

AH 19 013

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Associate Minister of Housing and Urban Development

cc: Minister of Housing and Urban Development
Adrienne Young-Cooper, Board Chair

Repurposing housing stock planned for demolition

Purpose

To update you on what Housing New Zealand is doing to repurpose its old state housing stock currently set for planned demolition to enable redevelopments.

You have also asked what houses could be used for emergency housing for winter 2019.

Background

As part of Housing New Zealand's redevelopment programme, each property scheduled for demolition is assessed on how best we can repurpose it, including if it could be:

- repurposed prior to planned demolition for emergency housing
- relocated for use by another housing provider
- restored for state housing through the prisoner refurbishment programme
- demolished and material recycled.

Planned demolitions

We are increasing the demolition of old state houses to allow for the increase in redevelopments.

The increase in redevelopments and new build activity is adding to the difficulty in finding suitable alternative houses to relocate our existing tenants. The success of the sustaining tenancies programme has also seen a reduction in tenant turnover and subsequent higher occupancy rates which impacts on the ability to house people from the Public Housing Register.

Therefore, Housing New Zealand will not demolish a property until the scheduled redevelopment is about to start, which allows us to tenant the property for as long as possible before it is demolished, particularly through winter. This excludes houses that need to be demolished for health and safety reasons such as fire damage, sustained damage from an earthquake.

Demolitions for 2018/19 are projected to be about 550 houses, and increase to about 700 houses per annum from 2019/20. There are 210 houses set for demolition over March to June 2019.

Repurposing houses prior to planned demolition for emergency housing

Housing New Zealand identifies any opportunities to defer demolitions that do not delay its programme for a redevelopment project, for emergency housing.

If a vacant property planned for demolition is available for longer than 12 months then the house will be made available for long-term occupancy for someone off the public housing register.

Where there has been a delay in the redevelopment and vacant properties are in a liveable condition and can be used for short-term occupancy, for a minimum of four months and maximum of 12 months, then Housing New Zealand has offered these properties to service providers to be used temporarily for emergency housing purposes.

An example of successful temporary emergency housing was the use of the Greys Avenue site in Auckland. A number of the units remained in use until January 2019 through leases with James Liston and Housing First prior to the planned demolition of the building.

Housing New Zealand is continuing to reassess properties planned for demolition to see if there are any others also suitable for emergency housing.

Relocating houses planned for demolition

There is increased interest in Housing New Zealand's old state housing stock from a number of areas, including iwi.

An iwi in Turanganui a kiwa (Gisborne district), Ngai Tamanuhiri has purchased two surplus Housing New Zealand houses and moved them to nearby Muriwai. Work is underway to explore how we can broaden our current practice so houses due for demolition can be successfully relocated to land owned by iwi and other community groups, to provide vulnerable families with further public housing options or affordable home ownership.

There is also interest from HUD/TPK in working with Housing New Zealand on options for relocating surplus houses to meet the needs of iwi in areas across the North Island, including Northland. The details are in formative stages but we will need more information in relation to the work that HLC has commenced in Auckland.

Iwi leaders commenced discussions with Ministers at Waitangi and a programme of work is being developed to meet expectations across this landscape.

Housing New Zealand is also providing houses due for demolition from the Auckland redevelopment sites to the He Korowai Trust in Kaitaia (whose Chief Executive is Ricky Houghton). The He Korowai Trust has relocated 19 units from Housing New Zealand redevelopment sites to trust property in Kaitaia over the past 3 or 4 years. These have come from the following Housing New Zealand sites:

- 9 units from Glen Innes
- 5 units from Penrose
- 1 unit from Taurus Crescent, Beach Haven
- 1 unit from Beldon Place, Mt Wellington
- 3 units Beauchamp Street, Massey

There are seven more units in the pipeline, from sites in Mangere East.

Initially the houses are relocated to the Trust's Northland trade training academies in Whangarei, Kerikeri and Kaitaia, where they are used as classrooms to teach building and construction skills to students. The Trust has established the "SWEET-AS" (Students Without Education Employment Training Achieving Succeeding) Academy for this purpose. The fully refurbished houses are then relocated onto Maori land of the families who have completed the Trust's Home Ownership programme, to help address the

chronic and substandard housing across Northland. The Trust has indicated that the cost to relocate houses has increased over the last 12-18 months.

We are working with the Trust to investigate how relocation, planning and civil costs could be reduced.

Housing New Zealand continually looks for opportunities that are cost effective to relocate houses to groups that could use them for public, emergency or transitional housing. However, there are challenges to moving old housing stock due for demolition to new sites. An assessment of the house is undertaken to determine whether the house is suitable for repurposing and whether it can be moved to another site. There are some houses not suitable because of their condition (such as the presence of asbestos or lead paint) or the nature of the site.

In general it is uneconomical to relocate houses temporarily given costs to connect to infrastructure. We incur costs for consenting and transportation, associated with relocating buildings, costs for setting up temporary infrastructure for the house such as water, sewage, roads, and costs to get the house up to a liveable standard.

Refurbishing houses

Housing New Zealand and the Department of Corrections are partners in a scheme where prisoners gain new skills and confidence by building and restoring state houses transforming them into modern, warm, dry healthy houses for state housing tenants and their families. There are currently two sites where this occurs, Spring Hill Prison in the Waikato and Rolleston Prison south of Christchurch.

The Spring Hill refurbishment programme has been running for nine years and aims to deliver 10 restored houses each financial year. This year five houses have been placed on new sites with a further three by the end of March and a further two completed properties will be moved onto their new sites before the end of the financial year on 30 June 2019.

The Rolleston programme has been running since 2013 and the rejuvenated state housing stock, once completed, is transported to sites across the city and re-let to tenants. The programme aims to deliver 14 restored houses each financial year.

Recycling building materials

Environmental, health and safety, economic, and social factors are considered before a decision is made to demolish, remove or recycle materials. The health and safety of our tenants, staff, contractors and the general public is very important to Housing New Zealand. With some of our oldest stock, issues such as lead paint and asbestos may result in a house being demolished. To dispose of the contaminated materials safely is both difficult and expensive.

If the house is uneconomic to repair, is located in an area of low demand and if there is nowhere for the house to be relocated, then Housing New Zealand looks to recycle what components it can from the house(s).

Waste diversion

Construction and demolition waste makes up half of the waste going to New Zealand landfills. Housing New Zealand produces a significant amount of waste nationally through its demolition and construction programmes.

As part of the Housing New Zealand Environment Strategy, approved by the Board in December 2018, we are aiming to reduce the waste produced by our customers, our construction programme and our operations. The Environment Strategy has been

developed to respond to the Government's environmental objectives by addressing Housing New Zealand's environmental impacts.

Currently we are developing a waste diversion programme under the Environment Strategy where a national target will be established and we will work with suppliers to build capacity in areas where it does not exist or is insufficient. This would see reductions in waste from component re-use. Housing New Zealand has also adopted the Homestar6 standard which supports reducing waste. One of the categories measured doing the Homestar assessment is waste reduction, including during demolition and construction.

In addition, HLC, our development subsidiary, has recently commenced a programme to proactively plan for the relocation, deconstruction and recycling of the large number of old state houses that will need to be removed as part of the large scale projects in Mangere, Mt Roskill, Oranga and Northcote. The large number of houses in a confined geographic area and long time frame of these programmes provide a unique opportunity to establish better practices and systems that allow us to relocate and deconstruct more houses with recycling and demolition becoming a last resort. This work will include working with community groups and private sector partners and we will be able to brief you more fully on this once the project is more advanced.

Next Steps

We have work underway to improve our approach to demolitions, which includes our decision to repurpose, relocate and refurbish houses and minimise waste through recycling. This work will include establishing a process to inspect all homes earmarked for demolition earlier to determine their future use, if any and a record of how many homes are being reused and for what purpose.



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Asset Development Group

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