

Christchurch City Council

SUPPLEMENTARY AGENDA NO.1

Notice of Meeting:

An ordinary meeting of the Christchurch City Council will be held on:

Date: Thursday 13 September 2018
Time: 8.30am
Venue: Council Chambers, Civic Offices,
53 Hereford Street, Christchurch

Membership

Chairperson	Mayor Lianne Dalziel
Deputy Chairperson	Deputy Mayor Andrew Turner
Members	Councillor Vicki Buck
	Councillor Jimmy Chen
	Councillor Phil Clearwater
	Councillor Pauline Cotter
	Councillor Mike Davidson
	Councillor David East
	Councillor Anne Galloway
	Councillor Jamie Gough
	Councillor Yani Johanson
	Councillor Aaron Keown
	Councillor Glenn Livingstone
	Councillor Raf Manji
	Councillor Tim Scandrett
	Councillor Deon Swiggs
	Councillor Sara Templeton

10 September 2018

Principal Advisor
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Chief Executive
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Note: The reports contained within this agenda are for consideration and should not be construed as Council policy unless and until adopted.
If you require further information relating to any reports, please contact the person named on the report.

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23. Resolution to Include Supplementary Reports

1. Background

- 1.1 Approval is sought to submit the following reports to the Council meeting on 13 September 2018:
 24. Council Priorities for Capital Acceleration Fund
 25. Central City Revitalisation - Action Plan
 26. Central City Residential Programme (Project 8011)
 27. Development Forum - Terms of Reference
 28. Mayor's Monthly Report - August 2018
 29. Chief Executive Key Performance Indicators
 30. Public Excluded Strategic Capability Committee Minutes - 3 September 2018
- 1.2 The reason, in terms of section 46A(7) of the Local Government Official Information and Meetings Act 1987, why the reports were not included on the main agenda is that they were not available at the time the agenda was prepared.
- 1.3 It is appropriate that the Council receive the reports at the current meeting.

2. Recommendation

- 2.1 That the reports be received and considered at the Council meeting on 13 September 2018.
 24. Council Priorities for Capital Acceleration Fund
 25. Central City Revitalisation - Action Plan
 26. Central City Residential Programme (Project 8011)
 27. Development Forum - Terms of Reference
 28. Mayor's Monthly Report - August 2018
 29. Chief Executive Key Performance Indicators
 30. Public Excluded Strategic Capability Committee Minutes - 3 September 2018

24. Council Priorities for Capital Acceleration Fund

Reference: 18/924614

Presenter(s): Brendan Anstiss

1. Purpose and Origin of Report

Purpose of Report

- 1.1 The purpose of this report is for the Council to approve its proposals to the Crown for funding under the Capital Acceleration Fund.

Origin of Report

- 1.2 This report is provided to ensure timely, transparent and accurate input from the Council into the Crown process for determination of funding from the Capital Acceleration Fund.

2. Significance

- 2.1 The decisions in this report are of medium significance in relation to the Christchurch City Council's Significance and Engagement Policy.
 - 2.1.1 The level of significance was determined by consideration of the decisions being sought against the Significance and Engagement Policy. It is noted that the decision being sought from Council is a determination of what *proposals* it wishes to put to the Crown. The Council is not the final decision maker on what proposals will ultimately be approved and funded. As it stands, this final decision is a matter for the Crown.
 - 2.1.2 Extensive community engagement has recently occurred as part of the 2018 Long Term Plan (LTP) seeking views on the matters and issues that are important for Christchurch city residents. The proposals in this paper were not explicitly part of the 2018 Long Term Plan Consultation Document. However, elected members received a significant number of relevant submissions and hearings during that process, including on the following:
 - the desire to realise non-rates based funding sources (and minimise rates increases);
 - certainty on key projects such as the multi-use stadium (with a range of views expressed by submitters);
 - maximise the opportunity afforded by the residential red zone;
 - the need to repair roads and provide key infrastructure.
 - 2.1.3 The proposals in the paper address in large part a number of these issues.
 - 2.1.4 The Council as part of the 2018 Long Term Plan reaffirmed its commitment to construction of a regional multi-purpose stadium. Council determined to bring forward its existing commitment (maximum) of \$253m by two years and also to prioritise the multi-purpose stadium within the Capital Acceleration Fund. The proposals in this paper are entirely consistent with these decisions already made as part of the 2018 Long Term Plan.

3. Staff Recommendations

That the Council:

1. Note that as part of the 2018 Government Budget, a \$300m 'Christchurch Regeneration Acceleration Fund' was established to support priority projects, within certain categories, as determined by the Christchurch City Council. The purpose of this fund is to provide certainty, confidence, and demonstrate progress towards Christchurch's regeneration.

2. Note that the establishment of this fund responds to the unprecedented costs of the 2010/11 earthquakes, and the unfunded components that continued to exist post the 2013 Crown / Council Cost Sharing Agreement for some critical projects within Christchurch city. Due to its unique circumstances, there is no precedent in the provision of this funding for other Territorial Authorities.
3. Note that the \$300m fund was announced to provide certainty (in the form of funding) to *"...develop the red zone, contribute towards a new stadium and deal with the gaps in the horizontal infrastructure programme"*.
4. Note that the projects proposed in this paper meet the expressed intention to accelerate regeneration, in that significant progress has already been made on investment proposals for the stadium, residential red zone, and horizontal infrastructure.
5. Approve the investment proposals (stage one) for the following projects being submitted to the Crown (for funding from the Capital Acceleration Fund), along with indicative funding envelopes;
 - a. Canterbury multi-use stadium, \$220m
 - b. Transport network horizontal infrastructure, \$40m
 - c. Residential red zone seed funding, \$40m (approximately)¹
6. Delegate to the General Manager Strategy and Transformation the ability to make non-significant changes and to finalise the attached investment proposals prior to submitting these to the Crown.
7. Note that subject to Crown endorsement, more detailed investment cases (stage two) for each of the above projects will be developed and reported back for approval to Council, and then submitted to the Crown for final approval and drawdown of funding. The drawdown of funding is expected to be available in the second half of the 2018/19 financial year.
8. Note that the exact and final allocation or apportionment (within the \$300m) will be determined as part of the final investment cases that are developed.

4. Key Points

- 4.1 The \$300m Capital Acceleration Fund was announced in August 2017 by the Labour Party as part of its pre-election "Plan for Canterbury". Labour's announcement was *"... a \$300m capital acceleration facility to develop the red zone, contribute towards a new stadium and deal with the gaps in the horizontal infrastructure programme in partnership with the Christchurch City Council as part of the Global Settlement"*².
- 4.2 The Labour led coalition Government then confirmed the establishment of the Christchurch Acceleration Fund in Budget 2018 and allocated \$298.5m for this purpose (plus \$1.5m for administration). This fund reflects the unique circumstances of Christchurch and the commitment of the Government to address remaining shortfalls in Crown funding for a number of local priorities (including anchor projects as committed to in the 2013 Cost Sharing Agreement between the Government and the Council). The purpose of the fund is to provide certainty (via funding) for key Christchurch regeneration projects – to ensure that they occur and that they occur as quickly as possible.

¹ Note that the specific Budget allocation is \$298.5m capital and \$1.5m operating to cover Government administration by Treasury and DPMC. If this operating funding is not required the full amount is expected to be allocated.

² Treasury subsequently advised in their 2018 Budget papers that "Delivering the Labour Party election promise of a \$300m facility in Budget 2018 is considered critical to achieving settlement with the Council, enhancing and accelerating greater Christchurch's recovery and regeneration, and delivering on the Crown's commitments to the region." (para 40, Tsy report for Budget 2018).

- 4.3 The Crown has been consistent that the specific projects for which funding can be sought should be determined locally by the Christchurch City Council on behalf of the city. Equally, the Crown has been consistent that appropriate due process for allocation of Crown funding should be followed³. It is not expected that these would be inconsistent processes. Notably, the establishment and deployment of the fund to Christchurch regeneration projects – resulting from the impact of the earthquakes – means that there is no precedent for wider application for other local territorial authorities.
- 4.4 The broad opportunities to address funding gaps and accelerate Christchurch’s regeneration were articulated in public commentary by Cabinet Ministers and in Budget 2018 information. Specific projects eligible for funding have included the multi-use stadium, projects within the residential red zone, and horizontal infrastructure projects (such as roading or three waters projects). Budget 2018 documents from Treasury describe as follows “*Potential initiatives include the residential red zone, a new multi-use arena, and/or projects to fill gaps in the horizontal infrastructure (HI) programme.*” (Treasury Budget 2018 report, para 37).
- 4.5 While other projects have not been discounted, the quantum of funding is not sufficient to address all of the potential demands. Furthermore, to provide certainty and accelerate regeneration, it is necessary to ensure that the proposed projects are sufficiently developed so that additional funding will in fact quickly enable their progress and / or serve to provide certainty and boost confidence.
- 4.6 To this end, officials from the Crown and Council have been working together on how to best give effect to these requirements. Crown officials have advised that this will take the form of a two-step application process – with step-one being consideration of investment proposals; and step-two being consideration of a more detailed investment [business] cases. The decision makers at each step are the relevant Crown Ministers and/or Cabinet. Crown officials have provided a template for the investment proposals. This process is designed to ensure that substantive work is only invested on those proposals for which funding is likely to be released.
- 4.7 It is within this context that the Council can decide which projects that it will seek funding for at this time.
- 4.8 We recommend that the Council seeks funding from the \$300m Capital Acceleration Fund for the following projects; multi-use stadium, roading and transport infrastructure, and seed fund for the residential red zone. To this end, investment proposals have been completed for each and are attached as Appendix A, B and C, respectively. Further detail on these projects is also included in the following sections.
- 4.9 If Council wishes to consider other projects for funding - outside of the scope of the stadium, residential red zone and horizontal infrastructure - then staff can provide further advice and return to Council with revised recommendations at a later point in time.

³ Minister for Greater Christchurch Regeneration, Dr Megan Woods (17 May 2018) “*Projects which might benefit from the acceleration fund include completion of the stadium and financing new uses for the Residential Red Zone. This fund is being guided by what the people of Christchurch want. While all the projects will of course need satisfactory business cases, we are not making Canterbury decisions from Wellington. Local decision-makers will be front and centre because they know what’s best for Christchurch.*”

5. Background on each proposal

Canterbury multi-use stadium

- 5.1 The 2013 Cost Share Agreement and the Christchurch City Recovery Plan developed by the Canterbury Earthquake Recovery Authority, committed the city to a multi-use covered central city stadium. The Cost Share Agreement committed the Council to 50% share capped at \$253m, and this has been confirmed in each Long Term Plan produced by the Council since 2013. However, the stadium has not progressed - in part - as the remaining funding (with the exception of land purchase costs) has never been secured. The current Government and Council have now progressed feasibility analysis to the stage that both have requested acceleration of the business case (for a covered, 30,000 seat multipurpose facility), and Council have recommitted its \$253m commencing in the 2021 financial year (2020/21).
- 5.2 The preliminary forecast costs of a multi-use stadium – excluding land – has been estimated as in the vicinity of \$450m - \$550m. Recent estimates, based on the feasibility study (including Quantity Surveying) from 2017, indicate a potential cost of circa \$473m under an accelerated delivery option (thereby avoiding further cost escalation). Estimates around \$450m-\$550m (excluding cost escalation and inflation) for a stadium (as specified) have been consistent for a number of years and are well benchmarked with comparable facilities and international experience. The investment case currently underway will further refine the cost (including how this is made up, and how realistic / achievable any savings might be), procurement and delivery options. The investment case will also test whether the costings are still feasible given the ongoing changes in the procurement market. It may also consider wider regional funding contributions.
- 5.3 Against an approximate total cost of circa \$473m (as best known at this preliminary stage), Council has already committed \$253m (via its Long Term Plan), leaving a funding gap of \$220m. It is proposed that \$220m funding from the Capital Acceleration Fund be used to address the funding shortfall. If successful, this would then provide a maximum budget envelope of \$473m for construction of the multi-use stadium⁴.
- 5.4 To ensure clarity; if agreed by Council, this would provide a total funding envelope of \$473m for the multi-use stadium. The forecast costs of the multi-use stadium are still to be determined via the investment case (and of course the actual incurred costs will not be known until completion).
- 5.5 The proposals in this paper are entirely consistent with the decisions of Council as part of the 2018 Long Term Plan and (if ultimately approved by the Crown) provide certainty of a financial underwrite up to \$473m for a multi-use stadium.
- 5.6 Land designated for the multi-use stadium has been acquired by the Crown and the transfer of this land in a build ready state (i.e. cleared and not contaminated), and at no additional cost, to the Council will be required before Council makes the final commitment for this project. It is noted that delays have occurred in the past where this certainty of land remediation and land ownership has not been resolved early.

Roading and Transport Infrastructure

- 5.7 Christchurch City Council owns, plans and manages approximately 3,000 km local roading network that supports all transport activities in Christchurch. The New Zealand Transport Agency and Environment Canterbury are key stakeholders in this network. Some 300kms of this network was directly and severely damaged by the Canterbury Earthquake Sequence, or was required to be dug up (and subsequently repaired) so as to enable repairs to other horizontal infrastructure that exists under the road corridor. As a result of this damage, and notwithstanding the hundreds of millions that has been spent on repairs, reinstatement,

⁴ This is in effect the public sector comparator, under which other procurement options will be evaluated against.

- renewals and maintenance since 2011, the condition of Christchurch roads has continued to deteriorate. Prior to the earthquakes, 9% of the roading network was in the lowest condition category (condition 5), however, post-earthquakes this increased to 15% in the lowest condition category, and has doggedly remained at this level since.
- 5.8 The roading network is an integral part of Council's infrastructure. It links people and places and enables people to undertake the activities that make up their lives. Easy movement of and access to goods and services supports economic recovery and growth of the City. Council's role is to own and operate this infrastructure on behalf of citizens and manage it in such a way that it meets their needs now and into the future and support economic growth by making it easier for people, visitors and organisations to be connected with each other.
- 5.9 Significant maintenance work is required to keep Council's transport assets functioning and protected from further damage. The Council's investment covers planned and reactive elements of works that need to be undertaken on a regular basis to keep assets in a serviceable condition – the quantum of this work materially increased as a direct result of the earthquakes. Over the long term all infrastructure deteriorates as it is used. Some assets last a long time such as bridges which are designed to last 100 years, and some are much shorter such as signs or footpaths which last between 10 and 20 years. These design spans are only used as a guide for planning purposes and actual replacement is based upon condition assessment. In the case of Christchurch roads, unfortunately the earthquakes compressed many years' worth of deterioration so that much of it needs to be replaced now – not over an extended period of time.
- 5.10 Repair or renewal works are planned to replace assets that have failed or are nearing failure. As an example, road surfacing needs to be replaced every 8-12 years to maintain water proofing and provide a resilient surface for road users. There are several key Acts of Parliament that determine Council's legal role in transport. These include the Local Government Act 2002 and the Land Transport Management Act 2003. There are also a number of policies such as the Government Policy Statement on Land Transport and the Regional Land Transport Plan that guide regional priorities. These are taken account of as part of Council's Community Outcomes process whereby Council identifies and measures what is important to the local community through a process of consultation, planning and reporting.
- 5.11 Reflecting the Council's own asset condition data, Christchurch resident satisfaction with the roading (and footpath) network is concerningly low. Only 20% of recently surveyed participants were satisfied with the condition of Christchurch roads and 34% were satisfied with Christchurch footpaths. Resident satisfaction has decreased as the poor roading condition has continued or deteriorated. This information is reinforced by the submissions received on the recent Long Term Plan – where a large number of submissions gave the Council critical feedback that core infrastructure such as roads and footpaths were in poor state and required remediation.
- 5.12 One of the main challenges when programming road repairs and improvements is coordinating the completion of all service replacements required. This was also a key criticism from the resident satisfaction survey and the Long Term Plan feedback – *"Don't be digging up the same stretch of road several times, fix it properly the first time"*.
- 5.13 In 2018 the Council increased the level of funding for the resurfacing of roads by \$9m in the first three years of the Long Term Plan. However, this level of funding will not be able to address historical damage from the earthquakes, nor will it make a demonstrable improvement to the overall network. It will maintain the current status quo.
- 5.14 To make a meaningful and noticeable improvement to the condition of the roading network – that is, to fix (or regenerate) roads - additional financial investment over and above what would be considered a normal level of renewal and replacement funding is required. Again, this reflects the extra-ordinary impacts and damage caused by the 2010/11 earthquakes.

- 5.15 For this reason, the Council is proposing a \$40m bid against the Capital Acceleration Facility to deliver greater levels of roading and footpath repairs. It is proposed that this additional funding is targeted towards areas of greatest earthquake roading damage (where existing levels of service remain below target) and in the areas of safety and supporting An Accessible City or public transport (where these needs have changed as a result of changed land use following the earthquakes). This will help address some of the major concerns raised by the public through the Long Term Plan engagement process.
- 5.16 It is proposed to apply the \$40m of funding over the next three to four years in the following ways:
- 5.16.1 Five location based treatments of approximately \$5million each (total approximately \$25m; see proposed approximate locations over-page in Figure 1). This will address the geographical areas of lowest condition across the city following earthquake damage, similar to the proposal for the Richmond area that was approved through the LTP. This approach will allow for the key issues in these areas such as drainage concerns and footpath repairs to be addressed at the same time as the resurfacing of the road. If approved, the additional funding will allow for substantial improvements in road and footpath condition in the identified areas (such as smooth and second coat seals and footpath repairs). It is not intended to be used for the complete reconstruction of all streets.
- 5.16.2 Over the course of the Stronger Christchurch Infrastructure Rebuild Team (SCIRT) repair programme, a number of streets throughout the city had first coat chip seal completed following trenching and road repairs. The second coat chip seals have not been completed as the Crown determined that they were not part of the SCIRT / Horizontal Infrastructure programme. Therefore, it is further proposed that approximately \$5m is set aside to focus on these second coat chip seals to completely waterproof the streets where repairs have been undertaken and maintain the life expectancy of the road asset.
- 5.16.3 Safety, especially at intersections, has been a significant concern raised through the Long Term Plan feedback. This is particularly an issue as land uses and, consequently traffic flows, have changed and continue to change following the earthquakes. It is proposed that approximately \$5m is added to the minor safety programme to allow for the implementation of high impact/low value interventions to improve safety in areas that have received increased traffic due to pattern changes following the earthquakes. This will reduce the risk of injury and fatalities for all road uses, including motorists, pedestrians, and cyclists.
- 5.16.4 Public Transport is an ongoing focus for the recovery of the city. It is proposed that approximately \$5m is put towards the acceleration of a project to improve bus priority on one of the key routes across the city, or around the central city (under the An Accessible City programme). This will ensure that commensurate with road network enhancements, we continue to provide enhancements to public transport services that were severely disrupted due to the earthquakes and resulting usage and land use pattern changes. It is not proposed to define this specific project until after the Regional Public Transport Plan is adopted and the Public Transport 'Futures' Business Case is complete.
- 5.16.5 The proposed transport works are expected to be subject to a New Zealand Transport Agency (NZTA) subsidy. We would need to work through the normal RLTP/LTP processes and/or business case justification.

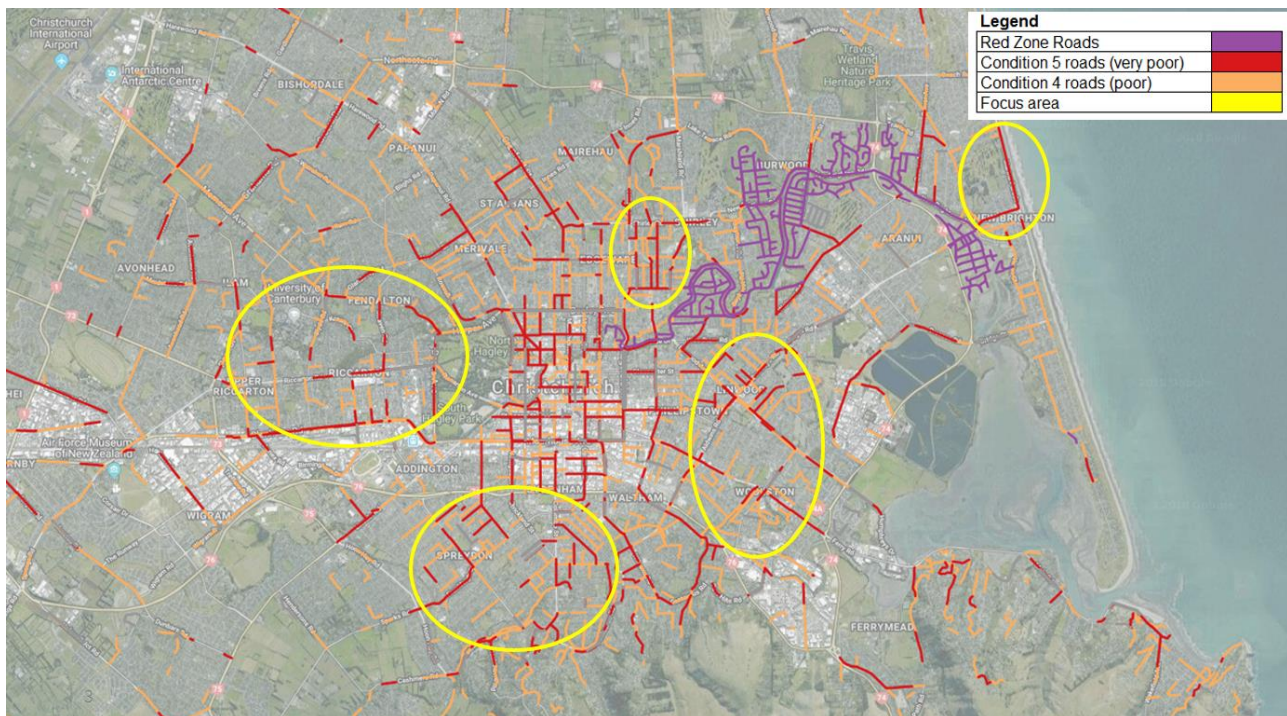


Figure 1: Proposed focus locations for roading treatment

Residential Red Zone Seed funding

- 5.17 Regenerate Christchurch are soon to present a draft Regeneration Plan for the Ōtākaro Avon River Corridor. The draft plan is expected to promote a 'green spine' (being 300ha of the total 600ha) along the river corridor providing for open space areas (natural to more structured) and Council's existing and planned network infrastructure (major cycleway, stormwater and floodplain management facilities). The balance areas referred to as the "three reaches" will likely propose a range of land uses depending on the specific location, including ecological restoration, visitor attractions, productive land uses, recreation and leisure activities, and some limited residential redevelopment (or a combination of).
- 5.18 The total cost to develop the Ōtākaro Avon River Corridor Green Spine – over 30 years - is estimated at approximately \$800m, of which most is likely/expected to be funded by the public sector. The current 2018 LTP funding provides for approximately \$141m (over the next 10 years) to design and construct a major cycleway (through the Ōtākaro Avon River Corridor) and the replacement of the Pages Road bridge; and to commence the design, consenting and some construction works for new stopbanks and water quality facilities. The 30 year Infrastructure Strategy signals a further \$270m being required beyond 2028 to design and construct further required floodplain and water quality management facilities.
- 5.19 Regenerate Christchurch are likely to indicate a further \$300-400m of funding as being required (in addition to Council LTP and Infrastructure Strategy funding) to complete the floodplain and water quality management works, undertake site clearance and demolition works (if necessary), replace and upgrade core transport infrastructure (such as New Brighton Road), and core to the Green Spine, develop the extensive parks and reserves, ecological areas, cultural trail and supporting facilities (i.e. landings and public amenities). Many of these costs will fall over at least a 30 year period.
- 5.20 Economic assessments commissioned by Regenerate Christchurch conclude developing the Ōtākaro Avon River Corridor could result in \$1.6b of economic benefit to the city; provide a value uplift to some 21,500 residential properties within 1km of the Ōtākaro Avon River Corridor; and further cement Christchurch as an international scale destination.

- 5.21 To realise these and other environmental, cultural and community benefits, effective delivery of the plan will be crucial and specifically - ensuring there is sufficient funding in the early stages, particularly for the Green Spine. At present, Council funding is dedicated to core Council infrastructure projects (such as transport and stormwater infrastructure).
- 5.22 The allocation of \$40m from the Capital Acceleration Fund to the accelerated delivery of the Ōtākaro Avon River Corridor, specifically the unfunded Green Spine elements (i.e. parks and reserves, cultural trail, ecological restoration, public amenities and landings), will provide for the first stages of the plan to be delivered commensurate with the availability of funding. It will also provide delivery synergies with any work delivered as part of the anticipated \$15m contribution from the Canterbury Earthquake Appeal Trust funding.
- 5.23 It is recognised that an initial \$40m worth of seed funding will by no means resolve the overall funding shortfall (for the Green spine, noting that private and public funding may be needed for the Three Reaches). However, together with any further Council and Crown funding (neither of which is confirmed), this early \$40m investment will be essential to attract and secure subsequent private investment, complete detailed planning, as well as demonstrate tangible and accelerated delivery of public facilities and services that could otherwise not be funded in the medium term.

6. Conclusion and Next Steps

- 6.1 The proposals in this paper, if progressed, reflect a significant public investment in Christchurch. This investment is designed to provide certainty and accelerate progress on critical projects across the city – namely the Canterbury multi-use stadium, horizontal infrastructure (roading network), and seed funding for core projects in the Ōtākaro Avon River Corridor Green Spine. While critically important, these are not the only worthy projects for additional funding that exist in the city. However, these projects most closely align with the stated objectives of the Capital Acceleration Fund, are agreed priority projects, and furthermore, are at a sufficiently advanced stage of planning, that they can genuinely be accelerated with a direct funding boost.
- 6.2 The next steps once Council has endorsed the three proposals, are for the attached investment proposals to be provided to Crown officials, who will then review and provide support and advice to the Minister for Greater Christchurch Regeneration and the Minister of Finance to enable them to progress the proposals. Joint Ministerial agreement will be required to move to phase two, where the Council (and others) will lead the development of more detailed investment cases. Work is already underway on the investment case (the business case) for the Canterbury multi-use stadium and the residential red zone green spine business case, and subject to approval of the proposal, will be completed for the horizontal infrastructure (transport network) investment case.
- 6.3 The final investment cases may determine changes or optimisation to the allocation or apportionment (within the over \$300m) than specified in this paper.
- 6.4 These investment cases will then be subject to review by the Crown, and ultimately approved by Cabinet (unless otherwise delegated to Ministers). At this stage (and subject to approvals) the funding is expect to begin being released by the Crown directly to the Council in the latter half of the 2018/19 financial year allowing immediate expenditure and project acceleration. It is expected that funding will be released as required, not as a lump sum.

Attachments

No.	Title	Page
A ↓	CRAF Roding and Transport Infrastructure	14
B ↓	CRAF Stadium Proposal	21
C ↓	CRAF RRZ OARRP	29

Confirmation of Statutory Compliance

Compliance with Statutory Decision-making Requirements (ss 76 - 81 Local Government Act 2002).

(a) This report contains:

- (i) sufficient information about all reasonably practicable options identified and assessed in terms of their advantages and disadvantages; and
- (ii) adequate consideration of the views and preferences of affected and interested persons bearing in mind any proposed or previous community engagement.

(b) The information reflects the level of significance of the matters covered by the report, as determined in accordance with the Council's significance and engagement policy.

Signatories

Author	Brendan Anstiss - General Manager Strategy and Transformation
Approved By	Karleen Edwards - Chief Executive

Christchurch Regeneration Acceleration Facility Investment Proposal Template

Date:	3/09/2018
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Proposal Outline

Name of Proposal	Roading and Transport Infrastructure
Eligibility criteria	<input type="checkbox"/> Residential Red Zone <input type="checkbox"/> Stadium <input type="checkbox"/> Three waters / Land drainage / Roothing <input type="checkbox"/> Other
Overall priority rating	High. This project is priority two out of the three proposed projects.
Brief description of the Proposal	<p>Funding to address high priority earthquake damaged roads that are creating an increased safety risk, reducing the community wellbeing and affecting economic outcomes.</p> <p>To improve safety, social and economic outcomes funding will be targeted towards areas of greatest earthquake related roading damage, and in the areas of safety and public transport where needs have altered as a result of land use changes following the earthquakes.</p>
Overview of benefits and costs	<p>This proposal will improve road user safety, critical links for people to undertake the activities that make up their lives and supports enhancement of social and economic wellbeing for Christchurch communities. This proposal is requesting a total of \$40m over four years.</p> <p>A transport network that has been impacted by extensive earthquake damage like Christchurch will inhibit people getting to work, create safety issues, and reduce the social and economic wellbeing of the community. A lack of timely attention will burden ratepayers with increasing maintenance costs and unnecessary personal maintenance costs due to excessive roughness or poor condition of the road.</p> <p>As a Road Controlling Authority Christchurch City Council is accountable for the maintenance and renewal of transport assets, this is a standard accountability of all territorial local authorities. The scope of the proposed funding is focused on helping to address several priority areas of safety, public transport, and damage caused by the earthquakes that is over and above normal asset management requirements for routine maintenance and renewal.</p> <p>The funding requested for the remediation of high priority earthquake damaged roads and underlying services is estimated to be approximately \$30 million over 4 years, with no additional on-going maintenance costs.</p>

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	<p>It is proposed \$5m will be spent on minor safety improvements over 3 years that will target reducing death and serious injury on the network, with a particular focus at intersections. This work is supported by the Transport Agency's Communities At Risk register that shows intersections as a high area of concern for Christchurch and the Government Policy Statement on Land Transport (GPS) on improving road safety for all users. This would enhance Council's current low cost/high value improvements programme budgeted at \$18m in the next three years. Typically, these high value/low cost improvements achieve high safety benefits and good value for money.</p> <p>Public Transport is an ongoing focus for the recovery of the city. As such, it is proposed to spend \$5m to focus on bus priority on one of the key routes across the city, or around the central city, or on upgrading specific intersections to introduce bus priority measures. However, it is not proposed to nominate this project until the draft Regional Public Transport Plan and the Public Transport 'Futures' Business Case are approved. This will accelerate enhancements to public transport services that were severely disrupted due to the earthquakes and resulting usage and land use pattern changes. Improving public transport will encourage mode shift and the aims of the GPS.</p>
Commercial and / or financial viability	<p>Council's assessment of current asset condition, long term modelling outcomes, and safety performance indicates there is a need to address the identified areas. This is also reinforced through Christchurch's resident satisfaction survey outcomes showing a concerning low rating for the roading and footpath network. Only 20% of recently surveyed participants were satisfied with the condition of Christchurch roads and 34% were satisfied with Christchurch footpaths. This is a major reduction from pre-earthquake survey results, which were 63% for roads and 67% for footpaths. Resident satisfaction has decreased as the poor roading condition has continued or deteriorated.</p> <p>The impact from earthquake damage roads has increased the whole of life costs on rate payers through increased operational costs to keep the network going. Undertaking work on these priority earthquake damaged areas will provide the best net present value outcomes and allow other recovery and regeneration activities to occur.</p> <p>For the safety and public transport areas the benefits of reducing harm, when combined with travel time savings support the case for acceleration funding.</p>
Indicative total costs and breakdown	<ul style="list-style-type: none"> • \$30m for priority areas with earthquake related damaged. <p>Five location based treatments of approximately \$5m each. This will allow for the key issues in these areas such as damaged drainage and footpaths to be addressed at the same time as the resurfacing of the road. For an overview of these areas refer to Attachment 1.</p> <p>Completion of second coat chip seals for \$5m. Work will be completed on roads that were repaired due to earthquake damage but did not have a second coat seal applied. The second coat seal will be undertaken to completely waterproof and maintain the life expectancy of the road asset.</p> • \$5m for minor safety improvements to allow for the implementation of low cost/high value interventions to improve safety in areas that have received increased traffic due to pattern changes following the earthquake.

	<ul style="list-style-type: none">\$5m towards the acceleration of a project(s) to improve bus priority on one of the key routes across the city, at specific intersections, or around the central city due to land use and traffic pattern changes.														
Acceleration Facility funding is requested and when it is likely to be required	<p>Initial funding is expected to be required in July 2019. The summary of funding required is outlined below.</p> <table><tr><th>18/19</th><th>19/20</th><th>20/21</th><th>21/22</th><th>22/23</th><th>Out-years</th><th>Total</th></tr><tr><td>0</td><td>\$5M</td><td>\$15M</td><td>\$15M</td><td>\$5M</td><td>0</td><td>\$40M</td></tr></table>	18/19	19/20	20/21	21/22	22/23	Out-years	Total	0	\$5M	\$15M	\$15M	\$5M	0	\$40M
18/19	19/20	20/21	21/22	22/23	Out-years	Total									
0	\$5M	\$15M	\$15M	\$5M	0	\$40M									
Other funding sources	<p>In 2018 the Council increased the level of funding for the resurfacing of roads, along with safety interventions and public transport in the Long Term Plan. This has been included in the Regional Land Transport and National Land Transport Programmes. However, this level of funding will not be able to address historical damage from the earthquakes, nor will it make a demonstrable improvement to the overall network in a timely manner.</p> <p>The proposed works would normally be subject to a New Zealand Transport Agency (NZTA) application for subsidy. Further discussions would be required with NZTA to determine if subsidy on Crown grant funded projects is possible and what process would need to be followed. If the works are eligible for NTZA subsidy they would be subject to normal RLTP/LTP processes and/or business case justification.</p>														
Potential risks for the Proposal and how these might be mitigated	<p>Public relations risk</p> <ul style="list-style-type: none">There is a risk that the public will not understand how the projects have been scoped or prioritised. Mitigation will include developing a proactive communication plan with the appropriate areas of the city, and including residents, elected representatives and stakeholders in that process. <p>Design and delivery risk</p> <ul style="list-style-type: none">There is a risk that resources are not readily available to undertake the required work. To mitigate this a dedicated project team will be established at Council, and early contractor involvement discussions will be initiated.Further to this there is a risk that the design phase will take longer than estimated. Mitigation will include a management structure to steer the project.														
Statutory or regulatory implications	Not applicable.														
Management arrangements	<p>The Head of Transport at Christchurch City Council will be responsible for oversight of this project. A project team will be established to resource the work along with a management structure to steer the project, provide line of sight to Senior Management and inform Stakeholders.</p> <p>Governance oversight and performance management for delivery will occur through Christchurch City Council's organisational and reporting structure.</p>														

Key project milestones	Date	Milestone
	30/06/2019	Identify projects and areas
	30/06/2020	Complete design for all interventions
	30/06.2023	Complete construction

Prioritisation Criteria

Public Benefit

Community wellness and resilience	<p>The proposal seeks to address community issues identified through the Long Term Plan consultation process, namely dissatisfaction with the conditions of the road network and safety (especially at intersections). Addressing these issues and improving public transport will improve community wellness and the liveability of our city.</p> <p>Christchurch City Council has placed an emphasis on safety by investing in improvements to local roads across the network, including speed management and primary safe system treatments to deliver a system increasingly free of death and serious injury. Personal vehicle, freight and tourism connections will benefit from the proposal by improving safety, efficiency, and resiliency.</p> <p>The improvements will also enhance actual and perceived safety around public transport. Access to economic and social opportunities is a priority of the Councils proposal by reducing the need to travel by private motor vehicle to access opportunities like employment, education and recreation. Supporting a mode shift for trips in Christchurch from individual private vehicles to more efficient, low cost modes like walking, cycling and public transport is supported by this work and Christchurch's' transport strategy.</p>	High
Environmental	<p>The proposal prioritises public transport, which will accelerate reducing greenhouse gas emissions from transport and supports a mode shift to lower emission forms of transport, including walking, cycling, public transport and lower emission vehicles.</p> <p>Christchurch City Council also recognises the public health benefits of reducing harmful transport emissions and increasing uptake of walking and cycling and the importance of urban form for creating liveable cities that value public space and improve access.</p> <p>When repairing and renewing infrastructure there will be opportunities to improve environmental outcomes by application of pragmatic treatment methods.</p>	Medium
Economic	<p>Economic benefits to Christchurch are seen in proving a safe, reliable and resilient local network. Investment in this proposal ensures that individual citizens and businesses are able to access opportunities for employment, business development, training and education which inherently contribute to economic growth.</p>	High

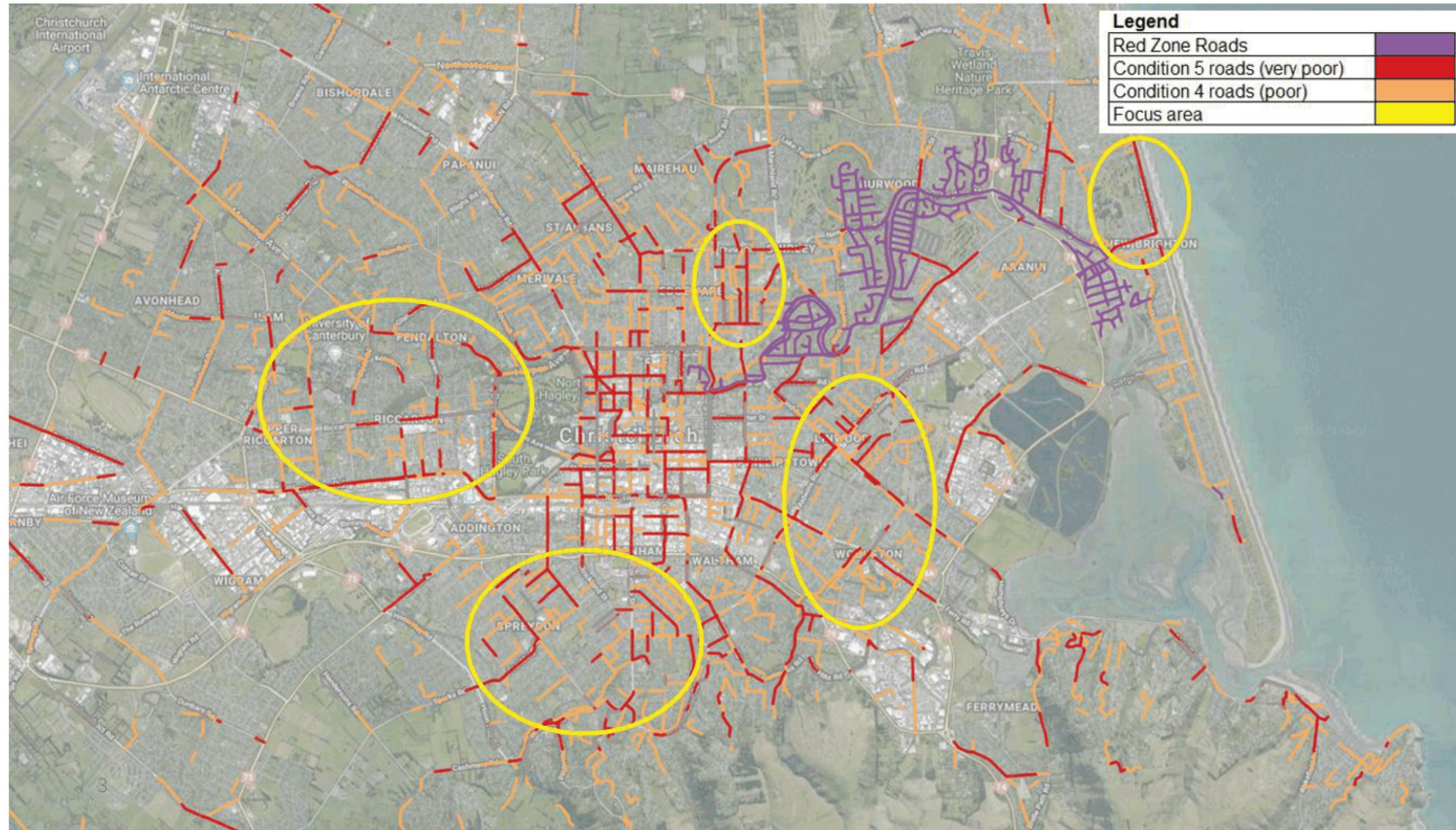
Regeneration

Rebuild	<p>To make a meaningful and noticeable improvement to the condition of the roading network, additional financial investment over and above what would be considered a normal level of renewal and replacement funding is required. This reflects the extra-ordinary impacts and damage caused by the 2010/11 earthquakes.</p> <p>This proposal directly contributes to completing earthquake rebuild of particularly hard hit earthquake-damaged locations.</p>	High
Catalyse and Stimulate	<p>While there are limited direct investment opportunities in the transport proposal ensuring that we develop a well-connected, liveable city will increase investor confidence.</p>	Low

Acceleration

Advance Delivery	<p>Christchurch City Council has recently signed off the 2018-28 Long Term Plan. The LTP was extensively consulted on and set out priorities for the next ten years. This proposal will allow Council to visibly accelerate delivery of some projects that are critical to completing the earthquake rebuild.</p> <p>The funding assistance from the Christchurch Regeneration Acceleration Facility will significantly assist Council to secure the local share required to deliver the total proposal and achieve the network benefits. Additional funding may be sought from NZTA through the NLTP potentially allowing for even further work to be completed. However further discussions would be required with NZTA to determine if subsidy on Crown grant funded projects is possible and what process would need to be followed.</p>	High
Local Responsibility	<p>Completing the proposed works will show a positive response to the local communities' feedback provided through the LTP, council engagement processes and survey's. This positive and timely response to the communities' feedback reinforces local involvement in decision making. Consultation with communities and local stakeholders, including actively engaging with groups with a diverse range of interests, will be a priority and further support future decision making.</p> <p>In support of building local capacity and capability, Council will continue to develop internal teams to deliver the desired outcomes and is open to delivering this proposal through innovative consultant and contractor procurement, to bring together the necessary skills to deliver the proposal in a seamless way. Council intends to engage early with the consulting and contracting industry to advise them of the programme size and seek their early input to the engagement process.</p>	Medium

Attachment 1 – Proposed focus areas



Appendix A to the template – definitions

Category 1: Residential red zone

To meet the Category 1 eligibility criteria, projects must be located in (or predominantly in) the geographically defined residential red zone in (and only in) Christchurch City, and not be inconsistent with the eligibility approach to Category 3.

Category 2: Stadium

To meet the Category 2 eligibility criterion, investment proposals must be a contributing component of the stadium project.

Category 3: Three waters, land drainage, and roading

To meet the Category 3 eligibility criterion, projects must be (i) related to three waters (drinking water, storm water, waste water), land drainage, or roading; (ii) consistent with wider central government policy (for example, with regard to wider emergency management policy and practice regarding essential infrastructure); and

Three waters and land drainage

- must have direct links to Christchurch earthquake regeneration outcomes; and
- must be for new three waters or land drainage infrastructure; and
- cannot be related to renewing, repairing, improving, operating, or maintaining existing three waters or land drainage infrastructure, or other business as usual local authority responsibilities for three waters and land drainage

Roading

- must have significant direct links to Christchurch earthquake regeneration outcomes, particularly as set out in *An Accessible City*; and
- cannot be predominantly or solely related to renewing, repairing, or maintaining existing roading, or other business as usual local authority responsibilities for roading

Category 4: Other

To meet the other eligibility criterion, projects must be compelling, and the Council must agree that funds made available for projects in this Category will reduce the amounts of funds made available in Categories 1 – 3

Christchurch Regeneration Acceleration Facility Investment Proposal Template

Date:	05/09/18
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Proposal Outline

Name of Proposal	Canterbury Multi-Use Stadium (CMUS)
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Eligibility criteria	<input checked="" type="checkbox"/> Stadium
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Overall priority rating	Overall Priority rating: High
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Brief description of the Proposal	<p>Development of a Multi-Use Stadium to replace the temporary stadium in Christchurch and the demolished Lancaster Park Stadium.</p> <p>The Multi-Use Stadium will host a range of activities, including</p> <ul style="list-style-type: none">• multi sporting events,• entertainment,• concerts,• trade shows,• conferences,• exhibitions,• festivals,• e-sports,• major public gatherings,• non-event day activity in the form of hosting functions, business meetings, seminars and small scale events,• allied services,• community uses (for example school sports competitions and junior grade sports). <p>Reinstating the stadium is considered to be fundamental to economic, social, cultural and recreational life in the city and revitalising the central city's commercial and civic prosperity.</p>
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Overview of benefits and costs	<p>Benefits of Multi-Use Stadium</p> <p>Evidence suggests the creation of stadia/arenas and the events they host can have a positive effect on the social, economic and cultural capital of a city.</p>
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Studies suggest that the Canterbury Multi-Use Stadium (CMUS) will:

- Serve as the conduit to hosting of significant international, national and regional sporting, entertainment and cultural events;
- Increase the number and spending of domestic and international visitors to Christchurch and the wider region;
- Keep entertainment expenditure in the city and within the Canterbury region;
- Enable Christchurch to be showcased on the national and international stage through attracting and hosting significant events;
- Contribute to increased participation in central city entertainment and recreation activities therefore increasing the vibrancy of the central city;
- Act as a catalyst for further development and investment in the city, particularly the hospitality sector;
- Stimulate economic activity in the business in the adjoining precinct by providing certainty and confidence to private investors;
- Support the expansion of residential developments in the area and have a positive effect on the value of surrounding properties;
- Provide a range of work opportunities both during construction and once operating – this also has multiplier effects as the wages of construction and entertainment industry workers will be re-spent in the local community, leading to wider economic growth;
- Increase attendance at events due to the convenience and amenity of the central city location;
- Facilitate new and alternative uses of the facility due to the central city location, including opportunities within the precinct for complementary commercial development;
- Provide a psychological boost and sense of pride to the city and the region;

The Investment Case will examine and assess the benefits and dis-benefits of the Stadium.

Some reports have also suggested that if the CMUS is integrated with the surrounding precinct and incorporates a variety of activities and businesses, it will generate improved commercial viability and social outcomes.

Precinct considerations will be considered in the Investment Case and inform the indicative costings and financial criteria for the commercial case.

Costs of Multi-Use Stadium

The Investment Case will provide certainty on the Capital Investment requirements and Operational costs and life cycle costs associated with the CMUS.

Option 1 \$	Option 2 \$	Option 3 \$
384,750,000	470,300,000	561,400,000

The current understanding of costs are based on work undertaken by WT Partnership (cost consultant).

	<p>There are also opportunity costs associated with the Multi-Use Stadium. The funding and time spent on the CMUS could otherwise be used to provide other public services; fund other activities that would generate similar benefits; or to reduce rates.</p> <p>These opportunity costs will be explored in the Investment Case process.</p> <p>The Investment Case will also consider dis-benefits and negative externalities.</p>
<p>Commercial and / or financial viability</p>	<p>The Investment Case will provide more certainty on the capital investment requirements and life cycle and operational costs associated with the CMUS.</p> <p>Considerable work has already been undertaken by both Crown and Council regarding the Stadium. The viability work undertaken to date includes:</p> <ul style="list-style-type: none"> • The Pre-Feasibility Study in 2017, completed by the Christchurch Stadium Trust, investigated a number of parameters and recommended a shortlist of options. • From October to December 2017, officials worked with a team of Subject Matter Experts (SME's) appointed to carry out an analysis of the key elements identified in the Pre-feasibility report. The study explored the opportunities and risks of the Options. • The KPMG report identified that the preferred option was the development of standalone Metro Sports Facility and multi-use stadium projects on their currently designated sites, in line with the currently proposed scope of the facilities and within an affordable budget envelope. The KPMG report lacked detail on how "affordability" would be identified and achieved. • From February to April 2018, officials undertook a scope and affordability review and identified a preferred option. <p>These studies and other reports suggest that significant challenges to achieving financial viability of stadiums include:</p> <ul style="list-style-type: none"> • interest costs on capital debt funding; • the provision for funding of depreciation; • funding of rates and insurance. <p>The funding allocated in Council's LTP and requested in this Investment Proposal provide an opportunity to minimize the extent of external debt for the development of the stadium. This may provide an opportunity to develop a stadium that achieves, or largely achieves, financial sustainability i.e. generates sufficient profit to fund depreciation and capital expenditure. If this is not possible, ongoing capital support will be necessary for asset replacement and enhancement</p> <p>The Investment Case will also identify any funding gaps or requirements for external funding during both construction and operation and will analyse a range of funding options.</p> <p>Studies also suggest that there are a number of other factors that can influence the viability of a stadium:</p>

- adaptability and versatility to hold multiple sports and entertainment events and to respond to industry trends;
- scalability to increase or reduce its capacity to suit each event;
- venue capacity and amenity;
- roof structure;
- turf systems and quality;
- quality of acoustics;
- technology;
- facilities and fan/patron experience within the stadium;
- integration and activation of surrounding spaces;
- adjoining commercial developments and facilities;
- quality and cost of what is offered;
- operating approach, including the number of community (subsidised) events;
- ownership, and operating models.

The Investment Case will examine these and advise on how these factors should be combined together to suit the Christchurch/Canterbury context.

Indicative total costs and break-down (excluding gst)

The Indicative Cost Breakdown below is a summary of the WTP Cost Estimate of three core options. These will be analysed in the Investment Case.

Cost Element	Option 1 \$	Option 2 \$	Option 3 \$
Enabling Works	1,500,000	1,500,000	1,500,000
Site Preparation	20,331,420	19,488,392	31,267,252
Construction & Fitout	244,568,284	299,311,502	349,533,325
Professional Fees	34,631,962	41,638,986	49,699,075
Consent Fees	2,663,997	3,202,999	3,823,006
Other Fees	7,000,000	7,500,000	7,500,000
Project Contingency	31,069,566	37,264,188	44,332,266
Escalation	42,984,771	60,393,933	73,745,077
PROJECT TOTAL	384,750,000	470,300,000	561,400,000

Acceleration Facility funding is requested and when it is likely to be required

The Council has provided information on the Crown and Council apportionment and the projected years the funding will be required for the options to be investigated in the Investment Case.

Other funding sources

The 2018-2028 Christchurch City Council Long Term Plan allocated \$253M of funding to meet the Council's obligation in the Cost Sharing Agreement for the delivery of the CMUS. The Council funding has been

	<p>allocated from Financial Year F21. Council requires an Investment Case before committing these funds.</p> <p>This Proposal seeks a Crown contribution from CRAF of \$220M.</p> <p>Other funding sources have been suggested, including:</p> <ul style="list-style-type: none"> • Regional contribution e.g. a regional rate; • Pre-sales of commercial rights, including venue memberships, corporate suites, and naming and sponsorship rights; • Commercial opportunities; • Investor or commercial partner. <p>The Investment Case will identify and analyse a range of funding options.</p>
Potential risks for the Proposal and how these might be mitigated	<p>The Execution Plan provides a high-level description of the potential risks of the project and how these might be mitigated.</p> <p>The Investment Case will identify appropriate planning and management of the project to minimise these risks.</p> <p>The Investment Case Project Team will follow the Risk Management Process as defined in the attached Investment Case Execution Plan.</p>
Statutory or regulatory implications	<p>It is not expected the CMUS will require any amendments to existing legislation or regulations, however the following should be noted:</p> <ul style="list-style-type: none"> • The site is designated under the Christchurch Central Recovery Plan (CCRP) and CCC's District Plan for the purpose of a Stadium. The required process under the relevant sections of the Resource Management Act (RMA) that relate to designations must be followed. The Canterbury Earthquake Recovery Minister has 10 years (as of July 2012) to give effect to the designation or it will lapse. • If the land is not used for the designated purposes the existing zone rules apply (Mixed Use). • If there is a requirement to alter the site boundary, or an alternative CMUS site is sought, the designation would need to be re-litigated. • Land Use related Consents and Land Use related approvals will be required prior to proceeding with enabling or construction works for the CMUS.
Management arrangements	<p>The Council is responsible for developing this Proposal. The Council will lead the work on the development of the Investment Case in collaboration with Crown partners.</p> <p>Officials Group comprising representatives from Council, DPMC, Treasury, LINZ and Otakaro.</p> <p>A structure and management processes for the Investment Case is in place (via an Execution Plan).</p> <p>The Investment Case will recommend how the Capital Delivery phase of the project would be appropriately governed, managed and structured.</p>

	The Execution Plan will be updated in line with the Investment Case recommendations prior to proceeding to the Delivery Phase.		
Key project milestones	Milestone Event	Stage	Programmed Date
	Council Approval of Investment Proposal	Investment Proposal (IP)	13/09/18
	CAF Approval of Investment Proposal	IP	05/10/18
	Advanced Services Commence	Investment Case (IC)	29/10/18
	Confirm Shortlisted Options	IC	21/12/18
	Investment Case Complete	IC	27/05/19
	Council Approval of Investment Case	IC	25/06/19
	CAF Approve Investment Case	IC	19/07/19
	Early Site Works/Decontamination	Early Works	May 2019
	The Investment Case will inform the development of the capital development programme and associated key milestones.		

Prioritisation Criteria

Public Benefit

Community wellness and resilience	<p>Research has shown the creation of stadia/arenas and the events they host have a positive effect on the social and cultural capital of a city.</p> <p>The CMUS would support social interaction of all ages and sections of the community from creating a place people gather, transit through and play within.</p> <p>CMUS would also become a destination, attracting both domestic and international tourists to the entertainment and sports events, fostering vibrancy, integration with different cultures and enhancing Canterbury's reputation as a tourist destination.</p> <p>Evidence suggests that sport and recreation offers social, cultural and physical benefits to individuals, family/whanau and the wider community.</p>	High
Environmental	<p>The CMUS is to be located on a brown-field site making use of available land within the city centre and not removing any green space as part of its development.</p> <p>The CMUS is to be located in close proximity and easy walking distance to the city centre, large hotels and Bus Interchange. This will encourage people to travel by public transport or walk to the venue.</p> <p>The construction of the CMUS will require a significant amount of energy and resources, including concrete, steel and composite materials. The extraction, manufacture and transport of these mean the CMUS will have a significant environmental footprint. To counteract this, the design development process will review appropriate technology and</p>	Low

	energy efficient strategies to reduce the operational energy use of the facility.	
Economic	<p>Multi-use sport and recreation facilities play a key role in generating economic activity within Canterbury. In a recent study, the value of sport and recreation's contribution to the wider Canterbury / West Coast area was estimated at \$382.3m per annum (<i>Sport New Zealand, 2015. The Economic Value of Sport and Recreation to the Canterbury/West Coast Region</i>).</p> <p>The CMUS will not only enhance sports' contribution to the Canterbury region but also the contribution of events, entertainment, concerts, trade shows, conferences, exhibitions and festivals.</p> <p>Recent concerts, such as Adele in Auckland and Ed Sheeran in Dunedin, have demonstrated the wider economic impact a large-scale events venue can have on a city. Christchurch currently cannot compete with the other main New Zealand centres as it does not have a facility to act as an attractive proposition to promoters or international sporting bodies. The CMUS would enable Christchurch to stand out, not only in the domestic market, but international market when attracting large scale exhibitions, festivals and events.</p> <p>The Investment Case will aim to quantify both the tangible and intangible economic benefits to Christchurch and the wider region.</p>	Medium

Regeneration

Rebuild	<p>As a result of the Earthquakes the east of the CBD is disjointed and currently lacks any hub. The CMUS will provide this needed hub and cohesion with the existing and proposed developments by creating a destination and connection to the public realm.</p> <p>The CMUS will act as a catalyst for further investment in the area and enhance the proposed residential developments that have commenced nearby.</p> <p>Due to the scale of the largely vacant 6ha CMUS site, the Multi-use facility will have a dramatic effect on the perception that urban renewal is well progressed in the CBD.</p>	High
Catalyse and Stimulate	<p>The CMUS will act as a catalyst for further development and investment in the area:</p> <ul style="list-style-type: none"> As evidence suggests hospitality venues become established around major stadia/events venues to support the people attracted by the events. From employment of local people to both construct and operate the venue. Gives certainty to developers that a significant Anchor Project is actually going to take place. 	High

	<ul style="list-style-type: none"> Increasing the appeal of the residential development close by, giving impetus to expand the current developments sooner. 	
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Acceleration

Advance Delivery	<p>The CMUS will have a lifespan of at least 50 years, providing a consistent, high quality venue for a range of activities and events. The increase in visitor numbers, from outside the region, specifically associated with events can be measured along with the economic boost each event has to the economy.</p> <p>Multi-Use Facilities are understood to have a multitude of less tangible public benefits, such as encouraging sport and play and the associated health and wellness benefits, providing a positive environment for social interaction and a sense of belonging. The Investment Economic Case will detail benefits both tangible and intangible to Christchurch and the wider region.</p>	Medium
Local Responsibility	<p>The Investment Case and Briefing Stage of the CMUS will involve further extensive stakeholder engagement to feed into the process. The Communications and Engagement Strategy is detailed in the Investment Case Execution Plan and this will be developed to include the process of engagement through the design process.</p> <p>The development of the CMUS will require both local and international expertise to achieve the best possible outcome for the City. Where possible local expertise will be used, but specific expertise related to the design and construction of large scale stadia may be required to support the local market.</p> <p>Through the Investment Case process ownership and operational models will be analysed. The outcomes will feed through to the facility establishment phase, and if required, development of the capability of the local operators market will be undertaken.</p>	Medium

Christchurch Regeneration Acceleration Facility Investment Proposal Template

This document is intended to outline projects for which funding is sought from the Christchurch Regeneration Acceleration Facility. A greater level of detail will be appropriate for any project where the total funding sought is more than \$50 million.

Date:	10/9/2019
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Proposal Outline

Name of Proposal	Residential Red Zone – Ōtākaro/Avon River Corridor
Eligibility criteria	Residential Red Zone
Overall priority rating	High - Priority 2 out of 3
Brief description of the Proposal	<p>The Ōtākaro/Avon River Corridor Regeneration Plan will guide and facilitate the regeneration of approximately 600ha of land (predominantly in Crown and Council ownership) badly damaged by the earthquakes. The <i>draft</i> plan comprises a 'green spine' (being 300ha of the total 600ha) providing for open space areas (natural to more structured) and Council's existing and planned network infrastructure (major cycleway, stormwater and floodplain management facilities).</p> <p>The balance area referred to as the "three reaches" will provide for a range of land uses depending on the specific location, including ecological restoration, visitor attractions, productive land uses, recreation and leisure activities, and some limited areas for adaptable housing. The Christchurch Regeneration Acceleration Facility presents an opportunity to make a significant start to the plans implementation, specifically the development of the Green Spine.</p> <p>Economic assessments commissioned by Regenerate Christchurch conclude developing the OARC could result in \$1.6B of economic benefit; provide a value uplift to some 21,500 residential properties within 1km of the OARC; and as an international scale destination, attract 4 million visits per year with 1.4M tickets sold. To realise these and other environmental, cultural and community benefits, effective delivery of the plan will be crucial and specifically ensuring there is sufficient funding in the early stages, particularly for the Green Spine.</p>
Overview of benefits and costs	<p>The total cost to develop the Green Spine is estimated at approximately \$800M, of which most is likely and expected to be funded by the public sector (over decades).</p> <p>The current 2018 LTP 2018-2028 provides some funding within the next ten years for a major cycleway (through the OARC), the replacement of</p>

Page 1

the Pages Road bridge, and the commencement of construction works for new stopbanks and water quality facilities.

The Infrastructure Strategy signals further significant additional funding required to complete the required floodplain and water quality management facilities and upgrade core transport infrastructure (such as New Brighton Road). There is presently no funding provided in the 2018 LTP to develop the extensive parks and reserves, ecological areas, cultural trail and supporting facilities (i.e. landings and public amenities) within the Green Spine.

The allocation of \$40M from the CAF to the delivery of the OARCRP, specifically the unfunded Green Spine elements (i.e. parks and reserves, cultural trail, ecological restoration, public amenities and landings), will provide for the first stages of the plan to be delivered. It is recognised that this level of funding will by no means resolve the estimated \$300-400M funding shortfall (for the Green spine noting that further public funding may be needed for the Three Reaches), however together with Council funding, will be essential to attract and secure private investment.

Commercial and / or financial viability

Regenerate Christchurch has undertaken comprehensive assessments of a range of land use options for the corridor, including cost estimates for the Green Spine. The estimated costs as discussed above are \$800 million and Regenerate Christchurch have estimated that the proposal will deliver \$2.9 billion of economic benefits and result in \$1.5 billion increase in property values of private properties within 1km of the area. The proposal is also predicted to have benefits in terms of protecting public and private assets from flooding including 4000 homes.

Feasibility studies have been undertaken as part of the development of the Plan. The councils LTP provides for the funding of core infrastructure proposed within the area to be delivered over 30+ years.

Indicative total costs and breakdown

In response to the gazetting of the Plan by the Minister, and the implementation programme being completed, the Council will review funding through its LTP and Annual Plans.

The Plan provides for statutory requirements to be met, in particular water quality and flood plain management and transport service standards. Costs associated with these requirements will be part of the implementation programme.

Acceleration Facility funding is requested and when it is likely to be required

The proposed yearly split of the \$40 million from the capital acceleration fund is outlined below. This will be further refined in the investment case.

	18/19	19/20	20/21	21/22	22/23	Out-years	Total
CRAF		5	10	10	15		\$40m

Other funding sources	Council's planned 30 year investment into this area is approximately \$404m. Further funding sources will be identified as the Plan is finalised. Regenerate Christchurch have been in discussions with a number of private sector investors who are seeking to fund particular elements of the overall Regeneration Plan – especially the private developments. Philanthropic funding will also be sought for particular elements of the Plan.						
Potential risks for the Proposal and how these might be mitigated	<div><div>1. Funding is not forthcoming at required phases of the project leading to substandard or non-delivery of projects.</div><div>Mitigation – Funding from Crown and Council is identified and phased.</div><div>2. Development of the implementation programme is delayed.</div><div>Mitigation – Sufficient resources are committed to develop and give effect to the implementation programme.</div><div>3. Land ownership and tenure is not resolved to facilitate the implementation of the Plan.</div><div>Mitigation – Sufficient Crown and Council commitment to resolve land ownership through the global settlement and agreed next steps.</div></div>						
Statutory or regulatory implications	<p>The Plan will provide changes under the Resource Management Act to the Christchurch District Plan. It contains a policy and rule package for this distinct part of Christchurch to ensure that particular elements of the Plan can be implemented by the public, private and not-for-profit sectors as required.</p> <p>Any legislative and statutory requirements related to land ownership will be determined through the global settlement and finalisation of the Plan.</p>						
Management arrangements	The governance arrangements are still to be determined by the Crown and Council. There are a number of options that the Crown and Council will consider through the Plan finalisation and sign-off, and as the global settlement discussions are completed.						
Key project milestones	<table><tr><th>Date</th><th>Milestone</th></tr><tr><td>3/2019</td><td>Regeneration Plan finalised and gazetted by Minister</td></tr><tr><td>5/2019</td><td>Implementation programme completed</td></tr></table>	Date	Milestone	3/2019	Regeneration Plan finalised and gazetted by Minister	5/2019	Implementation programme completed
Date	Milestone						
3/2019	Regeneration Plan finalised and gazetted by Minister						
5/2019	Implementation programme completed						

Prioritisation Criteria

Public Benefit

Community wellness and resilience	<p>The Regeneration Plan provides a framework for land use, ecological restoration, improved water quality, enhanced community connectivity and improved natural hazard mitigation within a new river park.</p> <p>It also sets out the principles, roles and responsibilities for achieving regeneration. Changes to the District Plan and Land and Water Regional Plan will enable land use changes. Improvements to the natural environment are also proposed.</p> <p>Collectively these will support social, environmental and cultural wellbeing, bringing tangible economic, health and environmental benefits and help prepare us for a changing climate.</p>	High
Environmental	<p>The Plan places the highest priority on improving water quality, managing natural hazards, restoring ecosystems and connecting people with nature. This is why the key elements of the plan are:</p> <ul style="list-style-type: none"> • The Green Spine: a 345ha and 11km long restored river corridor linking the CBD to New Brighton through a city-to-sea path, trails, cycleways, landings, art, stories and places for people to linger and play; • Large scale ecological restoration that creates the basis for all other uses. 	High
Economic	<p>The long term economic benefits arising from the implementation of the Regeneration Plan as estimated by Regenerate Christchurch are potentially significant.</p> <p>With \$2.9B of economic benefits forecast, improvements in property values (potentially \$1.5 billion across the 21,000 homes that surround the area), combined with estimates of around 4 million visits each year, including 1 million unique visitors, will support regeneration of east Christchurch.</p>	Medium

Regeneration

Rebuild	<p>The Ōtākaro/Avon River Corridor is the largest continuous area of the Residential Red Zone in the City. The 602ha Corridor provides the opportunity to support the regeneration of the land and river, the communities that live nearby and across Christchurch. One of the largest geographical features of the city, it is also one of the largest transformational opportunities that this country has yet been presented. This Regeneration Plan provides a framework for land use, ecological restoration, improved water quality, enhanced community connectivity and improved natural hazard mitigation within a new river park. It also sets out the principles, roles and responsibilities for achieving regeneration.</p>	High
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Catalyse and Stimulate	<p>Partnership, involving public and private sector interests, is critical to achieving Regeneration of the Corridor. The Plan recognises that early project commitment to the Green Spine will confirm the vision for the Corridor and enhance it as a visitor destination. This, in turn, will activate private sector investment and community involvement, further enhancing regeneration outcomes across the Corridor including the Reaches.</p> <p>The Regeneration Plan proposes that up to 257 ha of the Area is released for private sector initiatives that are consistent with vision and objectives for the area. This gives a completely unique opportunity for the private sector to develop large scale tourism and commercial opportunities within an urban environment.</p> <p>Business opportunities will be supported by major public-sector commitment to the Green Spine and activation of the area that will provide amenity and draw millions of visits each year. An enabling planning framework will allow investors to propose and execute innovative and exciting developments in the area; even when these might not have been contemplated today.</p> <p>Projected property value is forecast to increase, providing value to early movers who respond to the vision and to property owners in an area where property values are tracking 16% below where they would be if it was not for the earthquake.</p> <p>Also related to this are two key concepts to develop community participation in the implementation of the Plan and further develop strong partnerships. These concepts are:</p> <ul style="list-style-type: none"> • Mahinga Kai: A philosophy of stewardship to look after the land and water, which then sustains us in return; and • The Living Laboratory: a partnership between public, private, academic sectors and the community to undertake education, research and to create new knowledge that will help meet the challenges presented by water and climate change around the globe. 	<i>High</i>
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Acceleration

Advance Delivery	<p>The earthquakes have left lasting impacts on some residents within the neighbourhoods adjacent to the Area. Successful regeneration of the area will lead to improvements in employment, wages, identity and social cohesion and the potential for a related reduction in social welfare spending, health care costs and costs associated with crime. Accelerating the programme with advance funding will help to bring forward these benefits</p> <p>Investment in this area could deliver \$2.9 billion of economic benefits. This amounts to 8% of the additional economic activity required to be stimulated over the next 30 years in the city to restore the lost relevance since the earthquakes.</p>	<i>High</i>
Local Responsibility	<p>The Plan was developed with significant involvement from the community and in partnership with a number of agencies and groups. The community participation model that Regenerate Christchurch used to develop the Plan has led to a high satisfaction rate with what is proposed with a number of groups</p>	<i>High</i>

	keen to be involved in delivery of the plan through the implementation of particular aspects of it.	
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Appendix A to the template – definitions

Category 1: Residential red zone

To meet the Category 1 eligibility criteria, projects must be located in (or predominantly in) the geographically defined residential red zone in (and only in) Christchurch City, and not be inconsistent with the eligibility approach to Category 3.

Category 2: Stadium

To meet the Category 2 eligibility criterion, investment proposals must be a contributing component of the stadium project.

Category 3: Three waters, land drainage, and roading

To meet the Category 3 eligibility criterion, projects must be (i) related to three waters (drinking water, storm water, waste water), land drainage, or roading; (ii) consistent with wider central government policy (for example, with regard to wider emergency management policy and practice regarding essential infrastructure); and

Three waters and land drainage

- must have direct links to Christchurch earthquake regeneration outcomes; and
- must be for new three waters or land drainage infrastructure; and
- cannot be related to renewing, repairing, improving, operating, or maintaining existing three waters or land drainage infrastructure, or other business as usual local authority responsibilities for three waters and land drainage

Roading

- must have significant direct links to Christchurch earthquake regeneration outcomes, particularly as set out in *An Accessible City*; and
- cannot be predominantly or solely related to renewing, repairing, or maintaining existing roading, or other business as usual local authority responsibilities for roading

Category 4: Other

To meet the other eligibility criterion, projects must be compelling, and the Council must agree that funds made available for projects in this Category will reduce the amounts of funds made available in Categories 1 – 3

25. Central City Revitalisation - Action Plan

Reference: 18/904250

Presenter(s): John Meeker, Principal Advisor Urban Regeneration, Carolyn Ingles, Head of Urban Design, Regeneration and Heritage

1. Purpose and Origin of Report

Purpose of Report

- 1.1 The purpose of this report is for the Council to endorse the outline of the Central City Action Plan (refer **Appendix 1**), which is being developed as a cross-agency and pan-organisation approach to increase the pace of central city regeneration.

Origin of Report

- 1.2 This report is staff generated and aims to draw together work underway as part of the Council's Strategic Priority '*Maximising opportunities to create a vibrant, prosperous and sustainable 21st century city*'; the latest outputs from ChristchurchNZ's Quarterly Economic Update; advice from Regenerate Christchurch; and engagement with central city stakeholder groups.
- 1.3 The Council's Central City Residential Programme (Project 8011) will also be a substantial component part of the proposed Action Plan. It is the subject of separate report to this meeting of Council.

2. Significance

- 2.1 The decisions in this report are of low significance in relation to the Christchurch City Council's Significance and Engagement Policy.
 - 2.1.1 This level of significance was determined by considering that the decision to endorse the outline of the Action Plan is, broadly, a process stage and that the principal decisions on the final action plan and associated significance will lie with a future Council decision.
 - 2.1.2 Community engagement and consultation outlined in this report reflect the assessment.

3. Staff Recommendations

That the Council:

1. [Receives the outline of the Central City Action Plan provided at Attachment 1.](#)
2. [Endorses the Outline of the Central City Action Plan, noting that a process to develop the final Action Plan, which will engage partners and stakeholders, is currently underway.](#)
3. [Requests staff to engage with the Development Forum on the penultimate draft Action Plan prior to it being reported back to Council.](#)

4. Key Points

- 4.1 This report provides to Council an outline of the proposed Central City Action Plan that will clarify and add pace to public and private sector regeneration activity in the CBD over the next 3 years. Alongside short term activities, including an extended range of events, activation and marketing to attract people, the Plan will also wrap in longer term elements including the Central City Residential Programme (Project 8011), Economic Development initiatives and capital project commitments.
- 4.2 The Action Plan will bring together activity already being pursued by Council under its "...21st Century City" strategic priority, the latest advice from Christchurch NZ and Regenerate

Christchurch, as well as early engagement with representative groups and private sector stakeholders.

- 4.3 The final Central City Action Plan will be presented to Council in November, although it should be noted that some of the activities in the plan are already underway.

5. Context/Background

Central City Momentum

- 5.1 ChristchurchNZ's Quarterly Economic Update (June 2018), provided at Attachment 2, conveys the latest information about the city economy. It concludes that the city economy remains fundamentally strong, but there are vulnerabilities due to the reduction in economic activity associated with construction peaking and now tailing off.
- 5.2 However, for the central city, it warns that *"maintaining the recent momentum in central city development is dependent on increasing demand for central city retail and hospitality offering, residential and commercial property. This is critically important over the next 12-18 months as the city moves beyond the current investment phase to investment driven by confidence in Christchurch and the central city's economic future."*
- 5.3 The update also draws upon a 'Current State Assessment' undertaken by Regenerate Christchurch, which was intended (in the organisation's 2016 Letter of Expectation) to "[Evaluate] progress and [provide] advice on what is required to increase momentum and support regeneration of the central city".
- 5.4 This advice was provided to the Mayor and the Minister for Greater Christchurch Regeneration in July 2018. (Attachment 3). The advice identified that, *'there is a necessary and legitimate case for a sharper focus on the central city to ensure we maximise opportunities'* and that there needs to be a greater emphasis on *'best for city, not best for project'* outcomes.
- 5.5 In their response (Attachment 4), the Mayor and Minister acknowledged the need for a greater 'best for city' approach and determined that Christchurch City Council would lead the next phase of this work, responding to issues raised in Regenerate Christchurch's advice.
- 5.6 This report sets out the first stage of that response – the outline of a collaborative and action focused plan aimed at adding pace and clarity to the collective response of public agencies and align with private sector led activities.

Central City Revitalisation

- 5.7 The issues raised in the ChristchurchNZ Quarterly Economic Update and Regenerate Christchurch's advice, echo the position prior to the 2010/2011 Canterbury earthquake series when the Council already had a focus on the central city, and was seeking to restore its long term viability.
- 5.8 Even prior to this, a 2001 strategy, formulated in dialogue with a wide cross section of the city population, set out a 25 year plan, accompanied by a set of stage 1 priorities. In 2006, a stage 2 Central City Revitalisation Plan, aligned with the Long Term Plan, set out a range of capital projects and policy initiatives to encourage and support private investment. Several of these projects were in the process of delivery by 2010/11.
- 5.9 The Canterbury earthquakes impacted the whole of the city, especially the central city. In 2011 and 2012, The Canterbury Earthquake Recovery Authority produced the Christchurch Central Recovery Plan and Blueprint to restore confidence, limit the flight of reinvestment capital and set a clear direction for the future of the central city. As Regenerate Christchurch's Current State Assessment reflects, the Blueprint was the right plan for that time, but delays in delivering major economic and social infrastructure projects (Convention Centre, Stadium, Metro-sports) have *"undermined realising the uplift in economic benefits and 'social participation' anticipated."*

- 5.10 In effect, whilst a lot of critical investment and economic development have been delivered – including commercial offices, transport infrastructure and riverside amenity, as well as the investment in retail and hospitality, major venues and facilities have taken more time. Hoyts Cinema complex, the Riverside Farmers market, the Town Hall and Turanga will begin to change that, offering new reasons for people to come into the central city and support business. Supplementing that flow of people and activity in the short term, whilst growing central city employment, visitors and residents remains essential.

Strategic Priorities

- 5.11 A number of the preceding conclusions were apparent in formulating the Council's 2018-2028 Long Term Plan. One of Council's Strategic Priorities (*issues where elected members wanted to see a change in approach or increase in focus over the coming three years*) is 'Maximising opportunities to create a vibrant, prosperous and sustainable 21st century city.' Work around this priority has been focused on concerted effort to support central city regeneration. The points below (expanded further in Attachment 5) summarise the five areas where council has concentrated effort over the last 12 months
- Deliver initiatives that promote the central city as a great place to live
 - Identify event and activation opportunities and attract events into the central city
 - Improve the conditions, safety and accessibility of street and public spaces in the central city
 - Coordinated marketing and promotion of the central city as a great place to visit, work, invest and live.
 - Coordinated delivery and promotion of actions that help identify wider Christchurch as a city of opportunity – open to new ideas, new people and new ways of doing things.

A Central City Action Plan

- 5.12 The outline of the proposed Central City Action Plan is provided at Attachment 1.
- 5.13 There is already willing commitment among public agencies and engagement with a number of central city umbrella groups such as Canterbury Employers Chamber of Commerce, Property Council and Central City Business Association. There is a united view that a visible plan of action is needed to sustain and grow momentum during the identified period of 'vulnerability.'
- 5.14 The Plan will be structured around 5 main priorities.
- **Amenity and activation** – continuing to improve the look and experience, generating a "Host City" feel which visitors - local, domestic or international – will return to or share the word with friends, family and colleagues.
 - **Driving growth** by being crystal clear about the proposition that the Central City offers to investors, unlocking sites for development, attracting employers and creating new jobs.
 - **People** – coining the term "relentlessly pursue residents and visitors" this group of activities incorporates the recently announced Central City Residential Programme "Project 8011", but is also aimed at guests - turning visits into stays, and nights into short breaks.
 - **Getting it Done** is focused on the delivery, without delay, of our major facilities and venues (*stadium, MetroSports, Convention centre, Turanga, Town Hall*) and continuing to help people adapt and take advantage of the transport and parking choices that are now available. It also included regular reporting to convey progress and how this is influencing real measures of activity.
 - **City Leadership** sits across the actions. As the relationship with government returns to a more normal footing, a clear unified leadership voice which builds consensus around 'Best for City' outcomes is important. The roles and mandates of public agencies will also be confirmed, and in setting future development priorities with regional partners, there is a need to acknowledge that the Central City plays a role for wider Canterbury.

5.15 The plan contains activities that are,

- **‘Already in Motion’** that will have ongoing or immediate impact into the coming months.
- **‘Lining it Up’** - medium term measures that take advantage of upcoming opportunities and, in particular, steps people can take to support central city business in coming winter seasons.
- **‘Doing the Groundwork’** – longer term projects where planning resourcing and lead in time will be needed. Housing delivery is one substantial area, business attraction is another.

Engagement and Next Steps

- 5.16 On the reverse side of the Central City Action Plan outline is a process roadmap outlining stages in the development of the Action Plan. The process will be a short sharp one, with the product being presented to Council in late Spring.
- 5.17 In the coming weeks agency partners will work closely to itemise and review current and planned activities (and to determine their contribution), their alignment and any barriers to delivery.
- 5.18 As indicated already, the business community has been engaged on the priorities and have been asked to identify initiatives they may be pursuing which can be aligned with public agency effort. Further soundings of the private sector will be taken as the Action Plan is assembled.
- 5.19 Engagement will also be encouraged from central city community and residential groups. Work on the Project 8011 Central City Residential Programme will involve in-depth engagement at a neighbourhood level as it unfolds. However, during the assembly of this Action Plan, their views will be equally important in understanding what draws them into the heart of the city more often.

Attachments

No.	Title	Page
A ↓	COUNCIL 180913 CCM Attachment 1 - outline action plan and process	40
B ↓	COUNCIL 180913 CCM Attachment 2 ChchNZ Qtrly Ec Update June 18	42
C ↓	COUNCIL 180913 CCM Attachment 3 - RC Central City Momentum and Cover Letter	59
D ↓	COUNCIL 180913 CCM Attachment 4 - Mayor-Minister CCM response letter Aug18	98
E ↓	COUNCIL 180913 CCM Attachment 5 - 21C City Strategic Priority Action Plan 2017	99

Confirmation of Statutory Compliance

Compliance with Statutory Decision-making Requirements (ss 76 - 81 Local Government Act 2002).

(a) This report contains:

- sufficient information about all reasonably practicable options identified and assessed in terms of their advantages and disadvantages; and
- adequate consideration of the views and preferences of affected and interested persons bearing in mind any proposed or previous community engagement.

(b) The information reflects the level of significance of the matters covered by the report, as determined in accordance with the Council's significance and engagement policy.

Signatories

Authors	Carolyn Bonis - Team Leader Urban Regeneration John Meeker - Principal Advisor Urban Regeneration
Approved By	Carolyn Ingles - Head of Urban Regeneration, Design and Heritage Brendan Anstiss - General Manager Strategy and Transformation

Central city action plan

Otautahi Christchurch – explore the opportunity
A central city built on exploration open to new ideas and ways to work, live and play

City leadership

Central city forum

- Collective ownership
- Best for city outcomes
- United voice
- Accountability

A CBD for Greater Christchurch

- Future Development Strategy

Confirm fit for purpose mandates across public sector organisations

Tell our story with confidence and consistency central city forum

- Coordinated promotion using “explore”
- Setting and resetting expectations

Our focus 2019-2022

Amenity and activation

Light up the city



Get creative with vacant sites

- tackle eyesore buildings and use vacant sites

Enliven places

- Improve amenity, add interest and activity

Host great events

- Major and community events
- Other weekly events and activities
- Advance “events diary” publicity

Keep it safe

- Placeholder

Placeholder

- Placeholder

Placeholder

- Placeholder

Growth

Unlock prosperity



Defining our proposition

- Investor ready city strategy
- “Why Central Christchurch” toolkit

Sharing property intelligence

- Regular land use and site intentions mapping

Attract business and education

- Develop an attraction and growth plan

Investigate opportunities for public land holdings

Focus on employment growth

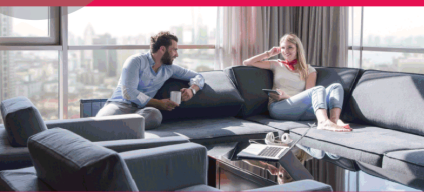
- Agglomeration benefits, knowledge sectors

Placeholder

- Placeholder

People

Relentlessly pursue residents and visitors



Grow visitor interest

- Overseas/airport based “explore” marketing
- Turn arrivals into visits and visits into stays.
- Leverage key partnerships

Placeholder

Convention Venues

- Destination promotion
- Citywide venue use optimisation

8011 Residential programme

- Remove barriers to development
- Dedicated city housing office
- Remove barriers/incentivise landowners
- Neighbourhood opportunities
 - Peterborough Quarter
 -

Placeholder

- Placeholder

Getting it done

Deliver major projects

- Stadium, MetroSports,
- Te Pae/Convention Centre
- Cathedral (through JV)
- East Frame/One Central Housing

Improve city access

- Complete projects to widen travel choice
- Align activities and access choices
- Complete Avon River precinct corridor

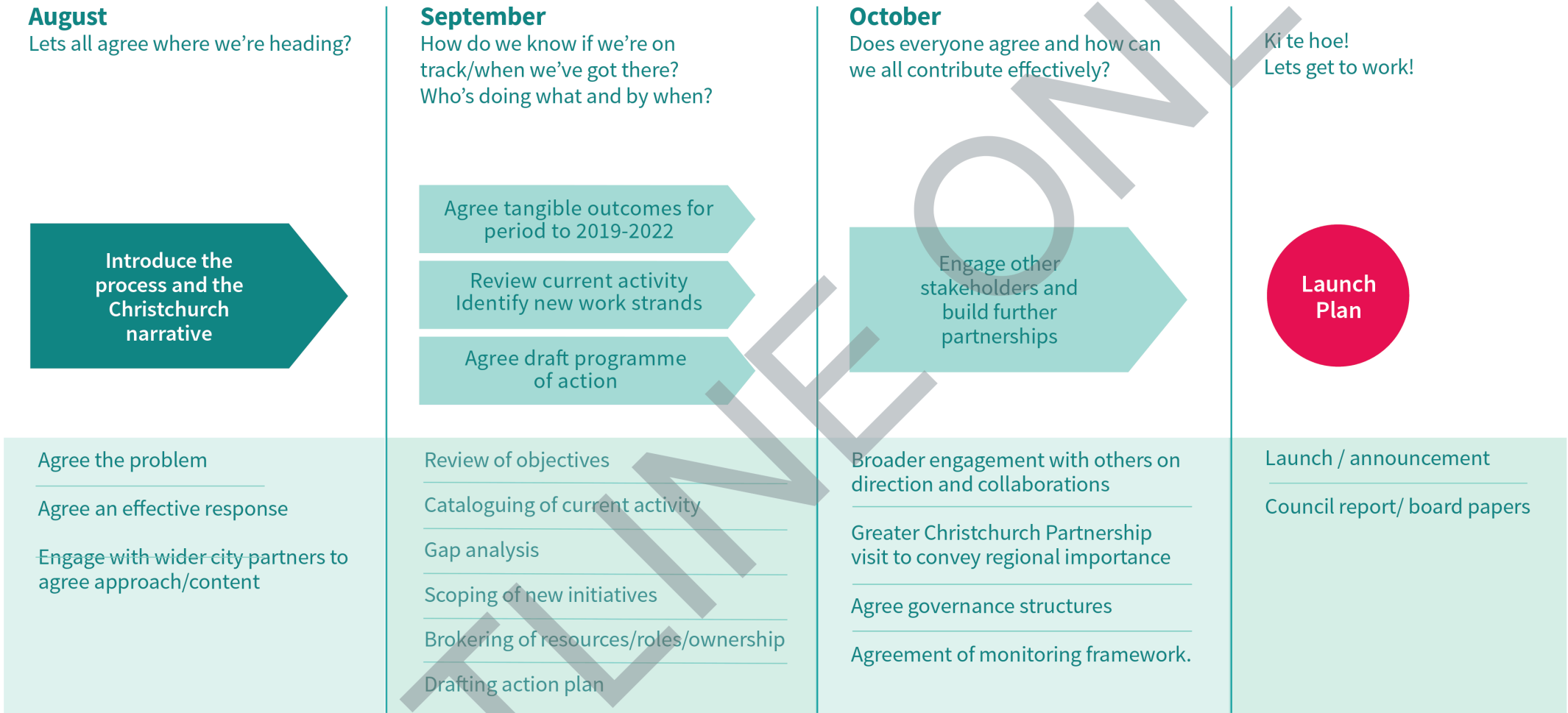
Placeholder

- Placeholder

Quarterly reporting

- Oversight of progress
- Wider contextual issues

Central city action plan roadmap



Co-creators





REPORT

June 2018 QUARTER

Christchurch and
Canterbury Quarterly

Economic Report



June 2018 QUARTER CHRISTCHURCH AND CANTERBURY QUARTERLY ECONOMIC REPORT | PAGE 1 OF 17



REPORT

Vulnerabilities emerging but strong platform for growth

The Christchurch and Canterbury economies continue grow despite a steady decline in the construction sector as the city transitions out of rebuild phase. Gross Domestic Product (GDP) remains at a high level and continues to grow, albeit at a modest rate compared to recent highs. Estimates from Infometrics indicate that GDP in Christchurch grew by 2.0 percent in the year to June 2018. Canterbury grew by 2.5 percent, while the national figure had growth of 2.7 percent over the same period. Unemployment continues to trend upwards within the city and region, following a sustained period of record lows. In the June 2018 quarter, the unemployment rate in Christchurch was 4.7 percent, above the national average of 4.4 percent for the first time in six years.

Economic indicators are expected to worsen over the coming 12-18 months as construction activity continues to slow. However, with growth in non-residential building consents still rising and the number of new residential building consents – driven by central city developments – being maintained, the transition out of construction is expected to be relatively gentle.

The rapid growth in central city hospitality and retail outlets in the lead up to winter has driven stronger retail sales growth in the central city, but individual businesses still face challenges as the colder months are a traditionally quieter time.

Despite the challenges the transition poses for the city in the short term, the economic fundamentals of the city and regional economies remain strong.

The visitor economy remains the growth market for the city and region trending positively over the quarter, with measures well surpassing pre-earthquake levels.

Regional economic confidence is strong indicating a relatively high level of optimism among Canterbury households relative to other regions; reflecting the strong visitor economy, healthy agricultural commodity prices strengthened further by a weakening of the New Zealand dollar, and steady expansion of manufacturing and services performance indexes.

House prices and rents in Christchurch and Canterbury remain stable in contrast to continued growth in national housing costs. Christchurch's strong economic fundamentals, available land for development and strong rebuild platform make it uniquely placed among New Zealand's urban centres to absorb significant growth without the additional challenges facing other cities.

Continued strong migration and new business attraction will be an important contributor to future growth.



REPORT

June 2018 QUARTER

ECONOMIC TRENDS

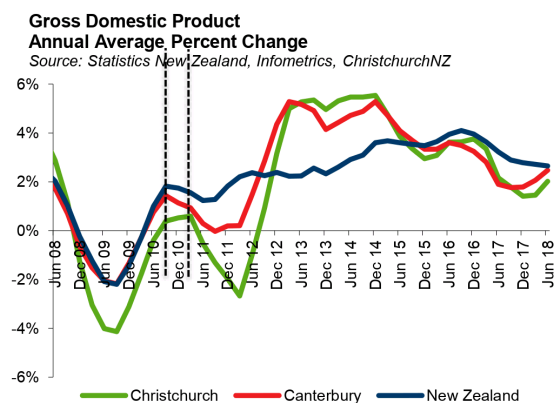
Gross Domestic Product

Economic activity in the region remains at a high level, but growth rates continue to flatten out.

The value of economic output in Christchurch reached \$20.7 billion in the year to June 2018 (measured in 2010 prices – Infometrics estimates). This represents 8.5 percent of New Zealand GDP, down slightly from 8.6 percent in the year to June 2017. Output from Canterbury overall reached \$30.4 billion in the year to June 2018. This equates to 12.5 percent of national output, the same as the year to June 2017.

With construction activity past its peak, the Christchurch economy looks to its underlying economy for growth, largely driven by manufacturing and tourism. Immigration flows are needed to allow further growth.

GDP growth in the year to June 2018 was 2.0 percent for Christchurch and 2.5 percent for Canterbury, below the New Zealand rate of 2.7 percent.



Retail Trade

Retail sales in Canterbury remain at high levels, following an easing after a period of very strong growth. In the June 2018 quarter, retail spending in Canterbury increased by 4.5 percent on the June 2017 quarter, outperforming growth in New Zealand (2.4 percent) for the second consecutive quarter.

Exceptional growth in retail spend following the Canterbury earthquakes could be attributed to spending on construction materials for earthquake repairs. Recent growth corresponds with the development and re-opening of retail outlets within the CBD, igniting more retail spending from residents and visitors within the city.



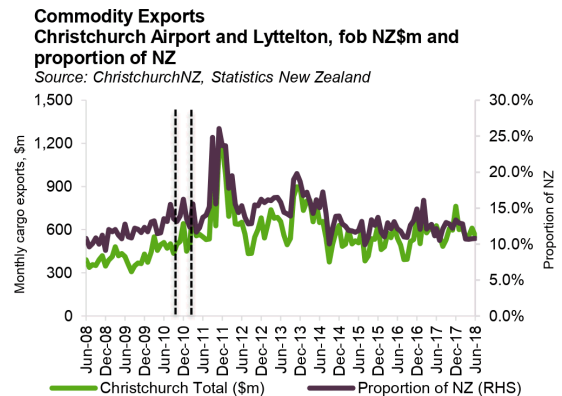
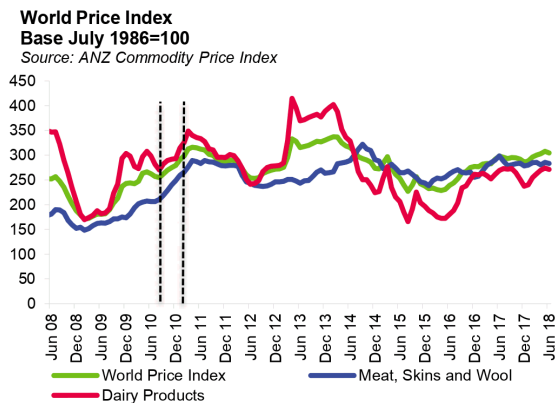
Global Commodity Prices

Global Commodity Prices have grown over the past year. The ANZ Commodity Price Index tracks six of New Zealand's key export commodities – meat, skins and wool; dairy; horticultural; forestry; seafood; and aluminium. The overall world price index depreciated by 1.0 percent in June 2018, but has appreciated 2.2 percent since June 2017.

Over the past 12 months, aluminium and forestry products have increased the most (24.2 percent and 16.6 percent respectively).



REPORT

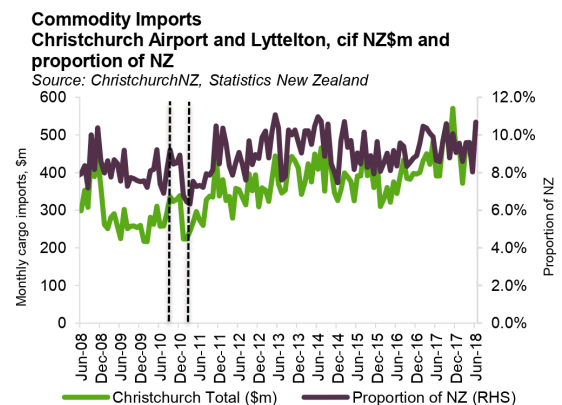


Commodity Exports and Imports

Despite exports and imports data being, at times, volatile they can provide a good indication of how Christchurch, and wider Canterbury, interacts with the rest of the world. Exports and imports that traverse another New Zealand port will not be captured in the statistics for Christchurch (and similarly not all goods exported in Christchurch are produced in Christchurch or Canterbury).

In the June quarter, the value of exports through Christchurch's air and sea ports was \$1,723 million, a 5.2 percent decrease on the same period last year. Machinery and mechanical appliances, preparations of cereals, and wool appreciated the most out of all commodities while dairy products suffered a significant loss of 24 percent.

The value of imports through Christchurch Airport and Lyttelton was \$1,417 million in the June 2018 quarter, up 11.9 percent from the same period last year. Most of the increase was due to an increase in machinery and mechanical appliances, vehicles and parts/accessories, and mineral fuels/oils.



Building Activity

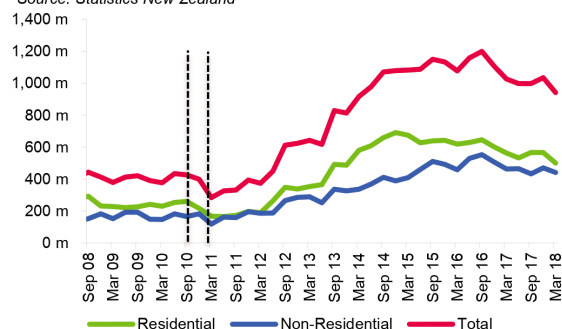
Building activity in the region remains strong – well above pre-earthquake levels. However, it continues to decline through the March 2018 quarter with a 8.2 percent decrease on March 2017.

After a period of stabilisation, activity is beginning to track back towards "normal" construction levels. Commercial activity remains relatively steady with a 5.0 percent fall from March 2017, while the residential market continues to decline with a 10.9 percent fall from March 2017 levels.



REPORT

Value of Building Work in Canterbury
Quarterly value of work put in place, \$m
Source: Statistics New Zealand

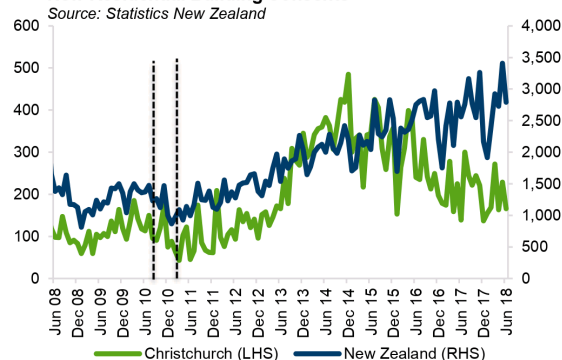


Building Consents

In the quarter ending June 2018 there were 558 new residential building consent approvals for Christchurch, up 6.7 percent from the previous year. Within Canterbury, 1,208 new residential buildings were consented in the June quarter, up 4.9 percent from the previous year.

Residential consents reached record highs in 2014, however residential consents look to have stabilised within the city and region following three years of decline, this can be associated with the increase in one and two-bedroom apartments being built within the central city. Non-residential consents continue to rise within the city, with consents in June 2018 growing 33.9 percent compared to 2017, this compares to 1.6 percent growth nationally.

Dwellings Consented
New Residential Building Consents
Source: Statistics New Zealand



Residential Rent

An increased supply of housing and comparatively steady demand has led to easing rents in Christchurch and Canterbury in recent years. However, in recent months rents in Christchurch have increased – although at a lower rate than nationally. Private sector mean weekly rents in Christchurch were \$367 in June 2018, 0.8 percent higher than June 2017. Mean rents in Canterbury were \$360 in June 2018, down from \$362 in June 2017.

Rents have been declining on an annual basis for the past three years, however with recent slight increases, it would appear rents are beginning to stabilise. The growing gap between New Zealand and Christchurch rents continues with New Zealand rents growing 4.6 percent over the past year, averaging \$447 per week in June 2018.

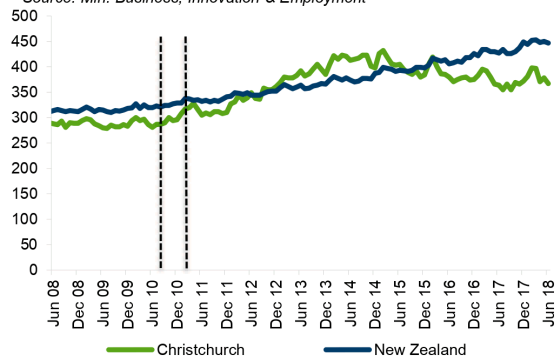
Rental growth now exceeds that of house prices, which suggests that residential property investors are focussed on yield over capital gain.



REPORT

Mean Residential Weekly Rent

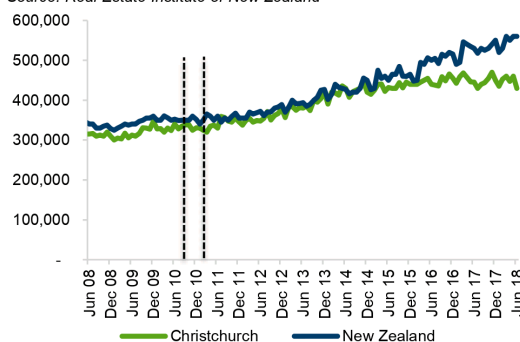
Source: Min. Business, Innovation & Employment



Median Sale Price

Monthly median sale price of dwellings

Source: Real Estate Institute of New Zealand



House Sales

Real estate activity within the city follows similar trends to the nation, however the strong supply of houses has continued to soften house price growth within the city/region.

The number of houses sold during the June quarter 2018 in Christchurch has increased 2.1 percent when compared with June 2017.

House prices however express a dissimilar trend. The median house price for Christchurch was \$430,000 in June 2018, with the average for the quarter was 3.4 percent lower than June 2017.

Much of New Zealand continues to experience growth in house prices despite the cooling of the housing market in Auckland. The median house price for New Zealand was \$560,000 in June 2018, up 5.7 percent on June 2017. The number of houses sold increased by 4.4 percent across the quarter compared to June 2017.



REPORT

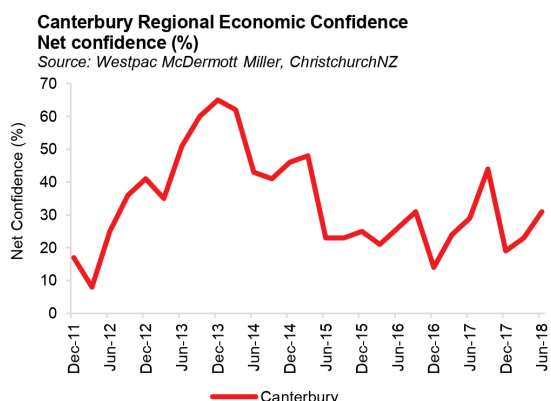
ECONOMIC & BUSINESS CONFIDENCE

Regional Economic Confidence

Canterbury's regional economic confidence reflects the difference between the percentage of people that expect economic conditions in Canterbury to improve and those that expect conditions to worsen over the next 12 months. A net 31 percent of Canterbury households are optimistic regarding the economic prospects of the region for the June 2018 quarter. This is a 6.9 percent increase on the June 2017 figure. A successful tourist economy as well as low unemployment within the region reflect this positive outlook within the region.

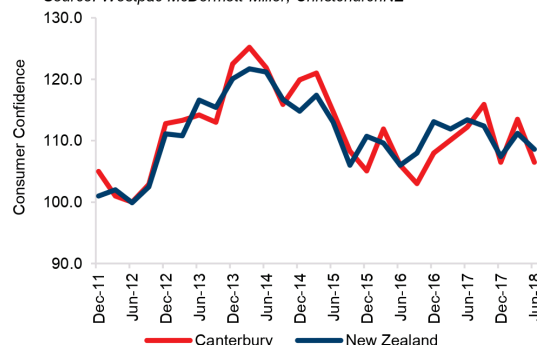
Consumer confidence is an indication of households' expectations about their own financial situation, their expectations for the New Zealand economy and their inclination to buy a large household item. This indicator fell by 5.1 percent for Canterbury in June, compared to June 2017. Nationally there was a 4.2 percent decrease.

Despite the greater fall in confidence for Canterbury there is only a 2-point difference in confidence between the region and nation for this quarter. The fall in confidence can be related to the general slowing down of the New Zealand economy and expectations that this may continue.



Consumer Confidence

Source: Westpac McDermott Miller, ChristchurchNZ



Performance of Manufacturing

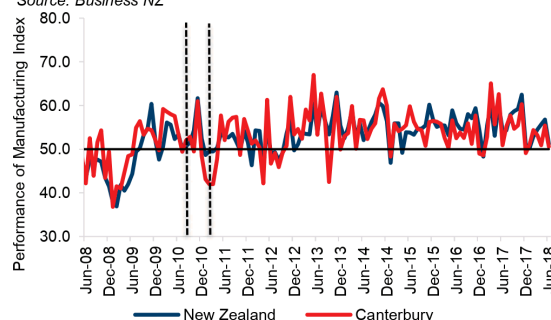
The BNZ-Business NZ Performance of Manufacturing Index for the June 2018 quarter suggests a continued expansion.

The non-seasonally adjusted index recorded 50.6 in June 2018, with an average of 52.3 for the quarter. The quarterly index has been expanding since 2013.

The manufacturing sector is a key driver of economic activity outside of the rebuild and employed over 35,600 people in the region in 2017.

Performance of Manufacturing Index (non-seasonally adjusted) Value > 50 means expansion, < 50 contraction

Source: Business NZ





REPORT

Performance of Services

The BNZ-Business NZ Performance of Services survey provides a gauge on the performance of the services sector. In the Canterbury-Westland region, the sector has been in sustained expansion for the past two and a half years.

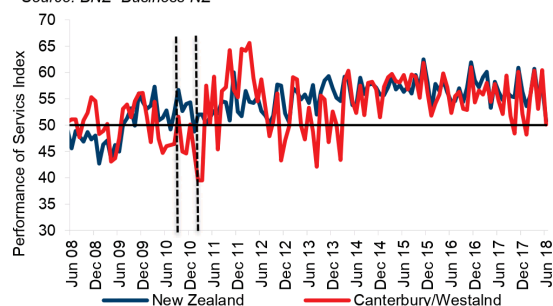
The PSI indicator averaged 54.5 in the June 2018 quarter, down slightly from 55.6 in the June 2017 quarter. Values over 50 indicate the sector is expanding and the index has remained above this threshold since 2013.

The sector has been very robust at a national level, averaging 54.6 in the June 2018 quarter, continuing a positive run since 2011.

Performance of Services Index (non-seasonally adjusted)

Value > 50 means expansion, <50 contraction

Source: BNZ- Business NZ





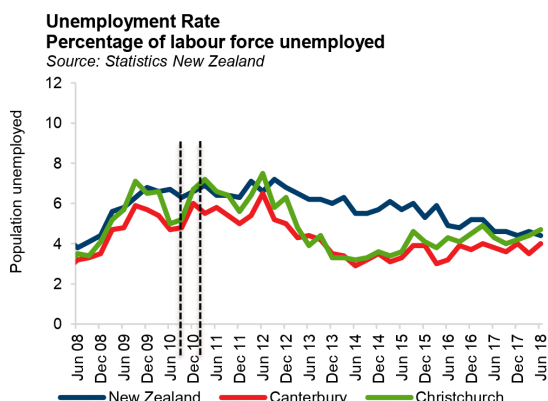
REPORT

LABOUR

Unemployment

The unemployment rates in Christchurch and Canterbury continued to trend upwards, while the national rate continued to fall. In the June 2018 quarter, 4.7 percent of the Christchurch labour force was unemployed, compared to 4.0 percent for Canterbury and 4.4 percent for New Zealand. This is the first time in six years the Christchurch unemployment rate has exceeded the national level and reflects continued contraction of construction spend.

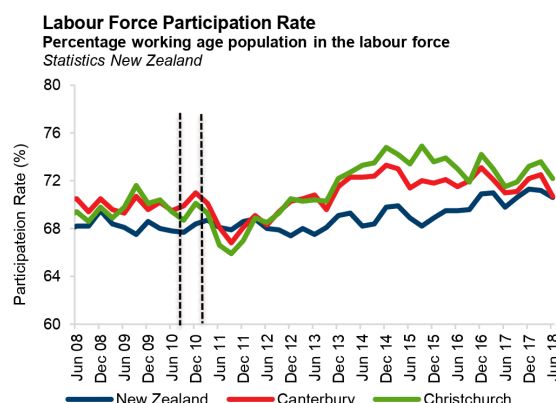
Christchurch's unemployment rate is expected to remain above the national rate into the near future as the economy transitions out of the rebuild stimulus. However, the transition is expected to be relatively gentle with unemployment staying near, albeit above, the national rate.



Participation

Labour force participation in Christchurch and Canterbury reached record highs as the rebuild scaled up; however, while still higher than the national level, it is trending downwards as the rebuild passes its peak. The labour force participation rate represents the proportion of the population aged 15 years or older that is either working or actively looking for work, with the figure for Christchurch in the June 2018 quarter a relatively high 72.2 percent. For

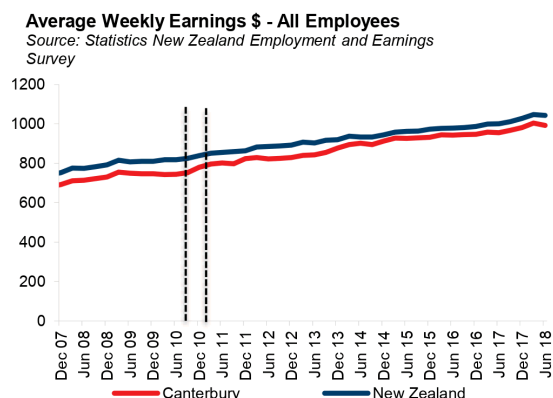
Canterbury, the rate was 70.7 percent, while the national rate was 70.6 percent. It is normal for participation rates to fall over the winter periods, however Christchurch sees a 1.0 percent increase compared to June 2017.



Earnings

Canterbury earnings are beginning to grow at a similar rate to the national level. However, earnings in the region remain below the national average.

Average earnings for employees (including overtime) grew by 3.9 percent in Canterbury over the past year, reaching \$992 per week for the June quarter. Across New Zealand, earnings grew by 4.3 percent, reaching \$1,043 in June 2018. Canterbury employees worked 32.5 hours on average in the June 2018 quarter, compared to 33.6 hours nationally.





REPORT

International Migration

Net international migration into Christchurch and Canterbury remains at a high level.

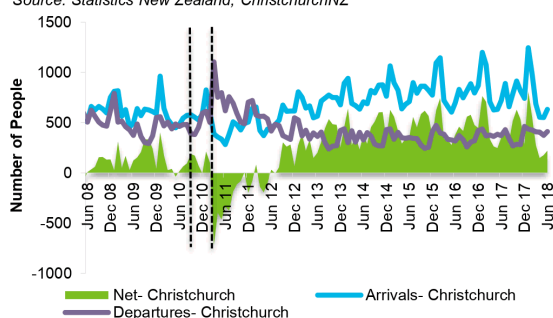
In the June 2018 quarter, 1,735 people arrived in Christchurch, which – after accounting for those that departed – is a net gain of 544 people. For Canterbury, there were 2,254 arrivals for a net gain of 526. Across New Zealand, 24,872 arrived for a net gain of 7,547.

Net international migration into Christchurch reached its lowest quarterly value in over five years, with levels down 36.8 percent on the June 2017 quarter, while national figures have fallen by 28.4 percent, these lows follow periods of record migration both domestically and nationally.

The easing of rebuild activity combined with recent government's policies on reducing immigration are the main contributors to this fall in net migration.

Christchurch International Migration Permanent and Long Term Migration, Arrivals and Departures

Source: Statistics New Zealand, ChristchurchNZ

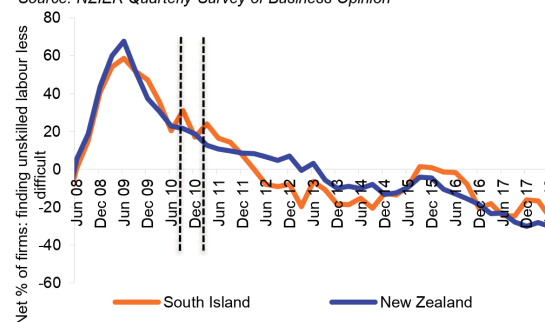


Ease of Finding Labour

In the June quarter of 2018 a net 44.4 percent of South Island firms reported increased difficulty finding skilled labour. This is an 11.0 percent increase from June 2017 levels. Meanwhile a net 25.7 percent reported increased difficulty in finding unskilled labour, a 5.1 percent increase from 2017. Both South Island indicators continue to follow the national trend, as they have for some time.

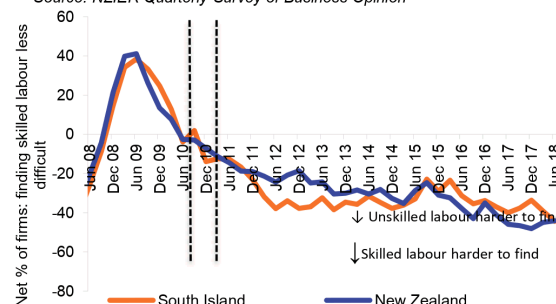
Difficulty Finding Unskilled Labour Net percent of firms reporting decreased difficulty finding unskilled labour

Source: NZIER Quarterly Survey of Business Opinion



Difficulty Finding Skilled Labour Net percent of firms reporting decreased difficulty finding skilled labour

Source: NZIER Quarterly Survey of Business Opinion





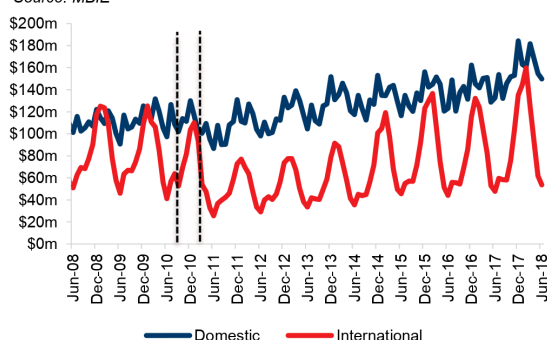
REPORT

VISITOR ECONOMY

Visitor Spending

Christchurch international visitor spending was \$209m for the 2018 June quarter, up 14.3 percent on June 2017 as per the latest data sourced from Ministry of Business, Innovation and Employment (MBIE). Growth in visitor spending follows the trend of the visitor economy, with guest nights and arrivals increasing. However, spending growth exceeds that of arrivals, implying spend per visitor is increasing. Domestic spending shows similar trends with 14.8 percent growth for June 2018 on the same quarter last year, reaching a total spend of \$473m over the quarter.

Visitor Spending - Christchurch NZ\$m
Source: MBIE



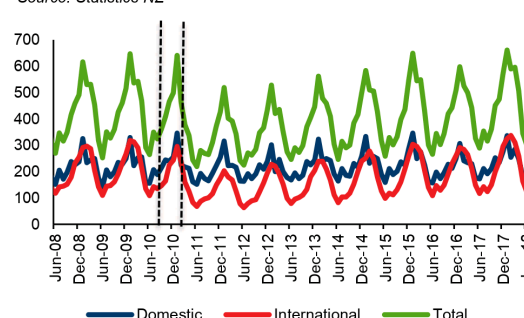
Guest Nights

The region's visitor sector has been undergoing a strong recovery, outperforming national rates, mostly led by international tourists and a broadening season.

Domestic guest nights in Canterbury grew 4.8 percent over the June 2018 quarter, compared to the same quarter the previous year. International guest nights in Canterbury grew 14.0 percent comparing June 2017 to June 2018. Nationally, international guest nights were down 1.1 percent over the quarter.

Total guest nights in Canterbury grew by 9.0 percent over the June 2018 quarter, compared to an 0.4 percent decrease nationally. In Christchurch specifically, guest nights have increased by 16.3 percent over the past year, making up 57.6 percent of total guest nights in Canterbury, compared to 54.0 percent during June 2017.

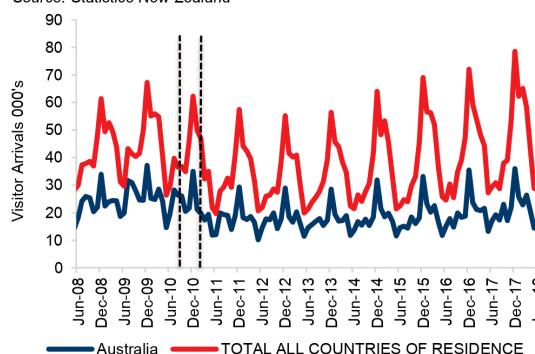
Guest Nights Canterbury (000s)
Domestic and International Guest Nights
Source: Statistics NZ



International Arrivals

Christchurch visitor arrivals numbered 100,704 in the quarter of June 2018, down 0.2 percent from June 2017. The greatest changes in Christchurch visitor arrivals by country of residence between June quarter 2017 and 2018 were China, up 14.8 percent, and Canada, up 31.8 percent, while visitors from UK fell by 23.7 percent, this follows the British and Irish lion's rugby tour of 2017 held over June and July.

Christchurch Visitor Arrivals
Source: Statistics New Zealand

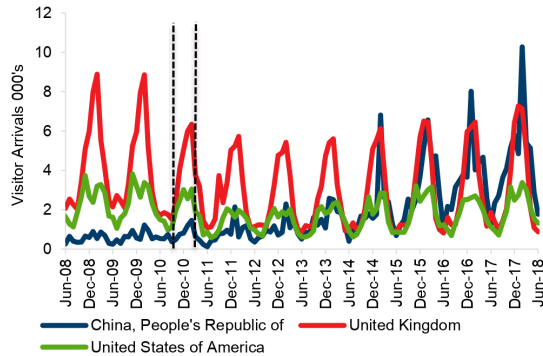




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Christchurch Visitor Arrivals

Source: Statistics New Zealand

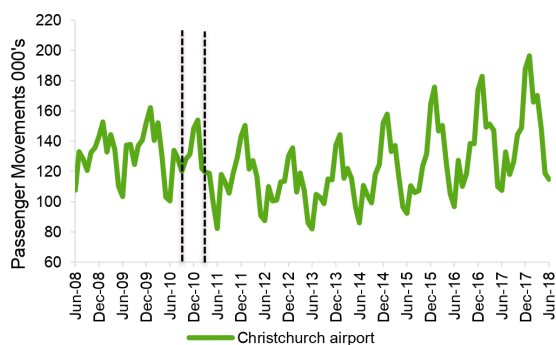


Passenger Movements

Passenger movements at Christchurch airport continue to increase, with 382,003 movements for the June 2018 quarter, which is a 4.7 percent increase on the June 2017 quarter of 368,743. This is also a 14.8 percent increase on pre- earthquake passenger movements.

Passenger Movements Christchurch

Source: Statistics New Zealand



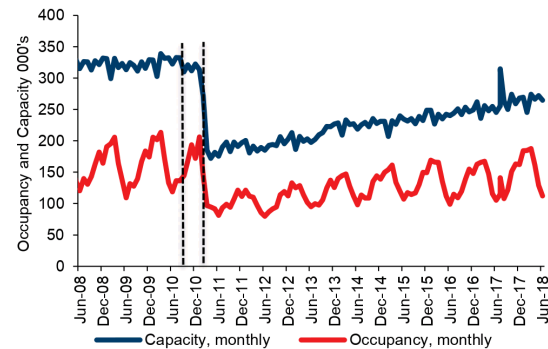
Occupancy Rates and Room Capacity

The occupancy rate for Christchurch in June 2018 was 42.4 percent, down from 43.0 percent in June 2017. This is an increase in occupancy levels from 105,340 in June 2017 to 112,265 in June 2018.

Room capacity within Christchurch has increased from 245,190 in June 2017 to 264,750 in 2018, closing in on pre-earthquake capacity levels of 322,290 in June 2010.

Christchurch Monthly Occupancy and Capacity

Source: Statistics New Zealand



International Education

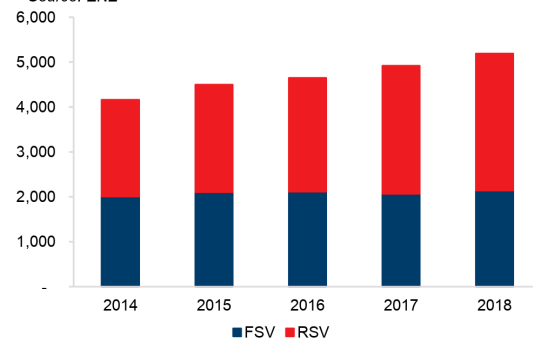
Student visas are a good indication for the forward pipeline of international students and in the 2018 year to date there have been 2,141 first-time student visas applications in Canterbury up 3.4 percent on the same period last year. A further 3,046 returning student visas were issued, a 6.9 percent increase on 2017. The highest number of valid student visas came from China, India, Japan and the USA.

Total student visas issued for 2017 numbered 8,409, a 4.9 percent increase on 2016 (8,015).

International education, contributes \$242m to national GDP (Infometrics).

Canterbury First-time Student Visas and Returning Student Visas by YTD

Source: ENZ





REPORT

CHRISTCHURCH CENTRAL CITY

The Christchurch central city recovery continues to be a work in progress with activity sitting below pre-quake levels.

New retail and hospitality developments over the last year have attracted many retailers back into the central city. However, the traditionally quieter winter period, along with rapid growth in supply and the altered shopping habits of residents over recent years away from the central city present a short-term risk of supply exceeding demand.

Despite this, with the expected opening of several other large developments within the city over the coming months, including Turanga, Hoyts, Farmers Market and the Ballantynes extension, we can expect more people to be drawn into the central city.

Central city employment and population will take longer to return to pre-earthquake levels. Progress in these areas is dependent on confidence in the developing offering of the central city.

While the central city has some short-term challenges, its rapid redevelopment over the past year significantly enhances Christchurch's offering as a city open for business and people. This, coupled with Christchurch's safe buildings and quality infrastructure, capacity for growth and cost of living means Christchurch is well placed to attract and absorb the urban growth which is proving such a challenge for New Zealand's other large urban centres. This provides an opportunity to accelerate employment and population growth in the central city.

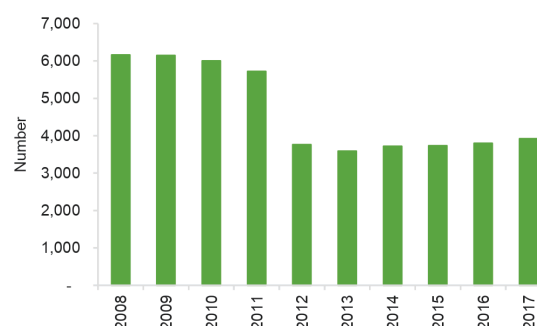
Business and Employment

As of February 2017, total employment in the Four Avenues numbered 35,100 employees, with 3,900 business units. This equates to 65 percent and 68 percent of pre-quake levels respectively. ChristchurchNZ estimates for 2018 are that employee numbers have now reached around 38,500

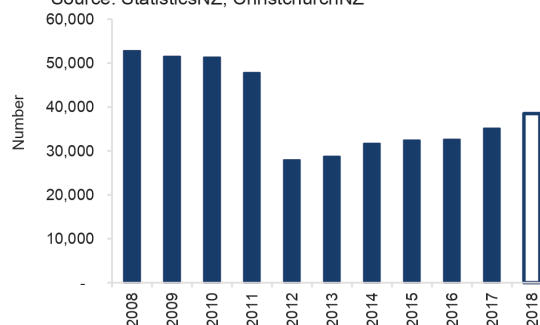
within the Four Avenues, equaling 72 percent of pre-quake levels.

In 2017, 16 percent of the City's employment was located in the Four Avenues, compared with over 27 percent before the earthquakes. Since 2013, the central city has gained net 1,200 employees from businesses relocating to the Four Avenues. While new businesses opening within the Four Avenues have added a further 900 employees since 2013.

Christchurch Four Avenues Businesses
Source: StatisticsNZ, ChristchurchNZ



Christchurch Four Avenues Employees (2018 Estimate)
Source: StatisticsNZ, ChristchurchNZ



Business recovery has come primarily via the construction sector, however the recovering accommodation and food services sector, combined with professional, scientific and technical services sector businesses moving back into the city have contributed to the recovery. We can expect further recovery within the accommodation and food services

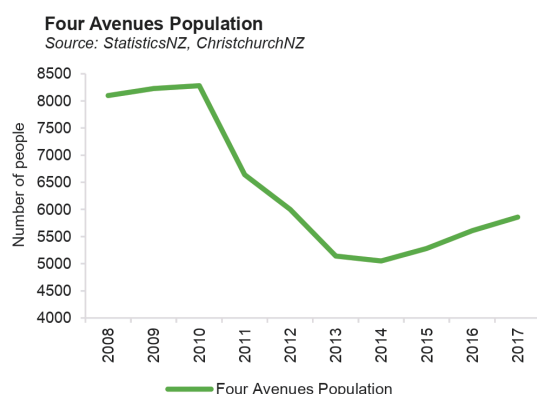


REPORT

sector as well as retail sector through businesses that have established within the city over the past 6 months.

Housing and Population

The population of the central city fell dramatically following the 2010/11 earthquakes and bottomed out at 5,050 in June 2014. In June 2017 there were 5,860 people living in the Four Avenues which is an increase of 810 people since its lowest point in 2014. However, this is still only two thirds of the pre-earthquake population of 8,280.

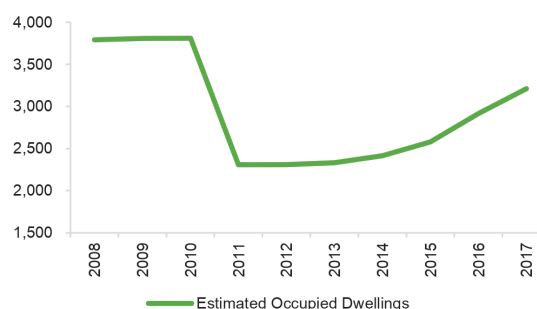


In 2013, 60 percent of people living within the four avenues were aged between 15 and 44, compared with 41 percent across the whole city. Further, 70 percent of households in the Four Avenues are one-person or couple-only households.

Increasing the population of the central city is critical to creating a vibrant, busy city centre. Net migration will be an important contributor to this growth alongside existing residents moving into the city as the central city offering becomes more attractive.

Estimated occupied dwellings in the Four Avenues

Source: StatisticsNZ, CCC



The area within the four Avenues lost an estimated 1500 occupied dwellings as a result of the earthquakes. Since then the number of dwellings in the central city has increased incrementally each year.

Median house prices within the central city are \$442,750, slightly below the city's median value of \$448,000 over the last 12 months. The central city median price has grown by 15 percent since 2013, less than the city as a whole which has grown 20.9 percent. (Source: Corelogic 2018 Mapping the market, REINZ). Comparatively inner-city housing offers more affordable options compared to greater Christchurch.

Commercial property

Office rents have continued to decline over the past six months – prime central city rents have fallen 6.4 percent, while prime suburban rents declined 6.6 percent. Secondary stock was impacted less within both areas with suburban falling 4.5 percent while the central city fell just 3.3 percent. This suggests that the availability of commercial space is not limited to the central city, but in fact a city-wide issue (Source: CBRE MarketView 2018).

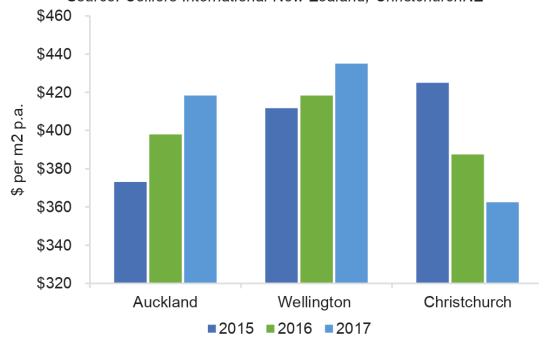


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Commercial Office Space

High range average rent (\$/m² pa)

Source: Colliers International New Zealand, ChristchurchNZ



Occupancy rates in the central city in early 2018 were higher than in 2016, with vacancy rates declining to 14%. As construction continues within the city, the supply of retail space will increase. This is likely to put further pressure on the commercial property sector. Increased activity in the city centre has the potential to entice more businesses into the central city which in turn has the potential to decrease vacancy rates in the medium term.

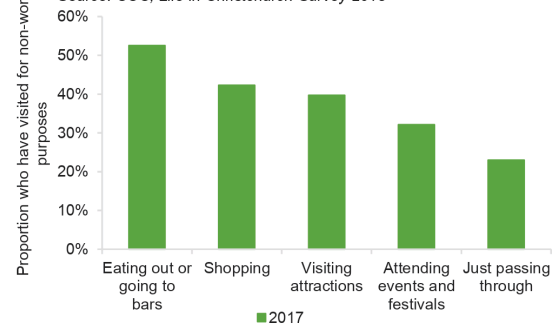
Retail Trade Sector

Retail trade within the central city has experienced a significant increase over the past 6 months. This is, due to the completion of several new developments, with the majority of growth coming through the food/beverage industry and apparel industry. Because of these developments, residents are spending more in the central city further increasing spending around already established businesses.

There has been an increase since 2016 in the proportion of residents visiting the central city on a weekly basis for non-work reasons. In 2017, eating out or going to bars was the main reason given for visiting the central city for non-work purposes, while shopping, visiting attractions and attending events were among the other most common reasons.

Main reason for non-work visits to the Central City

Source: CCC, Life in Christchurch Survey 2018



Retail spending in the Four Avenues has increased by over 30 percent since the earthquakes, reaching \$1,552m YE March 2018. It is estimated that spending is around 80 percent of pre-quake levels.

Four Avenues Retail Sales

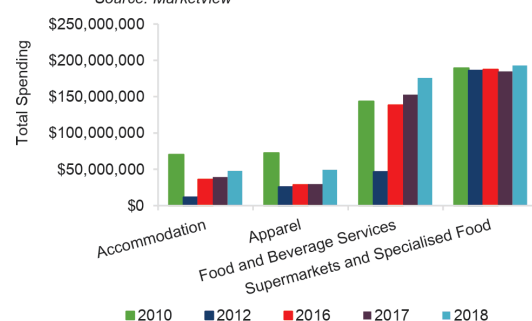
Source: StatisticsNZ, CCC



Retail Spending by Storetype

June YE - Christchurch CBD

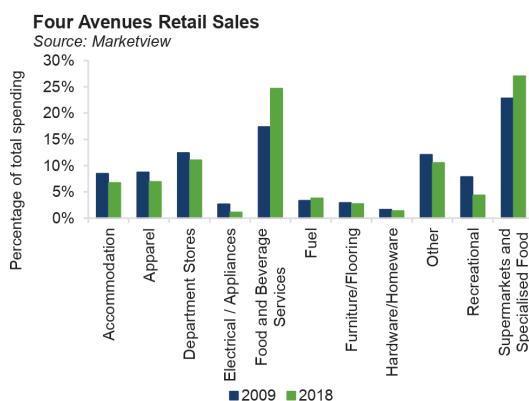
Source: Marketview





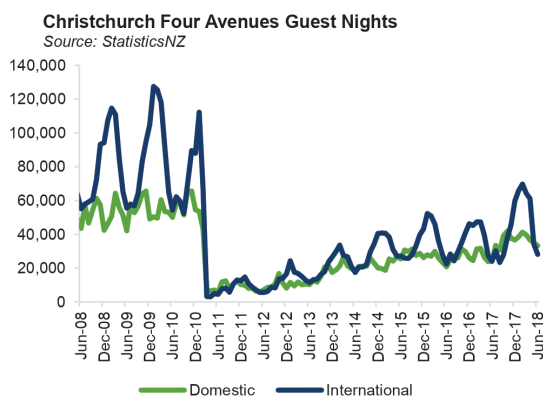
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The share of retail spending is split between 11 groups: the major contributors within the central city are supermarkets and specialised food (27%), food and beverage services (25%), department stores (11%) and other (11%). Spending is not as evenly distributed as in 2009 and this comes down to many retail outlets moving outside of the central city. However, in time we can expect the spread to even out as businesses continue to move back into the central city.



Visitors

The number of guest nights in central city accommodation has increased from 221,314 in 2012 to 992,158 in 2018 (YE June). International guest nights are the predominant driver of this growth, contributing 548,226 guest nights compared to 443,931 domestic guest nights.



With the convention centre reaching completion by 2020, more business-related events will occur in the city. This will draw more visitors into the city, further increasing guest nights at commercial accommodation as well as visitor spending within retail stores.

Central city occupancy rates average 83 percent over the summer months (*StatisticsNZ*), as hotels developments continue the central city's visitor capacity will continue to expand.

The Central City Opportunity

Ongoing challenges will face the central city as the regeneration of our city's heart continues. Overcoming these and maintaining momentum in redefining the urban centre that is emerging provides many short and long-term opportunities for Christchurch to become a truly future focussed city.

It is evident that Christchurch has the capacity and platform for growth. Acting upon this is key for future success. Our economic fundamentals remain sound. Despite the risks there yet remains an outstanding opportunity with the central city. This requires: attracting people to; unlocking and growing prosperity in; and activating the heart of the city. By achieving this we can expect to see the central city reach its true potential, with business activity and residential living at the heart of the opportunities presented within the Christchurch central city.



REPORT

Data sources

ANZ: <http://www.anz.co.nz/commercial-institutional/economic-markets-research/>

BNZ Business NZ: <http://www.businessnz.org.nz/surveys/501>

BusinessNZ: <http://www.businessnz.org.nz>

Christchurch City Council: <https://www.ccc.govt.nz/culture-and-community/christchurch/statistics-and-facts/facts-stats-and-figures/central-city-indicators/>

CBRE Christchurch Marketview:
<https://www.cbre.co.nz/research-reports/Christchurch-Marketview-Q1-2018>

Colliers International New Zealand, Office Market:
<http://www.colliers.co.nz/>

Education New Zealand: <https://intellilab.enz.govt.nz/>

Immigration New Zealand:
<https://www.immigration.govt.nz/about-us/research-and-statistics/statistics>

Infometrics Ltd: <http://www.infometrics.co.nz/>

Marketview: <https://marketview.co.nz/>

Ministry of Business, Innovation and Employment:
<http://www.mbie.govt.nz/>

New Zealand Institute of Economic Research Inc (NZIER):
<http://nzier.co.nz/>

Real Estate Institute New Zealand: <https://www.reinz.co.nz/>

Statistics New Zealand: <http://www.stats.govt.nz/>
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Westpac: <https://www.westpac.co.nz/>

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02 July 2018

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By email: megan.woods@parliament.govt.nz

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Christchurch City Council
PO BOX 73016
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Regenerate Christchurch Central City Momentum Advice

Dear Dr Woods and Ms Dalziel

On behalf of the Board of Regenerate Christchurch I am pleased to present this report to the Crown and Christchurch City Council at an important time for the central city and for Christchurch.

The Christchurch Central Recovery Plan created a vision and a key strategic framework not only to help the city recover, but to create an aspirational future. Over the last 6 years the public and private sectors have been working purposefully towards this vision. The progress that has been made in the city's recovery has been significant. Achieving this progress has been challenging – requiring tenacity, hard work and a strong commitment to the future of Christchurch.

However, our evaluation of progress has identified that there is a necessary and legitimate case for a sharper focus on the central city to ensure we maximise the opportunities created by this progress. The opportunity presented by the investment in the city is yet to be fully realised and a new point of vulnerability is emerging.

Christchurch is well placed to absorb future population growth in a way that other major cities across New Zealand are struggling to do so. Rejuvenation of the central city will help deliver a step change in productivity and prosperity that can create a sustainable growth story for the region and country. However, these outcomes will require cohesive leadership from the public sector and a coherent strategy for delivery. An agreed, aspirational regeneration framework will position the city on this path.

This advice is intended to be a 'call to action' which challenges the status quo. This challenge seeks to ensure that the public sector is taking a 'best for city' approach to create the new city form that will be a driver of social and economic growth for the Canterbury region and New Zealand. Success will require the city to compete harder for regional, national and international relevance. We cannot simply accept nor return to the status quo.

Regenerate Christchurch staff have reviewed significant amounts of material and benefited from input from a wide range of parties. I wish to thank and acknowledge those with whom we had discussions with during the preparation of this report.





The material provided in this report is a condensed summary of all of that has been reviewed. Shareholders will of course wish to consider the recommendations which we have presented today, and I would welcome the opportunity to provide you with a briefing on our advice and discuss our findings and recommendations further. Regenerate Christchurch is ready and available to assist your officials to prepare for the briefing to consider the recommendations.

Delivering a step change in outcomes for the city will require the combined support of both the public and private sector. I look forward to working together and putting people at the forefront of every decision.

Yours Sincerely



Sue Sheldon
Board Chair
Regenerate Christchurch



Regenerate Christchurch

Central City Momentum

30 June 2018

Executive Summary

Christchurch is New Zealand's first established city, by Royal Charter dated 31 July 1856, and the largest city in the South Island of New Zealand. It is home to 381,500 residents¹ making it New Zealand's second largest city by population.

The Canterbury earthquake sequence of 2010 and 2011 left large parts of the city devastated. The centre of Christchurch was particularly hard hit and at risk of suffering significant losses to its economic, social, environmental and human capital. To compound issues, the ground did not stop shaking - with over 11,000 aftershocks from February 2011 which did not stop until well into 2012².

The task of rebuilding Christchurch in partnership with local government, iwi, businesses, investors and community, became one of the Government's four key priorities in delivering a stronger and more prosperous nation.

A thriving, vibrant central city³ is critical to Christchurch's recovery and regeneration. The rebuilding of the central city to realise its bold and aspirational vision for the people of Christchurch and its many visitors is the most ambitious urban renewal project in New Zealand's history.

The vision for the central city is set out in the Christchurch Central Recovery Plan (CCRP), a statutory plan that included a new spatial plan (the **Blueprint**) and associated measures designed to be a platform for re-establishing local, national and international confidence in Christchurch.

The subsequent progress that has been made in respect of the city's rebuild and recovery has been significant, and reflects the level of confidence expressed by the private sector during the initial recovery period. Restoring the functionality of a city through major vertical and horizontal rebuild programmes, enabled through bespoke planning frameworks, not only doubled the size of the construction sector, but also reached levels that stretched the capacity and capability of international, national and local contractors and service providers.

Regenerate Christchurch has been requested to evaluate progress and provide advice to the Crown and Christchurch City Council (the **Council**) on what is required to increase momentum and support regeneration of the central city. In preparing this advice our approach has progressed in three stages:

- **Strategic Context and Role of the Public Sector** – a review of the importance of central Christchurch from a city, regional and national perspective, and an overview of the impact of the earthquakes and the scale and nature of central and local government response;
- **Current State Assessment** – gathered data and information relevant to the assessment of the five key regeneration themes that emerged from our analysis of the CCRP and associated documents. These themes are the Economy; Development and Delivery; People and Place; Environment and Ecology; and Living in the central city. The assessment looked not only at how far the city has come since the earthquakes but how far there is to go to secure the recovery, restore momentum and achieve the aspirations of the CCRP; and
- **Strategic Response** – in accepting the Current State Assessment and revised problem definition, this review also provides a series of recommendations for the Crown and Council to consider in responding to the current issues, challenges and opportunities present in the central city. The Strategic Response identifies several areas where organisations need to amend their existing work programmes to better reflect and address the vulnerability identified in the Current State

¹ Subnational Population Estimates, at 30 June 2017 (provisional), Statistics New Zealand

² Ideas to Reality - Building a 21st century city, Canterbury Earthquake Recovery Authority

³ Central City is defined in the Christchurch Central Recovery Plan as the area bounded by the avenues of Bealey, Fitzgerald, Moorhouse, Deans and Harper Avenues

Assessment and align with a renewed focus on partnership, execution, delivery and ultimately successful regeneration.⁴

In preparing this advice, and subsequent recommendations, it has become apparent that there is no quick fix. A series of singular initiatives that can be divided up and allocated to separate entities will not meet the test of increased momentum and successful long-term regeneration. At the core of our advice is the need for visibly cohesive leadership, supported by a coherent strategy which demonstrates a strong sense of awareness regarding the current challenges facing the central city and progress towards the outcomes sought than is currently evident. It is only through an effective framework that guides the timely delivery of an integrated programme that private sector investment will be secured and activation of the central city occur.

In reflecting on both the CCRP's aspirations and Current State Assessment, Regenerate Christchurch's advice is that the 5 recommendations below should be accepted as priority areas of focus for the Crown and Council in supporting the long-term regeneration of the central city.

In turn these recommendations are also supported by specific initiatives which would have a material impact in underpinning confidence and accelerating momentum through the transition period emerging as the rebuild phase of the recovery tapers off.

Recommendations

1. **Lead a Confident Response** – the city is looking to the public sector for visibly cohesive leadership, while the public sector also needs to create and communicate a coherent framework and competitive approach to drive the success of the city.
2. **Relentlessly Pursue Residents** – the central city needs to prioritise and target 6,000 new residents within the next 5 years to support a self-sustaining city economy. We need to actively pursue and attract a mix of residents.
3. **Unlock Prosperity** – the central city requires an extra 15,000 jobs to support long term regeneration. Support the significant growth sectors in unlocking the central city's potential as place to live, learn and earn.
4. **Light up the City** – let's be a good host. Make Christchurch city an attractive place to live, work and play. Shift the emphasis from building new things to investing in the flow of activity across the central city.
5. **Focus on Implementation** – own the outcomes of the Current State Assessment and use it to guide future decisions that impact the recovery and regeneration of the central city. Align work programmes to reflect and address the current vulnerability of the city.

⁴ See Appendix A – Regenerate Christchurch's Draft Implementation Framework

The Strategic Context

In the immediate aftermath of the Canterbury earthquakes the Government identified the rebuild of Christchurch as one its four key strategic priorities that would deliver a strong and prosperous economy. The rebuild sat alongside the commitments to responsibly manage the public finances; build a more productive and resilient economy; and deliver more efficient public services.

Our strategic context review considered not just the CCRP, but also the subsequent chapters and range of associated agreements, strategies and policies designed to underpin confidence, increase certainty of outcome and provide direction for private sector investment.

The review of the strategic context has highlighted the ongoing relevance of Christchurch at a regional and national level.

As the capital of the South Island, a major gateway city and the beneficiary of significant investment in new infrastructure, building and housing stock over the past 6 years, Christchurch is well placed to absorb growth in a way that other major cities across New Zealand are struggling to do.

In this context, the scale of the response to the earthquakes by the public sector can be considered proportionate to the national importance of the city. The public sector's response delivered a sense of ambition, supported by committed investment, that deliberately sought a step-change in outcomes for Christchurch when compared with pre-earthquake levels. This was done for the benefit not just of the city, but to create a sustainable growth story for the region and country.

This aspiration is grounded in the attributes Christchurch retains which are widely considered to be key for any successful, modern 21st century city. These include:

- The major service centre for the South Island.
- Home to a teaching hospital, three tertiary institutes and the offices of six of New Zealand's Crown Research Institutes.
- A city with strong natural attributes, such as nearby beaches and ski fields.
- A competitive city with comparatively affordable housing and commercial property, quality infrastructure and connectedness.
- Offers high amenity value which makes it an attractive place to live, work and play.
- Will have the social infrastructure assets in the form of hospitals, schools, leisure, community and events facilities to match or exceed comparable cities of international relevance.
- A city with an improved demographic and skills shift – the earthquakes have meant more working age people and more skilled people in the professional skills industry than ever before.

Christchurch's growth is also supported by the following trends in urban regeneration that provide potential tailwinds in respect of future growth:

"A new science of cities is evolving globally. The World Bank's 2009 World Development Report ably showed that the rise in standards of living in lower income countries is strongly correlated with urbanisation: cities reduce poverty, they don't cause it. Recent OECD studies have shown the economic advantages of urban proximity and exchange. Cities help make businesses more productive. The Intergovernmental Panel on Climate Change's (IPCC) work keenly observes that cities are the key sites for climate change action. Smarter cities can be very environmentally efficient. Recent United Nations reports highlight the importance of well-run cities to secure development goals. In almost all fields of daily life, the city is an important context, or shaper, of life chances and human outcomes."

- Australian Government, National Cities Performance Framework

- The international shift toward flexible working arrangements which encourage movement to cities with high liveability ratings.
- Christchurch is a realistic competitor for future population growth now that Auckland and Wellington have reached major capacity constraints.
- Housing meets the test of relative affordability now that housing affordability has emerged as one of the issues of national significance.

An independent assessment⁵, completed as part of this review, considers that the CCRP was the right plan and response for the recovery phase. As the Current State Assessment highlights the CCRP was successful in underpinning confidence and catalysing a wave of private sector investment that led the central city development cycle from 2012 – 2016. Relative to the risk of city failure that was present in the post-quake environment the central city has made progress through the development cycle in lifting economic activity, restoring jobs and increasing participation.

While the sequence of public and private sector investment may not have followed the path anticipated by the CCRP, the Blueprint has also worked to influence the new urban form across the central city. The public sector's horizontal infrastructure and capital works programme has delivered new facilities including the Bus Interchange, Hagley Cricket Oval, Margaret Mahy Family Playground, Earthquake Memorial, public car parks, high value amenity, all supported by an investment in transitional activities. With strong private sector investment occurring in a coincident manner, the partnership between the public, private and community sectors did build momentum.

However:

- The impact of not delivering the core social infrastructure assets such as the Metro Sports Facility, Multi Use Arena and the Convention Centre in the timeframes contemplated by the CCRP, has undermined realising the uplift in economic benefits and 'social participation' anticipated by the CCRP. These delays have also created elevated bands of uncertainty within the private sector and wider community around the ongoing commitment of the public sector to support recovery and regeneration. The recent announcements and progress in relation to the Metro Sports Facility, Convention Centre and Multi Use Arena are important in providing confidence that the public sector will follow through on the commitments set out in the CCRP in 2012.
- The observed pattern across the public sector is a framework in which the client, governance, delivery, reporting and monitoring functions are also often fragmented and/or lack appropriate escalation mechanisms when considering 'best for city' rather than 'best for project' decisions. Likewise, there is no programme level independent assurance mechanism which reports directly to shareholders in respect of the shared value their investment in the central city is intended to create.
- This concern is amplified by the lack of visibly cohesive leadership and a coherent strategy, not just in pursuing the objectives and outcomes sought in the CCRP but also responding to changing dynamics within the central city.

The success of the central city is undoubtedly vital to the success of the city and region. Whilst the CCRP contemplated that in 2018 the public sector's role would have become secondary to the private sector in leading the transition from recovery to regeneration the subsequent sequence of the development cycle has challenged this assumption. With the public sector still inextricably linked to private sector as a major client, landholder, employer, investor and tenant there is a clear requirement for that cohesive leadership with a coherent strategy that reflects the enduring role the public sector will play in enabling a successful transition to regeneration.

⁵ SGS Economics and Planning, Christchurch Central Recovery Plan Review, April 2018

Current State Assessment

The Current State Assessment confirms that Christchurch has made significant progress when assessed against the levels of activity in the period immediately after the Canterbury Earthquakes. Overall functionality has been restored to the city, the business community is returning to the central city and a new spatial framework-within the four avenues is starting to emerge.

However, the objectives of the Christchurch Central Recovery Plan were not just intended to restore what was lost. Instead, it also sought to take the opportunity to create a new city form that would be a driver of social and economic growth for the region and country.

In that respect the Current State Assessment also reveals that, despite the progress that has been made, the central city is still well short of those aspirations across most metrics assessed within the five regeneration themes identified through this assessment. As a result, the potential upside from the combined investment across the public, private and community sectors has not yet been fully realised.

WHAT DOES SUCCESS LOOK LIKE?	WHERE ARE WE AT?
THE ECONOMY <ol style="list-style-type: none"> 1. A vibrant, prosperous central city at the heart of a strong city and regional economy 2. A central city that demonstrates a unique local identity that is relevant on a national and international scale 3. A central city economy that leverages the City's traditional strengths and embraces the willingness to innovate and invest in pursuing new aspirations 4. A central city that is accessible to all in offering the opportunity for employment and higher life-time incomes 	
DELIVERY AND DEVELOPMENT <ol style="list-style-type: none"> 1. A compact city centre creating denser patterns of economic activity 2. A new city geography creating defined areas of business, activation and participation 3. The facilities and amenities required to be a regionally, nationally and internationally relevant and competitive city 4. Sufficient confidence in the future of the city for the private sector to continue to invest in and around the central city 5. Attract and compete for talent 	
PEOPLE AND PLACE <ol style="list-style-type: none"> 1. Participation by locals, workers, students and tourists at levels that create a virtuous circle of attraction 2. A place of arts, culture, festivals, entertainment and discovery; a great place to enjoy day and night 3. A city for all people and cultures including incorporation of Ngāi Tahu values, aspirations and narratives; a hub for ethnic diversity 4. A place where cultural revitalisation is a catalyst for urban regeneration; a hub for the creative economy 	
ENVIRONMENT AND ECOLOGY <ol style="list-style-type: none"> 1. A central city that is embracing a new environmental footprint and responding to the social, cultural, economic and environmental challenges and opportunities presented by climate change 2. Demonstrable integration of the green economy by the public and private sector in choosing their development paths in the central city 3. A central city that embraces the river with a high amenity space and a restored habitat 4. New and improved existing green space as well as relative accessibility by residents and visitors 	
LIVING IN THE CENTRAL CITY <ol style="list-style-type: none"> 1. A central city resident population of between 12,000 and 24,000 people 1. A diverse range of residential opportunities in the central city to support a wide range of economic activity 2. A public sector delivery, planning and policy framework that favours Central City development over inner city or suburban infill 	

Economy and investment

The Canterbury economy embarked on a strong period of rebuild-led growth in 2012 which peaked in 2014-2015. Growth is now slowing as the economy transitions back toward the underlying drivers of activity – which themselves are changing in the post-quake environment. The slowdown commenced in 2016 at a Christchurch City level and decelerated further through 2017.

While a period of slower activity is not unexpected following a construction boom the pace of the slowdown is creating a level of some discomfort. Not only is the city economy lagging the Greater Christchurch, Regional and New Zealand economies in several key areas, the fact that it is occurring as the initial development cycle within the central city also tapers off raises risks regarding sustaining momentum across the central city.

Whilst there is some existing advice which assumes this transition will be relatively smooth, supported by a 'strong economy', the evidence in the Current State Assessment is challenging these assumptions. The strong economy assumption, for example, masks a two-speed economy where Selwyn and Waimakariri are clearly outperforming while the city economy operates well below its long-term potential.

Similarly, when set against its pre-quake benchmark of contributing 9% of national output, the Christchurch economy has taken a step backward. At 8.4 % in 2018, not only has Christchurch slid backwards in terms of national relevance but the \$1.15bn output gap is material.⁶ The emergence of a 'productivity recession' across the city in the early part of 2018 does not help.

The Current State Assessment also considered several indicators which are important signals of momentum and confidence. These include:

- Unemployment and jobseeker support applications – **rising**
- Central City employment – **below minimum requirements for central city viability.**
- Trends in central city rents and vacancy rates – **stable to deteriorating**
- Central city retail spend – **pace of growth slowing**
- Business growth - **pace of growth slowing**
- Asset and land valuations – **stable to deteriorating**
- Investor confidence measures – **weak**
- Civic pride measures – settling **below other cities**
- Residential participation – **below minimum requirements for central city viability**

The economic soft patch in Christchurch, with sub optimal activity levels across the central city, highlights a point of vulnerability, which requires a confident response. As noted earlier, however, Christchurch is well positioned to accommodate stronger growth and the potential to unlock the well-recognised benefits of agglomeration within the central city remains a key component of that.

A key component within this is the strong economic anchors that exist in the central city. These include the significant presence of Ara and Otago University in the central city. There is also an opportunity to engage with Lincoln University about the central city's capacity to host research and education programmes. The economic anchors also include the Arts Centre, the West End Commercial Precinct, the 'merchants quarter' south of St Asaph street and a visitor economy that has strengthened further into 2018, emerging as a more prominent bright spot.

⁶ See Appendix B – the Relevance Gap

Likewise, a successful transition back to underlying drivers of activity in Christchurch has the potential to create 12,500 new jobs over the next 4 years as total employment grows from 232,000 to 245,000⁷. The central city is well placed to participate in this growth across the high value Health, Professional and Technical Services, Education and Technology sectors. Increased emphasis could also be placed on integrating the Creative, Arts and Social Enterprise sectors in building out the new urban fabric with integrated, well-targeted and phased policies, strategies and commitments from the public sector.

In that respect the base to a 'regeneration s-curve' is relatively well established. What is required is a more granular focus at a central city level on understanding Christchurch's competitive strengths and developing strategies to leverage those in accelerating momentum through that curve⁸. If the central city was to lift its share of jobs back to pre-quake levels over the next 5 years, then moving from 35,000 to 50,000 employees in the central city would not just help secure the recovery, but provide a strong point of leverage for sustained long-term regeneration.

Development and delivery

The announcement of the CCRP and its implementation to date have contributed to successful recovery outcomes. Over \$1.8 billion of private construction projects have restored functionality and activity to the central city across all key areas – office, retail, hospitality and accommodation sectors. This has been delivered by a private-sector investment cycle that has led, rather than lagged, the expected public investment in social infrastructure assets.

However, despite the intent of the CCRP, Christchurch remains a dispersed city without a sufficiently dense urban core to ensure successful regeneration. The aspiration in terms of an enhanced new offering with broad participation of workers, visitors, residents and students remains unfulfilled.

The development cycle has passed its peak and the pace of construction in the central city is continuing to slow. Whilst investment flows into well-tenanted buildings remains strong there are significant challenges impacting the feasibility of development in the city. Work undertaken through the course of this review reveals a requirement to sacrifice land value and/or development margin to get new projects away in the face of soft demand and tighter credit conditions⁹.

If the public sector is not willing to join the private sector in sacrificing land value or return it is difficult to see any new major developments announced in the short-to-medium term. Part of the slowdown in momentum can also be explained by the slower than anticipated pace of the public-sector rebuild. Shifting this dynamic in terms of clear commitments, with accelerated processes and a 'first in, last out' approach to risk transfer are all mechanisms that are available to the public sector to catalyse and accelerate the next phase of the central city development cycle.

Environment and ecology

The CCRP was aspirational in terms of improved environmental performance for the central city across a broad range of areas including green spaces, the river, energy use and production and transport.

However, initiatives to deliver on these aspirations were limited. Evidence based measures to track performance were not established and largely remain unavailable for the central city.

Green open spaces within the central city are variable in terms of providing amenity to surrounding areas. Public sector investment in green infrastructure has been material in the core however lacks a coherent strategy across the central city. There has been no incentive nor regulation to drive open space upgrades and green building approaches, resulting in low take-up across the board.

⁷Source: Infometrics, Current conditions and the economic outlook, April 2018

⁸ See Appendix C – the Regeneration S-Curve

⁹ See Appendix D – Strawman Development Feasibility

Yet the opportunities presented by the green economy are substantial¹⁰. Significant shifts in public policy and private sector behaviours have occurred since the CCRP with carbon neutral targets and environmental policies a key focus both at local and central government levels.

People and place

Almost every regeneration theme is dependent on increasing the number of people engaged in activities within the central city in order to realise a successful outcome. It should not be surprising then, that the presence of people engaged in activity in the central city has recovered significantly since the earthquakes, but remains well below pre-earthquake levels.

The overwhelming conclusion emphasised by the Current State Assessment is that people are the key ingredient missing from the central city. They are missing from all user cohorts including residents, workers, shoppers, visitors, tourists and students. The pride that residents take in the central city also remains substantially lower than pre-earthquake levels.

It is important that the city continue engaging and incorporating Ngāi Tahu values and places of significance as an important aspect of people and place.

People outcomes must be elevated to a central position in decision making for all initiatives and actions taken by the public sector in the central city. Targeted initiatives such as activation and events are essential but are just one factor. We must get better at understanding who is coming into the central city, and what they do when they are here. If we are to be a city that positions itself with the opportunity to test new ideas then having more comprehensive and timely information to understand the presence and activity of people would be a competitive advantage.

Likewise, targeting a creative economy as a mechanism to rebuild the fabric of cities and offer employment and social inclusion is also necessary to achieve the aspirations for the central city. The public sector has significant investments in land, facilities and amenities that all lend themselves to attracting small and medium sized enterprises across the private, social and community sectors. Yet the Current State Assessment demonstrates little evidence that decisions are made knowing how they will leverage the creative economy as part of accelerating outcomes across the central city.

Living in the central city

The residential chapter of the CCRP proposed a population target between 12,000 and 24,000 people living in the central city to support a prosperous commercial and entertainment hub.

Currently the central city population is around 6000 residents, with growth of only 800 people in the period 2014-2017. Residential population is largely absent from the core and population distribution is confined to the fringes at relatively low density.

New 'Greenfields' residential development has been enabled in the greater Christchurch area, including areas in the Waimakariri and Selwyn districts. While this was anticipated in the Greater Christchurch Urban Development Strategy (UDS), after the earthquakes the development of this land was fast-tracked. This has resulted in the Greenfields allocation largely being realised, while the remainder of the allocation it anticipated through infill and intensification, particularly in the central city, has not. Further Greenfields development, while also important in supporting, and being supported by, the central city, may therefore affect the residential offering in the central city.

Given the lack of success in attracting inner-city residents over the past 6 years a step change to a more pro-active approach is required. This change will need to demonstrate a more granular understanding of the near-term opportunities that exist within 'the core', as well as a shift in the public sector's approach to enabling these. It should also embrace the emerging districts and neighbourhoods our

¹⁰ See Appendix E – Green Economy Roadmap, A guide for business, policymakers and society, International Chamber of Commerce

review has identified¹¹ and integrate these into the existing public sector residential work programmes. Our review has highlighted, for example, the opportunity to build the inner city residential population via four tranches, each of which hosts 6000 residents.

- Existing 6,000 Residents – we have 6,000 inner city residents who need to be recognised as the first movers and form an important source of information and context in informing future decisions.
- Near-term 6,000 Residents – we have identified existing public and private sector land parcels that have the capacity to accommodate 6,000 additional residents and short-stay visitors, within districts that have the capacity to accommodate near-term development.
- Medium-term 6,000 Residents – the Council has an existing central city residential work programme which has the objective of increasing the inner-city population over 30 years. This should be reviewed to identify where a third tranche of 6000 within areas that have existing capacity to accommodate medium density development.
- Long-term 6,000 residents – our review has determined that the central city’s new urban form has evolved, with new Districts hosting distinct neighbourhoods (See Appendix F). Community-led approaches to identifying special character areas and the organic development of these new neighbourhoods provides a fourth area of opportunity.

¹¹ See Appendix F – Regenerate Christchurch’s Emerging Districts Map

Strategic Response and Recommendations

The central city is very different now than in 2012 when the CCRP was produced. The strong post-quake period of construction led growth contributed to strong growth across all key metrics including GDP, earnings, population, employment – at a time when the city was most at risk. The CCRP has supported the recovery of the central city from the low point after the earthquakes, in underpinning confidence, and in catalysing a strong private sector response within the central city.

However, across almost all measures the central city is still well short of the aspirations set by the CCRP. The benefits of a denser, more active and vibrant city core are yet to be fully realised.

As a result, the current situation presents a new decision point for the city.

While momentum is faltering it has not stopped. The major social infrastructure assets are still progressing – in the next two years the Town Hall, Convention Centre and Central Library will be added to successful delivery of the Bus Interchange, Hagley Cricket Oval, Margaret Mahy Family Playground, Earthquake Memorial and new public realm. The recent recommitment to completing the anchor project programme was an important signal during a time of uncertainty, especially if followed by visible action. Likewise, the private sector development of the Hoyts complex, the Riverside Farmers Market and the Spark and Aotea Gifts buildings will add to the central city's value proposition.

As we approach the tail end of the rebuild cycle however, a new point of vulnerability is emerging. Construction activity will continue to decline, and it is not yet clear where the source of demand, outside of population growth, will come from, particularly within the central city. As a result, there is a significant risk that the transition will not be smooth – with negative spill overs in sectors that have been a beneficiary of the construction boom of most concern.

The findings from the Current State Assessment can be distilled to a revised call to action – identifying the challenges that must be addressed if the vision sought for the central city is to be achieved.

- **Progress is faltering** – the pace of recovery is slowing with elevated levels of uncertainty around public sector commitments and future demand, further undermining confidence and activity across the central city.
- **Lack of people** – the central city does not yet have the critical mass of residents, employees, businesses, students.
- **Relevance is fading** – Christchurch and the central city are not achieving the intended goal of increased relevance set by the CCRP and subsequent strategies. A stronger focus on identifying and leveraging a more compelling value proposition for the central city is both an opportunity and a priority.
- **No visible cohesive leadership** – decision making in the central city reflects a fragmented institutional structure where mechanisms to consider trade-offs between individual projects and 'best for city' outcomes are not evident. This is further compounded by perceived confusion and duplication within organisational mandates.

The potential courses of action the public sector can consider in addressing these challenges are varied. They are also a function of the extent to which the city wishes to retain the aspirations captured within the CCRP or adapt it to reflect new strategic priorities. The range of approaches include:

- **Recommit** – adopt and adapt the Current State Assessment into an accepted tool that helps inform future decisions and ensure a recommitment to the projects the public sector has said it will deliver is evident in underpinning confidence, increases certainty and provides direction.
- **Refresh and Realign** – refresh and realign Crown and Council's objectives for the central city. In doing so use appropriate governance mechanisms to ensure City Institutions demonstrate an increased degree of strategic alignment in pursuing best for city outcomes. Ensure any new

funding mechanisms that are being considered include the ability to invest in economic development and activation.

- **Regeneration Framework**– create a framework to guide the long-term regeneration of the central city. The public sector must adopt an integrated approach to regeneration spending, delivery and other key initiatives.
- **Leadership and Leverage** - build on the progress to date, including projects in the public and private sector pipeline. Develop a coherent regeneration framework and adaptable public-sector policy, process, funding and development risk appetite. Provide more effective mechanisms in which the private sector and community groups can test new ideas and present development options to a better organised public-sector client¹².

Following initial discussions with stakeholders, Regenerate Christchurch believes the appetite to deliver the CCRP's aspirations has not diminished with time. There is a desire across the city to compete harder for regional, national and international relevance.

As a call to action Regenerate Christchurch has developed the following recommendations to increase momentum and support regeneration. The recommendations acknowledge there is no 'silver bullet' answer for delivering regeneration. Nor is there a simple list of tasks to be allocated amongst existing entities that achieves that outcome.

Ultimately successful regeneration will be the result of the things it typically is - a combination of factors that include:

- Public sector investment in facilities and amenity that catalyses private sector development;
- Policy and regulatory settings supporting strong and resilient business, community and residential sectors who have the confidence, over time, to apply their own resources in contributing to regeneration;
- Mechanisms that put the business, community and residential sectors at the forefront of every decision, action and initiative;
- In doing so, promote greater equality and equity through access for all residents to jobs, housing, education and services.

Acknowledging both the CCRP's aspirations and the Current State Assessment, our advice is that the 5 recommendations below are considered as priority areas of focus for the Crown and Council in supporting the successful long-term regeneration of the central city.

In turn these recommendations are also supported by specific initiatives which would support regeneration and increase momentum through the period of transition emerging as the rebuild phase tapers off.

¹² See appendix G – Leverage Mechanisms

Recommendations

1. **Lead a Confident Response** – the city is looking to the public sector for visibly cohesive leadership, while the public sector needs to create and communicate a coherent framework and competitive approach to drive the success of the city.
2. **Relentlessly Pursue Residents** – the central city needs to prioritise 6,000 new residents within the next 5 years to support a self-sustaining city economy. We need to actively pursue and attract a mix of residents.
3. **Unlock Prosperity** – the central city requires an extra 15,000 jobs to support long term regeneration. Support the significant growth sectors in unlocking the central city's potential as a place to live, learn and earn.
4. **Light up the City** – let's be a good host. Make Christchurch city an attractive place to live, work and play. Shift the emphasis from building new things to investing in the flow of activity across the central city.
5. **Focus on Implementation** – own the outcomes of the Current State Assessment and use it to guide future decisions that impact the recovery and regeneration of the central city. Align work programmes to reflect and address the current vulnerability of the city.

Regenerate Christchurch's Recommendations

Recommendation 1 - Lead a Confident Response

The public sector has not yet fulfilled its own expectations in terms of providing cohesive leadership of the transition from recovery to regeneration. Whilst individual entities are busy contributing toward recovery and regeneration outcomes their respective strategic priorities, decision frameworks, work programmes and priorities lack coherency when assessed against a 'best for city' lens.

The Current State Assessment reveals a step change in central city leadership is required from the public sector with clarity on Crown and Council contributions and risk allocation. The role of the public sector is shifting from anchoring the post-disaster recovery to catalysing long-term regeneration. The focus should be on partnership, not process. In this context a change in the role of the public sector should not necessarily be interpreted as a requirement for a new governance structure, organisation or removing one party or another from a leadership role. Rather what is required is:

- **Clear leadership** - the slowing pace of recovery with elevated levels of uncertainty around the public sector's commitments and future demand are undermining confidence and activity across the central city. Clear and cohesive leadership is required across the public sector. This should also not be read as a recommendation for 'heavier' leadership as this would risk stifling the community support required for the success.
- **Cohesive and predictable interactions** - While individual entities are busy contributing toward recovery and regeneration outcomes their respective strategic priorities, decision frameworks, work programmes and priorities lack a sense of coherency when assessed against a 'best for city' lens. Increased strategic alignment is a requirement across all of these aspects.
- **Informed and accountable** - Regeneration occurs in a complex and dynamic environment. A focus on understanding the current state and tracking progress towards expected outcomes is essential when dealing with this complexity.
- **Collaborative culture** - Ultimately successful regeneration will be the result of enabling public sector investment, policy and regulatory settings supporting strong and resilient business, community and residential sectors which have the confidence, over time, to apply their own resources in contributing to regeneration. As a result, the business, community and residential sectors must be put at the forefront of every decision, action and initiative.

While the nature of central government involvement has and will continue to change, the extent of its involvement as well as its commitment towards achieving regeneration is unlikely to diminish in the short-medium term. The significant development footprint that the public sector retains in the central city provides it with a significant role in increasing momentum and supporting the successful long-term regeneration of the central city.

To bring about a refinement in the role of the public sector the following initiatives are recommended:

Initiative 1 - Creation of a Regeneration Framework - As noted in the Strategic Context, Christchurch developed a detailed framework of plans, strategies and implementation documents to guide the city through recovery. However, the review of this 'Recovery Framework' noted:

- The documents were developed over different time periods and for different audiences or focuses. Consequently, there has been a lack of coherency when considered as a package;
- The documents clearly show that initiatives, outcomes and benefits were focused on the short-term critical success factors of providing certainty, confidence and direction for investment as well as delivering a co-ordinated and speedy recovery; and
- There was a focus on construction and infrastructure with less focus on the longer-term success factors or investment in social, human or environmental capital.

In this context it is not surprising there is a lack of cohesive leadership or a single coherent strategy. A refreshed 'Regeneration Framework' that reflects new strategic priorities with clear leadership principles and includes a cohesive suite, policies, strategies and project plans is required. While many of these documents exist in some form across organisations, integration and co-ordinated implementation is required.

Initiative 2 - Development of a Performance Monitoring Framework - A regeneration framework will allow for both Crown and Council to focus on a clear vision and develop a strong partnership for delivering the aspirations of the CCRP. However, a monitoring process is also required to assess progress and allow continual refinement of the strategic direction. Without an active process of review and challenge the framework could lose relevance and coherency in a similar way to the Recovery Framework developed after the earthquakes.

A performance monitoring framework should include indicators which accurately reflect the Crown and Council's aspirations for the central city. This goes beyond the simple presentation of statistics, and instead helps understand the city's narrative, dynamics and emerging trends in informing future decisions.

Most importantly, the adoption of a performance framework would increase transparency and accountability in decision-making at a portfolio level. In doing so all stakeholders would benefit from a clear understanding of the progress towards the aspirations of the city and allows the effectiveness of regeneration efforts to be understood.

Initiative 3 - Confirming fit for purpose mandates – The Current State Assessment also reveals a point of vulnerability for the central city that requires a stronger public-sector role than might have been contemplated for this point in time.

A combined structure or single successor entity, appropriately funded with a clear mandate, could potentially provide the optimal solution for Christchurch. However, it is anticipated that either arrangement would need to be carefully planned and implemented to avoid loss of momentum on key projects. In the interim, the existing City Chief Executives forum is a mechanism which could implement the changes required to deliver cohesive leadership as consideration is given to Future Institutional Arrangements.

We have identified four critical success factors against which the central city's leadership structure and mandates can be tested:

- Does the leadership structure reflect the ongoing commitment from both the Crown and Council to the regeneration of the city?
- Does the structure create certainty of delivery of existing projects and associated commitments in underpinning confidence?
- Does the structure address the lack of cohesion amongst city institutions – whether real or perceived?
- Does the structure allow for efficient use of public assets / resources - land, funding and institutional capacity?
- Does the structure demonstrate a level of accountability for delivering outcomes at a best for city level?

A review of organisational mandates should ensure there are elevated expectations in terms of accountability; to ensure that key roles and responsibilities contributing to long-term regeneration are clear; contribute to a consistent set of 'best for city' objectives; are sitting within the organisations that are best placed to hold them; and are resourced appropriately and have the mandate to act.

Recommendation 2 - Relentlessly Pursue Residents

The lack of an inner city residential population has a significant bearing on achieving self-sustaining regeneration of the central city. A fast-track residential development strategy to utilise public and

privately-owned land is recommended to prioritise the accommodation of 6,000 new residents within the central city inside 5 years. An increased sense of urgency in reaching for a minimum critical mass of inner city residents is required to support the scale and form of private sector investment delivered through the development cycle to date. Within this are the following key dependencies

Initiative 4 - Catalyse and enable development - identify public and private land parcels where development feasibility is close to commercial viability. Focus on understanding and addressing the barriers to development and convert these into investment decisions to kick-start the development cycle. This should be accompanied by an integrated development management approach that includes a 'fast-tracked' residential consenting process - with a lower accessibility cost reflecting the priority nature of inner city residential development – and a willingness to innovate in terms of development and ownership models. Section 71 of the Greater Christchurch Regeneration Act should be considered for enabling a fast-tracked regulatory process, where appropriate to achieve regeneration.

Initiative 5 - Develop an integrated residential strategy - embrace the new urban form that is emerging across the central city to support existing organic development. Prioritising a more granular understanding of the current and future pattern of employment, activity and residential opportunities will help shape future decisions on infrastructure provision, land-use decisions and the An Accessible City work programme. Initiatives should be developed at the emerging district and neighbourhood level identified within this review (see Appendix F) that have the specific objective of enabling community-led approaches to neighbourhood renewal. Consideration should be given to areas of special character as opposed to areas where more unconstrained residential development could occur to accelerate outcomes.

Initiative 6 - Listen to the Future Residents - identify and listen to the 'future residents' in respect of their views on typology, location, affordability and ownership – the ideas should originate from within the neighbourhoods and reflect community aspirations, and from people who don't necessarily live in Christchurch. Find and compete for them.

Initiative 7 – Structured Market Approach - the central city development cycle is moving from one of 'committed capital' to 'competitive capital', which requires a shift in the skill-sets that have been a feature of decision-making processes over the past 6 years. The challenging development feasibilities that exist for most development types indicate the need for a more pro-active approach to accelerating residential development. This would extend beyond the fast-track proposal noted above and require the public sector to take more policy, process and development risk in seeking to build and maintain momentum. Separation between Governance and the Client function across the public sector will be critical if a more commercial approach is to be successful.

Recommendation 3 - Unlock Prosperity

The central city economy will continue to operate at sub-optimal levels unless the business community within the central city continues to grow and unlocks the benefits associated with agglomeration, market scale and the shift to knowledge-based jobs.

That said, the Current State Assessment has also identified Christchurch as the one major city in New Zealand that is well placed to accommodate growth. To take advantage of this opportunity the following initiatives are recommended.

Initiative 8 - Get Granular on Economic Development - in the same way the City's Residential Strategy needs to be further developed at a more granular central city level, so too the Christchurch Economic Development Strategy and new City Narrative. This strategy should identify and support a hierarchy of sectors that are best placed to contribute to growth in activity and jobs with the immediate priority to facilitate the creation of an additional 15,000 jobs within the central city inside 5 years. Christchurch

underinvests in economic development relative to the cities it aims to compete with, and needs to address this.¹³

Initiative 9 – Monetise and leverage the eco-systems - much has been made of Christchurch's innovation culture but without evidence, to date, of a growth dividend and sustained uplift in productivity. Investment in people and technology is at the core of any growth strategy, but needs effective mechanisms and accountability for delivering the economic uplift

Initiative 10 - Develop the Precincts and New Hubs - take the precincts beyond a vision and masterplan and into implementation plan. In doing so take a programme level approach which considers the opportunities for new hubs, complementary facilities and an awareness of the interaction and spill-overs between the precincts and their neighbours in adjacent blocks.

Initiative 11 – Capital Flexibility Programme - the traditional approach to capital discipline within the public sector has focused on pursuing value for money across capex and whole of life costs at a project level. A dynamic operating environment, particularly with constrained public-sector finances, suggests a more dynamic approach to capital management is required. It is important that the Crown and Council have an agreed set of investment objectives, with key performance metrics that informs capital allocation. Additional flexibility can also be pursued through an integrated pipeline of projects, development opportunities and operating models as well as opportunities to recycle capital through assets with relatively certain cash-flows (e.g. Justice and Emergency Services Precinct and Carparks). An initiative which gives effect to a set of economic and social benefits agreed between the Crown and Council is ultimately the key to increased fiscal revenues, lower social costs, higher liveability metrics and a stronger ratings base. Without it the ability to fund the shift in emphasis to investing in the flow of activity across the central city will be difficult to achieve. It is also difficult to make firm recommendations on whether programmes that require further funding for implementation, such as An Accessible City, should be prioritised without undertaking this approach.

In developing these initiatives directed at unlocking the potential for improved economic and social outcomes it is noted that:

- Harnessing local private sector leadership is essential.
- A multi-agency approach is required, recognising the broad spectrum of factors that influence place-based competitiveness.
- Starting from scratch is prone to failure; building on the existing strengths and assets of a place and building outwards from these is preferable.
- Developing a shared agenda galvanises collaborative efforts. Focussing on solving common problems and/ or collectively exploiting opportunities for growth can aid this.
- Understanding that success is often only realised in the longer term, meaning a concerted and ongoing effort is required.
- Targeting market failures, 'at risk' and new economy sectors is where the public sector can best intervene.

Recommendation 4 - Light up the City

The amount of vacant land in the central city is likely to be a feature of our environment for a considerable period. This does not need to be a barrier to success – it can become Christchurch's opportunity. What it requires, however, is a collective shift from an inward focus defined by a need to 'solve all problems' before any new investment can occur, to an outward focus on building an identity, strengthening connections and competing for relevance. The following initiatives are recommended:

Initiative 12 - Let's be a good host - ChristchurchNZ's Visitor and Events strategies are important drivers of increased activity within the central city. At the same time, however, they need to be more granular

¹³ Source; Regenerate Christchurch – A Comparative Analysis of Long Term Plans

at a central city level and ensure the strategies present the central city as 'open for business'. We asked people to adapt their behaviour in leaving the central city after the earthquakes, which they did. It's time to adapt back the other way – which starts with the central city adopting a 'host city' mindset.

Initiative 13 - Become creative with vacant sites

Develop a strategy to reduce the impact of abandoned buildings, vacant or unkempt sites and at grade carparking and turn these into part of the value proposition of the central city.

This should include recommendations on specific initiatives to both discourage negative behaviours and stimulate positive outcomes on current sites including:

- Establishing a pop-up accommodation, retail programme or other high quality transitional activities to make the most of our central city vacant land and bring activity back to the city;
- Use innovative design, temporary and semi-permanent installations and facilities to protect, enhance and activate vacant and unused spaces. Increase access for public use to privately owned and leased open space. In line with our recommendation to light the city up, an initiative such as lighting of trees and vacant sites in the city would improve amenity.
- Identify and unlock any regulatory barriers that constrain the ability to act with flexibility – for example Section 71 of the Greater Christchurch Regeneration Act provides the opportunity to unlock barriers to achieve regeneration.
- Develop pilot programmes which fund community-led groups to develop strategies which increase participation in the central city.

Initiative 14 - Build an Identity

The strength of connections between Christchurch residents and its central city is weak, in part because the central city has lost its sense of identity. Engage pro-actively with residents inviting them into the central city to help celebrate success. The new identity will continue to evolve over time but only if people are engaged in participating in and celebrating what is being created.

Recommendation 5 - Focus on Implementation

The Current State Assessment has highlighted that whilst individual entities are busy contributing toward recovery and regeneration outcomes the approach is more 'eyes up' than 'eyes out'. Across all city institutions there is a need to instil a collaborative implementation culture to meet the test of effectiveness, efficiency and deliverability.

Initiative 15 - Shift the implementation culture

The Strategic Response identifies several areas where organisations need to amend their existing work programmes to better reflect and address the vulnerability identified in the Current State Assessment and align with a renewed focus on partnership, execution, delivery and ultimately successful regeneration.

If the tools, resources and levers that exist across the various institutions can be leveraged with a joint focus on catalysing the future and putting the business, community and residential sectors at the forefront of every decision, action and initiative the public sector will help underpin confidence in the future of Christchurch and create the path by which the aspirations of the CCRP and the benefits contemplated by the unprecedented investment in the city of Christchurch by both local and central Government and the private sector can be realised for everyone's benefit.

Appendix A: Draft Implementation Framework

From the call to action, the review of the wider Christchurch context and in light of the continued desire to strive for the aspirations, Regenerate Christchurch has developed the following recommendations to increase momentum, support regeneration and ultimately increase the likelihood of a successful outcome for the city. The recommendations acknowledge there is no “silver bullet” answer for delivering regeneration and ultimately it will be a result of the interaction between the public sector, private sector, communities and households – all of whom will make decisions, over time, in respect of their willingness to contribute to, participate in and benefit from regeneration.

With this in mind and in reflecting on both the Current State Assessment and CCRP’s aspirations, the board of Regenerate Christchurch believes that the 5 recommendations noted below should be accepted as priority areas of focus for the Crown and Council in supporting the long-term regeneration of the central city.

1. **Lead a Confident Response** – the city is looking to the public sector for cohesive leadership, while the public sector needs to create a coherent framework and competitive mind-set to drive the success of the city.
2. **Relentlessly Pursue Residents** – the central city needs to prioritise 6,000 new residents within the next 5 years to support a self-sustaining city economy. We need to actively pursue and attract a mix of residents.
3. **Unlock Prosperity** – the central city requires an extra 15,000 jobs to support long term regeneration. Support the significant growth sectors in unlocking the central city’s potential.
4. **Light up the City** – let’s be a good host. Make Christchurch city an attractive place to live, work and play. Shift the emphasis from building new things to investing in the flow of activity across the central city.
5. **Focus on Implementation** – own the outcomes of the Current State Assessment and use it to guide future decisions that impact the recovery and regeneration of the central city. Align work programmes to reflect the current vulnerability of the city.

In turn these recommendations are also supported by specific initiatives which the board believes would have a material impact in accelerating momentum through the period of transition emerging as the rebuild phase tapers off.

This implementation framework is presented in draft as a starting point for discussion with supporting agencies. It is only with collaborative buy in, and the prioritisation of each of these workstreams that these initiatives will have a material impact on the potential outcomes for Christchurch. Regenerate Christchurch proposes that these initiatives are workshoped and refined with their respective owners.



PROBLEM DEFINITION

PROGRESS IS FALTERING

LACK OF PEOPLE

RELEVANCE IS FADING

NO VISIBLE COHESIVE LEADERSHIP

COURSE OF ACTION

RECOMMIT

REFRESH AND REALIGN

REGENERATION FRAMEWORK

LEADERSHIP AND LEVERAGE

RECOMMENDATIONS

RECOMMENDATION 1

Lead a Confident Response

The city is looking to the public sector for visibly cohesive leadership, while the public sector needs to create and communicate a coherent framework and competitive approach to drive the success of the city.

Initiative 1

Regeneration framework

Initiative 2

Performance and benefits monitoring framework

Initiative 3

Confirming fit for purpose mandates

RECOMMENDATION 2

Relentlessly Pursue Residents

The central city needs to prioritise 6,000 new residents within the next 5 years to support a self-sustaining city economy. We need to actively pursue and attract a mix of residents.

RECOMMENDATION 3

Unlock Prosperity

The central city requires an extra 15,000 jobs to support long term regeneration. Support the significant growth sectors in unlocking the central city's potential as a place to live, learn and earn.

RECOMMENDATION 4

Light the City Up

Lets be a good host. Make Christchurch city an attractive place to live work and play. Shift the emphasis from building new things to investing in the flow of activity across the central city.

Initiative 4

CATALYSE AND ENABLE DEVELOPMENT

Initiative 8

GET GRANULAR ON ECONOMIC DEVELOPMENT

Initiative 12

LET'S BE A GOOD HOST

Initiative 5

DEVELOP AN INTEGRATED RESIDENTIAL STRATEGY

Initiative 9

MONETISE AND LEVERAGE THE ECO-SYSTEMS

Initiative 13

BECOME CREATIVE WITH VACANT SITES

Initiative 6

LISTEN TO THE FUTURE RESIDENTS

Initiative 10

DEVELOP THE PRECINCTS AND NEW HUBS

Initiative 14

BUILD AN IDENTITY

Initiative 7

ACT COMMERCIALY

Initiative 11

CAPITAL FLEXIBILITY PROGRAMME

RECOMMENDATION 5

Focus on Implementation

Own the outcomes of the current state assessment and use it to guide future decisions that impact the recovery and regeneration of the central city. Align work programmes to reflect and address the current vulnerability of the city.

Initiative 15

SHIFT THE IMPLEMENTATION CULTURE

Lead a confident response		
<p>The city is looking to the public sector for cohesive leadership, while the public sector also needs to create and communicate a coherent framework and competitive approach to drive the success of the city. To refine the role of the public sector the following initiatives are recommended:</p>		
	Title	Create a Regeneration Framework
	Description	<p>Effective and efficient governance arrangements require clear objectives, funding certainty and appropriate mandates. There should be specific and achievable targets for success that link to the initial vision and objectives that underpin regeneration. These need to be open and transparent to maintain trust and confidence from the community and investors.</p> <p>To do this a Regeneration Framework is required. Key aspects of a Regeneration Framework would include:</p> <ul style="list-style-type: none"> • Central City Strategic Plan • Spatial Plan • Funding Strategy • Sustainable Economic Development – growth and capital attraction (all forms) • Residential Strategy • People and Place strategy – identity, marketing, visitors. community and culture, open space, public realm, events and activation • Development Strategy – land, planning, infrastructure, transport, management (sequencing, co-ordination and partnerships) • Environment and Ecology Strategy • Major Facilities / Community Facilities
	Rationale	<p>Christchurch developed a detailed framework of plans, strategies and implementation documents to guide the city through recovery. However, the review of this “Recovery Framework” noted:</p> <ul style="list-style-type: none"> • The documents that make up the recovery framework were developed over different time periods and for different audiences or focuses. Consequently, there has been a lack of coherency when considered as a package; • The documentation clearly shows that initiatives, outcomes and benefits were focused on the short term critical success factors of providing and ensuring certainty, confidence and retention of investment and delivering a coordinated and speedy recovery;

		<ul style="list-style-type: none"> There was a focus on construction and infrastructure with less focus on the longer-term success factors or investment in social, human or environmental capital. <p>While most of the components of a new Regeneration Framework exist in some form, in most cases there is a lack of coherency, integration and co-ordinated implementation. As a result, updating is needed with a Regeneration Focus.</p>
	Who	Regenerate Christchurch to lead a multi-agency team with the responsibility of developing a Regeneration Framework – a suite of guiding visions, policies and plans to guide regeneration and assist decision making across the City and Region.
	Title	Creation of a Performance and Benefits Monitoring Framework
	Description	<p>The performance framework would increase transparency and accountability in decision-making by better defining the relationship between the evaluation and performance. This can be linked to policy objectives to understand how regeneration / resilience is progressing. A good performance monitoring framework should:</p> <ul style="list-style-type: none"> Ensure each indicator has a clear relationship with the objective/direction; Clearly articulate where indicators have a strong or weak relationship with the actions of Central or Local government; Utilise a select number of indicators and avoid repetition and/ or duplication within the Indicators; Present the 'baseline' for each indicator to identify the starting point of the Plan's implementation; Develop evidence based, time bound 'targets' for each of the adopted indicators; Where possible, include 'benchmarks' from comparative cities; Adopt an 'annual' and a 'medium term' (e.g. 5 years) reporting approach; Report Indicators at relevant geographic areas (e.g. central city / Christchurch); and Ensure Indicators are presented in an online format that is both user friendly and intuitive.
	Rationale	<p>A regeneration framework will allow for both Crown and Council to focus on a single strong vision and develop a strong partnership for delivering the aspirations of the CCRP. Agreeing governance and performance metrics that reflect a balanced set of objectives and 'real economy' objectives (jobs and productivity) can also be used to facilitate agreements on funding commitments and risk allocation. A monitoring process is also required to assess progress and allow continual refinement of the strategic direction. Without an active process of review and challenge the framework will quickly lose relevance and coherency in a similar way to the Recovery Framework developed after the earthquakes.</p> <p>Continual monitoring of progress, with appropriate levels of accountability, is crucial to ensuring the success of the plan and the</p>

		longer-term prosperity of Christchurch. Sharing this with the community will be an important aspect of building public confidence in regeneration and the vision for the city.
	Who	Regenerate Christchurch, with support from CCC and DPMC.
	Title	Confirming fit for purpose mandates
	Description	With some changes the current structure could work significantly more efficiently. The City Chief Executives forum would be charged with demonstrating how their respective organisations would work together more effectively, responding to the Current State Assessment in ensuring 'Best for City' decisions are made at a programme and project level. Where clarity of mandate as funder, client and delivery agents is not evident this should be rectified. Likewise, the mandate to leverage the public and private sector's significant investment to date in attracting capital, talent, business, jobs and residents to the central city should be equally clear and cohesive.
	Rationale	<p>The observed public sector 'programme approach' is one of fragmented delivery and implementation, with monitoring focused on work programmes, not impact. Decision making in the central city is done on a project basis as opposed to a 'Best for City' lens and is not done in collaboration; the tools available are not being used to full effect.</p> <p>At a minimum, clearer strategic alignment between city institutions is required which should also demonstrate clearer separation between client, delivery and assurance functions is required. A review of organisational mandates should ensure there are increased expectations in terms of accountability – you've made the investment, demand results.</p>
	Who	Governance
<p>Relentlessly Pursue Residents – the central city needs to prioritise 6,000 new residents within the next 5 years to support a self-sustaining city economy. We need to actively pursue and attract a mix of residents.</p>		
<p>The central city needs to prioritise 6,000 new residents within the next 5 years to support a self-sustaining city economy. The following initiatives are recommended to help achieve these goals:</p>		
	Title	Catalyse and enable development
	Description	Identify public and private land parcels where development feasibility is close to commercial viability. There should be a focus on understanding and addressing the barriers to development and converting these into investment decisions to kick-start the development cycle. This should be accompanied by a 'fast-tracked' and outcomes focused residential consenting process with a lower accessibility cost reflecting the priority nature of inner city residential development. Section 71 of the Greater Christchurch Regeneration Act should be considered for enabling a fast-tracked regulatory process, where appropriate to achieve regeneration.

	Rationale	Unlocking the residential development cycle is the key to stimulating a new wave of investment across all other sectors.
	Who	TBC as a matter for discussion with shareholders
	Title	Develop an integrated residential strategy - Nurture neighbourhoods & Listen to the Future Residents
	Description	The 'residential development strategy' should embrace the new urban form that is emerging across the central city. Understanding and prioritising the current and future pattern of employment, activity and residential opportunities will help shape future decisions on infrastructure provision, land-use decisions and movement patterns. Initiatives should be developed at emerging district and neighbourhood level. In doing so there should be a focus on identifying and listening to the 'future residents' in respect of their views on typology, location, affordability and ownership – the ideas should originate from within the neighbourhoods and reflect community aspirations.
	Rationale	Regeneration is at its most effective when it embodies localness. As recovery transitions to regeneration, new requirements for and roles for leadership emerge. Ultimately as regeneration becomes established the benefits of local and community leadership become more pronounced. Our review has identified emerging districts and neighbourhoods which inform the capacity to strengthen the base in terms of inner city residents and progress intensification in incremental steps in targeting 24,000 residents. Within these districts there are areas of special character which communities will want to preserve, but also opportunities for largely unconstrained development.
	Who	Regenerate Christchurch and CCC
	Title	Structured Market Approach - Support feasibility
	Description	The residential strategy should develop strategic and economic cases for stronger interventions in the residential market to accelerate the development cycle. This should also include a long list of potential interventions including: <ul style="list-style-type: none"> • Investment in neighbourhood services or amenity • Amendments to school's zones • Use of available regulatory tools • Public sector investment in housing development either through leveraging existing landholdings or via other forms of competitive funding • Support for new residential typology (including mixed use, build-to-rent or community led)
	Rationale	The current state assessment and CCC residential programme acknowledge the feasibility challenges that exist for most development types in the central city. As a result, stronger support for the residential market is likely to be required to accelerate the development cycle. This

		will require both an integrated land strategy, shared risk frameworks and potentially capital support.
	Who	TBC as a matter for discussion with shareholders, noting that it should be developed in conjunction with the Capital Flexibility Programme (initiative 11).
	Title	Structured Market Approach - the East Frame
	Description	The Current State Assessment has shown that the central city residential market has not yet returned to a buoyant state. At the same time the underlying demand, typology and affordability dynamics evident in vibrant central cities around the world has changed since this project was launched in 2012. The public sector remains in control of significant land parcels within the East Frame, and given the lack of progress in meeting the original development objectives, has the opportunity to rethink the strategic direction of this project.
	Rationale	<p>The East Frame is intended to be a major transformational project for the central city, critical in supporting the scope and level of public and private sector investment that has both occurred to date and is in the pipeline. Yet the project has not been delivered on the original terms, with the revised development timeframes compromising the realisation of the economic and social benefits contemplated by the CCRP.</p> <p>The current East Frame Development Agreement includes commercial terms agreed by the Crown in 2015, and as such does not reflect the vulnerabilities highlighted in the Current State Assessment.</p> <p>The opportunity for the Crown to re-set the strategic priorities and commercial terms for this project does exist – but would also require a development management approach that strengthens Ōtākaro’s ability to act, in enabling delayed settlement and/or longer-term value capture mechanisms that are more consistent with a ‘first in, last out’ risk appetite – irrespective of what any revised development objectives might include.</p>
	Who	Ōtākaro with support from DPMC, LINZ and Regenerate Christchurch if required. (It is noted that revisiting the East Frame Development Agreement is currently outside the mandate of Ōtākaro. As a result, this can only be achieved with specific instruction from shareholding ministers).
Unlock Prosperity		
The central city requires an extra 15,000 jobs to support regeneration in the long term and a secure it as a place to live, learn and earn. Initiatives to support the key growth sectors to unlock the city’s growth include:		
	Title	Create the Precincts and New Industry Hubs & Monetise and Leverage the eco-systems
	Description	Develop Implementation Plans for the designated Precincts that reflect the fine grain detail in respect of the vision, character, objectives and

		development management plan required to guide delivery. Provide flexibility within the precincts, and adjacent land-holdings to contemplate new Hubs which may offer complementary development opportunities. While unlocking the benefits of agglomeration remains a key objective, patterns of work and employment have also evolved since 2012.
	Rationale	<p>The public sector has a significant vested interest in many of the key precincts such as the Health, Convention Centre, Performing Arts and South Frame via its existing land holding. This is on top of the broader benefits that would be delivered if successfully implemented.</p> <p>The current approach to land valuation, development and disposal is potentially imposing a significant economic cost and reducing potential recoveries in the longer term. A different approach which enables interim, and transitional projects (including new hubs for organic business growth and community uses) as well as exploring partnership opportunities with private sector developers that are struggling to convert viable development propositions into committed investment could deliver both on the vision of the precincts and support long-term value recovery.</p>
	Who	TBC as a matter for discussion with shareholders noting that it should be developed in conjunction with the Structured Market Approach (Initiative 7).
	Title	Granular central city economic development strategy
	Description	<p>Develop a growth strategy for the central city that identifies and supports a clear hierarchy of sectors that are best positioned to contribute to ongoing growth in activity and employment - with the priority of creating an additional 15,000 jobs within the central city inside 5 years.</p> <p>This should include recommendations on specific initiatives to protect and stimulate the significant sectors within the central city with a focus on delivering sustainable above trend growth in these sectors.</p> <p>In developing the 'significant sector growth strategy', it is noted that:</p> <ul style="list-style-type: none"> • Harnessing local private sector leadership is essential. • A multi-faceted approach is required, recognising the broad spectrum of factors that influence place-based competitiveness. • Starting from scratch is prone to failure; building on the existing strengths and assets of a place and building outwards from these is preferable.
	Rationale	Economic development is the continuous process of growing an area's level of income and wealth and distributing that wealth (through local expenditure and jobs) to the community. Typically measured in terms of income and employment, economic development is also measured by improvements in education, health, culture, community wellbeing and the environment.

		<p>The central city economy will continue to operate at sub-optimal levels unless the business community within the central city continues to grow in realising the benefits associated with agglomeration, scale and the shift to knowledge-based jobs.</p> <p>The central city strategy will be informed by Economic Development Strategies developed at a City and Regional level, but should focus on lifting the central city's share of total employment in, supporting and growing the Health, Public Sector Services, Professional Services (Technology, Education, Creative Arts and Culture, Retail, Hospitality and "New Economy" Industries.</p>
	Who	ChristchurchNZ to lead a cross agency working group.
Light up the City		
Let's be a good host. Make Christchurch city an attractive place to live work and play. Initiatives to lead a step change in pride, activation and participation include:		
	Title	Build the Identity
	Description	A new sense of identity has not yet emerged in the central city. The new City Narrative and Economic Development strategy need to be driven down to a more granular central city level as a matter of priority.
	Rationale	Since the earthquakes Christchurch and Canterbury residents have lost their connection to their central city. Restoring the sense of ownership and pride is essential to delivering a step change in participation and returning vibrancy and character to the central city. In building this new identity a transformation in public sector mind-set is also required in moving on from an inward problem-solving focus to an outward, competitive focus which starts with a demonstrated expression of the central city's ability to be a good host to businesses, visitors and residents of the greater Christchurch area.
	Who	ChristchurchNZ to lead with support and resourcing from Ōtākaro, CCC placemaking, marketing and activation teams.
	Title	Be a Good Host - Build an Activity Pipeline
	Description	<p>Build on (and fund) a major event and activation strategy for the central city that cuts across events, activities, transitional use and in doing so demonstrates leverage off the higher quality facilities and amenities across the central city – both day and night.</p> <p>This should look beyond the public sector assets – the private sector is heavily invested in increasing activation and their enthusiasm for Christchurch needs to be harnessed.</p>
	Rationale	<p>A lack of participation is having a material impact on the retail and hospitality sector as well as confidence in the future of a Christchurch.</p> <p>A coordinated, well organised and effective activation and events strategy can reconnect people back to their central city and restore the</p>

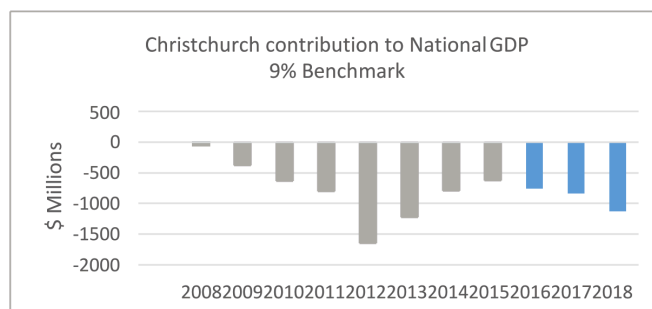
		<p>sense of ownership and pride that has been lost since the earthquakes. While strategies exist, they current have a narrow focus aligned with their respective organisation's mandate – they need to take on a wider central city focus.</p> <p>Change is needed to ensure the city is ready to leverage the opening of the Town Hall / Central Library and celebrate these major milestones.</p>
	Who	ChristchurchNZ to lead with support and resourcing from Ōtākaro, CCC placemaking, marketing and activation teams as well as the private sector.
Focus on Implementation		
<p>To own the outcomes of the Current State Assessment and use it to guide future decisions that impact the recovery and regeneration of the central city all organisations need to align work programmes to reflect the current vulnerability of the city the following key initiatives are recommended to be progressed as a Priority. Specific initiatives that would help better reflect the findings of the current state assessment include:</p>		
	Title	Support transformational projects
	Description	The members of the City Chief Executives Forum need to collectively hold themselves to account for ensuring transformational private or non-Governmental sector projects are supported.
	Rationale	<p>Private or new projects like the Lighthouse, the Otago University development, Ara's development programme and the ability to compete for Lincoln University can make significant contributions to regeneration of the central city however are often falling into the gaps between organisations and stagnating.</p> <p>Investigate ways in which the city can support pushing these from concept to reality – including committing to a proactive approach to land transactions where the projects would be consistent with the Regeneration Pillars.</p>
	Who	City Chief Executives Forum.
	Title	Explore the optimal way to pay for the Multi Use Arena
	Description	A standard public sector procurement process can take 18-24 months as it steps through the business case, procurement and negotiation phases. It is assumed that a robust 'project definition' process is underway but this does not require a full detailed business case given the strategic and economic case is largely defined. Ensure the Multi Use Arena project team demonstrates that their process contemplates the benefits of accelerating the commercial case to include a fast-track, preferred bidder process and adapt the financial case to consider partial public-sector capital contribution.
	Rationale	The Multi Use Arena will be the most expensive project undertaken in Christchurch – a traditional project structure with lump sum payment during construction has created significant fiscal pressures on both the

		<p>Crown and Council. In doing so it has limited the ability to support spending on other regeneration initiatives.</p> <p>While a Multi Use Arena is not a 'game-changer' in terms of regeneration it is a critical amenity that is required to attract the businesses, talent, investors and residents that do create change – this is particularly true in cities with strong sporting cultures and successful sporting franchises. We do not need to relitigate the Strategic and Economic Case for this project. Instead the Crown and Council should consider the benefits of utilising a partial capital contribution and paying for the certainty of transferring quality and delivery risk to the private sector. While this will require a return on private sector capital it also frees up public sector funding to pursue the \$1.15bn of missing economic output this review has identified, and target the additional \$4bn of economic uplift the CCRP aspirations still retain.</p> <p>Likewise, the business case process should prioritise intensity of effort on the Commercial Case – with the instruction that the project team develop a fast track process to appoint a lead developer for the Crown and Council to consider as the Commercial Case is being developed.</p>
	Who	TBC as a matter for discussion with shareholders noting that it should be aligned with the Structured Commercial and Capital Flexibility Initiatives
	Title	Measure Trust
	Description	Initiate the collection of a “trust in public sector institutions” survey within Christchurch to assess and track the performance of institutions as regeneration progresses.
	Rationale	The regeneration of Christchurch will only occur if the public and private sectors work in partnership together. Partnership provides trust so is important that the public sector understands how it is performing and how interactions can be more effective.
	Who	ChristchurchNZ to develop a survey for shareholder approval.
	Title	Create Capital Flexibility Work Programme
	Description	The challenges of optimising central and local government contributions to funding urban renewal and growth are not unique to Christchurch. Whilst the 2013 Cost-Share Agreement was ahead of its time, recent trends in embracing 'City Deal' structures have become mainstream in the UK, US and Australia in recent years which offer lessons in respect of how the City may adapt its approach to improving the efficiency of its limited funding resources.
	Rationale	The foundations of these new City Deals include a focus on prioritising economic growth, establishing clear governance and performance metrics and establishing funding parameters that optimise funding contributions. These are not only all part of the Christchurch fabric, but consistent with the key recommendations of this review in seeking a step-change to cohesive leadership with clear supporting strategies.

		<p>In order to ensure the optimal use of capital, and unlocking the benefits of increased capital efficiency a programme level capital review is required. This would look at capital and whole of life contributions at a project level, as well as exploring synergies across operating models, asset ownership, development opportunities and capital recycling.</p> <p>Without this review the ability to fund the shift in investment emphasis to supporting the flow of activity across the central city will be difficult to achieve.</p>
	Who	TBC as a matter for discussion with shareholders noting that it needs specialist expertise and independent oversight.
	Title	Review the CEAG Recommendations on minimum targets
	Description	Advise CEAG to review their recommendations in light of the Current State Assessment and the immediacy of the requirement to drive an increase in central city population for the benefit of the central city – and therefore regional – recovery.
	Rationale	<p>The current CEAG recommendation signals a policy intent towards greater consolidation within the city, however, recommends allowing time for city intensification initiatives to take effect before amending policy settings.</p> <p>The Current State Assessment shows Canterbury cannot afford to wait – there needs to be an immediate focus on creating a thriving heart in the city to long term successful regeneration.</p>
	Who	CCC with support from Regenerate Christchurch and DPMC.

Appendix B: The Relevance Gap

1. Contribution to New Zealand's Growth

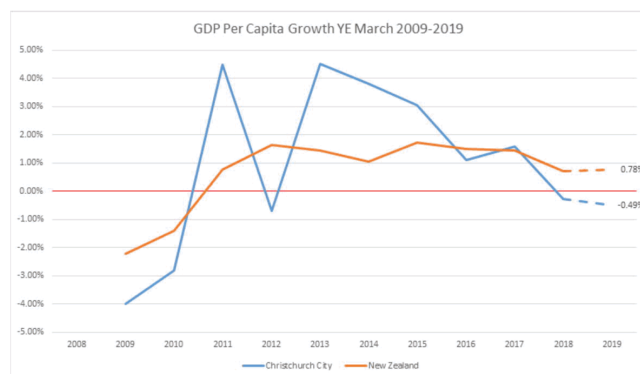


Key Observations

- Prior to the GFC and Canterbury Earthquakes Christchurch contributed 9% of New Zealand's GDP – a benchmark we have retained for this analysis.
- After the earthquakes this reduced to 8.2 %, opening up an 'output gap' of \$1.65bn
- The strong period of rebuild activity started to close that gap – but not fully
- With the Christchurch economy now growing at 1.4 %, relative to 2.7 % for the New Zealand economy and Christchurch's potential growth rate at 3 %, the gap has widened again
- The current output gap is \$1.15bn and raises a question – how does Christchurch see its relevance in a national context. Does it want to compete with Auckland, the Golden Triangle and Queenstown, or settle for 'third city' status in benchmarking against Wellington and Dunedin.

2. The Productivity Dividend

3.

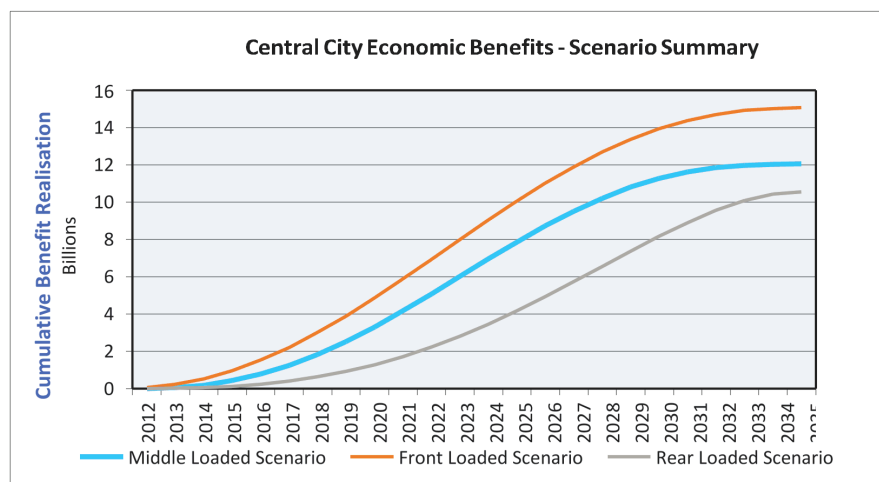


Key Observations

- \$37bn of Capital Investment and a strong innovation culture should deliver a growth uplift through increased productivity
- Using GDP per capita as a measure instead tells a story of a 'productivity recession' in Christchurch
- The City's aspiration as a place to innovate, a city in which to test new ideas is not yet delivering a growth dividend
- Instead the 'underlying growth story' is more simply one of a near term dependency on strong population growth.

Appendix C: The Regeneration S-Curve

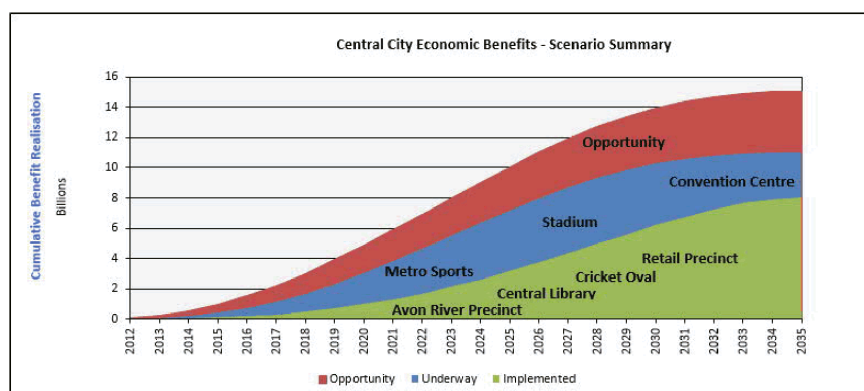
1. Central City Economic Benefits



Key Observations

- The question of momentum is material when assessed against its potential economic impact
- Three scenario's were tested in building a Regeneration S-Curve – front-loaded momentum, an orderly transition phase and a lagged delivery and development cycle
- At a high level these scenario's were based on the known economic benefits from Anchor Projects, overlayed with variable assumptions on the pace at which new residents and new jobs would be attracted to the central city
- The cumulative difference between an accelerated regeneration cycle and a slower path is circa \$5bn over a 20 year timeframe.

2. The Regeneration Building Blocks

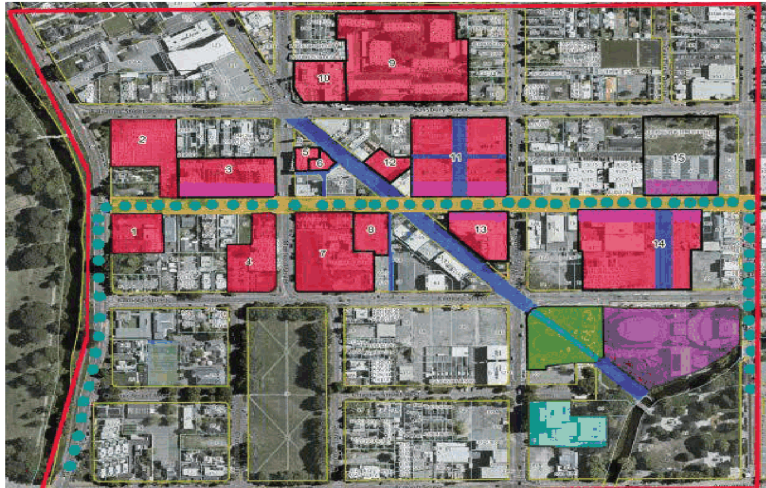


Key Observations

- The building blocks to the middle scenario, an orderly transition phase, are relatively well known
- The path to unlocking the additional \$5bn uplift requires a reset of the public sector's appetite to take policy, process and development risk.

Appendix D: Strawman Development Feasibility

1. New Neighbourhoods of Scale



Key Observations

- We have neighbourhoods of potential scale within the Central City
- This area which straddles the Peterborough, Upper Victoria and City Core districts has a development value close to \$1bn, and the ability to accommodate 2200 new residents and visitors
- As the bottom line in the table below highlights, however, the residual land value from new developments is not worth 100c in the \$ when compared to the land-banking option.

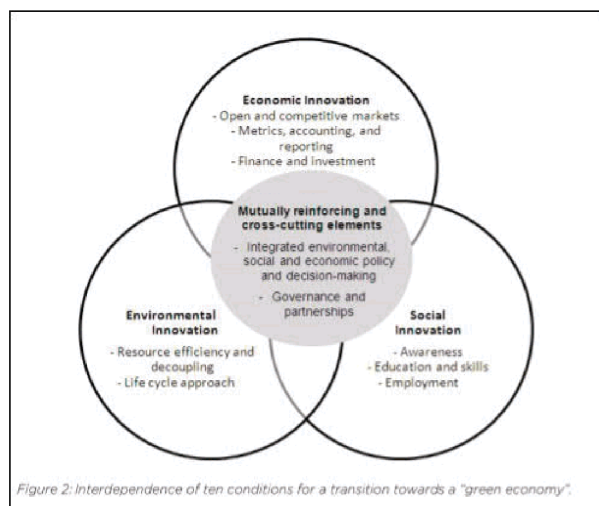
	Core: 50 Cathedral Square	Core: 50 Cathedral Square	Core: 50 Cathedral Square	Non-core: 235 Gloucester	Non-core: 235 Gloucester
1 Site	High rise	Mid rise	Terrace	Mid rise	Terrace
2 Development type					
3 Site area	1,000	1,000	1,000	3,000	3,000
4 Current site value	\$ 1,800,000	\$ 1,800,000	\$ 1,800,000	\$ 3,000,000	\$ 3,000,000
5 Gross realisation value (GRV) per	\$ 6,000	\$ 6,000	\$ 5,000	\$ 6,000	\$ 5,000
6 FSR	4.2	1.8	1.5	1.8	1.5
7 Floor space (net)	4,200	1,800	1,500	5,400	4,500
8 Balconies	640	640		640	
9 Average dwelling size	80	80	130	80	130
10 Dwellings	53	23	12	68	35
11 Parking	53	23	23	68	69
12 Revenue	\$ 25,200,000	\$ 10,800,000	\$ 7,500,000	\$ 32,400,000	\$ 22,500,000
Costs					
24 RLV	\$ 427,041	\$ 232,723	\$ 1,299,394	\$ 539,384	\$ 1,898,183
25 RLV/dwelling	\$ 5,000	\$ 3,000	\$ 10,000	\$ 7,000	\$ 30,000
26 RLV/sqm residential floor space	\$ 102	\$ 129	\$ 866	\$ 100	\$ 858
27 Construction costs per dwelling	\$ 342,093	\$ 360,440	\$ 368,204	\$ 342,236	\$ 368,204
Summary and results					
34 Site area (sqm)	1,000	1,000	1,000	3,000	3,000
35 Residential floor space	4,200	1,800	1,500	5,400	4,500
36 FSR	4.20	1.80	1.50	1.80	1.50
37 Revenue (ex-GST)	\$ 25,200,000	\$ 10,800,000	\$ 7,500,000	\$ 32,400,000	\$ 22,500,000
37 Average revenue/sqm	\$ 6,000	\$ 6,000	\$ 5,000	\$ 6,000	\$ 5,000
38 Costs (excluding RLV)	\$ 24,772,959	\$ 11,012,723	\$ 6,200,606	\$ 31,860,616	\$ 18,601,817
39 Residual Land Value (RLV)	\$ 427,041	\$ 232,723	\$ 1,299,394	\$ 539,384	\$ 1,898,183
39 RLV/sqm site area	\$ 427	\$ 233	\$ 1,299	\$ 180	\$ 1,299
40 Current site value	\$ 1,800,000	\$ 1,800,000	\$ 1,800,000	\$ 3,000,000	\$ 3,000,000
41 Current site value/sqm	\$ 1,800	\$ 1,800	\$ 1,800	\$ 1,000	\$ 1,000
42 Ratio of RLV:current site value	0.24	-0.13	0.72	0.18	1.30

Appendix D: Strawman Development Feasibility

- The building blocks to the middle scenario , an orderly transition phase, are relatively well known
- The path to unlocking the additional \$5bn uplift requires a reset of the public sector's appetite to take policy, process and development risk.

Appendix E: Green Economy Roadmap

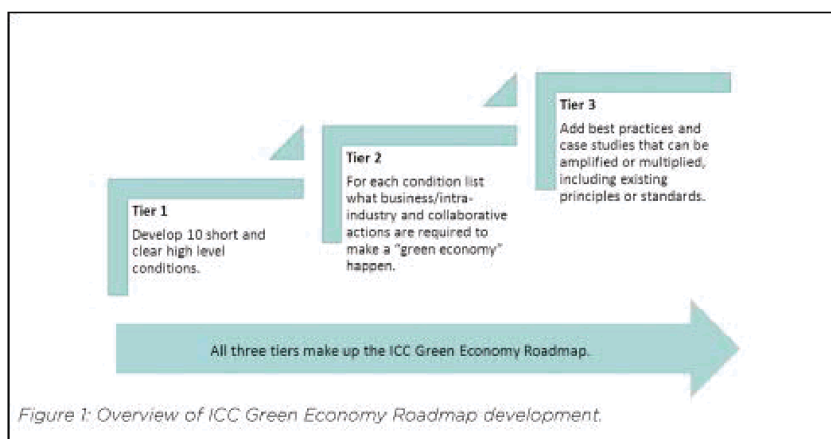
1. The Economic, Social and Environmental Trifecta



Key Observations

- The CCRP holds significant aspirations in terms of improved Economic and Social outcomes
- Stronger aspirations around improved Environmental outcomes have also emerged since 2012
- Where is the integrated strategy that binds the three together ?

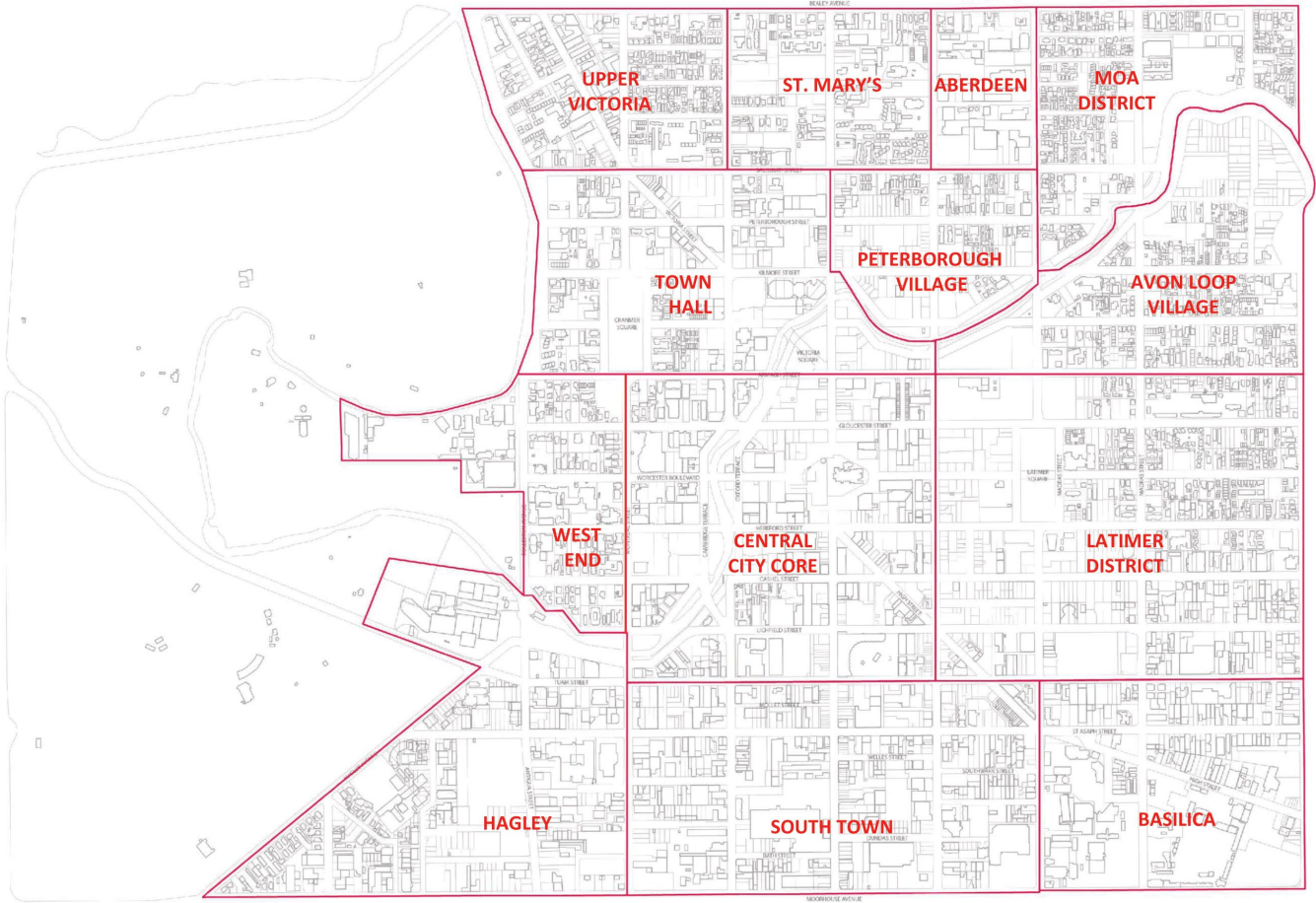
2. The Green Economy Roadmap



- The building blocks of a Green economy roadmap are consistent with the desire to shift up the Regeneration S-Curve
- The implementation of the aspiration, however, are fragmented not integrated.



Appendix F - Regenerate Christchurch's Emerging Districts and Neighbourhood Map



Appendix G: Leverage Mechanisms

Strong Institutions	Capital Attraction does not happen through 'general conversations' – it requires a public sector client who has a demonstrated track record in regeneration with create clear and familiar processes. Once that track record is established, it must not be lost	
Enabling Policies	Almost all investment is policy-dependant. As we move from a 'committed capital' to 'competitive capital' phase the requirement to incentivise not just enable investment becomes important	
Accountability	Private Sector capital will stay 'in the game' if they believe the public sector retains the will to act. Programme and Project level accountability is an important indicator of public sector discipline	
Public Sector Capital Investment	The scope and scale of investment in core infrastructure, city facilities, amenity and transport connections are critical in leveraging scale as a private sector response.	
Land Assembly and Remediation	Where brownfield sites are to be used to pursue regeneration the ability to assemble, remediate and market land in a timely fashion is critical in attracting a competitive private sector response	
Investor Ready Mind-Set	A clear vision supported by clear, credible commitments and processes that demonstrate an understanding of both what the City WANTS, and what investors NEED is required to present yourself as investor ready	
Economic Development	A lack of confidence in sources of demand, income and capital growth are all factors which 'turn off' investment. Understanding your strengths at a city level and actively leveraging them is an important part of the capital attraction platform	
Activation	Vibrancy breeds Vibrancy – commit to invest in activation in areas where the development proposition is difficult to assess.	
Shared Risk Frameworks	There is increasing acceptance of partnership arrangements in contributing to regeneration –adapt processes, capital programmes and development risk appetites to reflect the desire to create long-term value through shared up-front risk	
Enabling Planning Culture	Pursuing regeneration in areas of long-term decay or devastation requires a willingness to differentiate between short-term, medium-term and long-term planning and urban design outcomes. 'Best practise' process should eliminate bad outcomes but doesn't necessarily guarantee good ones. Adapt the culture as regeneration evolves.	

Hon Dr Megan Woods

MP for Wigram
Minister of Energy and Resources
Minister for Greater Christchurch Regeneration
Minister of Research, Science and Innovation
Minister Responsible for the Earthquake Commission



Christchurch
City Council 

Office of The Mayor

Dear Sue

Thank you for your letter and the accompanying advice from the Board of Regenerate Christchurch on the central city momentum project. We appreciate the effort that Regenerate Christchurch put into this important work.

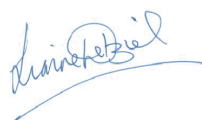
It was useful to discuss your advice at our meeting on 3 August 2018. We agree entirely that a "best for city" approach must guide the next phase of development and regeneration in the central city.

As you are aware from our discussion, the City will now lead the next phase of this work. We anticipate that in due course the Board's advice will be submitted to the full Council for their information. In the immediate term, Regenerate Christchurch's current state assessment is very useful and we have agreed that the city's economic development agency, ChristchurchNZ, will use this advice to report on the current state of the central city in their next quarterly economic update. This work is already well advanced and it will address both the challenges and opportunities that our central city represents.

The Council, together with other public sector agencies and the private sector (including the Canterbury Employers Chamber of Commerce, central city resident groups, the Property Council, and the Central City Business Association), is already developing a central city action plan. This will build on the recommendations made by Regenerate Christchurch. We want ownership and buy-in from all parties and, to this end, we have asked officials to develop the action plan collaboratively. We are looking forward to be able to endorse and launch this action plan in the very near future.

We expect that Regenerate Christchurch, in consultation with Development Christchurch, Ōtākaro Limited and ChristchurchNZ, will continue to provide expertise to assist the implementation of actions to see the central city opportunity realised. This will need to be balanced with the priority activity prescribed in our Letter of Expectations to you, and in particular, our expectation of quality and prioritised delivery of the Ōtākaro Avon River Corridor Regeneration Plan.

Best regards



Lianne Dalziel
Mayor of Christchurch



Hon Dr Megan Woods
Minister for Greater Christchurch Regeneration

Strategic Priorities Action Plan:

Maximising opportunities to develop a vibrant, prosperous and sustainable 21st century city

This action plan recognises significant investment by the public and private sector and the need to focus on and support the central city over the coming three years. Without a thriving central city we will struggle to create a vibrant, prosperous and sustainable 21st century city. Actions will seek to align stakeholders and agencies to maximise available resources and achieve greater impact.

Key success indicators: (1) the number of people living in the central city (20,000 is the target); (2) frequency of visits to the central city for non-work purposes

ACTIONS FOR CHANGE	WHY IS THIS IMPORTANT?	WORK PROGRAMME			HOW WILL WE KNOW IF WE'RE MAKING PROGRESS	LONG TERM PLAN 2018-2028
		2017/18	2018/19	2019/20		
1. Deliver initiatives that promote the central city as a great place to live	<p>A vibrant central city relies on it being a place people want to live in and belong to.</p> <p>A central city residential population can support existing businesses and generate its own localised economic growth.</p> <p>Efficient urban development within the central city has a lower per capita cost for service delivery and can leverage from public and private sector investment.</p> <p>Genuine urban living opportunities are a key part of the city's attraction strategy for young people and skilled migrants.</p>	<ul style="list-style-type: none">Develop and deliver on Central City Residential Programme Action Plan.Clarify role of respective organisations in delivery, governance and reporting.Commission DCL to review incentives and tools to unlock land and new developmentDialogue with landowners, industry and emergent development sectors.Complete National Policy Statement feasibility modelling.Establish a sound evidence baseline.	<p>Deliver elements of Central City Residential Programme including,</p> <ul style="list-style-type: none">Site investigations to identify candidate sites and neighbourhoods for new or more intensive housing.Initiation of a proactive central city marketing campaign in collaboration with partners and industry.Recommitment to central city housing as a central policy approach in the UDS/ Settlement Pattern Review.Review effectiveness of Development Contributions rebates alongside other potential incentives/subsidies	<p>Deliver elements of Central City Residential Programme including,</p> <ul style="list-style-type: none">Support candidate sites and projects through development process.Implement new incentives to stimulate new housing.Progress any required District Plan changes via a Regen. Plan.Showcase Central City living.Progress a collaborative process to drive intensification in a defined part of the Central City.	<p>Recovery plans and sub-regional policy indicate the central city residential population should increase to around 20,000 people.</p> <p>We will be tracking progress towards this target via:</p> <ul style="list-style-type: none">the number of new homes granted code compliance (6 monthly)the number of central city residents (from census and StatsNZ population estimates)the Christchurch Quality of Life Survey	<p>Funding included in amended LTP and continued through in draft 2018-28 LTP.</p> <p>This developing work programme can be funded by prioritising existing resourcing, however the quantum achieved will be dependent on the available funding. This will also require input and resourcing from partner agencies.</p> <p>Central City Residential Rebate (ends June 2020, or when funding runs out)</p>
2. Identify event and activation opportunities and attract events into the central city	<ul style="list-style-type: none">A vibrant and interesting central city will attract visitors, workers, investors and residents.Focus needed to co-ordinate and align the range of activity & maximise investment & resources.We need to consider opportunities for new approaches to existing events, including Botanic D'Lights, Lantern Festival, Christmas activities, the marathon, SCAPE, City Sounds, Friday Night Food Trucks, and the Enliven Places Programme.Reduce reliance on Hagley Park and increase event activity into the centre – infrastructure is being provided as projects built and centre accessible for all.	<ul style="list-style-type: none">Review Cathedral Square and Surrounds Strategy and advise Council on draft action plan.Work with Crown and Church to identify opportunities associated with Cathedral reinstatement.Central City events coordination group established (cross agency)Central City Promotion Group established (cross agency)Build opportunities for new businesses, building openings, and vacant spaces/buildings. Realign or amend existing approaches where necessary.	<ul style="list-style-type: none">Events coordination and promotion programme continuesCommence condition assessment for existing event spaces. Clarify requirements.Support Turanga (central library) and Town Hall openings with associated events/activities.FESTA October 2018 – facilitate central location (potentially Cathedral Square). Funding already provided by CCC events and festivals.Streets for People programme implementation (if funded)Existing activities realigned:	<p>Review progress to date via the measures noted and from feedback. Reset actions.</p>	<p>Number of events held in the central city annually and approximate number of attendees at each.</p> <p>Annual survey results: How often people visit the central city Why people visit/don't visit the central city</p>	<p>Funding included in amended LTP and continued through in draft 2018-2028 LTP for current schedule of events. Reprioritisation may be needed, but new funding also required to activate new public spaces and stimulate activity into existing spaces (such as city squares). This will be at risk if reprioritisation or additional funding is not agreed.</p> <p>Not funded: New major events, subject to LTP. SCathedral Square and Surrounds Strategy implementation – requirements currently unclear but this Strategy is</p>

ACTIONS FOR CHANGE	WHY IS THIS IMPORTANT?	WORK PROGRAMME			HOW WILL WE KNOW IF WE'RE MAKING PROGRESS	LONG TERM PLAN 2018-2028
		2017/18	2018/19	2019/20		
		<ul style="list-style-type: none"> Complete Events Policy Framework and Community Implementation Plan Lantern Festival 2018 @ Avon River Precinct City sounds 	<ul style="list-style-type: none"> De:lights – potential extension beyond Botanic Gardens Golden Oldies CCC events programme ChchNZ major events programme Enliven Places programme 			likely to include new events and activation actions.
3. Improve the condition, safety and accessibility of streets and public spaces in the central city.	<p>To attract visitors, workers, investment and residents we need a safe, accessible, and connected central city.</p> <p>Many streets and public spaces are in poor condition and not well lit.</p> <p>The Council is already working on improvements but a planned, proactive programme is required.</p> <p>We also need to align limited resources to support new developments and business activity.</p>	<ul style="list-style-type: none"> Undertake proactive monitoring of condition, agree objectives and prioritise work over an appropriate time frame. Align with key pedestrian routes and activity. Turanga (central library) priority area to align with opening. Continue to progress the programme for barrier sites. Central City Transport Liaison Group and Development Forum - keep updated and seek feedback. Agree priorities with the Central City Revitalisation Group 	<p>Complete repairs to existing paving and repair/refresh street furniture (seating, signage, etc.) on City Mall, Worcester Boulevard and other key pedestrian routes as defined in the Wayfinding Strategy. These works are aimed at improving the visual impression of these key city streets which will not be upgraded through the Accessible City programme. Funding will be reprioritised from existing street maintenance budgets."</p>	<p>Priority repairs to be identified.</p> <p>Review as development progresses and businesses re-establish.</p>	<p>Number of complaints</p> <p>Survey results</p> <p>Monitoring of condition</p>	<p>Funding included in amended LTP and continued through to draft 2018-28 LTP. Funding will be reprioritised from existing street maintenance budgets.</p> <p>Staff in the Central City Transport Office will manage the programme under the proposal in LTP for funds to staff the office.</p>
4. Coordinated marketing and promotion of the central city as a great place to visit, work, invest and live	<p>There is a need to maximise collective resources, align messaging and look for opportunities to promote the central city as an exciting, vibrant destination. By coordinating and aligning the range of sector- based communications and marketing activity, more impact can be achieved with less.</p> <p>People and businesses moving back to the central city need regular, consistent, helpful information.</p> <p>Effective communications will be an important element in the success of the other three actions in this plan.</p>	<ul style="list-style-type: none"> Central City Promotion Group (CCPG) established (cross-agency). Central City – get to know me campaign. Agreement on Christchurch Narrative; development of high-level key messages; clarification of roles of major players (CCC, ChristchurchNZ, CIAL, LPC, DCL, Ōtākaro, etc). Link with wider city messages, projects and events being developed by the Council e.g. parking, access, cycling and use of new spaces e.g. shared zones. 	<ul style="list-style-type: none"> Launch of online resources and targeted marketing tailored to different audiences Align with marketing of Central City Revitalisation Group, CCBA, Transport, ChristchurchNZ Link to existing initiatives where they can support (e.g. Neat Places, Greening the Rubble, City Scape, Find ChCh, Gap Filler) Explore opportunities around new building and business openings 	<p>Review progress to date and reset actions.</p>	<p>Membership of the CCPG, who meet regularly.</p> <p>Number of campaigns jointly developed and implemented.</p> <p>Number of people taking part in activities, events.</p> <p>Survey results and feedback.</p> <p>Engagement with social media channels, and number of web page views.</p>	<p>Funding to come from existing budgets</p> <p>Funding for this activity would require a realignment and reprioritisation of existing resources. At risk if realignment or reprioritisation is not agreed.</p> <p>Not funded: Central City Business Association grant.</p>

TRIM Number 17/957937
HPRM 17/870028

ACTIONS FOR CHANGE	WHY IS THIS IMPORTANT?	WORK PROGRAMME			HOW WILL WE KNOW IF WE'RE MAKING PROGRESS	LONG TERM PLAN 2018-2028
		2017/18	2018/19	2019/20		
		<ul style="list-style-type: none">• Agree joint funding/resourcing of marketing campaigns and other associated activities.• Develop new opportunistic initiatives within agreed wider framework (e.g. content in the Summertimes brochure).• Central City Business Association – strategic plan implementation: successful marketing, promotions and partnerships that draw both locals and visitors into the Central City.	<ul style="list-style-type: none">• Link with events and activation initiatives			
5. Coordinated delivery and promotion of actions that help identify wider Christchurch as a city of opportunity – open to new ideas, new people and new ways of doing things.	<p>Effective communications will promote the City as being an innovative city and the Council as delivering innovative projects.</p> <p>Social innovation supports people and businesses to design new or better solutions that help them make the City a place people want to live in and belong to.</p>	<ul style="list-style-type: none">• Develop a communications plan that promotes successful social innovation examples and case studies <i>(currently in AmLTP and continued through in draft LTP)</i>• Re-focus business award sponsorship into an award for social enterprise/ sustainable business <i>(currently in AmLTP and continued through in draft LTP)</i>• Procurement policy review completed and adopted <i>(currently in AmLTP and continued through in draft LTP)</i>	<ul style="list-style-type: none">• Implement the communications plan <i>(currently in AmLTP and continued through in draft LTP)</i>• Inaugural Award delivered as part of a business ceremony, celebration<i>(currently in AmLTP and continued through in draft LTP)</i>• Implement the Procurement Policy <i>(currently in AmLTP and continued through in draft LTP)</i>• Develop guidance resources to assist the implementation of the sustainable section of the Procurement Policy <i>(Not in AmLTP nor in draft LTP)</i>	<ul style="list-style-type: none">• Implement the communications plan <i>(currently in AmLTP and continued through in draft LTP)</i>• Socially Responsible Business award delivered as part of a business ceremony, celebration <i>(currently in AmLTP and continued through in draft LTP)</i>• Implement the Procurement Policy <i>(currently in AmLTP and continued through in draft LTP)</i>• Review progress to date and reset actions, as required <i>(Not in AmLTP nor in draft LTP)</i>	<p>Community Outcomes indicators:</p> <ul style="list-style-type: none">• Residents are aware of Council initiatives and activities in their local area.• Satisfaction with Council making decisions in best interests of the City.	Funding included in amended LTP and continued through to draft 2018-28 LTP.

Report from Strategic Capability Committee – 22 August 2018

26. Central City Residential Programme (Project 8011)

Reference: 18/879058

Presenter(s): John Scallan, Senior Planner (Urban Regeneration)

1. Strategic Capability Committee Consideration

1. The Strategic Capability Committee received deputations from the Property Council and the Canterbury Employers Chamber of Commerce. The Committee considered the staff report and made the below recommendations to Council. As part of their consideration, the Committee requested that the report be referred to the Development Forum for their consideration.
2. The Development Forum considered the report on this matter at its meeting on 27 August 2018. Attachment B to this report details the Forum's consideration. The Forum's recommendations to the Council are in section 5 below.

2. Staff Recommendations

That the Strategic Capability Committee:

1. Receives the Central City Residential Programme (Project 8011) report, overview and details of first three year work plan for the Programme.

3. Strategic Capability Committee Decisions Under Delegation

Part C

That the Strategic Capability Committee

1. Refer these resolutions and the paper to the Development Forum so that they can add their proposed programme for the year together with a proposal to review the Development Forum make up, terms of reference, scope and focus to ensure alignment with the Council priorities and those of the development community, central city residents associations and central city business associations (including the Canterbury Employers Chamber of Commerce).

4. Strategic Capability Committee Recommendation to Council

Part A

That the Council:

1. Receives the Central City Residential Programme (Project 8011) report, overview and details of first three year work plan for the Programme.
2. Notes that increasing residential activity in the central city is a current strategic priority and has been a consistent priority for the City and Greater Christchurch for many years, as reflected in the 2007 Greater Christchurch Urban Development Strategy.
3. Notes that the importance of a prosperous and vibrant central city to the success of the sub-region has been recognised by the Greater Christchurch Partnership Committee

(GCPC) and Chief Executives Advisory Group(CEAG) and is a priority for the Future Development Strategy currently being prepared by the Partnership.

4. Requests that the Chief Executive proceed to provide a central city residential development service as soon as possible, the details of which are to be developed in collaboration with the range of central city stakeholders.
5. Requests the Chief Executive to provide advice on the range of rating and financial incentives and disincentives to residential development in the CBD that could be provided and the disincentives to land banking and undeveloped land. In addition, requests the Chief Executive to advise on the monitoring and review programme on the public realm maintenance and upkeep contracts.
6. Request further information on the promotion and delivery of alternative development and housing tenure models.

5. Development Forum Recommendation to Council

Part A

That the Council:

1. Receives the Central City Residential Programme (Project 8011) report, overview and details of first three year work plan for the Programme.
2. Notes that increasing residential activity in the central city is a current strategic priority and has been a consistent priority for the City and Greater Christchurch for many years, as reflected in the 2007 Greater Christchurch Urban Development Strategy.
3. Notes that the importance of a prosperous and vibrant central city to the success of the sub-region has been recognised by the Greater Christchurch Partnership Committee (GCPC) and Chief Executives Advisory Group (CEAG) and is a priority for the Future Development Strategy currently being prepared by the Partnership.
4. Requests that the Chief Executive proceed to provide a central city residential development service as soon as possible, the details of which are to be developed in collaboration with the range of central city stakeholders.
5. Request further information on the promotion and delivery of alternative development and housing tenure models.
6. Requests Development Christchurch Limited (DCL) and the Chief Executive to report back and provide advice to the Development Forum within 3 months on a range of tools, incentives and disincentives for landbanking/undeveloped land, giving timeframes for each action, to fast track residential development and the regeneration of the Central City to assist in achieving the goal of 20,000 people living within the Central City by 2028.
7. Requests the Chief Executive to advise on the monitoring and review programme on the public realm maintenance and upkeep contracts.

Attachments

No.	Report Title	Page
1	Central City Residential Programme (Project 8011)	106

No.	Title	Page
A ↓	The Christchurch Central City Residential Programme (Project 8011). An Overview.	109
B ↓	Development Forum Consideration	118

Item 26

Central City Residential Programme (Project 8011)

Reference: 18/752636

Presenter(s): John Scallan, Senior Planner (Urban Regeneration)

1. Purpose and Origin of Report

- 1.1 The purpose of this report is for the Strategic Capability Committee to be updated on:
 - 1.1.1 The development of the ten year Central City Residential Programme (the Programme), which may also be identified by the short-hand title “Project 8011”, and
 - 1.1.2 The work plan for the first three years of the Programme.
- 1.2 The origin of this report follows the Council Resolution CNCL/2017/00368 of 20 December 2017, arising from the report of the Development Forum 29 November 2017. This report specifically addresses numbers 1 and 2 of Resolution CNCL/2017/00368:
 1. *Notes that a Central City Residential Programme is currently in development and is intended to accelerate delivery of Central City residential development.*
 2. *Strongly endorses the emerging aims of the Central City Residential Programme which focuses on:*
 - a. *Identifying the barriers to residential development and recommending interventions and tools to support housing delivery in the Central City.*
 - b. *Encouraging new and more diverse housing models.*
 - c. *Enhancing the Central City living experience, including improving the standard of street maintenance.*
 - d. *Coordinating marketing of the Central City as a place to live.*
 - e. *Site specific and neighbourhood scale enabling of Central City housing.*

2. Staff Recommendations

That the Strategic Capability Committee:

1. [Receives the Central City Residential Programme \(Project 8011\) report, overview and details of first three year work plan for the Programme.](#)

3. Key Points

- 3.1 The Christchurch Central City Residential Programme (the Programme) is a key action of the Council’s strategic priority: *Maximising opportunities to develop a vibrant, prosperous and sustainable 21st Century City*. It is one of the tools by which the Council will achieve the Liveable city Community Outcome: *Vibrant and thriving Central City*. It will also likely be a key aspect of the developing city action plan resulting from Regenerate Christchurch’s review of central city progress. Detail of the Programme’s strategic position, aspiration, goals and outcomes are set out in **Attachment A**.
- 3.2 The Central City has already attracted significant post-earthquake investment (especially commercial, office, retail, and civic facilities), confirming its importance to the region and country. The overall objective of the Programme is to now increase the number of people living in the Central City, taking advantage of this existing investment, and leading the city with a confident response into a new era of development.
- 3.3 The aspiration for the Programme is to increase the residential population of the Central City from 6,000 in 2018 to 20,000 people in 2028.

- 3.4 The Programme is a long term commitment to achieve six overall goals:
 - 3.4.1 **More people.** More people choose to live within the Central City.
 - 3.4.2 **Housing choice.** There is housing choice that meets the diverse needs of a wide range of households.
 - 3.4.3 **Liveable neighbourhoods.** Central City neighbourhoods are rated highly liveable by their residents.
 - 3.4.4 **Encourage delivery.** The risks of development are reduced, feasibility is improved.
 - 3.4.5 **Support delivery.** Effective support and advice is provided to and used by Central City housing developers.
 - 3.4.6 **Accelerate delivery.** Delivery of Central City housing is accelerated and sustained.
- 3.5 Priority actions have been identified for the first three years of the Programme. These actions will put in place the processes, tools and mechanisms to increase and sustain housing delivery for the full ten years of the Programme, and will also identify the early, high-potential opportunities to increase housing delivery.
- 3.6 The geographical focus for the Programme shall be the Central City as defined in the Christchurch District Plan — the area contained within Bealey, Fitzgerald, Moorhouse, Deans and Harper Avenues. However, the wider context and connections will be considered and addressed where important to do so.

4. Discussion

Goals

- 4.1 The six goals address both the demand for and supply of housing in the Central City.
- 4.2 For demand, the focus will be on encouraging more people to consider the Central City as a place to not only visit, but also to live. Demand will increase by ensuring that there are the right type of housing options available and that facilities and amenity on offer in the Central City provide an attractive living environment. It will also be about building neighbourhood identity and addressing some of the concerns around higher density living.
- 4.3 For supply, the focus will be on making Central City housing development more attractive through identifying process improvements, offering advice and support, through the provision of incentives, and by exploring ways to reduce risk and deliver comprehensive development. There will also be an emphasis on supporting alternative approaches to development that can help to provide housing across a range of typologies and tenures to meet a range of housing needs across a range of price points.
- 4.4 The relationship of the goals to the Programme aspiration, and to the work programme are set out in Attachment A.

Implementation and resourcing

- 4.5 The implementation of the Programme's first three years will be led by Council and resourcing is currently being confirmed. However, there is a strong emphasis on partnership with other agencies to help deliver the Programme.

Monitoring

- 4.6 Monitoring of progress with the Programme will have both quantitative and qualitative components. Progress towards the aspirational total population will be measured through population estimates and building consent data. Surveys and other monitoring methods will

measure qualitative improvements (e.g. the perceptions of the Central City living environment). Progress will be reported with reference to a number of Key Performance Indicators, to be developed as an early priority for the Programme.

Governance and reporting

- 4.7 Management oversight of the Programme will be through the existing arrangements of the Regeneration Steering Group, with elected member progress reporting (at the current juncture) via the biannual Central City report to the Innovation and Sustainable Development Committee. There will also be an interface with broader cross-agency and reporting processes for various Central City actions. In addition, progress with Key Performance Indicators will be informally reported as part of a central repository of information for the Programme.

Attachments

No.	Title	Page
A	The Christchurch Central City Residential Programme (Project 8011). An Overview.	

Signatories

Author	John Scallan - Senior Planner - Urban Regeneration
Approved By	Carolyn Ingles - Head of Urban Regeneration, Design and Heritage Brendan Anstiss - General Manager Strategy and Transformation

Project 8011: The Christchurch Central City Residential Programme An Overview

Kaupapa Rautaki/A Strategic Priority

People, are the key ingredient missing from our recovering Central City.

The Christchurch Central City Residential Programme (the Programme) is a key action of the Council's strategic priority: *Maximising opportunities to develop a vibrant, prosperous and sustainable 21st Century City*. It is one of the tools by which the Council will achieve the Liveable city Community Outcome: *Vibrant and thriving Central City*. The Central City has already attracted significant post-earthquake investment, confirming its importance to the region and country. The overall objective of the Programme is to increase the number of people living in the Central City, taking advantage of this investment and leading the city with a confident response into a new era of development.

It is a ten year Programme that will provide opportunity, with cross agency collaboration and in partnership, to undertake a wide range of interrelated actions that will increase the demand for Central City living and unlock housing supply to meet this demand.

The Programme actions are focused on working with partners, developers, landowners and other interests to build consensus that will consider the feasibility of development, improve the potential of local areas for housing, and align developers with buyers to lower development risk.

The Programme is dependent on the success of both public and private investment, including investment that creates jobs and services, as well as facilities and attractions. As such, a step change beyond what has been done previously is required.

Takenga/Programme Origins

There has been a growing appreciation within Council, regeneration agencies and in the wider development community that while commercial recovery in the Central City has been moderate, sustaining the recovery and future growth as a whole requires greater and more active effort to get more people living in the Central City. This has to be done by increasing demand, and matching this demand with supply, which has led to the development of the Programme.

Ngā Awhero/Programme Aspiration — Project 8011

The overall aspiration of the Programme is to achieve, or to put in place the conditions necessary to achieve, in excess of 8000 households, or more than 20,000 people, living in the Central City within ten years. To achieve this aspiration will require a significant increase in the rate of home building in the Central City.

To encourage and accelerate housing delivery in the Central City the ten year programme intends to:

- Unlock housing supply.
- Build momentum in the market and increase demand for Central City living.
- Align with existing and proposed strategies, programme influences and funding.
- Be sustained over the next decade with partner leadership and support.
- Provide a platform for cross agency/partner collaboration and decision making, and an integrated action plan.
- Monitor and clearly report on progress.

The Programme's alternative Title: *Project 8011*, is both a geographical identifier (being a Central City postcode) and is also approximately the number of homes that will be needed for 20,000 people.

Whāinga/Programme Goals

Six Programme goals are the building blocks for the Programme aspiration. The goals are interrelated, overlap and support each other. Considered broadly, goals one to three focus on demand, and goals four to six focus on supply.

1. More people. More people choose to live within the Central City.
2. Housing choice. There is housing choice that meets the diverse needs of a wide range of households.
3. Liveable neighbourhoods. Central City neighbourhoods has rated highly liveable by their residents.
4. Encourage delivery. The risks of development are reduced, feasibility is improved.
5. Support delivery. Effective support and advice is provided to and used by Central City housing developers.
6. Accelerate delivery. Delivery of Central City housing is Accelerated and sustained.

The Challenge

Pre-earthquake the Central City resident population was approximately 8,000. In the immediate aftermath of the earthquakes the number of residents fell below 5,000. The availability and choice of homes was significantly reduced, in particular the choice of affordable homes.

The post-earthquake period has seen the rebuilding of many new office and commercial buildings, with a steady recovery in the Central City workforce and the number of visitors. However, while there has been some recovery in the Central City resident population, housing have not been delivered at the quantity or pace anticipated. Should the current rate of housing development and population growth continue, a population of 20,000 people is unlikely to be achieved within thirty years. To improve this outlook, the pace of development of housing in the Central City needs to more than triple from the current rate.

Gathering Momentum - Programme Years 1-3

A detailed work programme for the first three years identifies the activities that Council will lead. These activities are grouped into Project Areas. Broadly, the focus for the first three years of work will be on:

- Better utilising existing Council and partner resources, including staff expertise and landholdings.
- Working on achieving tangible short term development outcomes with partners, landowners, developers and other interests.
- Building demand for housing and supporting the delivery of housing to meet diverse needs.
- Investigation of development feasibility and land supply, with an aim of building a pipeline of development opportunities for the full ten year Programme.
- Improving the investment potential and desirability of Central City neighbourhoods.

Programme Priority Actions

The first three years of projects and activities are:

Project Area	Project Code	Project Focus
Evidence base	A1	Develop Evidence (research) Base/Christchurch Development Wiki
Supporting the Central City offer	B1	Prioritise Public Realm Maintenance & Upkeep
	B2	Funding Opportunities and Incentives
	B3	Provide a Residential Service
	B4	Market the Central City
Bringing diversity and innovation to housing delivery	C1	Support Alternative Housing approaches and Projects
Growing the pipeline of residential development sites	D1	Identify Site Development Opportunities
	D2	Undertake Site Investigation, Evaluation and Feasibility
Improving the investment proposition of neighbourhoods	E1	Neighbourhood level planning and engagement

Appendix 1 shows the relationship between the Programme Aspiration, Programme Goals, the outcomes that will be sought to meet those goals, and how each project will work towards these.

Appendix 2 provides further detail of each of the first three year projects.

A Ten Year Programme

The Programme structure will be fluid; individual actions or projects may be brought forward in order to take advantage of new opportunities or new actions may be identified. The first three years have a focus on Council-led actions, however new actions and Projects can be suggested, initiated and led by partners in the Programme.

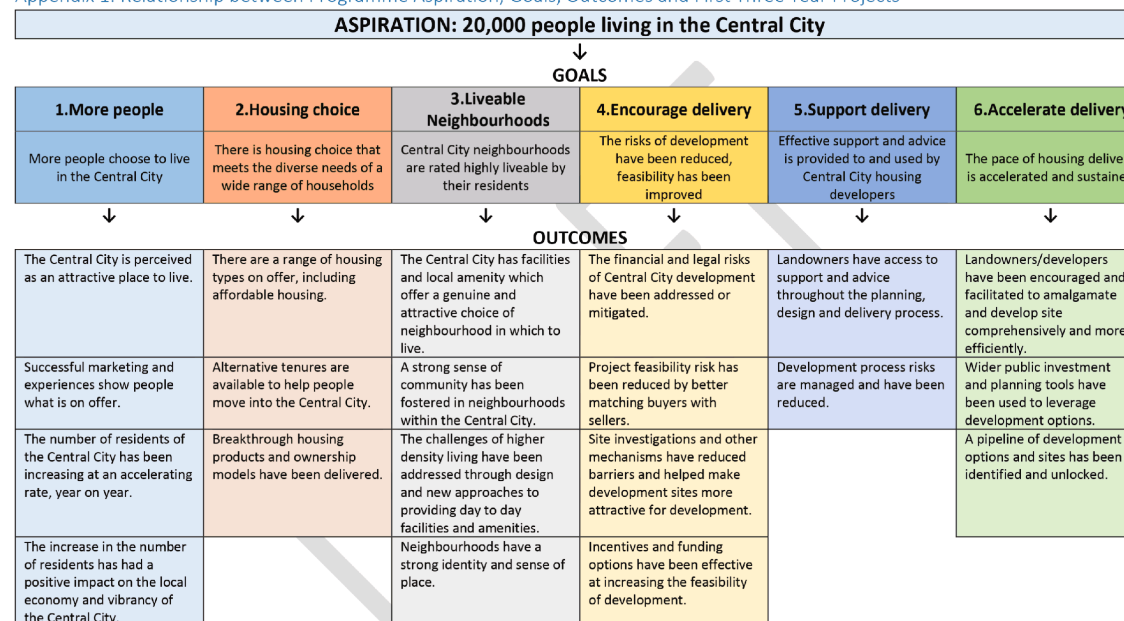
Timeframes for commencement of future projects are dependent on alignment with available resources (both in Council and other organisations) and confirmation of priority areas as the Programme moves forward.

Arotahi Matawhenua/Geographical Focus

The Programme shall be for the Central City as defined in the Christchurch District Plan. Specifically, this is the area contained within Bealey, Fitzgerald, Moorhouse, Deans and Harper Avenues. With Hagley Park excluded, the western boundary to the Programme's geographical focus area is effectively Park Terrace/Rolleston Avenue and Hagley Avenue.

The actions and tools that will form part of the Programme are directed towards the Central City. It is anticipated that the approaches, processes and services established as part of this Programme may be adopted and applied elsewhere in the city to increase housing supply more widely. This would be a separate future programme of work.

Appendix 1: Relationship between Programme Aspiration, Goals, Outcomes and First Three Year Projects



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PROJECT WORK PROGRAMME					
Project Area	Code	Project Focus	Timeframe (Year)		
			1	2	3
Evidence base	A1	Develop Evidence (research) Base/Christchurch Development Wiki			
Supporting the Central City offer	B1	Prioritise Public Realm Maintenance & Upkeep			
	B2	Funding Opportunities and Incentives			
	B3	Provide a Residential Service			
	B4	Market the Central City			
Bringing diversity and innovation to housing delivery	C1	Support Alternative Housing approaches and Projects			
Growing the pipeline of residential development sites	D1	Identify Site Development Opportunities			
	D2	Undertake Site Investigation, Evaluation and Feasibility			
Improving the investment proposition of neighbourhoods	E1	Neighbourhood Level Planning & Engagement			Tranche 1

GOAL ASSOCIATION						
Directly supports goal						
Contributes to goal						
1	2	3	4	5	6	
More people	Housing choice	Liveable Neighbourhoods	Encourage delivery	Support delivery	Accelerate delivery	
C	C	C	C	C	C	
D		C			D	
C	D		D	D	C	
	D		D	D	C	
D		C			D	
C	D	C	D	D	C	
	D	C	D	C	D	
	C		D	D	D	
C	C	D	D	C	D	

5

Appendix 2: Projects: Years 1 to 3 detail.

Project Area A: Developing the Evidence base

A Central City evidence base, information and research source – the Christchurch Development Wiki – is to be established in Year 1. This is of importance not only to the Programme timeframes, but over the longer term.

A1. CHRISTCHURCH DEVELOPMENT WIKI

Description	The Christchurch Development Wiki, an online portal, will provide a central information store; a repository for statistics, research and guidance, with an associated compendium for easy access and use.
Stakeholders	Christchurch City Council, developers, prospective purchasers, development consultants, community.
Deliverables	An online portal.

Project Area B: Supporting the Central City offer

This group of activities is aimed at providing the environment, support and services needed to establish a sound business case for developing in the Central City.

B1. PRIORITISE PUBLIC REALM MAINTENANCE AND UPKEEP

Description	A monitoring and review programme of the management and delivery of Central City contracts to best allocate resources and prioritise improvements, including to contract delivery and infrastructure improvements.
Stakeholders	Existing and potential residents, commercial operators, developers, Christchurch City Council units and contractors.
Deliverables	Regular monitoring, evaluation and reporting programme. Briefs of work for identified enhancement opportunities.

B2. FUNDING: OPPORTUNITIES AND INCENTIVES

Description	Identify a range of investment, incentive and funding options to support development. This will include a review of existing Christchurch City Council delivered funding and incentives schemes. In addition, there will be an evaluation of a range of alternative incentives and funding options to: identify policy approaches; advocate approach to government for alternative funding mechanisms; work with financial institutions to develop new funding products; and develop options to de-risk philanthropic or not-for-profit housing investment. There will be a particular focus on assisting new and alternative development approaches which may make use of, for example: Patient capital, low equity loans, development contributions rebates and Superfund investment.
Stakeholders	Developers and prospective developers, residents and future residents, government and 3 rd sector housing providers, Christchurch City Council.
Deliverables	Incentives and funding options; feasibility and research report. Trial schemes.

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	Policy development for ongoing provision. Funding opportunities are put in place. Alternative investment mechanisms are available.
Example	Viva Project, potentially located on a Christchurch City Council site (an example of using patient capital), backed by a potential Government funded low equity loan.

B3. PROVIDE A CENTRAL CITY RESIDENTIAL DEVELOPMENT SERVICE

Description	Provide a Central City focused development support and advice service for land owners, prospective land owners and developers. The service will provide information, advice and support on housing development in the Central City — offering a tailored approach to suit customer needs, including early opportunities and concept advice (the what and where of development opportunities), pre-application advice (how to get development off the ground) and on-going support through the development processes, formal consenting or otherwise. Advice will be available on potential project resource requirements, development and financial approaches or strategies, and the planning process in general. This project shall include an analysis of current design / consenting services and arrangements to seek better alignment with the Programme objectives.
Key stakeholders	Christchurch City Council consenting services, developers, investors, development consultants.
Deliverables	Audit report of existing services and recommended options for an extended service. Service established.
Example	Auckland Housing Project Office, Christchurch City Council's Rebuild Central service (pre-application focused) and <i>Partnerships Approvals Service</i> (consent process focused).

B4. MARKET THE CENTRAL CITY

Description	Work collaboratively with marketing and promotions partners to ensure the consistent marketing of the Central City as a destination to play, stay and live. The first of these, <i>Explore Christchurch</i> , is underway.
Key stakeholders	Developers, regeneration partners, Central City businesses.
Deliverables	Marketing strategy and action plan. Monitoring and response reporting.
Example	<i>Absolutely Positively Wellington</i>

Project Area C: Bringing Diversity and Innovation to Housing Delivery

This group of activities supports diversification in the housing market. Diversity in this context means:

- Diversity in delivery mechanisms — explore and help to share knowledge about innovative approaches to housing delivery including construction, financing and ownership models. The intention is that the Programme supports these development projects (without distorting the commercial model) and then shares the learning and fundamental development economics of these approaches.
- Diversity of tenure – helping to broaden the spectrum of ways in which people own or access housing through a variety of tenures, for example: shared equity, leasehold, co-living and communal housing. While there is no expectation that these models will provide the majority of Central City housing stock,

there is currently an imbalance between the cost of homes provided using a more traditional building approaches and some potential significant areas of demand for housing.

- Diversity of type and size of homes (different housing types: townhouses, apartments, studios and supported accommodation) will help to ensure that the needs of different groups can be accommodated and the widest range of demand is met.
- As opportunities are identified or presented, the Programme provides for a more proactive approach in supporting proposals, ranging from specific technical guidance and consenting support (and discretionary incentives), through to joint ventures involving public land or partnering with housing providers.

C1. SUPPORT ALTERNATIVE HOUSING INITIATIVES AND PROJECTS

Description	The promotion and delivery of alternative development and housing tenure models, including: <ul style="list-style-type: none"> - Working with other agencies to prepare a range of information and advice. - Understanding the capacity of potential partners for different tenure/ownership models (financial, human, and political), including models to provide security of tenure. - Map potential projects to scope what support would be most appropriate. - Provide an advisory and coordinator role to help curate and support delivery of these types of homes in partnership with developers (public or private). - Information provided to Christchurch Development Wiki.
Key stakeholders	Community Housing Aotearoa, New Zealand Housing Foundation, Otautahi Community Housing Trust, charitable sector and social enterprise providers, developers, financial institutions, residents and potential residents.
Deliverables	Information and advice package Criteria established for project support Projects identified and initiated Funding opportunities identified and available
Example	<i>Nightingale Village</i> with Moreland City Council, Australia

Project Area D: Growing a Pipeline of Residential Development Sites

This group of activities lies at the heart of the Programme. Without sustained growth in the number of sites coming forward for development, the current rate of delivery of Central City housing will remain static.

Projects under this grouping concern the identification of sites, understanding their potential and subsequent processes of dialogue and partnership building, to help bring them to market.

Results and learnings of the projects and initiatives from Project C1 will also need to be applied to this work. Incentives or other work to de-risk sites can encourage interest from landowners and developers. Individual sites will have their own specific challenges; grouping and progressing tranches of sites will reflect their immediate market readiness. Decisions will also need to be informed by the area-wide neighbourhood building activities considered in Project E1.

D1. IDENTIFY SITE DEVELOPMENT OPPORTUNITIES

Description	Land use activities and development opportunities are identified and reported using annual site surveys.
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	An overall picture of land supply / development opportunities for future years of the Programme emerges.
Timeframe	A continuation and advancement of work that commenced in 2016 – surveys will be completed every 12 months.
Stakeholders	Developers, community, housing providers.
Deliverables	Data and mapping of development sites and opportunities. Visualisations of trends in land use change. Reporting of annual survey results.
Example	Existing biannual survey.

D2. SITE INVESTIGATION, EVALUATION AND FEASIBILITY

Description	Investigations and development modelling activities aimed at understanding the potential of development sites across the Central City. This action will act on the findings on Project D1, with consideration of how the outputs of Project B2 may be appropriately applied to encourage development. This will be primarily a desktop based assessment process using existing knowledge and data, supplemented by targeted investigation as required.
Stakeholders	Developers, land holders, regeneration partner organisations.
Deliverables	Site evaluations, site packages with accompanying delivery plans.
Example	<i>Christchurch City Council social housing programme:</i> Work included the identification of priority sites, typology feasibility analysis, context analysis and planning framework. This information was prepared in advance to assist developers in preparing tenders for projects. Fletcher Living, Colombo Street – Housing Accord site.

Project Area 5: Improving the Investment Proposition

The focus for this project area is to target the right tools to the right place. The first step will be to understand the qualities of the existing Central City neighbourhoods. Then, through a variety of mechanisms and approaches, the next step will be to deliver the amenity, infrastructure and social support to increase liveability, increase demand and ultimately make neighbourhoods a better development proposition.

E1. NEIGHBOURHOOD LEVEL PLANNING & ENGAGEMENT

Description	Area wide investigation, cataloguing and mapping to identify neighbourhoods within the Central City suitable for place based development evaluation and analysis, community engagement and neighbourhood-based planning. Design-led master planning of neighbourhood development and enhancement. Planning and engagement will consider and lock-in mechanisms, including regenerations plans, to enable the land purchase, infrastructure or public realm improvements that will support comprehensive and coordinated housing development. The focus will be on encouraging the use of land for good quality medium to high density housing within attractive neighbourhood environments.
Stakeholders	Communities, developers, landowners.
Deliverables	Neighbourhood evaluation and prioritisation report(s). Tranche 1 draft neighbourhood plans complete.
Example	<i>Christchurch Central City South Master Plan</i>

Memos



Memorandum

Date: 28 August 2018
From: Development Forum
To: Christchurch City Council
Cc:
Subject: Development Forum - 27 August 2018
Reference: 18/896937

1. Purpose of this Memo

- 1.1 On 22 August 2018 the Strategic Capability Committee considered a report on the Central City Residential Programme (Project 8011) and made a series of recommendations to the Council. The Committee also passed the following resolution requesting the Development Forum's consideration of the matter:
Refer these resolutions and the paper to the Development Forum so that they can add their proposed programme for the year together with a proposal to review the Development Forum make up, terms of reference, scope and focus to ensure alignment with the Council priorities and those of the development community, central city residents associations and central city business associations (including the Canterbury Employers Chamber of Commerce).
- 1.2 The Development Forum considered the report and the Strategic Capability's recommendations on 27 August 2018.
- 1.3 The Development Forum put forward alternative recommendations for the Council to consider. The Forum's full recommendations are copied in section 2. below.
- 1.4 The differences between the Strategic Capability Committee's recommendations and the Development Forum's recommendations are as follows:
 - 1.4.1 Clause 5. of the Strategic Capability Committee's recommendations was removed.
 - 1.4.2 In its place, the Forum added clauses 6. and 7. as set out below, which incorporate Development Christchurch Limited into the reporting and widen the scope of potential incentives and disincentives so the report does not focus solely on financial instruments.

2. Development Forum Recommendations

That the Council:

1. Receives the Central City Residential Programme (Project 8011) report, overview and details of first three year work plan for the Programme.
2. Notes that increasing residential activity in the central city is a current strategic priority and has been a consistent priority for the City and Greater Christchurch for many years, as reflected in the 2007 Greater Christchurch Urban Development Strategy.
3. Notes that the importance of a prosperous and vibrant central city to the success of the sub-region has been recognised by the Greater Christchurch Partnership Committee (GCPC) and Chief Executives Advisory Group (CEAG) and is a priority for the Future Development Strategy currently being prepared by the Partnership.
4. Requests that the Chief Executive proceed to provide a central city residential development service as soon as possible, the details of which are to be developed in collaboration with the range of central city stakeholders.

Memos



5. Request further information on the promotion and delivery of alternative development and housing tenure models.
6. Requests Development Christchurch Limited (DCL) and the Chief Executive to report back and provide advice to the Development Forum within 3 months on a range of tools, incentives and disincentives for landbanking/undeveloped land, giving timeframes for each action, to fast track residential development and the regeneration of the Central City to assist in achieving the goal of 20,000 people living within the Central City by 2028.
7. Requests the Chief Executive to advise on the monitoring and review programme on the public realm maintenance and upkeep contracts.

3. Terms of Reference

- 3.1 The Development Forum also discussed potential updates to its terms of reference.
- 3.2 The amendments that the Development Forum proposed are:
 - 3.2.1 Removing the Forum's responsibility for considering development in suburban centres, allowing the Forum to focus on the Central City.
 - 3.2.2 Amending the reporting line so that the Forum reports directly to the Council.
 - 3.2.3 Widening the Forum's membership, including additional Councillors and Central City Residents Associations.
- 3.3 The Forum also discussed the importance of identifying the appropriate bodies to support development of suburban centres, most likely to be local Community Boards.
- 3.4 Amended Terms of Reference will be provided to the Council for approval in a separate report.

Attachments

There are no attachments to this report.

Signatories

Author	Aidan Kimberley - Committee and Hearings Advisor
Approved By	Leonie Rae - General Manager Consenting and Compliance

27. Development Forum - Terms of Reference

Reference: 18/917682

Presenter(s): Leonie Rae – General Manager Consenting and Compliance

1. Purpose of Report

- 1.1 The purpose of this report is for the Council to consider and adopt updated Terms of Reference for the Development Forum.
- 1.2 This report has been generated at the request of the Development Forum to allow it to focus on Central City Development matters, including supporting the Council's goals set out in the Central City Momentum Action Plan.

2. Staff Recommendations

That the Council:

1. Revokes the delegation to the Innovation and Sustainable Development Committee to approve the Development Forum's Terms of Reference.
2. Adopts the revised Development Forum Terms of Reference as set out in Attachment A.
3. Agrees that the quorum for a Development Forum Meeting is *[insert figure here]*.

3. Key Points

- 3.1 The Development Forum met on Monday 27 August 2018 and discussed potential revisions to its Terms of Reference. The matters raised by the Forum include:
 - 3.1.1 Removing the Forum's responsibility for considering development in suburban centres, allowing the Forum to focus on the Central City.
 - 3.1.2 Amending the reporting line so that the Forum reports directly to the Council.
 - 3.1.3 Widening the Forum's membership, including Central City Residents' Associations and all Councillors.
- 3.2 The revised Terms of Reference set out in **Attachment A** incorporate the amendments requested by the Development Forum. They also incorporate the following changes recommended by Council Staff:
 - 3.2.1 An additional responsibility: *Focusing on ways to support and deliver the Council's goals set out in the Central City Momentum Action Plan.*
 - 3.2.2 Replacing the Canterbury Development Corporation with ChristchurchNZ in the membership section.
 - 3.2.3 The meeting cycle is changed from quarterly to bimonthly (once every two months).
- 3.3 The Council has delegated the authority to approve the Development Forum's Terms of Reference to the Innovation and Sustainable Development Committee. This means that the Council currently does not hold the authority to amend the Terms of Reference, but it can reinstate its authority to do so by revoking the delegation.

- 3.4 Staff also recommend that the Council consider the quorum required to constitute a Development Forum meeting. The Forum's existing quorum (which is that at least half the members must be present) may not be practical given the large increase in the Forum's membership. The Council may want to consider setting a lower quorum. It may also decide to require a certain number of private sector members and/or councillors to be present.

Attachments

No.	Title	Page
A ↓	Development Forum - Proposed Revised Terms of Reference	123

Signatories

Author	Aidan Kimberley - Committee and Hearings Advisor
Approved By	John Filsell - Head of Community Support, Governance and Partnerships Leonie Rae - General Manager Consenting and Compliance

Central City Development Forum – Terms of Reference

Chair	Councillor Gough
Deputy Chair	Councillor Templeton
Membership	<p>The Mayor and All Councillors</p> <p>One representative from each of the following organisations:</p> <ul style="list-style-type: none">• ChristchurchNZ• Canterbury Employers' Chamber of Commerce• Christchurch Central City Business Association• Development Christchurch Limited• Property Council of NZ – South Island• Real Estate Institute of New Zealand Incorporated• Central City Residents Association
Quorum	To be determined by the Council
Meeting Cycle	Bimonthly (every two months), or otherwise as required
Reports To	The Council

Responsibilities

The Central City Development Forum is responsible for:

- Focusing on ways to support and deliver the Council's goals set out in the Central City Momentum Action Plan
- Considering innovative ways to support development of the Central City Facilitating engagement between the development community in Christchurch and the Council on matters relating to development in the Central City
- Developing a shared understanding of development drivers and trends in Christchurch
- Exploring collaborative approaches to development issues that facilitate faster and/or further development opportunities.
- Sharing knowledge and experience to promote the responsiveness and efficiency of the Council's policy, planning, regulatory and infrastructure provision functions as they relate to development within the Central City.
- Identifying and implementing opportunities to promote Christchurch as a world-class city that is development friendly.

Membership

- The Forum has delegated authority, to be exercised by way of a simple majority vote, to co-opt additional voting members for a specified period of time to provide expert knowledge or advice as is deemed necessary to achieve the forum's purpose.
- At the Chairperson's discretion the Forum has the ability to co-opt non-voting members to provide expert feedback around items which may arise.
- The power to make permanent changes to the Forum membership remains with the Council.
- At the discretion of the Chairperson, relevant stakeholders, strategic partners and staff may be invited to attend the Forum as required in a non-voting capacity to contribute and inform discussion.

Limitation of Powers

- The forum shall operate in such a way that it does not compromise the Council's freedom to deliberate and make such decisions as it deems appropriate.
- The forum does not have the ability to commit the Council to any course of action or expenditure. It may make recommendations that will follow due process to seek a Council resolution.
- Recommendations may be provided to the Council by way of a report from the Forum Chair.

Term of Appointment

- The forum shall operate for the duration of the 2016-2019 electoral term.
- Upon the commencement of the 2019-2022 electoral term the Forum shall be considered discharged and cease to operate, unless it is reconstituted by the incoming Council.

Operating Principles

The forum will observe the following principles in all its meetings:

- Give consideration to the interests of the stakeholder groups represented by all Forum members.
- Work in a collaborative and co-operative manner using best endeavours to reach solutions that take account of the interests of all sectors of the community.
- Members represent the interests of their stakeholder group and will not use the Forum to pursue specific individual benefit.
- Any conflicts of interest will be declared.
- Forum members and any stakeholders or staff invited to contribute will provide information based on empirical evidence, established best practice or experience where possible. Where an option is anecdotal or not supported by evidence this must be made explicit.
- In considering development matters, members will be mindful of Council strategic documents and directions that have been developed in consultation with the community

28. Mayor's Monthly Report - August 2018

Reference: 18/895803

Presenter(s): Lianne Dalziel, The Mayor

1. Purpose and Origin of Report

Purpose

The purpose of this report is for the Mayor to report on external activities she undertakes in her city and community leadership role; and to report on outcomes and key decisions of the external bodies she attends on behalf of the Council.

Origin

This report is compiled by the Mayor's office.

2. Mayors Recommendations

[That the Council:](#)

- [1. Receive the information in this report.](#)

Attachments

No.	Title	Page
A ↓	Mayor's Report August 2018	126

Mayor's Report to Elected Members – August 2018

Foreword

August has been another busy month, despite having some forced downtime during the second week. I want to acknowledge Deputy Mayor Andrew Turner & fellow Councillors who covered for me.

Speaker at Environmental Defence Society (EDS) Conference

I was pleased to participate in a moderated panel discussion about urban reform at the EDS conference. Our discussion was preceded by an address from Hon Phil Twyford and focussed on the challenges we face in terms of growth in population & infrastructure, and the trade offs between short and long term objectives.



Official Opening of Linwood North School Hall

The opening of Linwood North School's new hall, coincided with its 110th anniversary. It was great that the Governor-General, Dame Patsy Reddy, was able to undertake the official honours. She gave a speech that I am sure the children will always remember her story about her background, born to two teachers in a rural setting.



Hiroshima Day Commemoration

I was invited to attend a ceremony at the Peace Bell in the Botanic Gardens to commemorate the Atomic bombings of Hiroshima and Nagasaki, 73 years ago, and in recognition of last year's successful negotiation of the Treaty on the Prohibition of Nuclear Weapons. It was a sombre and respectful occasion, with the memory of those lost and affected in those tragedies at front of mind during that time. It is important that we continue to commemorate these events, as we cannot afford to lose the memory of the tragedy they represent. Unfortunately I fainted during the ceremony, hitting my head and causing concussion.



Super Rugby Final: Crusaders v Lions

It was fantastic to see our Canterbury Crusaders go back-to-back in the Super Rugby Championship, beating the Lions convincingly in front of a home crowd. As the self-appointed sporting capital of New Zealand, it is always pleasing to see our team succeeding, especially before a home crowd.



Refugee Resettlement Programme Announcement

Next year will see the reinstatement of Christchurch as a resettlement location for quota refugees for the first time since the earthquakes. The Minister of Immigration, Hon Iain Lees-Galloway, came to the Philipstown Hub for the announcement.



This is another milestone in the recovery of our city, as well as an important step for the Government's commitment to increase the country's annual refugee quota.

I spoke about how our existing refugees had played an important part in the city's response after the earthquakes, and how they have continued to bring a rich and diverse range of cultures and experiences to our communities.



Anniversary of Multicultural Strategy

August 29 marked the first anniversary of the City's Multicultural Strategy, and I attended an enjoyable evening that celebrated the progress our city has made in that time. The New Zealand Federation of Multicultural Councils took the opportunity to present an award to Council in recognition of being the first NZ city to adopt such a strategy.



This was received by Cr Jimmy Chen. I took the opportunity to acknowledge Cr Chen, who, as Chair of the Multicultural sub-committee, has been so committed to breathing life into the strategy.



Welcome to Hila Oren

The Christchurch Foundation this month welcomed the city's very first 'thinker in residence,' to Christchurch. Hila Oren is an inspiring person, whose work has focussed on the importance of global cities. This is the first year of a five-year initiative where thought leaders from around the world will be brought to Christchurch to help us connect with all that we want to be as a city. It was great to be able to welcome Hila on behalf of the City and the Foundation.

Remembering Riki Te Mairaki Pitama



Known by many across the council community as Uncle Riki, Riki Te Mairaki Pitama passed away on the 10th August. Riki epitomised the true sense of rangatira and kaitiaki, and was a steward of karakia, history, whakapapa and stories. During his time in Christchurch, Riki supported Council by leading communities in blessings and cultural events, caring as he did for all people. He served his iwi, his hapū and his whānau with dignity and grace, and he will be missed. E te rangatira, moe mai rā i tō moe roa—May he rest in peace.

Gardiners Road pump station visit

Along with a number of councillors and staff, I visited the city's newest water supply pump station at Gardiners road. Given our desire to re-establish a clean and safe drinking water supply for Christchurch residents, (without the chlorine), it is vital that we are well-informed and have up-to-date information. I have to say I was incredibly impressed with the quality of the infrastructure and how it has been designed to ensure the city's resilience.



Stakeholder function—Creative NZ

It was pleasing to attend another Arts Council stakeholder function to connect with Christchurch arts. I received really positive feedback for the concept of co-creation for this new city strategy, and for making the ownership and delivery of the outcomes a joint effort across art leaders and stakeholders.

2018 WORD Festival: An Evening with Helen Clark



It was such a privilege to interview Helen Clark about her new book, *Women, Equality, Power: Selected Speeches from a Life of Leadership*, as part of the of the 2018 Christchurch WORD Festival. Our conversation covered her time as a Member of Parliament, Prime Minister and Administrator of the UNDP. We spoke about the challenges women face today and the challenges of breaking through the 'glass ceiling'. Helen received a standing ovation.

2018 WORD Festival Writers welcome

I had the honour of welcoming all the local and visiting writers to Christchurch. In so doing I also acknowledged the important role of the sponsors and the organisers who ensure the festival happens. As the largest literary festival in the South Island, the biennial WORD festival provides yet another opportunity for readers to be challenged, entertained and inspired. Every year it goes from strength to strength.

SkillWise Visit

I was invited to take a tour of SkillWise, a local community organisation dedicated to supporting people to find paid work in the open labour market. It was rewarding to learn about SkillWise disabland meet some of the people they support and help develop. We had a good conversation about Council procurement policy as a mechanism for improving social outcomes and opportunities.

Farewell Ardas Trebus, Women's Centre Manager



Ardas Trebus has been the Manager of the Women's Centre Christchurch for the last 15 years, ensuring that it survived the dislocation caused by the February earthquake. Her leadership has been outstanding and she has left a strong platform to build on.

Water New Zealand Workshop

Water New Zealand (Water NZ) has been running a series of consultation workshops throughout the country to hear the public's views on water regulation and delivery options for the future. I attended the Christchurch workshop alongside Cllrs Cotter, Buck, Chen and Swiggs, to share our views from a Local Government perspective. There is serious concern about the 'advocacy' role that Water NZ has adopted, which has focussed on the development of corporate water management structures and the removal of local democratic decision making.

Announcement of Hot Spring T20 Christchurch Black Clash

In August we announced the upcoming T20 event between Team Rugby and Team Cricket in the Hot Spring Black Clash. This unique event will bring together a number of legends from the cricketing and rugby fraternities, with current and former All Blacks and Black Caps playing to raise money for welfare funds of the of the players associations of both sporting codes. It will be fantastic to play host to so many sporting legends and fans at this exciting summertime event.



External meetings

Greater Christchurch Partnership Committee, 10 August

This month, the GCP committee formal meeting's agenda was a short one. It focussed on the July update report for the Urban Development and Regeneration activities across Greater Christchurch. The report gave the committee information of work streams and projects occurring across all the GCP partner agencies, and the committee resolved to receive the report.

Greater Christchurch Public Transport Joint Committee, 15 August

This month, the Joint PT Committee discussed and approved the draft Regional Public Transport Plan for consultation. The Plan will be out for formal consultation in mid-September. This is the first time that the public transport plan has been developed in partnership between the local authorities and the regional council. The Plan outlines the long term direction for public transport which aligns to the work on the future PT business case, and it sets out a new network to be in place by 2020. The new network incorporates enhancements to service frequencies and the addition of new high frequency service core routes taking the existing five core routes to nine.



Rt. Hon David Blundell, British Secretary of State

It was great to meet the British Secretary of State for Scotland, Rt. Hon David Blundell, with the British High Commissioner to NZ, Laura Clarke



Angela Mentis, Managing Director and CEO of BNZ

Karleen & I enjoyed meeting Angela Mentis, the first female Managing Director & CEO of BNZ.

Events and meetings calendar

- Aug 01 — Speaker at Environmental Defence Society Conference, Auckland
- Aug 03 — Community Board Chairs Monthly Meeting
 - Opening of Linwood North School Hall
 - Welcome to Rt Hon David Mundell, Secretary of State for Scotland
 - Best Red and Black Shop Window Competition, Riccarton Placemakers
- Aug 04 — Super Rugby Final, Crusaders v Lions
- Aug 05 — Remembering Atomic Bombings of Hiroshima and Nagasaki, ringing the World Peace Bell in commemoration
- Aug 06-10— Absent
- Aug 13 — Meeting with Angela Mentis, Managing Director of BNZ
- Aug 14 — Teleconference with SAHMRI Wellbeing & Resilience Centre to discuss potential links
- Aug 15 — CCHL Board Meeting
 - Greater Christchurch Public Transport Joint Committee Meeting
- Aug 16—Meeting with Carolyn Tremain, CE of MBIE
- Aug 18 —Refugee Announcement
 - Attended the funeral of Baden Norris
- Aug 22 — Farewell of outgoing Otakaro CE Albert Brantley, & welcome for John Bridgeman
- Aug 23 — Farewell to Ardas Trebus, Manager of the Women's Centre for 15 years
- Aug 27 — Announcement of Hot Spring T20 Black Clash
 - Welcome to Hila Oren, Christchurch Foundation, Thinker in Residence Programme
- Aug 29 —Gardiner Road Pump station visit
 - Stakeholder function for Creative New Zealand
 - 1 year multicultural strategy celebration
- Aug 30 —WaterNZ workshop
 - Skillwise visit
- Aug 31 — WORD Christchurch: An Evening with Helen Clark
 - WORD Christchurch Festival 2018 official welcome to writers

17. Resolution to Exclude the Public

Section 48, Local Government Official Information and Meetings Act 1987.

I move that the public be excluded from the following parts of the proceedings of this meeting, namely items listed overleaf.

Reason for passing this resolution: good reason to withhold exists under section 7.

Specific grounds under section 48(1) for the passing of this resolution: Section 48(1)(a)

Note

Section 48(4) of the Local Government Official Information and Meetings Act 1987 provides as follows:

“(4) Every resolution to exclude the public shall be put at a time when the meeting is open to the public, and the text of that resolution (or copies thereof):

- (a) Shall be available to any member of the public who is present; and
- (b) Shall form part of the minutes of the local authority.”

This resolution is made in reliance on Section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public are as follows:

ITEM NO.	GENERAL SUBJECT OF EACH MATTER TO BE CONSIDERED	SECTION	SUBCLAUSE AND REASON UNDER THE ACT	PLAIN ENGLISH REASON	WHEN REPORTS CAN BE RELEASED
29.	CHIEF EXECUTIVE KEY PERFORMANCE INDICATORS	S7(2)(A)	PROTECTION OF PRIVACY OF NATURAL PERSONS	PROTECTION OF PRIVACY OF NATURAL PERSONS	ONLY VIA AN AGREED STATEMENT FROM THE MAYOR
30.	PUBLIC EXCLUDED STRATEGIC CAPABILITY COMMITTEE MINUTES – 3 SEPTEMBER 2018			REFER TO THE PREVIOUS PUBLIC EXCLUDED REASON IN THE AGENDAS FOR THESE MEETINGS.	