan and concept design for the Epuni site which will set out the potential layout and mix of housing types, and consider infrastructure requirements. A business case that includes an assessment of financial feasibility will then be submitted to Housing New Zealand’s Board for approval.

While timelines are subject to change, the first new homes at Epuni could be completed by the end of 2018.

Oxford Terrace (Epuni)

The Oxford Terrace site has a vacant earthquake-prone building on it that will be demolished in July 2017.

This will clear the way for up to 40 new homes on the 2,724m² site.

Naenae Road (Naenae)

At the Naenae Road site there is a mix of vacant land and 10 older homes that could potentially accommodate 40 new homes.

Whites Line East (Waiwhetu)

The Whites Line East site is all vacant land with potential for 20 new homes.

Refurbishment programme

What buildings in the Hutt Valley are being refurbished?

# of buildings	# of units	Location	Status
2	24	Randwick Road, Moera	Approved

1	23	Scholefield Street, Petone	Approved
2	20	Adelaide Street, Petone	Approved
4	48	Jackson Street, Petone	Approved
3	17	Randwick Road, Moera	Approved
2	12	Gibbons St, Ebdentown	Approved
1	11	Hutt Road, Alicetown	Approved
1	12	Oxford Terrace, Epuni	Approved
1	12	Naenae Road, Naenae	Approved
1	12	Churton Crescent, Taita	Approved
1	12	Colson Street, Avalon	Approved
1	12	5 Flora McCurdy Wlk, Ebdentown	Subject to Board confirmation
1	12	8 Flora McCurdy Wlk, Ebdentown	Subject to Board confirmation
1	12	East Street, Petone	Subject to Board confirmation
1	12	East Street, Petone	Subject to Board confirmation
3	36	Croft Grove, Moera	Subject to Board confirmation
3	36	Capella Road, Waiwhetu	Subject to Board confirmation
-	60	Various small buildings and stand-alone properties	Approved
29	383		

When will the refurbishments be carried out?

The whole refurbishment programme will be carried out over the next 3-5 years.

What will be covered under the refurbishment programme?

The refurbishment programme will include things like kitchen and bathroom upgrades where needed, carpet, thermal curtains, mechanical ventilation, and upgraded heating sources.

How will the impact on Housing New Zealand tenants be managed?

Housing New Zealand works closely with its tenants to minimise the impact of its redevelopment and refurbishment projects on them.

When a tenant is required to move from their tenancy, Housing New Zealand will locate another suitable Housing New Zealand home for them in their preferred location, and will meet all reasonable relocation costs.

What's happening at the Jackson Street flats?

The largest single refurbishment project in Lower Hutt is the Jackson Street flats in Petone. The Jackson Street flats originally contained 129 housing units across 11 buildings.

Six of the buildings were demolished in 2014 because they were earthquake-prone and it would have been uneconomic to strengthen them. Work to demolish a further building – the tower block – will commence shortly.

There are 48 housing units across the remaining four buildings. Housing New Zealand's Board has approved an investment of \$10.3 million to remediate and refurbish these buildings to bring the complex up to modern standards and extend its economic life.

Refurbishment work at Jackson Street flats will start in early 2018.

General

What is the makeup of the Hutt Valley housing portfolio?

Housing New Zealand managed 3796 social houses in the Hutt Valley, excluding Community Group, emergency, and transitional housing. This represents six percent of Housing New Zealand's state rental portfolio.

Why is Housing New Zealand building more social housing in Lower Hutt?

The Hutt Valley is a growing community where there has been a significant increase in demand for social housing over the last 18 months. In addition, the mix of housing types within Housing New Zealand's portfolio is not well matched with demand.

Housing New Zealand has a relative oversupply of three-bedroom homes, and a relative undersupply of one-bedroom homes. Around 44 percent of the people on the social housing register for Lower Hutt need a one-bedroom home. However, these homes make up only 12 percent of Housing New Zealand's local portfolio.

There is also a relative undersupply of social housing homes for larger families. Around 10 percent of the people on the social housing register for Lower Hutt need a home with 4 or more bedrooms, yet these homes make up just 6 percent of Housing New Zealand's local portfolio.

What is Housing New Zealand's stock like?

The Hutt Valley portfolio is characterised by many older properties, with a large proportion of homes built during the post-war period. Many of these homes offer

suitable housing options and are well located, but are approaching the end of their economic lives or need significant investment to bring them up to modern standards.

What other housing developments have been done in the Hutt Valley recently?
109 house urban regeneration development at Pomare in 2016 and 179 homes have been earthquake strengthened.