

Opinion

Home truths

WE NEED TO RADICALLY RESHAPE OUR VIEW ON VALUE IF WE'RE TO SOLVE NEW ZEALAND'S THORNY HOUSING ISSUES.

BY ALEX CUTLER, CHIEF EXECUTIVE, NEW ZEALAND GREEN BUILDING COUNCIL

THERE'S NO MORE ENERGISING and challenging way to round off a financial year than to gather a group of built environment experts for spirited insight, discussion and debate.

We did exactly this in June, holding the 2014 Sustainable Housing Summit over 2 days in Auckland and Christchurch. It was a pleasure and privilege to hear the candid views of more than 200 professionals working at the sharp end of New Zealand's most pressing housing issues.

Housing supply and affordability is an acute issue in both centres. There was a clear consensus that, to tackle this, we don't simply need more housing urgently – we need high-quality, sustainable homes in well planned developments that will continue to meet our needs well into the future.

Beyond the suburban dream

The stand-alone 4-bedroom home in outlying, car-reliant suburbs just isn't a tenable model for New Zealand cities any more. But how do we move beyond it?

Housing Minister Nick Smith, addressing our Auckland summit, argued that greenfield development isn't such an environmental bogey, and must form part of the answer. While more greenfield development is inevitable, the strain on our infrastructure of unfettered sprawl isn't worth the long-term cost. We need to get better at higher-density housing – fast.

The accepted wisdom that New Zealanders aspire to the dream of a large home isn't necessarily borne out in the market. Hobsonville Land Company's test lab research shows that,



when you provide smaller high-quality sustainable homes near good transport links and facilities, people will happily give up that extra bedroom.

However, we don't have many good examples of high-density development, so Kiwi homebuyers are naturally hesitant. We need more neighbourhoods that aren't cookie cutter but embrace a range of housing typologies – accommodating households of all sizes and ages in the same community.

The pressure against quality high-density development often comes not from end consumers but other players in the value chain.

Banks are less willing to finance developments that break the mould, and real estate agents aren't as comfortable marketing them. Perversely, even local government can regulate against sustainable design – such as requiring living areas to face the street, which can make good solar orientation impossible.

Delivering creative options

As an industry, we need to not only rethink how we value housing but to articulate and sell this to other professionals in the sector.

And of course, the challenge for social housing in this climate of undersupply and unaffordability is even more immense. So, what are the creative solutions?

We need to reimagine every aspect of the process – it's not just about intelligent design but also finance, procurement, ownership models, marketing and engagement.

How can we develop new financial mechanisms that redefine value – particularly in social housing – that de-risk and drive the cost out of financing new development? What are the options for innovative tenure?

There's potential for volume procurement and prefabrication to revolutionise the market. Small, agile – even disruptive – companies may take the lead in putting the right product in the right place at the right time. We could even see more self-provided housing and distributed production.

Ask the people

But most of all, a clear message is that we need to engage early on with the people who will live in these future developments. Asking people what they want doesn't necessarily open a can of worms. It encourages creativity, participation and a sense of ownership – all vital in building healthy, sustainable communities. ◀

For more ▶ Presentations and audio recordings from the 2014 Sustainable Housing Summit are available at www.nzgbc.org.nz.