

Housing Reserve – Grants Programme

This document outlines guidelines for the Nelson City Council Housing Reserve Grants Programme from February 2023. This document replaces all other previous Council policies in relation to the distribution of grants under the Housing Reserve.

The Housing Reserve Grants Programme is administered by the Community Housing Acceleration Taskforce, which will review applications and make recommendations to the Council for decision in accordance with the objectives and guidelines outlined in this document.

Objective of Housing Reserve Grants Programme 2023:

- To invest the Housing Reserve to support and enable not for profit community housing providers (registered with the Community Housing Regulatory Authority) and iwi trusts that have a presence in Nelson to deliver an enduring supply of social and/or affordable housing in Whakatū Nelson.
- To help grow, as quickly as possible, the stock of community housing with the goal to double the number of community houses from 50 to 100 by 2026.

Guidelines for distribution of Grants:

Grants will be distributed in accordance with the following guidelines:

- (a) Amount of grant per housing unit type:
 - (i) \$150,000 contribution per housing unit for social and affordable rental
 - (ii) \$50,000 contribution per housing unit for progressive home ownership
 - (iii) \$15,000 contribution per social and/or affordable temporary housing unit (i.e tiny home, transitional cabin units)
- (b) The grant can be used for the purchase of land and/or housing construction costs.
- (c) The housing development must have not benefitted from previous grants of the Housing Reserve.
- (d) The housing development must result in a net increase in unit numbers.
- (e) The housing development must be located within the territorial authority boundaries of Nelson City Council.
- (f) The grant must result in housing that is completed and occupied within 3 years of the grant being allocated.
- (g) A single community housing provider or iwi trust may apply for no more than \$3million in funding from the Housing Reserve. (Note: this cap exclude grants provided from Phase 1 and 2 and may be reviewed at the discretion of the Community Housing Taskforce if an organisation can demonstrate proven ability to deliver additional housing and housing reserve funds are available).
- (h) Grants will not be allocated until a security mechanism to ensure the outcomes are achieved within the specified time is agreed upon. Any grants not used to achieve the outcomes as proposed and within the timeline shall be returned to Council.
- (i) The Taskforce may consider other innovative housing proposals for support form the Housing Reserve Fund outside of these guidelines where it believes it offers good use of public money to alleviate Nelson's housing problems.

Application process

Applications will be received at any time, on a first in first served basis, and considered on their merits according to the evaluation guidelines and decision-making process below.

Applications can be made by filling out the Form 1 attached and emailed to housing.reserve@ncc.govt.nz

Evaluation and Decision making process

The Community Housing Acceleration Taskforce will make recommendations to the Council for the approval of grants from the Housing Reserve in accordance with the objectives and guidelines. Applications will be evaluated against the extent to which the housing proposal meets the following:

1. Ability to meet Housing Reserve Guidelines

Proposal fits with the guidelines	yes	no
Grant sought per housing unit type(refer (a) above)		
Housing development located within Nelson City Council territorial authority boundaries		
Applicant has sought/will receive no more than \$3million in total from the Housing Reserve (note this excludes Phase 1 and 2) *		
Grant results in net increase in housing		
The housing development is proposed to be completed and occupied within 3 years of the grant being allocated.		

Applications that do not meet the guidelines may only be assessed further at the discretion of the Community Housing Acceleration Taskforce. Applications that are assessed under 2. to 4 below must score at least 60% overall against the criteria.

* this cap may be reviewed at the discretion of the Community Housing Taskforce.

2. Ability to deliver

Ability to deliver	Rating	30%
Experience, capacity, capability, and track record in delivery of affordable housing.	0-10	
Project readiness and timeline	0-10	
Property Management, Maintenance and Tenancy Management experience	0-10	

Experience, capacity, capability, and track record in delivery of affordable housing: Council is interested in providers who can deliver what they say and by when. Therefore, this section involves the assessment of a provider’s track record on previous projects, and capacity to deliver on the proposal. This includes any internal governance structures and staffing involved.

Project readiness and timeline: Council is seeking to support partners who are well placed to assist with Whakatū Nelson’s immediate housing need. This section involves assessing how ready the development is, it’s expected timeline for completion and the likelihood of achieving the development within this.

Property Management, Maintenance and Tenancy Management experience. The Reserve is available to applicants that can add to the supply of affordable rental or rent to buy housing. Therefore, this section involves an assessment of how the provider plans to manage the properties once constructed.

3. Fit for purpose

Fit for purpose	Rating	40%
Site and design	0-10	
Social/community	0-10	
Environmental	0-10	
Affordable to run	0-10	

Site and design: Council seeks to fund quality new builds that incorporate good urban design principles and practices and are healthy and comfortable to live in. This includes appropriately sized spaces, easy and functional living, access to sunlight as well as design that meets different people’s needs over time e.g., universal design. Appropriate site selection forms part of this section, as well as the ability to connect to infrastructure.

Social/community: Projects that create connected neighbourhoods and communities are important. This section assesses where the planned housing is located and its closeness to amenities, services, and public and active transport links. The provision of communal space, outdoor space, and other appropriate tenant amenities also form part of this section.

Environmental: Council is seeking to support projects that are environmentally responsible, innovative and resourceful i.e., are energy and/or water-efficient, use sustainable (environmentally friendly, low-carbon) building materials, comply with Homestar 6 and/or other certified ratings.

Affordable to run: Housing that is affordable to run, energy-efficient, low maintenance, and easily repairable is more cost-efficient over time. Council is interested in whether projects are designed with a lower life cost.

4. Financial Viability

Financial viability	Rating	30%
Organisational financial position	0-10	
Co-investment opportunity	0-15	
Project budget	0-5	

Organisational Financial position: Council is seeking to fund organisations that are financially well-positioned to deliver and can offer an acceptable form of security to Council to enable the release of the grant.

Co-investment: One of Council's objectives is to maximise the impact of the Housing Reserve where possible. The Council will require a level of co-investment. This section assesses the value of contributions from the organisation and/or confirmed funding from other sources or partners against the Housing Reserve grant monies sought.

Project budget: Council needs to be confident that the development's financing and costs are well understood and accounted for, including contingencies.

Reporting and review process

Recipient of grants from the Housing Reserve will be required to provide quarterly reports for the consideration of the Community Housing Acceleration Taskforce. Reporting requirements will be allocated in any approved grant contract.

The Community Housing Acceleration taskforce will review progress and guidelines in 12 months (February 2024).

Housing Reserve

Grant Application Form

February 2023

Part A – General

1. Purpose and eligibility

- 1.1 The Housing Reserve will be invested to support and enable partners to deliver an enduring supply of new affordable housing in Whakatū Nelson. It is open to proposals from not for profit Community Housing Providers registered with the Community Housing Regulatory Authority and/or Iwi Trusts, both of whom must have a presence in Whakatū Nelson.
- 1.2 Individuals and developers are not eligible for funding and applications will not be considered.

2. Process

- 2.1 This is a contestable grants programme.
- 2.2 Applicants are responsible for supplying sufficient information for Nelson City Council (Council) to evaluate against all objectives and guidelines.
- 2.3 Officers will assess applications, on a rolling basis as received. Applicants may be asked for more information during this process, or to clarify the application or parts of it, to help with the evaluation process.
- 2.4 Officers will report on all the applications received to the Community Housing Acceleration Taskforce who will make a recommendation to the Council for final decision.
- 2.5 The Council may then select applicants with whom to negotiate a grant agreement. However, applicants acknowledge that the range of possible outcomes include the Council:
 - 2.5.1 Negotiating with any or all respondents, including the right to renegotiate aspects of this process with a successful applicant; and
 - 2.5.2 Concluding this process without selecting a successful applicant.

3. Communication

- 3.1 The contact person is Lisa Gibellini:

Lisa Gibellini, Strategic Housing Adviser, Nelson City Council
Phone (03) 546 0375
Email housingreserve@ncc.govt.nz
- 3.2 All questions and completed application forms must be submitted directly to the contact person.

4. Timetable

- 4.1 Applications are accepted on a continuing basis and will be reported to the Community Housing Acceleration Taskforce and then the Council following evaluation.

5. Agreement

- 5.1 If your application is successful, Council may invite you to negotiate a grant agreement.
- 5.2 The information supplied as part of your application will form the basis of a grant agreement with the Council (subject to Council's right to seek to renegotiate aspects of the application).
- 5.3 The agreement may also require:
 - 5.3.1 Security
 - 5.3.2 Accountability progress and final development reports.
 - 5.3.3 Other terms that Council may require for the proposed development as a condition of funding.

Part B – Scope

Please complete all of the following sections.

6. Contact information

6.1 Legal name of organisation: _____

6.2 Legal Status: _____

6.3 Contact person for this project (e.g., Names/ emails/ phone numbers): _____

6.4 GST registration Number: _____

6.5 Charities Commission Number (if applicable): _____

6.6 Date of application: _____

7. Grant request summary

7.1 Grant request amount (+GST, if any): _____

7.2 Amount of grant (+ GST if any) per housing type (tick):

\$150,000 contribution per housing unit for social and affordable rental

\$50,000 contribution per housing unit for progressive home ownership

\$15,000 contribution per social and/or affordable temporary housing unit (i.e tiny home, transitional cabin units)

7.3 Net increase in housing numbers from total development: _____

7.4 Total cost of project - including land (+GST, if any): _____

7.5 Project address and legal description: _____

7.6 Project details (high level description of what the grant will be used for): _____

Please attach your responses setting out how the development will meet the Housing Reserve Grants Programme 2023 objectives. Refer to the Housing Reserve – Grants Programme 2023 objectives and guidelines as an evaluation guide.

Council appreciates that not all of the outcomes described in this section may be delivered by one development. However, applicants should provide specific information clearly stating whether and how their proposal would satisfy each outcome specified; and may comment on how the overall design outcomes sought by Council would otherwise be delivered by the proposal.

8. Ability to meet Housing Reserve Criteria

8.1 Please outline how the proposal meets the housing reserve guidelines, specifically:

- Amount of grant sought per housing type
- Located within the territorial boundaries of Nelson City Council
- Your organisation has sought no more than \$3million in total from the Housing reserve (excluding any grants provided as part of Phase 1 and 2)
- That the development results in a net increase in housing
- That the housing development is to be completed and occupied within 3 years of providing the grant
- Whether the grant is for the purpose of land purchase or dwelling construction costs.

9. Ability to deliver

9.1 Experience, capacity, capability, and track record in delivery of affordable housing.

For this question please outline:

- Details of several specific developments of similar type, scale, and approach to the criteria and design which have been undertaken recently and where you have acted as the developer/housing provider.
- The organisational capacity to deliver on the proposal.
- Project management roles and responsibilities and relevant experience (including governance if relevant).
- Detail any actual or perceived conflicts of interest.

9.2 Project readiness and timeline. Council is seeking to support partners who are well placed to assist with Whakatū Nelson's immediate housing need. For this question, please outline how ready the development is, its expected timeline for completion and the likelihood of achieving the development within this.

9.3 Property Management, Maintenance and Tenancy Management experience. Please outline your experience in property-tenancy management and how you plan to manage the properties once constructed.

10. Fit for purpose

10.1 Site and design. For this question please:

- Provide design concepts and /or development plans.
- Outline the yield from the development, number of bedrooms, and type of housing (e.g., intensified, attached, standalone, intended carparks etc).
- Summarise how the project will provide quality builds that incorporate good urban design principles and practices and are healthy to live in.
- Comment on the location of the site and its ability to connect to infrastructure.

10.2 Social/community. Please comment on how the project will provide for social and community connection.

10.3 Environmental. Please describe any environmentally responsible and resourceful aspect of the project's design and development. Examples include; energy and/or water-efficiency, use of sustainable (environmentally friendly, low-carbon) building materials, compliance with Homestar 6 or other certified ratings etc.

10.4 Affordable to run. Please describe any design efficiencies that will provide a lower life cost over the life of the housing.

11. Financial

11.1 Organisation's financial position. Please:

- Detail the financial status of your organisation, including audits by other bodies (i.e., CHRA).
- List all current developments you are committed to including the location and value of each development and commitment of monies.
- Provide the last two years of annual financial statements, and annual reports, if applicable.

11.2 Co-investment. Please outline the amount of the funding request, and contributions from other sources (noting whether this is confirmed or not) highlighting any budget shortfall. Please specify if the development is contingent on a successful application to the Housing Reserve.

11.3 Project budget. Please provide a budget of full development costs including land, project management, construction, and financing.

Part C – Declarations

By completing the details below the applicant makes the following declarations;

- 12.1 We confirm the statements in this application are true and the information provided is complete and correct, and there have been no misleading statements or omissions of any relevant facts nor any misrepresentations made.
- 12.2 We have no conflict of interest, actual or potential, in submitting this application or entering into an agreement with the Council for the project.
- 12.3 We accept any decision made by the Council is final and binding and accept that no reasons for such decision will be given, nor will any correspondence be entered into.
- 12.4 We understand that Council is subject to the Local Government Official Information and Meetings Act 1987. We have marked any specific information we consider is confidential. We understand Council will not disclose any information marked confidential (other than as required to evaluate the application including to its legal advisors) unless:
 - 12.4.1 Council is required to disclose that information by law; or
 - 12.4.2 Disclosure is required for the purposes of verifying that information; or
 - 12.4.3 Council enters into a grant agreement with us, in which case Council may disclose that an agreement has been signed.
 - 12.4.4 We acknowledge that nothing in this application form or process creates a process contract or any legal relationship between Council and us, except in respect of:
 - 12.4.4.1 These declarations;
 - 12.4.4.2 Our statements, representations and/or warranties and our correspondence and negotiations with Council.

Full Name: _____

Title/position: _____

Signature: _____

Date: _____