

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

Between

The Crown

Commenter

And

Waimakariri District Council

Core Project Team

Joint Memorandum in response to Second Minute of the Hearing Panel

April 2016



DEPARTMENT
of the PRIME MINISTER
and CABINET



May it please the Hearing Panel:

Context and Overall Comment

1. The purpose of this joint response is to 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. The Greater Christchurch Group (GCG) within the Department of the Prime Minister and Cabinet is responding for and on behalf of the Crown.¹
2. The CPT and Crown recognise the challenges with the Recovery Plan process, including the need to strike a balance between certainty and flexibility. We both want to be realistic about the level of information and specificity, including any further work, required for the development of the draft Recovery Plan within the agreed timeframes.
3. The CPT and the Crown have outlined below our responses to the Panel's specific questions, including about the further work being commissioned by the Crown, and the cost benefit analysis work we will be undertaking together between now and 31 May 2016. We are both focusing on taking a pragmatic, constructive approach; working on providing the information necessary for the Council to develop the draft Recovery Plan and supporting documentation – that is, what is absolutely essential to be provided now, rather than what might be ideal or desirable or could be provided as part of further actions.
4. The draft Recovery Plan will be a strategic high-level document which omits detail that can be provided at a later stage (for example through actions requiring further masterplanning and amendments to the District Plan). This approach provides sufficient certainty at this point, whilst still providing flexibility to determine development options in detail. It is anticipated that this detail will be provided through further actions during the implementation stage, if the Minister decides to approve the Plan and make it a statutory document. That includes, for example, the Council and Crown sitting down together to work through the specific implementation steps, particularly where divestment of Crown-owned land is proposed.

Cost Benefit Analyses

5. The CPT and the Crown will work together, including via a series of workshops from late April to mid-May 2016, to develop a series of high-level cost benefit analyses and to prepare more detail about each of the Council's preferred options, in line with the issues raised by the Crown in its written comments on the Preliminary Draft Recovery Plan. This work will be a more detailed evaluation of mostly existing information, as suggested by the Panel. This is an agreed priority for both the Council and Crown. Strategic partners, including Te Rūnanga o Ngāi Tahu and Environment Canterbury, and other central government agencies will also be invited to these workshops.
6. The CPT and the Crown expect that the cost benefit analyses will be available by 31 May 2016. This will include qualitative as well as quantitative assessment given the range of matters to be taken into account. The CPT and the Crown consider it important that this information form part of, or be an appendix to, the draft Recovery Plan. Some uncertainties may remain following the completion of these analyses and require more detailed assessment, if necessary, to determine the final content of any particular action, such as potential changes to the objectives, policies and

¹ It should be noted that the views expressed by the Greater Christchurch Group in this joint response do not necessarily represent those of the Minister supporting Greater Christchurch Regeneration (the Minister). Nor should it be assumed that the matters in this joint response represent any or all of those matters the Minister may choose to consider when exercising his/her powers under the relevant legislation to approve, amend or decline a draft Recovery Plan.

methods of the District Plan to give effect to a re-zoning. The CPT and the Crown have discussed this matter and consider this to be acceptable provided that these uncertainties are recognised and the practical next steps (implementation) identified in the draft Recovery Plan.

7. The CPT and the Crown also note that the public will be invited to provide written submissions on the draft Recovery Plan when it is notified by the Minister. In addition, the Council will undertake public engagement as part of the implementation phase of the Recovery Plan (if approved by the Minister), e.g. reserve master planning and identified actions and amendments to the District Plan. This engagement will help to ensure that any new information not in the Preliminary Draft will be subject to robust and transparent processes, and that decisions about the future use of the residential red zone (RRZ) areas and practical next steps are well informed.

Ownership and Management

8. As outlined in the Crown's 6 April comments the Crown needs to consider a broad range of matters relating to the potential divestment of Crown-owned RRZ land. These include the overall costs (including opportunity costs) and benefits of each option and the extent to which each proposed investment/divestment would meet earthquake recovery objectives.
9. The Council will need to provide clear and accessible information on these matters wherever possible in, or as an appendix to, the draft Recovery Plan. This would assist the Crown (including relevant Ministers and Cabinet) to thoroughly consider each of the Council's preferred options. The CPT and the Crown anticipate that much of this information will be collated and developed during the series of collaborative workshops outlined on the previous page which will take place before the end of May.
10. As also outlined in the Crown's presentation on 6 April, making recommendations and decisions about the divestment of Crown-owned RRZ land is neither a quick nor easy process. Decisions will be made by the Minister supporting Greater Christchurch Regeneration and Cabinet.² This process involves a number of stages and can take several months. The Crown is working hard to expedite this process to provide further information as soon as possible to the Council about the Crown's divestment decision-making process, including refining the broad matters discussed in the Crown's 6 April comments for the Waimakariri RRZ context. In developing this thinking the Crown is considering a number of existing Crown processes and principles. However, as there are unique considerations associated with RRZ land, for example the circumstances and purpose of the Crown offer to purchase RRZ properties and the Crown's earthquake recovery obligations, there are no existing processes that can be directly applied.
11. The Crown hopes to be in a position to share this further information with the Council in early June 2016, and subject to Cabinet's agreement, it could form part of, or be an appendix to, the draft Recovery Plan. This would allow time for the Council to assess the preferred options against this information while the draft Recovery Plan is under development. The cost benefit analyses should also help make clear to all parties the various implications that may arise out of any divestment process and subsequent decisions to be made by the Council.
12. The Crown also clarifies that our comments above and in our 6 April additional written comments regarding divestment refer to the transfer of ownership. Management of the land is a separate consideration, although we anticipate many of the same matters (including overall costs and

² Note that subject to the Minister's approval, the Chief Executive of Land Information New Zealand (LINZ) may, if he or she thinks fit, make decisions to dispose of Crown-owned RRZ land under section 107 of the Greater Christchurch Regeneration Act 2016. When making a decision on the disposal of land under this section, the Chief Executive must have regard to any applicable Plan.

benefits and the extent to which the Council's preferred management options would meet earthquake recovery objectives) will be relevant.

Consistency and Clarity about Timeframes

13. The Crown's view is that there needs to be a clear understanding of timeframes throughout the draft Recovery Plan. The Crown recognises there are definitions of short, medium and long-term in the glossary of the Preliminary Draft (defined respectively as within 2 years; 2-10 years; and more than 10 years), and that these are used in particular in the 'Key Action and Stages' sections. However, the Crown's point is about the need to ground the draft Recovery Plan with a clear sense of the timeframes upfront and throughout the document. Suggested below are some ways in which this clarity could be achieved, the Crown has discussed this with the CPT.
14. It might be helpful, for example, to provide an explanation of the short, medium and long-term timeframes at the beginning of the draft Recovery Plan, as well as making it clear the sorts of timeframes that options have been considered/assessed against. The Crown appreciates the challenges and constraints in being definitive about some timeframes at this stage of the process. But where possible more detail and explanation would be helpful in understanding the Council's preferred options.
15. In the Crown's comments to the Panel on 6 April, for example, it was noted how the additional detail in the Officer's Report for the sports fields and cemetery proposals (the shortfall in sports reserves from 2025, and that beyond 2044 additional cemetery space is required) provided a stronger indication about the potential implication of the options, and also helped to strengthen the rationale for the preferred options.
16. There are various references to dates and timeframes used throughout the Preliminary Draft Recovery Plan. These are often vague or open-ended – for example 'at some time in the future' (pages 33 and 43) and 'over the coming years' (page 14). The loose phraseology does not contribute to an overall clear understanding of the timeframes or implications of proposed options.
17. In particular, the Crown suggests it would be helpful to give a much clearer sense of how far out the draft Recovery Plan looks. The Minister's direction is for the Council to develop proposals for long-term uses. The definition of 'long-term' in the glossary in the Preliminary Draft is 'more than 10 years', and the Panel has noted its understanding that long term is the period post 2028. The Crown suggests this needs to be better articulated and quantified where possible – for example, how much more than 10 years? In this regard the Crown notes there are references in the Preliminary Draft (e.g. page 24) to 'longer term' – it would be helpful to clarify what is meant by this.
18. The Crown also suggests the need to be clearer in the draft Recovery Plan when using terms like 'current' and 'future' and the timeframes and projections or assumptions involved. For example, there are references to the 'current market' on page 30, and 'future sport growth' and 'future population growth' on page 39, and many references to 'in the future' (pages 3, 33, 39).
19. If the Panel considers the above suggested amendments are necessary, the CPT can provide suggested wording to the Panel by 31 May. The Council'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, as this is consistent with the Council's annual and long-term planning cycles. The Council would clarify that 'long-term' would be the following 20 year period, consistent with the 30 year horizon for the Council Infrastructure Strategy preparation as part of the 2018-28 Long Term Plan process.

Further Feasibility Work – Land Contamination Report

20. The Crown is in the process of commissioning a report on land contamination in the Waimakariri RRZ. It is understood that this work will take approximately six weeks to complete once commissioned. The Crown will provide this information to the Council as soon as it is available, which should be mid-June 2016.
21. This report is expected to be a preliminary screening exercise involving the testing and analysis for soil contamination of Crown-owned RRZ land in Waimakariri. It will help to inform all future land use options (including but not restricted to potential residential use), as having an understanding of an area's contaminants is important so these can be managed in a way that is consistent with the proposed land use. Land remediation can be a high potential cost which needs to be understood before decisions are made.
22. As noted above, some gaps and uncertainties in the information may need to be addressed in the implementation stages, if the Minister approves the final Recovery Plan. The CPT and the Crown have sought to focus on the essential information for the draft Recovery Plan and what can be achieved between now and the Council's delivery of the draft Recovery Plan to the Minister by 1 August 2016.

Implementation and Amendments to the District Plan – Future Zoning Changes

23. The CPT has undertaken a SWOT analysis on future zoning changes under the Greater Christchurch Regeneration Act 2016 (GCR Act) compared to a standard Resource Management Act 1991 (RMA) district plan change process.
24. The key features of utilising the GCR Act process relative to a standard RMA process are:
 - a. Shorter timeframes;
 - b. Reduced cost;
 - c. Reduced opportunities for third party appeals before the Courts;
 - d. Greater flexibility in the review and engagement process;
 - e. Greater visibility of the Recovery Plan actions being implemented;
 - f. Depending on method of adoption, greater statutory weight of the plan changes;
 - g. Final approval by the Minister for Canterbury Earthquake Recovery.
25. The key features of the standard RMA process relative to a GCR Act process are:
 - a. Longer timeframe;
 - b. Greater costs;
 - c. Established formal statutory process to direct engagement with the community and stakeholders including the Crown;
 - d. Required public notification and hearing process;
 - e. Greater opportunity for third party appeals before the Courts;
 - f. Final approval by the Waimakariri District Council (subject to any Court appeals).
26. The key matters consistent across both processes are:
 - a. The same technical input is required;

- b. Both require Waimakariri District Council approval;
- c. The wider district plan review will need to be consistent with the Recovery Plan and any recovery plan-specific District Plan amendments.

27. The Waimakariri District Plan, subject to decision-making through the 2016/17 Annual Plan process regarding resourcing, is programmed to be reviewed over three years, beginning in the second half of 2016. The District Plan review will be a full review and may result in a change in format, structure and drafting style. Any amendments to the District Plan promulgated through the Recovery Plan process will need to be cognisant of this and be carefully drafted to align with any new District Plan direction. The Development Planning Manager is currently progressing the programme documentation (including resourcing, timing and steps etc.) and as such the CPT considers there is benefit in undertaking further discussions over how the full plan review and any Recovery Plan planning amendments will knit together.

28. The Council's initial view is that any amendments to the District Plan required within the next five years (beyond the current Recovery Plan process), especially those required within the next 12-18 months, should be progressed under the process provided for by the GCR Act. For amendments to the District Plan required to be actioned beyond this period, any benefits associated with shorter timeframes under the GCR Act are reduced. However, the CPT will confirm the Council's position on this matter by 31 May after further discussions with the Development Planning Manager.

Conclusion

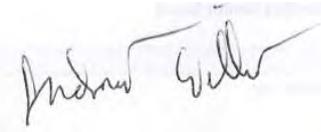
29. The CPT and the Crown trust the above meets the Panel's requests for further information. In conclusion, we have sought to make clear the information that will be required for the draft Recovery Plan, and both the CPT and Crown will be working collaboratively to deliver that information as soon as possible to inform the development of a robust draft Recovery Plan. The CPT and Crown have also sought to make it clear the distinction between this work and the work and information required when and if the Minister decides to approve the final Recovery Plan, including on specific implementation.

DATED this 22nd day of April 2016



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