DEPARTMENT OF THE
PRIME MINISTER AND CABINET

## Proactive Release

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Title: Information for Mayor-Minister Meeting on Friday 21 June 2019
Reference: DPMC-2018/19-1356
Date: 20/06/2019
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- section $9(2)(\mathrm{g})(\mathrm{i})$, to maintain the effective conduct of public affairs through the free and frank expression of opinion
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## Joint Briefing

## INFORMATION FOR MAYOR-MINISTER MEETING ON FRIDAY 21 JUNE 2019

| To | Hon Dr Megan Woods <br> Minister for Greater Christchurch <br> Regeneration | To | Hon Lianne Dalziel <br> Mayor of Christchurch |
| :--- | :--- | :--- | :--- |
| Report <br> No | DPMC-2018/19-1356 | Date | $20 / 06 / 2019$ |

## Purpose

1. This joint DPMC-CCC briefing provides you with inforfation to support your discussion on Friday 21 June 2019, including updates on:
a. Global settlement negotiation progress;

Not relevant to Global Settlement

## Background

2. You are meeting on Friday 21 June 2019 at $9: 15-10: 00$ a.m. in the Mayor's Lounae Christchurch City Couneil, to discuss progress on global settlement negotiations, Not Netlement

## Global Settlement progress update

3. As youknow, following confirmation of the Global Settlement Agreement in Principle (AiP Attachment A), Crown and Council officials have been working intensively over the last several months to make further progress. The various joint working groups provided advice to the chief negotiators for Crown and Council at the end of May 2019. Further negotiations are currently underway.

## Good progress has been made in negotiations

4. Good progress has been made, with shared positions reached on a number of matters, although there are still some areas where options are being worked through.
5. Points of agreement (over and above those already recognised in the AiP) include:
a. Residential red zone (RRZ): The Crown will reconfigure approximately 5,500 Crownowned titles, along with Council-owned land, in the Ōtākaro Avon River Corridor (OARC)
prior to transfer. This work would prepare land titles so the land can be more readily used for regeneration purposes (subject to decision-making on the draft OARC Regeneration Plan), and is anticipated to cost the Crown ${ }^{\text {s9(2)(i) }}$
b. Transitional RRZ land use: The Council and Land Information New Zealand ("LINZ") will establish an advisory group of stakeholders and community representatives to facilitate transitional uses. A phased approach to increasing community involvement in the governance of and decision-making for transitional and future uses of RRZ land is recommended, as land transfers;
c. CMUA decontamination: The Crown has agreed to pay for land decontamination for the CMUA (with an estimated cost of approximately ${ }^{99(2)(\mathrm{i})}$ );
d. Metro Sports Facility (MSF): The parties agree that both sides have fixed budgets for the MSF, and that if there are material cost overruns further discussions willbe needed to consider how to resolve these;
e. Car parking within the Performing Arts Precinct (PAP): The AiP noted that the parties would discuss how best to support the earliest possible delivery of car parking facilities on the site. ${ }^{s 9(2)(g)(i), ~ s 9(2)(i)}$
f. Other PAP matters: The Crown has agreed to transfer the remainder of the PAP land to the Council, to allow Council to progress development of performina arts facilities and public realm. ${ }^{\text {s }}{ }^{(2)(\mathrm{i})}$
g. Institutional arrangements: The parties have agreed that the wind-down of Regenerate Christchurch should be undertaken at pace, but recognise that this may need to occur within the current provisions ofthe Greater Christchurch Regeneration Act 2016.
6. Additionally, the Council has confirmed it does not currently consider there is a compelling argument for Council ownership of Te Pae (Christchurch Convention and Exhibition Centre). As such, the Crown (via) Otākaro Limited) would continue to own and operate Te Pae for the time being, and may wish to sell Te Pae to a third party.
7. More generally Officials have agreed that some form of programme governance will be needed as a mechanism to monitor implementation of the global settlement and resolve any issues.

## Some areas require further discussion

8. The Crown and Council have both noted that they have limited funds and there are other constraints ${ }^{59(2)(f)(\text { (iv ) }}$ Further work is therefore required to prioritise the remaining points of negotiation. In this context, there are several outstanding questions requiring further discussion - key issues include:

| Outstanding questions | Crown / Council positions |
| :---: | :---: |
| 1. The extent to which the Crown should undertake or support reconfiguration of RRZ land other than the OARC | Crown: Does not consider reconfiguration outside the OARC is feasible within the timeframes for GCR Act powers, or necessary for regeneration given no land uses or particular urgency has been identified. |
|  | Council: Seeks that the Crown completes all RRZ reconfiguration requested by Council (e.g. for the Port Hills, Southshore and Brooklands). If not, seeks funding to support reconfiguration under CCC's business as usual processes ( $\$ 8$ million, including contingency for risk) or extending GCR Act to provide more time to undertake the work (with additional cost and other implications). |
| 2. The extent to which the Crown should support decontamination of land in the Performing Arts Precinct | Council: Seeks confirmation that the Crown will fund necessary decontamination of the Performing Arts Precinct. |
|  | Crown: Will need to consider the extent to which it can fund any land decontamination (potential costs around 9 (2) (i) , given other potential calls on Crown funds. |

9. $\mathbf{s 9 ( 2 ) ( b a ) ( i )}$
10. You may wish to discuss these matters further in your meeting.
s9(2)(g)(i), s9(2)(i)


As a result, we expect that there will becsome delays to final global settlement
11. Due to the need to work through remaining issues, we do not expect it will be feasible to secure Council agreement to final global settlement by the end of June 2019 (noting the expectation that the publie (witll be consulted on a proposed global settlement before this occurs).
12. We propose that the timeframe is extended by six weeks, with the following key milestones:
a. Approx. 15-19 July 2019: Further Minister-Mayor discussions
b. 29 Juty 2019: Paper released to the public for consultation
c. 8August 2019: Council meeting considering global settlement (followed by consideration Oby joint Ministers as soon as possible)

We note that the Ministers of Finance and for Greater Christchurch Regeneration may also wish to inform their Cabinet colleagues before the paper is released to the public for consultation.

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## Consultation

29. We note that Land Information New Zealand and the Treasury provided material to support this briefing and were consulted on the briefing as it relates to the global settlement Not relevant to Not relevant to Global Settlement
[COMMERCIAL: IN-CONFIDENCE]

## Recommendations

30. It is recommended that you note the contents of this aide-memoire for your discussion on Friday 21 June 2019.


Attachment A Global Settlement Agreement in Principle
Attachment B Not relevant to Global Settlement

Attachment A withheld under section 18(d) - already, or soon to be made publicly available


[^0]:    Not relevant to Global Settlement

