

#### quarterly update

Issue 1 October 2019

Image credit: Tiny House Builders Ltd NZ

## **Investing in Tiny House Communities**

Can they make great investments?

#### Alan Dall MBIE Ruling

What does this mean for the Tiny House community?

### Legalising Tiny Houses in NZ

The NZTHA Action Plan

## Words from our Chairperson

"I believe, it is a fundamental human right for any family or individual to have a warm, healthy and secure home"



October 2019

I am proud to be associated with a dynamic group of like-minded people, who have a wide range of skills, knowledge, logical intelligence, great attitude and enthusiasm to contribute to the NZ Tiny House Community. The working groups that are being formed, are charged to pave the way to develop the infrastructure necessary to create a sound legislative framework to position tiny homes as a solution for New Zealand communities and their people, with a sound sustainable process to provide security and confidence to those wishing to choose to invest in this space.

I believe, it is a fundamental human right for any family or individual to have a warm, healthy and secure home. In today's world, we have the technology, know-how and the capability to achieve this with the utmost environmental sustainability and affordability. If you are interested in actively becoming involved, please apply for one of our working groups or contribute constructively on our website forums or Facebook page.

My last comment is for everyone that is either involved or invested in the Tiny House Community to be patient with the Association we have formed. Collectively, there is always power in numbers. As the old cliché goes "Rome wasn't built in a day" and all "Good things take time". I am positive we will achieve the outcomes we all desire.

Tiny House & Alternative Living Conference



Image credit: NZ Tiny House & Alternative Living Conference

On Saturday 19th October, some of our founding members (Dennis, Sharla, Kyron, Shaye, and Nathan) will be representing the NZTHA at the Christchurch Tiny House & Alternative Living Conference.

We will have a stand to promote the Association and will be speaking at the event on the role the Association has on the future Tiny House community in New Zealand.

It gives us the chance to also network with other Tiny House groups and businesses.



The NZTHA launched on the 4th July 2019. Since the launch, the management team and founding members have been answering enquiries from members and non-members asking for guidance in getting resource consent with councils, insurance for Tiny Houses, help when buying second hand Tiny Houses and contracts for leasing land, just to name a few. Members of the management committee met with representatives of the Australian Tiny House

Association to network, share and compare our ideas and goals of both association and ways we can support each other in the future.



During September we contacted Members of Parliament, to introduce the NZTHA, our purpose, and to gain support for when we introduce the bill for Tiny Houses. We received a welcoming response, which resulted in Nathan Orr and Sharla May being invited to Wellington to meet and discuss our plans.

#### **Sharla May**

Secretary, NZ Tiny House Association

#### What's Next?

In October the working groups are kicking off and the exciting work starts to begin! Updates on this will be in our next update issue. We are currently working on a Tiny House Planning Resource for New Zealand. We hope this will be released this month. The Resource includes a background of the history of Tiny Houses, perceptions and barriers the Tiny House industry faces, a way forward on planning for inclusion, technical aspects of Tiny Houses, general recommendations, and current Tiny House initiatives happening in NZ and overseas.

Please email Sharla at admin@nztha.org if you would like to be emailed a copy of the guide when it is released

NZTHA reached over 100 members in it's first 3 months!

## The NZTHA Action Plan

The launch of the NZTHA in July was one of a series of goals the founding members have for the Association. Now that we have launched, we are focusing on the framework we will be working with to reach the major goal of achieving new legislation in NZ for Tiny Houses.

The Association will be following the strategy below to achieve this:

To clearly define what a Tiny House is, currently there is no clear definition in NZ, below is an international definition commonly used, but from a legislation point of view it is far too broad and needs to be clearly defined. There is no formal Tiny House definition; however, the concept 'tiny' usually refers to dwellings that are 400 square feet (37.16 m2) or less. (1). A Tiny House is a structure that: has the character and functionality of a permanent house; is fixed to the land; and; has a similar scale to a large caravan or recreational vehicle (RV). In comparison, a Tiny House on Wheels (THOW): has the character and functionality of a permanent house; is built on a trailer; is not fixed to the land (mobile unit); and; is often compared to a large caravan or RV.

"We plan to introduce a bill to parliament and have recently gained MP support for the bill."

#### Legalising Tiny Houses in NZ



#### Producing a voluntary building and safety standard for Tiny Houses on Wheels

The importance of this is to show the government that the industry is keen to build responsibly and within standards that are realistic and achievable for Tiny Houses on Wheels. A way for the industry to self-regulate and promote the responsible building of Tiny Houses in NZ. We plan to introduce a bill to parliament and have recently gained MP support for the bill. To achieve this, we are setting up our own working groups, to work on these goals. They are Voluntary Standards Working Group, Lobby Government Working Group, and the Resources Working Group. If you have any questions about the working groups please email us at admin@nztha.org.

#### **Sharla May**

Secretary, NZ Tiny House Association

# NZTHA to work with Green Party on drafting THOW's Bill



If passed, New Zealand would be the first country to have a single overarching piece of specific Tiny House legislation that governs over all regional jurisdictions. This seminal piece of legislation would provide a global example of how proactive legislation reform can provide diverse housing options.

On 26 September 2019, the New Zealand Tiny House Association (NZTHA) Spokesperson Nathan Orr, and Secretary Sharla May, met with Green MP Gareth Hughes to discuss the necessary regulatory reform required to add clarity around tiny homes for local councils. The NZTHA would like to see positive regulatory reform to ensure tiny homes are a viable housing option for New Zealanders.

It was agreed that there are two distinctly different forms of tiny home, those that are vehicles, and those that are movable buildings. There was consensus that regulatory reform is required for both these types of tiny homes, that it would be best to deal with these separately in order not to add further ambiguity to this space.

Gareth invited the NZTHA to collaborate with him on forming a Members Bill that specifically looks at regulation around tiny homes on wheels (THOWs). This Bill will seek to clearly define what constitutes a THOWs, and sets out a simple standard for their construction, placement, and connection to services (if applicable). If passed, this Bill will supersede current Regional and District planning rules and offer a National Standard for THOWs in New Zealand.

While it is not the NZTHAs desire to see this industry over-burdened with regulation, like we see in other construction sectors, it is evident by the increasing number of Notices to Fix issued by councils, and Determinations by the Ministry of Business Innovation and Employment (MBIE), that some regulation is required to offer councils, builders and consumers certainty. It is our intention, through this process, to see THOWs accepted at all levels, as a legitimate form of permanent accommodation.

As a member of the NZTHA you will have the opportunity to voice your opinion on what should be included in, and excluded from, this Bill. We will be commencing this consultation process in due course so keep an eye on your email.

As a member of the NZTHA you will have the opportunity to voice your opinion on what should be included in, and excluded from, this Bill.

Alan is the Canterbury man taking on the Government to prove his dream Tiny House is movable

#### **MBIE Determination 2019/017**

Many of you would have heard of the unfavourable Ministry of Business Innovation and Employment (MBIE) Determination that went against Alan Dall and his Tiny House. It is our view that MBIE was incorrect in their conclusion in the Determination on Alan Dall's Tiny House for a number of reasons. This determination misinterprets the definition of a vehicle, it ignores the regulations that state - to be considered a building, a vehicle must be BOTH immovable AND occupied on a permanent or long-term basis, and the assessor only offered precedence from determinations that concluded vehicles were buildings, offering little evidence of robust comparative consideration. Determinations like this, that misinterpret or evade currently pieces of regulation or information, unjustly call into question the legitimacy of tiny homes such as Alan's.

As many of you will know, Alan has taken this decision to Court, with the goal of over-turning it. If Alan wins, this case will assist in clarifying some of the regulations that, in our view, often get misinterpreted by council officials. If he loses, this case will set a precedence for other councils and legislators to take a harder line on what is and isn't allowed in the Tiny House space. However, regardless of the outcome, this case has highlighted to both regulators and the Tiny House Community, that the existing regulatory framework is not sufficient for providing the necessary parameters this emerging industry requires.

#### **Nathan Orr**

Spokesperson, NZ Tiny House Association





As a property investor I am interested in how I can leverage real estate in order to build and store wealth, protecting my capital against inflation and giving me a secure asset. As a futurist I enjoy looking to see how emerging trends and technologies are evolving and being adopted by the market. As a Tiny House owner I really want to be able to live in a community of other downsizers, who share the common goal of living tiny. As an entrepreneur I believe it is possible to have the best of both worlds, a profitable real estate investment operating as a Tiny House village, to provide a home for Tiny House dwellers from all backgrounds as a safe space to park up their THOW with full access to all amenities: electricity, water, sewer and of course wifi (it is 2019 after all). From the consumer point of view Tiny House communities make complete sense, low rents, low impact development and being surrounded by like minded people. From the investors point of view it makes complete sense, a profitable strategy for land banking large plots of land, multiple streams of income and those warm fuzzy feelings from helping people to have a home. So why doesn't New Zealand have Tiny House Communities then? As with all tiny house issues this most often comes back to the local Councils. In the last couple of years, Bobbie Cornell from Closer connected living opportunities; has been pushing to create a Tiny House Village in the Tauranga area and despite having the council and the mayor onboard, they could not find a way to make it work in a way that fit within the local council rules.

In Auckland an ad hoc Tiny House community exists called TLC because everyone needs a little tender loving care in their life and [it also stands for] tiny living club." This seemed to be going well up to the point the council stepped in causing havoc to the community's way of life. At the time of writing the landlord is applying for a campground license, but this brings about its own issues - such as the 50 day limit in place for residing in a campground. New Zealand is a follower of trends, and across America individual towns and states are slowly changing the laws to allow for Tiny Houses and Tiny House communities. If New Zealand follows this example, then it is only a matter of time until laws are changed removing the red tape and making Tiny House



"From the consumer point of view Tiny House communities make complete sense, low rents, low impact development and being surrounded by like minded people."



However for those who cannot wait until the government gets around to catching up with the rest of the world and are willing to fight to make communities a reality sooner, there might be an answer hidden in the New Zealand Campgrounds Act 1985.

Clause 11 actually allows for a relocatable house park with a relocatable house being describes as "relocatable home means a structure comprising a group of rooms occupied or intended to be occupied either permanently or temporarily as the living quarters of a single housekeeping unit (whether consisting of 1 or more persons), which is completely self-contained in respect of domestic equipment and facilities and which is designed to be relocatable and is located in a camping ground; but does not include a tent." Under the act a relocatable house does require written consent by the local governing authority (Clause 11 (1), and it also needs to comply with the Building Regulations 1992 (Clause 13).

However a little gold nugget in Clause 14 (2) states "Where a local authority is satisfied that undue hardship would be caused by the application of regulation 13 to any relocatable home, it may grant the owner a certificate of exemption from such requirements of that regulation as it specifies in that certificate."

Meaning a Tiny House friendly council could easily grant exemption to Tiny Houses going into a relocatable house park. As far as I am aware, nobody has taken this approach as of yet, but given the consumer demand for it, I believe it is only a matter of time until communities do start springing up, whether they are consented or not.

The landowners who make this happen will be well rewarded and the community that resides there will finally have a place to call Home Sweet (tiny) Home.





As the Tiny House movement gains momentum in New Zealand we follow the news and social media very closely.

Lately we have noticed a few more negative articles about Tiny Houses, and so we'd like to take a moment to share the positive experiences we've been hearing and experiencing. We are seeing such a different side of the coin, some even directly from Councils.

Here are a few examples: We recently met with the Tauranga City Council Team Leader of City Planning to discuss how we see Tiny Houses helping with their proposed intensification plan changes. They want to work with us to include Tiny's in their future city plans and came to us requesting our feedback not the other way around. We also meet with the Deputy Mayor of Tauranga Kelvin Clout to discuss the best way forward for us and the Council to allow Tiny Houses and Tiny House villages in the region. He is super supportive and loves Tiny Houses as a solution to the Housing Crisis. We have been approached by a division of Auckland Council to work on a Tiny House development in their region!

If Councils are doing their own Tiny House development, they obviously see merit in it, which is a great thing for all. We were mentioned in a recent article stating that the Mayor of Waitomo would be open to the idea of Tiny's as a way of tackling the shortage locally.

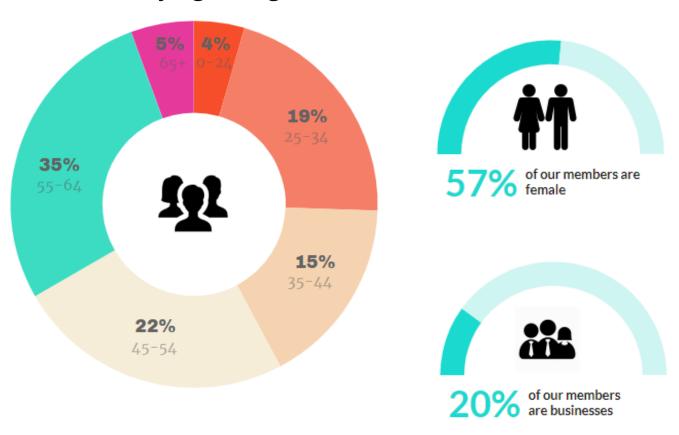
AND you may have already seen the video of Gareth Hughes in parliament asking Hon Jenny Salesa, Minister for Building and Construction if she thinks there is a role for sustainable housing options such as Tiny Houses to address the housing shortage in NZ and promote better use of available land, where she agreed the government should look at all options for innovative housing solutions.



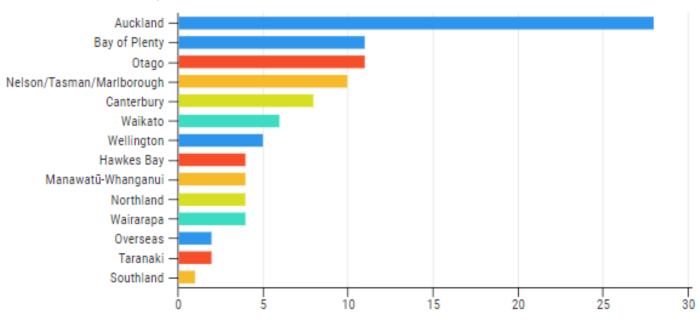
"If Councils are doing their own Tiny House development, they obviously see merit in it, which is a great thing for all."

#### NZ Tiny House Association Member Statistics

#### Members by Age Range



#### Members by Location



## Interested in contributing to our next issue?

#### Future publishing dates and deadlines

20th Jan - Copy deadline

1st Feb - Electronic Publishing Date

20th April - Copy deadline

1st May - Electronic Publishing Date

20th June - Copy deadline

1st July - Electronic Publishing Date

20th Sept - Copy deadline

1st Oct - Electronic Publishing Date

Email Sharla at admin@nztha.org to submit contributions for our next issue



























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