



Before the Waimakariri Residential Red Zone Recovery Plan Hearing Panel

Under the Canterbury Earthquake Recovery Act 2011, Schedule 1 of the Greater Christchurch Regeneration Act 2016

And in the matter of the hearing of comments on the Preliminary Draft Waimakariri Residential Red Zone Recovery Plan

Waimakariri District Council

Core Project Team

Memorandum in response to Third Minute of the Hearing Panel

31 May 2016





May it please the Hearing Panel:

1. Context

1.1. The purpose of this memorandum is to provide additional information to further respond to the Hearing Panel's request for information outlined in the Minute issued on 13 April 2016. The Core Project Team (CPT) is responding for and on behalf of the Waimakariri District Council.

1.2. The CPT have outlined below and in the attachments the further response to the Panel's specific questions including:

- Further detailed analysis of the preferred options for each of the five regeneration areas, including the Council preference for land ownership and management
- The cost benefit analysis work, and
- Confirmation of the Council's preferred regulatory approach to District Plan changes

1.3. The CPT has prepared this information in collaboration with officials from the Greater Christchurch Group within the Department of the Prime Minister and Cabinet (GCG) and Te Rūnanga o Ngāi Tahu. Three half day workshops were held on 27 April, 11 May and 25 May to assist with developing the attached information. The CPT is of the view that the information provided by this memorandum satisfies the requested information requirements. There is sufficient information for the Hearing Panel to make recommendations on the preliminary Draft Recovery Plan to Waimakariri District Council to progress the Draft Recovery Plan, which the Council must provide to the Minister supporting Greater Christchurch Regeneration by 1 August 2016.

2. Preferred Regulatory Approach to District Plan Changes

2.1. The CPT have now had the opportunity to meet with the Council's Development Planning Manager to confirm his view on the best way to progress District Plan changes that would be required as further actions required by the Recovery Plan.

2.2. The Development Planning Manager agreed that any amendments to the District Plan required within the next five years, especially those required within the next 12-18 months, should be progressed under the process provided for by the Greater Christchurch Regeneration Act 2016 (GCR Act). The Development Planning Manager confirmed the view that any benefits associated with shorter timeframes under the GCR Act are reduced for amendments to the District Plan required to be actioned beyond this period.



3. Detailed Analysis of Regeneration Areas

- 3.1. As outlined in the previous reply, the Crown must consider a broad range of matters in relation to the potential divestment of Crown-owned residential red zone (RRZ) land. The Minister must also take into account multiple considerations when deciding whether to approve, amend or decline the Draft Recovery Plan. Through the workshop process, the GCG provided CPT with a framework to assist with analysing the Council's preferred land use options for each of the five regeneration areas. The intention of this work was to set out in one document all relevant information about the preferred options for each regeneration area, with a clear, compelling explanation. This analysis has been completed for each area and is enclosed as **Attachments A to E**.
- 3.2. In particular, the Council's land ownership and management preferences have been included in the detailed analysis of each regeneration area. It is envisaged that the detailed analysis for each of the five regeneration areas will be included in an appendix to the Draft Recovery Plan. This will assist the Crown and others to thoroughly consider each of the Council's preferred options.
- 3.3. The CPT acknowledges that making recommendations and decisions about the divestment of Crown-owned RRZ land is neither a quick nor easy process for the Crown. This process was outlined in the Joint Memorandum to the Hearing Panel in response to the Second Minute of the Hearing Panel, dated April 2016.
- 3.4. Please refer to **Attachments A to E**.

4. Cost benefit analyses

- 4.1. The CPT, GCG and Te Rūnanga o Ngāi Tahu have worked together, through a series of workshops to develop a high-level cost benefit analysis, in line with the issues raised by the Crown in its written comments on the Preliminary Draft Recovery Plan. This work is a more detailed evaluation of mostly existing information, as suggested by the Panel. The cost benefit analysis includes qualitative as well as quantitative assessment due to the range of matters to be taken into account. The high-level cost benefit analysis is enclosed as **Attachment F**.
- 4.2. The CPT and GCG consider it important that this analysis informs the draft Recovery Plan as supporting information, rather than as an appendix to the draft Recovery Plan.
- 4.3. The CPT's view is that any level of uncertainty that remains is acceptable at this point, as the uncertainty relates to detail that will be clarified through implementation of Recovery Plan actions. For example, potential changes to the objectives, policies and methods of the District Plan to give effect to a re-zoning and reserve master planning / detailed design. The CPT note that further public engagement will be undertaken for such implementation actions and therefore will be subject to robust and transparent processes.



- 4.4. As set out in **Attachment F**, through the series of workshops the CPT and GCG analysed at a high level the key features, issues, costs, benefits and assumptions of the Council's preferred land use scenario (referred to as the Mixed Used Scenario or base option) as well as, theoretical alternative land use scenarios. The alternative scenarios are based on suggestions received during the public engagement on the preliminary draft Recovery Plan, the constraints identified in the Technical Advisory Panel Report, further detailed geotechnical information, and the potential feasibility of remediation and development. All the land scenarios were assessed at a high level against developed criteria and scored. The intention of this work was to be able to compare and contrast the Council's preferred land use scenario, to explore and test alternative scenarios, and to assess the costs and benefits and implications.
- 4.5. The criteria were developed to succinctly capture and balance the multiple considerations for the development of future use land options. These include the objectives and obligations in the Minister's direction, relevant legislation, the vision and goals in the preliminary Draft Recovery Plan, the Council's Long-Term Plan, and relevant statutory planning documents. The Council's preferred land use scenario was assessed as providing the best balance of the regeneration objectives compared with the alternatives, with a focus on optimising value for money, taking a pragmatic approach, and balancing current and future needs of the District and greater Christchurch.
- 4.6. Technical Advisors have prepared more detailed technical assessments to respond to questions raised by the hearing panel and the conclusions have also informed the workshops and preparation of the high-level cost benefit analysis. These and include two further valuation reports on residential land that could be leased or sold to adjacent green zone properties and on the value of rural land (the Colliers report); a report on the benefits of Greenspace; and further infrastructure upgrade costings for residential and commercial development options from Council Engineers. These reports are enclosed as **Attachments G, H, I and J**. The CPT also considers these reports to be supporting information to the draft Recovery Plan.

5. Timeframes

- 5.1. As outlined in the Joint Memorandum to the Panel dated April 2016, the Crown's view is that there needs to be a clear understanding of timeframes throughout the draft Recovery Plan, and specific suggestions were provided about how this clarity could be achieved. The CPT's initial thinking is that short-term and medium-term remains as 'short' being within the next two years and 'medium' the following ten years, and that the Council would clarify 'long-term' would be the following 20 year period. This would be consistent with the Council's annual and long-term planning cycles.

6. Conclusion

- 6.1. In conclusion, the CPT have provided a further analysis of the preferred land use for each regeneration area, as well as a high level cost benefit assessment of the Council's preferred options and alternative development scenarios. In addition, we have also



clarified the Council's position on the preference to use GCR Act powers to progress plan changes. In doing so we have sought to make it clear which analysis we consider should form part of the draft Recovery Plan and what should be considered as supporting information.

- 6.2. The assessments were completed through a collaborative series of workshops between the CPT, GCG and Te Rūnanga o Ngāi Tahu.
- 6.3. The CPT considers that the Hearing Panel request for further information has now been fulfilled.

DATED this 31st day of May 2016

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ATTACHMENTS

Attached to this response are the following:

- A. Detailed Analysis of Kaiapoi West
- B. Detailed Analysis of Kaiapoi South
- C. Detailed Analysis of Kaiapoi East
- D. Detailed Analysis of The Pines Beach
- E. Detailed Analysis of Kairaki
- F. High Level Cost / Benefit Assessment of Development Scenarios
- G. Colliers Valuation Report 18 May – Marginal Land. Kaiapoi, The Pines Beach and Kairaki
- H. Colliers Valuation Report 19 May – Rural land
- I. WDC – Value of Greenspace
- J. WDC – Residential and Commercial Infrastructure Costs