



Attachment B

Detailed Analysis of Kaiapoi South

PRELIMINARY DRAFT WAIMAKARIRI RESIDENTIAL RED ZONE RECOVERY PLAN – DETAILED ANALYSIS OF OPTIONS – KAIAPOI SOUTH

Description of Area: Kaiapoi South is a large ‘L’ shaped area of land of approximately 24.2 hectares. It borders the Kaiapoi Town Centre to the west, the Kaiapoi River to the north, existing green-zone residential areas to the west and the Courtenay Drive Drainage and Esplanade Reserves, and Oaks Reserve to the east and south. It is zoned Residential 1 over the majority of the area and Rural at the south eastern end. The area contains four remaining private properties. It contains two proposed wastewater pump stations. For the purposes of the preliminary Draft Recovery Plan, the Kaiapoi South Regeneration Area has been divided into five sub areas (Areas 3, 4, 5, 7, and 8), reflecting the preferred land uses within these areas.

A. PREFERRED OPTION AND PROPOSED IMPLEMENTATION

<p>Briefly describe the preferred option and outline the key reasons why it is preferred.</p>	<p>The preferred option contains a mix of business (Area 3), heritage and mahinga kai (Area 4), rural (Area 5) and recreation and ecological linkages (Area 7). Area 8 covers the road option.</p> <ul style="list-style-type: none"> • Business Area (Area 3): This area is proposed to be used for suitable commercial activities, which could include yard based and large format retail. Residential development would also be enabled in the business area to provide for a mix of activities. It is also possible that a public car park and public transport interchange will be provided in this area by WDC, subject to further analysis. This use is preferred as it would complement and extend the existing business areas to the west of the Red Zone and could provide a financial rerun to the Crown as landowner. • Heritage and Mahinga Kai Area (Area 4): This area will provide opportunities for mahinga kai, natural habitat restoration, natural play and education, and heritage recognition. This area recognises the strong relationship of Ngāi Tahu and Ngāi Tūāhuriri with this area. Geotechnical and flooding risks makes more intensive activities uneconomic. • Rural Area (Area 5): This area will provide opportunities for rural activities either on a sale or lease basis. Rural activities are preferred in this location given the significant geotechnical and flooding risks, and the opportunity to provide a return to the Crown. • Recreation and Ecological Linkage (Area 7): This linkage area will be used to provide key public access to Kaiapoi River and enhanced links between existing Council reserves and proposed new green spaces. • Rooding (Area 8): This area covers the existing Courtenay Drive alignment. Retaining the existing road alignment is preferred as the existing horizontal infrastructure services run along this road corridor and alternative rooding alignments are more expensive. <p>Overall, these activities are preferred because they respond to the geotechnical and flood hazard risks, the identified heritage and mahinga kai opportunities, and Kaiapoi Town Centre support opportunities. They are also broadly supported by the community and can integrate with the neighbouring activities.</p>
<p>How does the preferred land use take into account long-term projections and plans, such as demographic projections?</p>	<p>The proposed land uses for these areas reflect the need for more business activities in future years. The business area also provides the opportunity for a car park and public transport interchange for Kaiapoi, should these activities prove feasible (which will depend in part on the proposed Kaiapoi Town Centre Strategy refresh).</p>
<p>Is the preferred option the intended long-term use of the area? If no, what is the intended long-term use and why is it different from the short term use?</p>	<p>The proposal is the intended medium and long term use for this area, subject to, amongst other things, interest from, and development by, the private sector to implement business activities within Area 3. In the long term the activities in the rural areas may alter as technology and market economics evolve to include residential activities. Residential development is currently not economically viable.</p>
<p>How does the preferred land use option support and align with existing and planned local and national infrastructure? E.g. roads, schools and health services</p>	<p>The proposed land uses and rooding alignment are complementary to the existing road network and other existing infrastructure. The proposed car park and public transport interchange will support the rooding network, should these be progressed. The proposed uses align with and make use of the existing Courtenay Drive Drainage Reserve. There are no other significant infrastructure implications and consequences that have been identified at this stage.</p>
<p>What are the proposed ownership and management arrangements of the preferred option? Why are these favoured?</p>	<ul style="list-style-type: none"> • Business area (Area 3): Potential Council ownership and management of the public transport interchange area as this is a suitable Council function; private ownership or lease from the Crown for the remaining area is preferred to enable divestment and development. • Heritage and Mahinga Kai area (Area 4): Ownership and governance arrangements to be confirmed in consultation with the Crown and Ngāi Tahu. The preferred

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<p><i>Note whether vesting is being requested.</i></p>	<p>option is vesting this land as a reserve with ownership and management via a trust of which the Council is a key partner, similar to Te Kohaka o Tuhaitara Trust. While the Council supports this land use option, and the cultural, social and environmental benefits associated with it, the Council would prefer not to own or manage this area as it is not needed to meet the green space levels of service for Kaiapoi, or the wider district. It is acknowledged however, that there will be benefits for Kaiapoi and the district.</p> <ul style="list-style-type: none"> • Rural area (Area 5): This area will be owned and maintained by the Crown in the short term, although the Council could also undertake this role should the Crown decide to vest this land, although the preferred option provides a return for the Crown which otherwise may not occur if the land is vested at little or no cost (the Council would not necessarily have funding for this land). Under the preferred option, the Crown may call for expressions of interest to lease or buy the land. • Recreation and Ecological Linkages (Area 7): It is proposed that these areas are vested in the Council as a reserve. This is favoured as the proposed activities are better managed as a reserve for the community. • Road (Area 8): This will remain a road reserve vested in the Council. • Infrastructure: The land required for the Wyber Place and Charter Street wastewater pump stations is proposed to be vested in the Council as the Council will provide these services.
<p>What is the proposed implementation of the preferred option? Why is this approach preferred?</p>	<ul style="list-style-type: none"> • Business area (Area 3): For the proposed car parking the Council will seek to acquire this land from the Crown. For the public transport interchange, the Council will undertake further work assessing the merits of the proposed interchange and, if viable, seek to acquire the land from the Crown. Should either of these proposals progress it is anticipated that further design work and consultation will be required in the short to medium term. This will enable the Council to plan and manage the developments in a cost-effective way which will align to other relevant Council-led initiatives for Kaiapoi (e.g. the Kaiapoi Town Centre Strategy refresh). • Heritage and Mahinga Kai area (Area 4): Implementation arrangements are to be confirmed in consultation with the Crown and Ngāi Tahu. The preferred approach is the establishment of a trust, followed by the preparation of a joint management plan for the area (between the Council and the trust). The Trust would then be responsible for implementation of the joint management plan. Council would remain as a partner on the trust (similar to Te Kohaka o Tuhaitara Trust). This approach is preferred as the appropriate means of implementing a well-established model. • Rural area (Area 5): The Council proposes that this area will be owned and maintained by the Crown in the short term. The Crown may call for expressions of interest to lease or buy the land. Detailed implementation arrangements will then be confirmed. This approach is preferred as it will be a cost-effective and straightforward approach to implementing this option. • Recreation and Ecological Linkages (Area 7): The Council will discuss options for vesting the land in Area 7 with the Crown, and should vesting take place will develop plans for the area as part of a reserve masterplan, involving community consultation. This approach aligns to existing well-established Council processes.
<p>How does the Plan provide for the necessary statutory amendments to enable the preferred option? What are they?</p>	<p>District plan changes may be required to enable the proposed activities in Kaiapoi East; depending on implementation, these actions these will be progressed under the Greater Christchurch Regeneration Act/Recovery Plan process or, if necessary, under the District Plan review. These are described as further actions to be completed after and subject to Ministerial approval of the Recovery Plan.</p>

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B. HOW WOULD THE PREFERRED LAND USE OPTION HELP TO ACHIEVE EARTHQUAKE RECOVERY OBJECTIVES	
<p>Minister’s direction: 4.1.1 Promote the well-being of greater Christchurch communities</p>	<p>The preferred land use option will recognise and provide enhancement opportunities for heritage and mahinga kai for Ngāi Tahu and Ngāi Tūāhuriri, the Kaiapoi community and visitors to the area. It will provide recreation and ecological linkages that support access to existing reserves (e.g. NCF Park and the Kaiapoi riverbanks).</p> <p>The Heritage and Mahinga Kai Area will support health and wellbeing (through enhancing physical and mental health, and nourishing the body); social cohesion (through supporting different cultures and bringing people together in public green space); place-making (by contributing to the local identity and conserving cultural landscapes and history, and enhancing biodiversity); development and learning benefits (through providing a variety of experiences and education opportunities) and economic benefits (through ecosystem services and contributing to the local economy as a visitor destination).</p> <p>These land uses will support healthy lifestyles, provide opportunities for more community engagement with the river environment and cultural heritage, and reflect the broad wishes of the community. The proposed business areas integrate well with the existing business areas on Williams and Hilton Streets, which link to the town centre, and are broadly supported by the community. The detailed design and layout of the public spaces within Kaiapoi South will be undertaken through a master planning process, which will ensure that the design of these areas is consistent with the principles of good urban design, encompassing the provision of safe and secure environments for residents and visitors.</p>
4.1.2 Result in resilient and enduring outcomes	<p>The proposed land uses within Kaiapoi South have been heavily influenced by the flooding and geotechnical hazards associated with the location. As such, it is considered that the type, location, design, and function of the proposed activities will ensure a sustainable development pattern that is robust and resilient.</p>
4.1.3 Support economic development and growth	<p>Careful consideration of the appropriate business activities within Area 3 will be undertaken to ensure that any future commercial activities within this area do not detract from the function and viability of the existing Kaiapoi Town Centre, and support rather than detract from the economic growth of the town centre area. Most long established town centres/business areas are highly constrained by surrounding older residential development; by contrast the opportunity presented here is for well-planned integrated development of the Kaiapoi Town Centre in a way which is sympathetic to and enhances the local area.</p> <p>The Heritage and Mahinga Kai Area could act as a destination attraction bringing visitors to Kaiapoi and encouraging them to stay, thereby supporting the adjacent town centre. The rural areas could support a variety of activities. They could also be used for commercial recreation (subject to any necessary resource consents).</p>
4.1.4: Be affordable and consistent with the government’s commitment to principles of responsible fiscal management	<p>It is anticipated that the proposed Business and Rural Areas will provide a financial return to the Crown, which will benefit taxpayers. The proposed recreation and ecological linkages and Heritage and Mahinga Kai Areas will be funded from within the agreed financial parameters of the Council’s Long Term Plan, with costs being transparent to Waimakariri District ratepayers. These costs will be set out in the preliminary Draft Recovery Plan.</p>
<p>Council’s vision and goals: How would the preferred option deliver the vision outlined in the preliminary Draft Recovery Plan?</p>	<p>The proposed land uses in Kaiapoi South will ensure that the regeneration area will be returned to active use and will support the economic vibrancy of the Kaiapoi Town Centre by bringing locals and visitors to the area.</p> <p>The proposed uses are resilient, being heavily influenced by the identified geotechnical and flooding hazards.</p> <p>The area will provide recreation spaces and facilities that will be “rewarding and exciting places for residents and visitors”, meeting the expectations and aspirations of the community as expressed through various consultation exercises during the development of the preliminary Draft Recovery Plan. The Heritage and Mahinga Kai Area will recognise and celebrate the significant cultural values of Ngāi Tahu and Ngāi Tūāhuriri. . This green space celebrates the strong relationship Ngāi Tahu and Ngāi Tūāhuriri have with this area through opportunities for mahinga kai, habitat restoration, enhanced biodiversity, education and learning. The area will also provide a different green space experience for the community and visitor recreation, with walking and cycling tracks, interpretive and heritage trails, and natural play and education.</p>
<p>How would the preferred option help to achieve the goals 1, 2, 3, 4, 5 and 6 outlined in the preliminary Draft Recovery Plan?</p>	<p>1) <i>Returning the regeneration areas to active use in a timely and efficient and economic manner:</i> The implementation of the proposed uses has been carefully scheduled, with the majority of actions occurring in the short and medium term. The proposed package of uses is considered to be pragmatic and economic (by securing a financial return where this is feasible), and will support and encourage community recreation, and ecological awareness.</p> <p>2) <i>Significantly enabling Kaiapoi’s journey towards becoming a prosperous and innovative centre to live, work and play:</i> The proposed car park, public transport</p>

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<p><u>Note that this should include details about how the goal, vision or objective would be achieved and why this is important. It is not sufficient to merely state 'Land use option X would contribute significantly to goal Y.'</u></p>	<p>interchange and business uses will support the economic health of the town centre. The heritage and mahinga kai, and recreational and ecological linkage areas, will provide play opportunities with consequential health and wellbeing, and social cohesion benefits, which are described more fully in Section D below. Combined, these provide enhanced opportunities for those living in and visiting the Kaiapoi community.</p> <p>The Heritage and Mahinga Kai Area is in close proximity to the town centre and Kaiapoi River. It could extend the recreation experience from the town centre, building on proposed riverbank improvements at the Williams Street Bridge. The area could encourage longer stay uses in Kaiapoi which will benefit the town centre through use of local services (e.g. hospitality services).</p> <p>3) Providing a safe, inspiring and attractive environment for residents and visitors, with public access to and opportunities for recreation, cultural, social and economic activities: The proposed business, heritage and mahinga kai, and recreational and ecological linkage areas, will provide opportunities for recreation, cultural, social and economic activities. The design of these areas will be consistent with the principles of good urban design, leading to attractively designed green spaces available for a wide range of uses that will be popular with residents and visitors alike. The proposed Heritage and Mahinga Kai Area provides a key space for cultural and social activities from mahinga kai through to natural play, education and learning. The area will also provide a different recreation experience for locals and visitors with walking and cycling tracks, interpretive and heritage trails.</p> <p>4) Ensuring land use proposals are resilient and built for the future drawing on relevant sound assessment: The proposed land uses within Kaiapoi South have been heavily influenced by the flooding and geotechnical hazards associated with the location. The type, location and design of development will ensure a sustainable development pattern that is resilient as they reflect long term considerations such as demographic projections and economic forecasts.</p> <p>5) Enabling opportunities to restore the natural environment to support diversity as well as economic prosperity: The Heritage and Mahinga Kai, and Recreational and Ecological Linkage Areas, will provide opportunities to restore the natural environment. The Heritage and Mahinga Kai Area will focus on natural habitat restoration and biodiversity enhancement. Given the area's location between the Kaiapoi River and Courtenay Stream these activities will have wider water quality benefits.</p> <p>6) Recognising and enhancing Ngāi Tūāhuriri and Ngāi Tahu values, aspirations and the important cultural history of the area: The proposals for Kaiapoi South have been developed in collaboration with representatives from Ngāi Tahu and Ngāi Tūāhuriri. In particular, the proposed Heritage and Mahinga Kai Area recognises and enhances Ngāi Tahu and Ngāi Tūāhuriri values, and aspirations, and recognises the important cultural history of the area.</p>
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C. EVIDENCE AND ENGAGEMENT

<p>What are the key geotechnical, flooding and other findings about this area and how have they informed the development of the preferred option for this area?</p> <p>Are there any geotechnical, flooding and other uncertainties? If yes, what further analysis is required?</p>	<p>The Technical Advisory Panel (TAP) report identifies different flooding and geotechnical constraints for Kaiapoi South depending on area. The geotechnical assessments range from 1- 4. For flooding, these range from 2 to 6. Based on these findings the TAP report describes different types of activities as: not feasible; technically feasible but not advisable; and technically feasible and suitable. For the Courtenay South area the TAP report concludes the following:</p> <ul style="list-style-type: none"> • Business uses which are flood tolerant are technically feasible in Area 3, where they have been proposed). Business demand is anticipated in Area 3 but care is required to avoid undermining the Kaiapoi Town Centre. Elsewhere business uses are technically feasible but not advisable, and are not proposed. • Cultural interests are technically feasible in northern Area 4 and suitable in the eastern Area 4, both where they are proposed. Elsewhere they are technically feasible but not advisable, except for the south eastern part of Area 5 where they are suitable but not proposed due to the already significant area proposed for this purpose. • Recreation is technically feasible but not advisable throughout Courtenay South principally due to lack of demand / levels of service benefits and is therefore only proposed in small recreation and ecological linkages to provide connectivity. • Rural use is technically feasible but not advisable in the majority of Kaiapoi South and not feasible in the northern part of Area 4, principally due to it being a less efficient and integrated form of development. This use has been proposed in Area 5 however, given the economic viability findings. • Residential uses are technically feasible in the inner Courtenay Drive loop (Area 5), but not expressly proposed given the economic viability findings. However, the preliminary Draft Recovery Plan recognises that residential uses could become economically viable in the future and as such are not foreclosed in this location. Elsewhere they are not feasible and are not proposed. <p>The geotechnical analysis completed is only Stage 1. As such there are uncertainties over the most efficient and effective land repair strategies and therefore costs. T&T has proposed a Stage 2 assessment; this has not been undertaken at this time but more detailed geotechnical analysis might be required as part of implementation.</p> <p>The flooding analysis has not considered minimum floor level requirements as, when undertaken, there were no specified requirements in the Waimakariri District Plan. A natural hazards plan change is being prepared by the Council which will provide further guidance on required minimum floor levels.</p> <p>Another uncertainty relates to land contamination - there is a risk of some contamination from the demolition of properties. Further work is being undertaken on this by the Crown. This information is anticipated to be available by mid-June 2016.</p>
<p>What short, medium and long-term economic projections and market information is available on this area? How has this information informed the development of the preferred option?</p> <p>Are there any uncertainties related to the information on economic/market conditions? If yes, what further analysis is required?</p>	<p>The preferred option has been based on economic projections for business activities for the Kaiapoi area as a whole. The Property Economics report (which was peer-reviewed by Market Economics) notes that there will be “increased demand and land provision requirements for business activities in Kaiapoi” for the period up to 2043. In particular, there is demand for industrial land, which includes yard-based and large format retailing. The Colliers valuation report notes that yard-based business activities (which would be potentially appropriate in Kaiapoi South given the flooding risk and other considerations) would be potentially viable from a financial return perspective.</p> <p>The Property Economics assessment and Colliers report both note that there are wide variations in the potential population growth forecasts. These variations could affect the demand for and financial return from business land. However, the location of Area 3, which borders the Kaiapoi Town Centre, is likely to be a strong drawcard for potential business developers compared to some other potential land further away from the town centre. Further analysis on potential impacts on the existing Kaiapoi Town Centre is required.</p> <p>In terms of residential demand and market value, these have been assessed in the Colliers valuation report. The findings conclude that residential development is not currently financially viable. The preferred option for Kaiapoi South is consistent with this advice.</p>

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	<p>In terms of rural activity demand, this has been assessed in the Colliers valuation report, which concludes that there is current demand for this activity in Kaiapoi South. The preferred option for Kaiapoi South is consistent with this advice.</p>
<p>What other evidence has been used to inform the development of the preferred option? E.g. research on psychosocial or health issues.</p>	<p>Reports on the geotechnical and flooding constraints and land repair costs (TAP and T&T reports) have informed the preferred option.</p> <p>Research into the benefits of greenspace has been used to inform the proposed land uses. Greenspace provides a variety of direct and indirect benefits to individuals, the community and the economy. Greenspace has benefits for health and wellbeing (enhancing physical and mental health); social cohesion (bringing people together); place-making (providing a local identity); development and learning (providing a variety of experiences); and economic value (contribution to the local and national economy). These benefits are discussed further in Section D below with references to relevant research included.</p>
<p>What other uncertainties are there about the preferred option? What further analysis is required?</p>	<p>An identified uncertainty relates to the nature of potential business activities within the area. There was some disquiet expressed by the community in relation to the stated examples in the preliminary draft Recovery Plan, in particular some commenters were strongly opposed to some possible yard-based activities. However, enabling core town centre commercial and retail activities in the proposed locations may undermine the function and viability of the existing Kaiapoi Town Centre. The final commercial mix should be considered in combination with the proposed Kaiapoi Town Centre Strategy review.</p> <p>There is uncertainty identified in the T&T report about land repair options and costs. The need for additional work is identified in the report but advice received indicates that it would have to be detailed to be of meaningful additional use.</p> <p>The demand for commercial recreation is uncertain and therefore none has been proposed in the preferred option for Kaiapoi South (although it could be developed further in part of Area 5 (Rural) if there is interest from commercial operators).</p>
<p>What are the key themes of community feedback received on the preferred option? Were any alternatives suggested and why were these progressed/not progressed?</p>	<p>There was general support for the preferred land use options. In particular, the proposed business uses (Area 3) received broad support, but some commenters were concerned about potential for unsightly appearance, depending on the nature of business activities, with for instance, car yards being considered undesirable. Some commenters sought residential development in the business area. Given these comments the Officer's Report suggested enabling mixed-use business activities in Area 3. A handful of people disagreed with the proposed neighbourhood park and this is now proposed to be removed.</p> <p>There was general support for the Heritage and Mahinga Kai Area (Area 4). Some commenters were concerned about the restriction of public access, and wanted greater clarity on what a heritage and mahinga kai area might look like. It is intended that public access be maintained through the area, and walking and cycling tracks will support this. Clarity on the design details of this greenspace will be part of the joint management plan for this area which will be subject to community consultation.</p> <p>A minority of commenters opposed business use, favouring green space/recreation activities. This option has not been progressed as additional green space is not considered required to achieve the desired levels of service for Kaiapoi and the wider district now and in the future. More greenspace would place an additional financial burden on Council in terms of development and maintenance.</p> <p>A number of commenters sought to re-establish residential development, whereas others opposed residential development. Residential development has not been proposed in the preferred option given the community feedback and because it is not currently economically viable. However some residential development may be feasible as part of the mixed use business activities proposed in Area 3.</p>
<p>Outline the views of each of the Strategic Partners on the preferred option. Include whether alternative options have been suggested or supported.</p>	<p>The Strategic Partners have been involved throughout the development of the Recovery Plan, including the initial TAP assessment. There is broad agreement from all for the future use proposals in Kaiapoi South now that residential development is proposed to be included in the Business area (Area 3) and not foreclosed in the Rural area (Area 5).</p>

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D. BENEFITS AND WHOLE OF LIFE COSTS

<p>What would be the social benefits of the preferred option to the Waimakariri and greater Christchurch communities and New Zealand taxpayers?</p>	<p>The key social benefits relate to the proposed provision of greenspace. The proposed Heritage and Mahinga Kai Area will have benefits in terms of health and wellbeing, through the provision of passive recreation opportunities such as walking and cycling, and the restorative effects of being in and experiencing nature. The area will also have benefits in terms of social cohesion through supporting different cultures, with joint management bringing people together and encouraging community and cultural links. The Heritage and Mahinga Kai Area makes a key contribution to place-making through the conservation of cultural landscapes and history, through biodiversity and natural habitat enhancement, and creation of a distinct local identity that builds on the river and its surrounds. The area will provide opportunities for development and learning through the development, management and use and understanding of mahinga kai. Certainty over activities in Kaiapoi South will also be appreciated by the nearby community, contributing to their social wellbeing.</p> <p>The following research by Lincoln University, while undertaken specifically to assess potential recreation activities in the Avon River corridor as opposed to Kaiapoi, provides evidence about the value of recreation spaces to communities. In addition to the benefits of active sport and recreation, natural recreation spaces also contribute to health and wellbeing. A Department of Conservation study in 2013 identified that public conservation areas have positive mental health benefits. Aside from the mental benefits of physical activity in natural spaces, there are also restoration effects which encourage “<i>recovery from stress and attention fatigue, enabling people to reflect on issues beyond their routine thoughts and activities</i>”. Natural spaces also have therapeutic benefits with improvements in mood, reduced anger and aggression, and increased vigour.</p>
<p>What would be the economic benefits of the preferred option to the Waimakariri and greater Christchurch communities, New Zealand taxpayers and the Crown (as landowner)?</p>	<p>The proposed business area within Kaiapoi South is proposed to be managed to ensure that the activities within these areas support the function and viability of the existing Kaiapoi Town Centre. This may be achieved by introducing a bespoke business zone as a plan change to the Waimakariri District Plan. A vibrant Kaiapoi Town Centre will contribute to the economic well-being of Kaiapoi, the wider Waimakariri District and greater Christchurch and Canterbury. The proposed business activities are anticipated to provide an economic return to the Crown. The proposed Rural Area could also provide an economic return to the Crown.</p> <p>The proposed Heritage and Mahinga Kai Area (Area 4) could act as a destination activity, supporting the town centre through bringing visitors to the town centre and providing recreation opportunities that encourage them to stay. The Lincoln University research referenced above provides evidence of the economic value of recreation spaces. In addition, a 2011 report into the “Economic and Social Value of Sport and Recreation to New Zealand” demonstrated that there is a net economic benefit from participation in sport and recreation activity. The preferred option will result in a reduction or removal of the ongoing maintenance costs to the Crown.</p>
<p>What would be the cultural benefits of the preferred option to the Waimakariri and greater Christchurch communities and New Zealand taxpayers?</p>	<p>The proposed Heritage and Mahinga Kai Area (Area 4) will provide significant cultural benefits through the development, management and use and understanding of mahinga kai. Joint management of this greenspace also provides opportunity for developing cross-cultural networks. Additional cultural benefits accrue through water quality improvements, arising from more environmentally sensitive stormwater management. This will positively impact on the mauri of the Kaiapoi River.</p>
<p>What would be the environmental benefits of the preferred option to Waimakariri, greater Christchurch and New Zealand?</p>	<p>The key environmental benefit in Kaiapoi South is the opportunity to improve water quality in the catchment through best practice stormwater management, contributing positively to the water quality and aquatic communities within the Kaiapoi River.</p>
<p>Are there any other benefits for Waimakariri, greater Christchurch, New Zealand as a whole and/or the Crown?</p>	<p>The proposals for Kaiapoi South need to be considered holistically with the other proposals for the regeneration areas, which will provide a range of benefits in the future including supporting recovery from the Canterbury earthquakes.</p>
<p>What would be the financial costs of implementing the preferred option, including the approximate</p>	<p>WDC Costs¹</p>

¹ These costs (except other staff costs) are taken from the pDRP, Section 6, Table 5, page 68. The utilities and roading costs are apportioned according to the Council / Crown cost share agreement: Council – 40%, Crown - 60%

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<p>on-going management and operational costs?</p> <p><i>Specify whether these costs would be for the Council, Crown or a private owner, and ensure timeframes are clearly stated. Include all potential processes e.g. vesting, remediation if applicable.</i></p>	<ul style="list-style-type: none"> • Utilities replacement: \$2,731,000 (capex) • Roading (Area 8): \$1,091,000 (capex) • Heritage and Mahinga Kai area (Area 4): Design and Build \$1,240,000 - \$1,600,000: yearly maintenance \$38,000 – \$50,000 • Recreation and Ecological Linkage (Area 7): Design and Build \$430,000 – \$560,000: yearly maintenance \$10,000 – \$13,000 • Other staff costs (implementation, liaison, monitoring, reporting, plan changes): allow 1 FTE (\$150,000 p.a.) till 2028 <p>Totals Capex: \$3,822,000 + \$1,420,000 + \$495,000 = \$5,737,000 Opex till 2028: \$44,000 + \$11,500 + \$150,000 = \$205,500 p.a. (suggest apply until 2021)</p> <p><i>WDC Potential Costs (Area 3) – for the car park and public transport interchange should these proceed</i></p> <ul style="list-style-type: none"> • Land purchase from the Crown: assumed nominal amount • Land repair costs: from T&T report - unknown at this time (depends on proposed activities and facilities) • Design and construction of facilities: not determined at this time <p><i>Crown</i></p> <ul style="list-style-type: none"> • Maintenance costs (LINZ): approximately \$160k p.a. for whole red zone (89ha). Kaiapoi South (24.2 ha) share is \$43,500 p.a. (assume costs apply until 2019) • Land disposal: (vesting / tendering / sale): unknown at this time • Staff costs (implementation, liaison, monitoring, reporting, oversight): unknown at this time <p><i>Ngai Tahu (for Area 4)</i></p> <ul style="list-style-type: none"> • Capex: unknown at this time • Opex: anticipated to be absorbed in current operating budgets <p><i>Private Owner – Area 3 (assuming the land is sold and the developer undertakes the land repair)</i></p> <ul style="list-style-type: none"> • Land repair costs: depends on proposed activities and structures. <ul style="list-style-type: none"> ○ For yard based activities land repair costs are estimated as \$1,700,000 for the whole area² ○ For large format retail activities land repair costs are estimated as \$8,800,000 for the whole area³ • Other costs, such as: providing utilities on site; stormwater management; site preparation and build costs - unknown at this time <p><i>Note: utilities will be provided to the boundary by Council and are already costed in WDC Utilities costs above.</i></p>
<p>What are the other costs (e.g. environmental, health and/or social) of the preferred option?</p>	<p>There could be social and environmental costs associated with disruption during the development of the various areas, particularly those proposed for business use, and longer term through a less attractive appearance depending on the nature of business activities that are implemented (e.g. car parking, some yard-based retail and business activities).</p>
<p>Are there any uncertainties about the anticipated costs? If yes, what do these relate to and could further analysis be undertaken?</p>	<p>There are uncertainties about the nature and timing of the proposed business activities in Area 3. In particular, while we have information about what developers are likely to be prepared to pay to lease or purchase the land, there is uncertainty about when this would happen. There are also uncertainties over the required land repair and flooding requirements. These may have an impact on the eventual cost of development and therefore the financial return to the Crown from sale or lease. Further analysis could be undertaken for flood mitigation; however it is likely that any further geotechnical analysis would need to be very detailed to confirm costs. If appropriate and required, this further analysis could be undertaken as part of the implementation process.</p>

² Tonkin and Taylor Kaiapoi Red Zones Engineering Feasibility of Potential Land Uses – Stage 1 Report January 2016. Section 8.5, page 60

³ Ibid



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<p>What are the anticipated financial returns?</p>	<p>The anticipated financial return depends on such things as: the activities undertaken; sale vs lease; actual cost of land repair; expected market value.</p> <p><i>Area 3 (Business)</i></p> <ul style="list-style-type: none"> • Large format retail option: gross realisation = $\\$280 / \text{m}^2 \times 31,300\text{m}^2 = \\$8,764,000^4$, less anticipated remediation costs of $\\$8,800,000$ for the block⁵ = $\\$-36,000$ (excluding developer and sale costs). Colliers advised return for the block including developer and sale costs is $\\$-3,290,000^6$ • Yard-based option: = $\\$150 / \text{m}^2 \times 31,300\text{m}^2 = \\$4,695,000^7$, less anticipated remediation costs of $\\$1,700,000$ for the block⁸ = $\\$2,995,000$ (excluding developer and sale costs). Colliers advised return for the block including developer and sale costs is $\\$1,410,000^9$ <p><i>Areas 4 (Heritage and Mahinga Kai) and 7 (Recreation and Ecological Linkage)</i></p> <ul style="list-style-type: none"> • Vesting land in the Council: assumed to be vested at nominal value therefore no meaningful financial return. <p><i>Area 5 (Rural)</i></p> <ul style="list-style-type: none"> • Lease option: $\\$500$ per ha, p.a.¹⁰ = $\\$500 \times 11 \text{ ha} = \\$5,500$ p.a. financial return • Sale as 4 ha rural lots: $\\$375,000$ per 4 ha lot¹¹ = $\\$375,000 \times 3 = \\$1,125,000$, less anticipated remediation costs of $\\$380,000$ per building platform¹² = $\\$380,000 \times 3 = \\$1,140,000$. Total sale financial return: $\\$1,125,000 - \\$1,140,000 = \\$-15,000$ (excluding developer and sale costs)¹³ • Inner Courtenay Loop - Sale as 5000m^2 large residential lots: $\\$325,000$ per lot¹⁴ $\times 11$ lots¹⁵ = $\\$3,575,000$, less anticipated remediation costs of $\\$380,000$ per building platform¹⁶ = $\\$380,000 \times 11 = \\$4,180,000$. Total sale financial return: $\\$3,575,000 - \\$4,180,000 = \\$-605,000$ (excluding developer and sale costs). Colliers advised return for the Courtenay Inner Loop area including developer and sale costs is $\\$-2,230,000^17$
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⁴ Colliers International Valuation Consultancy Report: WDC Residential Red Zone Recovery Plan Kaiapoi December 2015. Section 7.4, page 34

⁵ Ibid

⁶ Ibid

⁷ Ibid

⁸ Ibid

⁹ Ibid

¹⁰ Colliers International Valuation Consultancy Report: Waimakariri District Residential Red Zone Kaiapoi May 2016. Paragraphs 32, 46 and 47, pages 9 and 10

¹¹ Colliers International Valuation Consultancy Report: Waimakariri District Residential Red Zone Kaiapoi May 2016. Paragraph 28, page 8

¹² Tonkin and Taylor Kaiapoi Red Zones Engineering Feasibility of Potential Land Uses – Stage 1 Report January 2016. Section 9.8, page 68 (Inner Courtney Loop estimates)

¹³ These are documented in the Colliers December 2015 report

¹⁴ Colliers International Valuation Consultancy Report: WDC Residential Red Zone Recovery Plan Kaiapoi December 2015. Section 5.4, page 23

¹⁵ Colliers International Valuation Consultancy Report: WDC Residential Red Zone Recovery Plan Kaiapoi December 2015. Section 7.4, page 33

¹⁶ Tonkin and Taylor Kaiapoi Red Zones Engineering Feasibility of Potential Land Uses – Stage 1 Report January 2016. Section 9.8, page 68 (Inner Courtney Loop estimates)

¹⁷ Colliers International Valuation Consultancy Report: WDC Residential Red Zone Recovery Plan Kaiapoi December 2015. Section 7.4, page 33

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E. RISKS – IDENTIFICATION AND MITIGATION	
How have current and future needs/requirements been balanced from the Council’s perspective?	Consideration has been given to the future needs of the community in terms of greenspace recreation areas (including the Sport and Recreation Reserves Management Plan (2015)) and the need to ensure the ongoing economic vibrancy of the town through the proposed development of business activities in line with future population growth and business land demand.
What would be the environmental risks associated with the area and preferred option? (e.g. natural hazards and future events). How would these be mitigated?	There are no major environmental risks likely through the proposed land uses in Kaiapoi South although the nature of the business activities in Area 3 and also potentially the rural activities in Area 5, would need to be assessed to ensure that there would be no adverse environmental implications from the development nor the ongoing activity. This can be done through the resource consenting process, once a District Plan Change has been undertaken to rezone the land for appropriate business use.
What would be the potential implementation risks of the preferred option? (e.g. unforeseen costs). How would these be mitigated?	<p>The main risk is uncertainty about the nature and timing of the development of appropriate business activities in Area 3. At present it is not certain how much interest there would be from developers in developing this land for business use, and how soon therefore the area would provide a financial return as opposed to the ongoing costs of maintaining the land in its current state. This risk will be mitigated through the development of the implementation phase if and when the Minister approves the final Recovery Plan.</p> <p>If the Crown undertook the land repair works this could result in implementation risks if equipment, specialists, fill, etc. are unavailable or more costly than anticipated.</p> <p>The Heritage and Mahinga Kai Area is agreed in principle with Ngāi Tahu and Ngāi Tūāhuriri; however, the development, management, governance and ownership arrangements for this area have not yet been determined. This should be further explored with the relevant parties.</p> <p>The other uncertainty relates to the possible financial implications of any decision by the Crown about whether it may vest in the Council the land in Area 7 and the land under the proposed infrastructure, and if so, whether this will be at no charge. This issue is being discussed between the Council and Crown with processes underway to seek the Crown’s formal decision about vesting the land, ideally prior to final agreement of the Recovery Plan.</p>
What would be the risks relating to community and/or stakeholder buy in? How would these be mitigated?	There remains a residual risk for this area (as with all the regeneration areas) that some in the community oppose the proposed land uses. This risk has been mitigated through the consultation and community engagement processes undertaken, and will be further mitigated through future opportunities for consultation. These have so far demonstrated broad support from the proposals for this area. Many of the issues raised through consultation can be mitigated through the design process which would be subject to further community engagement.
What would be the risks relating to Council and Crown expenditure? How would these be mitigated?	<p>The main risks are essentially the same as the implementation risks identified above, i.e. how much and when would any financial returns start to accrue from the proposed activities, and the potential financial considerations associated with vesting the land in Area 7 and under the proposed infrastructure. Also, there could be a financial risk if the Crown undertook the land repair works, if this resulted in no development or demand or a poor return for the remediation investment.</p> <p>The Council also has potential expenditure risk (in part because of cost uncertainties) relating to the proposed car park and public transport interchange, should these proceed.</p>

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F. ALTERNATIVES	
For the <u>preferred option</u> , what, if any, are the alternative ownership and management options?	<p>There are no viable alternative ownership or management options for the infrastructure, and Recreation and Ecological Linkage Area (Area 7) other than Council ownership and management as there would be unlikely to be any commercial interest in owning/managing this land for these purposes.</p> <p>For the Business Area (Area 3), this area could be Crown, Council, privately owned or a combination of these depending on the Council’s assessment of car parking / public interchange needs and the Crown’s desire to maintain ownership. The Crown could consider options for developing Area 3 by seeking expressions of interest from private developers to lease or purchase areas of land directly from the Crown, or could vest the land in the Council for the Council to undertake appropriate implementation activities with developers.</p> <p>For the Heritage and Mahinga Kai Area (Area 4), this area could potentially be owned and managed by the Crown, the Council, Ngai Tahu or a Trust (similar to Te Kohaka o Tuhaitara Trust). This matter is listed as a further action.</p> <p>For the Rural Area (Area 5), this area could be owned and maintained by the Crown and leased, or sold to the private sector. Again the Crown could call for expressions of interest to lease or buy the land.</p>
What are all of the land use options that could be considered for this area?	<p>Other land use options include:</p> <ul style="list-style-type: none"> a) Residential Focus Scenario: replacing rural activity with residential activity in the inner Courtenay loop (Area 5) b) Business Focus Scenario: extending business activity into the Heritage and Mahinga Kai Area (Area 4) and the inner Courtenay loop (Area 5) c) Rural Focus Scenario: extending rural activities into the Heritage and Mahinga Kai Area (Area 4) d) Commercial Recreation scenario: replacing the Rural Area (Area 5) with commercial recreation e) Greenspace (Recreation) Focus Scenario: converting some of the Rural Area (Area 5) to greenspace f) Heritage and Mahinga Kai and Coastal Park Focus Scenario: extending the Heritage and Mahinga Kai Area westwards into the Business Area (Area 3) and Rural Area (Area 5).
What would be the key benefits of progressing each alternative option? <i>Add a new row for each option.</i>	<p>Key benefits include:</p> <ul style="list-style-type: none"> a) The key benefits of additional residential development would be an opportunity for people to live close to the town centre and the river, with social/mental health/economic benefits related to accessibility and increased greenspace/riverfront accessibility. There would be a potential financial return available to taxpayers (however, this is not supported by identified financial information). b) The key benefits of additional business development would be a potential financial return available to taxpayers (however, this is only supported by identified financial information for yard based activities), providing an opportunity to support the existing Kaiapoi Town Centre, and providing additional business land in response to the identified demand. c) The key benefit of additional land for rural activities is a potential financial return available to taxpayers through lease fees.

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	<ul style="list-style-type: none"> d) The key benefits of additional commercial recreation are a potential financial return available to taxpayers through lease fees and the opportunity to establish new destination activities. e) The key benefits include the health and wellbeing, social cohesions, place-making, development and learning, economic benefits associated with additional green space. f) The key benefits of additional Heritage and Mahinga Kai Area are the opportunity for expanded native habitat restoration, and increased recreation and education opportunities. This has health and wellbeing, social cohesion, place-making, development and learning and potential economic value benefits.
<p>What would be the key risks of progressing each alternative option? <i>Add a new row for each option.</i></p>	<p>Key risks include:</p> <ul style="list-style-type: none"> a) The key risks of additional residential development would be the potential financial loss to the taxpayer if the Crown undertook remediation, and development was subsequently not financially viable, with the area remaining undeveloped in the medium term. If undeveloped and still owned by the Crown, the Crown will be liable for ongoing maintenance costs. Any development would need to manage flooding risk to avoid flooding adjacent green-zone areas. b) The key risks of additional business development would be the potential to undermine the Kaiapoi Town Centre if the activities are not managed, and the potential for adverse effects on existing residences from business operations. There were also comments received during consultation in opposition to business activities in Kaiapoi South. Based on current analysis there is also a financial risk if the area is developed for large format retail activities as these activities are assessed as not financially viable. c) The main risks associated with additional rural area are potential adverse environmental effects, and from a community perception the loss of further recreation opportunities and a perception that the use would not be facilitating recovery. d) The key risks of additional commercial recreation are additional adverse effects on the existing residences, and if there is no demand, the area remaining underutilised. e) The key risk of additional greenspace is financial, including additional costs to the ratepayer for development and management and, if the area is not required to achieve levels of service and/or underutilised, these additional costs will be unjustifiable. f) There key risk of additional Heritage and Mahinga Kai Area is financial including additional costs to the ratepayer and potentially taxpayer and, if the area is underutilised, these additional costs will be unjustifiable.
<p>Why was each alternative land use option discounted and what are the opportunity costs (economic, social, cultural and/or environmental) of not pursuing each alternative option? <i>Add a new row for each option.</i></p>	<p>Each alternative land use option has been discounted for the following main reasons:</p> <ul style="list-style-type: none"> a) Additional residential development was discounted because this activity is not financially viable (see the above costings) in Kaiapoi South. In addition, there were mixed community views on reinstating residential activity in the red-zone. There are no opportunity costs of not pursuing this additional development as there are other residential development opportunities available in Kaiapoi and residential development is not currently financially viable in Kaiapoi South. b) Additional business development was discounted because of the potential to undermine the Kaiapoi Town Centre if the activities are not managed, the potential for adverse effects on existing residences from business operations and the lack of support from the community for this activity during the

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	<p>consultation. The opportunity cost of not pursuing this option is that industrial land will need to be provided elsewhere to meet the projected industrial land demand through to 2043.</p> <p>c) Additional rural development was discounted because the proposed mix of activities better meets the recovery plan goals and provides an appropriate level of opportunity for heritage and mahinga kai activities. The opportunity costs from not pursuing this alternative would be the loss of opportunity to receive a return from leasing the land.</p> <p>d) Additional commercial recreation area was discounted because there is uncertain demand for this type of activity. If located too close to existing residential areas these activities can create adverse effects. The opportunity costs of not having this additional area are that if a suitable activity was proposed for this area it could not establish if it was inconsistent with the Recovery Plan.</p> <p>e) Additional green space was discounted because it will result in additional costs to the ratepayer and, if the area is not required to achieve levels of service and/or is underutilised, these additional costs will be unjustifiable. The main opportunity costs from not pursuing this alternative would be the loss of opportunities to develop an attractive greenspace area in Kaiapoi South and forfeiting potential mental health benefits associated with living close to greenspace, and potentially forfeiting the opportunity to “landbank” significant amount of greenspace land for the longer term (e.g. next 100 years); however substantial greenspace is proposed in the preferred option.</p> <p>f) Additional Heritage and Mahinga Kai Area was discounted because an extension into the Rural Area (Area 5) was not sought by Ngāi Tahu. Regarding the extension into the Business Area (Area 3), it was considered that this area was better utilised for business activities given its location immediately adjacent to the existing Kaiapoi Town Centre, the identified need for public parking in this location, the opportunity to provide a public transport interchange and the potential financial return to the Crown from business development. The main opportunity cost from not pursuing this alternative are the loss of opportunity to extend Heritage and Mahinga Kai Areas more widely as a key driver in the regeneration of the Waimakariri regeneration area; however there is already a sufficiently large Heritage and Mahinga Kai Area proposed within the Kaiapoi South Regeneration Area.</p>
G. OTHER RELEVANT LEGISLATION AND PLANNING OBLIGATIONS	
<p>To what extent and how is the preferred option consistent with other Recovery Plans?</p>	<p>The proposals have been developed taking into account the other Recovery Plans (where relevant), in particular the LURP and other key planning documents. The proposals are aligned in particular with the LURP goals to “meet the land use needs of residential and business activities in existing communities and in greenfield areas to accommodate rebuilding and growth”; and “support recovery and rebuilding of central city, suburban and town centres”. It should be noted however that the Residential Red Zone is outside the scope of the LURP.</p>
<p>What would be the implications of the preferred option on relevant local planning instruments?</p>	<p>These land use proposals can align with the Waimakariri District Long Term Plan 2015-2025 and the Kaiapoi Town Centre Plan 2011. It is likely that a bespoke set of district plan provisions will be required for the Business Area.</p>
<p>Are there any implications for, or as a result of the:</p> <ul style="list-style-type: none"> • New Zealand Coastal Policy Statement 2010; • Canterbury Regional Policy Statement; • Mahaanui Iwi Management Plan; • Ngāi Tahu Claims Settlement Act 1988; • Resource Management Act 1991? <p>If yes, what are these implications and how will they be dealt with?</p>	<p>The proposals have been assessed as a whole against these key documents, and all are considered to be aligned with the relevant parts of all these documents. There are no significant implications resulting from the future use proposals for Kaiapoi South.</p>