

## 2. NOTICE OF MOTION

### (a) CITY HOUSING RENTS

To consider the following motion, notice of which has been given by Councillor Chrissie Williams, pursuant to Standing Order 2.16.1:

- “1. That pursuant to Standing Order 2.18.14 the resolution to increase City Housing rents by 24% per week, recorded as part (a) in section 14 of the minutes of the Council meeting of 27 March 2008, be revoked.
2. That the Council increase rents for all existing City Housing tenants (with the exception of Whakahoa Village tenants) by 5%, commencing from the beginning of the first rental period in July 2008 and for all new tenancies beginning on or after 1 May 2008.
3. That the Housing Working Party work with staff to clarify the information presented in the 27 March 2008 report, and present options for the long term sustainability of City Housing to the Council later in 2008, for inclusion in the 2009-2019 LTCCP.

#### **The Council note that:**

- The General Manager Community Services has delegation to increase rents up to the level of the Capital Goods Price Index (2.3%), without reference to the Council, which would produce additional annual revenue of about \$250,000.
- A 5% increase would produce additional annual revenue of about \$550,000 in 2008/09.
- The Council must advise tenants of any rent increase 60 days before 1 July.

#### **Also note that:**

- There is uncertainty regarding some of the information presented to the Council on 27 March.
- There is no information provided regarding the number of tenants not eligible for Accommodation Supplement.
- It is not clear how contributions from social housing partnerships would alter the cost of consumption model.
- With a 24% increase in rents some rentals as a percentage of total gross income are greater than 30%. This does not comply with the Council's Social Housing Strategy vision that requires social housing to be affordable, as defined in the Strategy.
- The Council has not yet made a formal application to the Government for funding.”