

# Social Housing Development Contributions Rebate Scheme Criteria (2021)

## Christchurch City Council

### Strategic rationale for scheme - what we want to achieve

#### Contributes to achieving community outcomes:

Resilient communities

- Strong sense of community
- Safe and healthy communities

Liveable city

- Sufficient supply of, and access to, a range of housing
- 21<sup>st</sup> century garden city we are proud to live in

#### Contributes to achieving strategic priorities:

- Enabling active and connected communities to own their future
- Accelerating the momentum the city needs

#### Consistent with the strategic goals of:

- Christchurch City Council Community Housing Strategy
- Christchurch City Council Housing Policy 2017
- Greater Christchurch Urban Development Strategy (UDS)

#### Expected impacts of this rebate scheme are:

- Increase in social housing options and availability
- Residents have greater access to social housing if they need it

Criteria	Description
<b>Location(s)</b>	Any location within the Christchurch City Council territorial authority boundaries.
<b>Type of development</b>	A social housing residential development that is required to pay development contributions. For this scheme, social housing is defined as: <ul style="list-style-type: none"> <li>• Not-for-profit housing built and operated by a qualifying community housing provider (see below), to help low income households and other disadvantaged groups to access appropriate housing at a below market rent. This can be of a supported nature such as emergency housing, or of a more general nature where low income in relation to housing costs may be the main issue.</li> </ul>
<b>Type of developer and operator</b>	A community housing provider that is either registered as such a provider with the Community Housing Regulatory Authority, or a registered charitable trust which has as one of its objects the provision of social housing.
<b>Requirement for restrictive covenant</b>	A restrictive covenant in favour of the Council must be registered against the property title(s). The covenant will require the full development contribution rebate to be paid if the conditions of the covenant are breached. The conditions of the covenant will limit the use of the covenanted property to the provision of social housing only.  The Council will provide a covenant precedent which must be completed and registered by the Council's solicitors at the developer's cost.  The Council will only release the covenant from the land titles on payment of the development contribution that has been rebated for the residential unit concerned.
<b>Extent of rebate</b>	100 per cent of development contributions required subject to the rebate and scheme limits detailed below.
<b>Trigger to receive notice of eligibility for rebate</b>	A complete resource consent or building consent application to develop social housing is lodged with the Council on or after 20 December 2017.

	<p>A development contribution assessment is prepared when the complete consent application is received by the Council. The developer will then be advised in writing of eligibility and conditions for a rebate to be confirmed.</p> <p>Transitional arrangements: Unconfirmed rebates under the Social and Affordable Housing Development Contributions Rebate Scheme 2017 will be required to meet the criteria of this 2021 rebate scheme.</p>
<b>Trigger to receive confirmation of rebate</b>	<p>There are two requirements for confirmation of rebate:</p> <ol style="list-style-type: none"> <li>1. A restrictive covenant in favour of the Council is registered on the development title(s) – see “requirement for covenant” above</li> <li>2. First building inspection is passed (and rebate funding is still available).</li> </ol> <p>For staged developments under a single consent the rebate is confirmed once all stages have passed first building inspection and covenants have been registered.</p> <p>For staged developments under multiple consents the trigger for the rebate being confirmed will be determined by the Council’s Development Contributions team on a case-by-case basis.</p> <p>If the rebate scheme funding is exhausted or the scheme is otherwise closed before the first building consent is passed, affected developers will be advised of the requirement to pay the development contributions as required by their assessment.</p>
<b>Apportioning the value of the rebate across multiple units</b>	<p>The total development contribution rebate will be allocated evenly to each residential unit within the development.</p> <p>The value of the rebate provided will be recorded in the covenant registered on the title.</p>
<b>Rebate limit per development</b>	<p>The maximum rebate for a single development is \$500,000. Rebates in excess of this limit are required to be approved by the Finance and Performance Committee of the Council on a case-by-case basis.</p> <p>A single development includes all staged development components.</p>
<b>Total scheme funding limit</b>	<p>\$2.5 million. Note the funding limit at December 2017 was \$1.5 million. An additional \$1 million has been added to the fund from 27 May 2021.</p> <p>When the funding is exhausted no further rebates will be available unless specifically provided for by the Council.</p>
<b>Extinguishing of all previous demand credits</b>	<p>All previous demand credits associated with a lot for which a development contributions rebate is provided will be considered to be extinguished.</p> <p>This means in future the lot will hold only previous demand credits associated with the new development and only in accordance with the Council’s Development Contributions Policy in effect at the time of any future development.</p>
<b>Duration of scheme</b>	<p>This rebate scheme will expire at 5:00pm on the last working day of 2022, or when the total scheme funding is fully allocated, or when decided by the Council, whichever occurs first.</p>
<b>Transitional arrangements</b>	<p>The initial rebate scheme was adopted on 20 December 2017. Any development that met the criteria for a rebate under the initial scheme but has not had the rebate confirmed must meet the criteria under this revision.</p>

The Social Housing Development Contributions Rebate Scheme is established under the provisions of the Council’s Development Contributions Rebate Policy (2019).

**Adopted by the Finance and Performance Committee of Council on 27 May 2021  
Effective from 28 May 2021**