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**Christchurch City Council**  
**PUBLIC EXCLUDED ATTACHMENTS UNDER SEPARATE**  
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**Date:** Thursday 10 March 2022  
**Time:** 9.30am  
**Venue:** Held by Audio/Visual Link

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<b>Section under the Act:</b>	The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.
<b>Sub-clause and Reason:</b>	s7(2)(h) - The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.
<b>Plain English Reason:</b>	The details within this report are commercially sensitive to the proposed purchaser, including price.
<b>Report can be released:</b>	Upon transfer of property in question.

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## 29. Performing Arts Precinct, Off Street Car Parking

Reference / Te Tohutoro: 21/367047

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### Confidentiality

Section under the Act:	The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.
Sub-clause and Reason:	s7(2)(b)(ii) - The withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.  s7(2)(h) - The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.
Plain English Reason:	This report contains proposed commercial arrangements under which Council will work with the preferred car park supplier.
Report can be released:	28 February 2023  TBC Around three months after the programmed opening date of the car park

### 1. Purpose

- 1.1 This report updates Councillors on the market response to the 2020 procurement process for an off street public parking building solution on the Performing Arts Precinct.
- 1.2 In alignment with previous resolutions, staff present here a recommendation as to a preferred respondent (supplier) for the design, construction and subsequent ownership and operation of the sought facility.
- 1.3 The decision in this report is of low significance in relation to the Christchurch City Council's Significance and Engagement Policy. The level of significance was determined by staff noting that the development of a Performing Arts Precinct in the Gloucester Street / Colombo Street, Armagh Street area is an anchor project in the Christchurch Central Recovery Plan (or *Blueprint*). The community has been aware of this since the Recovery Plan's gazetting by the Canterbury

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Earthquake Recovery Authority (CERA) in 2012 - and that the proposal is therefore consistent with the Recovery Plan.

- 1.4 Secretarial Note: This report was considered by the Finance and Performance Committee at its meeting on 25 March 2021. The following documents, included as attachments to the report in this agenda, were provided at that meeting:

- D. Presentation Performing Arts Precinct Off Street Car Parking
- E. Supplementary Memorandum to Committee 24 March 2021
- F. Commercial Valuation Report

The Committee resolved that the item should lie on the table to allow staff to prepare additional information for consideration at the Council meeting 8 April 2021, as below:

*That the Finance and Performance Committee:*

- 1. *As per Standing order 20.2(e) the item of business being discussed should lie on the table and not be further discussed at this meeting, and*
- 2. *To allow staff to prepare additional information for consideration at the Council meeting on 8 April 2021 on the following options and implication for them, for the provision of car parking in the Performing Arts Precinct:*
  - a. *the current staff recommendation.*
  - b. *the Council leasing land a third party which would build and operate the parking facility.*

The additional information requested is included in Attachment G to this report:  
Supplementary Memorandum - Additional Information requested - 1 April 2021

## 2. Officer Recommendations / Ngā Tūtohu

*That the Council:*

- 1. Confirms 'the Joint Venture of Clearwater Construction Ltd / Wilson Parking NZ Ltd' as the preferred respondent from the Performing Arts Precinct Car Park RFP evaluation process.
- 2. Delegates authority to the Chief Executive Officer to negotiate and conclude on terms and conditions acceptable to her a conditional agreement with 'the Joint Venture of Clearwater Construction Ltd / Wilson Parking NZ Ltd' (or nominee) (subject to and conditional on Council undertaking its statutory obligations in relation to the disposal of land and resolving to dispose of the required land if that is considered appropriate by the Council).
- 3. Instructs staff to release a public communication detailing the update of the procurement process.
- 4. Approves that funds in relation to street-works changes to Gloucester Street are brought forward in the draft capital programme to FY23 to enable an improved alignment with the construction and opening of the Court Theatre and the Performing Arts Precinct Parking Building.
- 5. Recommends that the Council instructs staff:
  - a) Following negotiations and conclusion of the conditional agreement referred to in resolution 2 above, to commence public consultation under Section 138 of the Local Government Act, on the proposed land disposal to 'the Joint Venture of Clearwater Construction Ltd / Wilson Parking NZ Ltd', including 2,051m<sup>2</sup> (approx.) of land located at

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133-141 Gloucester St. The results of which to be reported back to Council for final decision on the transaction.

- b) To update the Finance and Performance Committee at key milestones throughout the design, consenting process and prior to construction commencing on site.
6. The details of this report shall be publically released in the event of a completed sales transaction and settlement.

### 3. Executive Summary

- 3.1 Council is asked to confirm the preferred respondent consortium identified through the request to market - to design, construct and subsequently own and operate a new public parking building within the Performing Arts Precinct. This conforms to the terms of the request to market. Council is further asked to delegate authority to the Chief Executive Officer to enter into negotiations with the preferred respondent - and, in the event that negotiations are successful, to enter into a conditional agreement (Agreement) with the preferred respondent. A significant element of the Agreement would relate to the potential disposition by Council of a freehold parcel of land required for the project to the preferred respondent consortium, subject to Council completing necessary statutory obligations, including but not limited to public consultation under the Local Government Act.
- 3.2 This report has been written to fulfil Council Resolution CNCL/2018/00135, where Council resolved the following:
  - 3.2.1 Explore options for off-street car parking solutions in or near the PAP (Performing Arts Precinct) to service the North of the (central) city including seeking and investigating the viability of third party leasing and partnership opportunities.
  - 3.2.2 Should staff identify the need for a new car park in the PAP:
    - Provide a status report to the Council by 30 November 2018.
    - Commission a business case and concept design process for a PAP car park that delivers optimal benefits to the PAP and wider city. This process will consider the best configuration for the PAP to potentially accommodate additional facilities at a later stage.
    - Present a viable car park business case and concept design to Council for approval by 31 March 2019, subject to public engagement requirements. Construction contracts will not be released to the market until Council have approved the car park business case and concept design.
  - 3.3 An Expression of Interest (EOI) for Public Parking Building Solutions in the Northern Christchurch CBD was released to the market in December 2018, with its focus on options to principally serve the Performing Arts Precinct. The EOI yielded a number of alternative responses and approaches from the marketplace, with a number of the options ranging from third party funding and subsequent operation of a facility, to various funding partnership arrangements with Council. The subsequent request for proposals procurement process was delayed due to Council awaiting the transfer of the necessary land for a parking building to be achievable within the PAP, under the global settlement with the Crown. In anticipation of the imminent global settlement, Council issued its request to market on 23 August 2019, with the global settlement (and transfer of the parking building land) subsequently concluding on 23 September 2019. The request to market closed on 18 October 2019.

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Item 15

Attachment A

- 3.4 The conclusion of the procurement process had identified a preferred respondent as being a Joint Venture (designer, builder and operator) for a new parking building of circa 400 spaces, to be constructed by the Joint Venture within the Performing Arts Precinct. The preferred respondent proposal, intended to be presented to Council in the early part of 2020, would have been in principle for a 30+ year lease of the parking building from Council, with the asset transferring to Council after that date (ie circa 2050). Unfortunately, this opportunity was lost following the Covid-19 global pandemic and the significant economic pressure faced by the intended parking building funder, owner and operator. The project was therefore unable to continue and the tender process was terminated by Council.
- 3.5 In view of the ongoing need to provide such a facility in support of the PAP and the terms of the global settlement, staff subsequently assessed a number of alternative approaches intended to re-engage the market and achieve a parking building facility within a reasonable time frame. Council's concluded agreement with the Court Theatre in mid-2020 accentuated the priority of ensuring timely delivery of a parking building to meet the needs of patrons of the theatre and nearby facilities. This resulted in an entirely new request to market process for a parking building to be located within the PAP precinct and sympathetically designed to align with the emerging concept designs for the new Court Theatre, to be located to its west.
- 3.6 The fresh request for proposals was issued to the open market in November 2020 and sought an external party to develop a public parking building entirely on the Performing Arts Precinct, seeking for it to be owned and operated in perpetuity by a preferred respondent. The Request for Proposals featured the inclusion of a long-term lease for the parking building land, or the alternative option of respondents seeking the parking building land sale from Council – with it being made clear this was subject to Council approvals as part of any Agreement.
- 3.7 The parking building is important in supporting the public parking (primarily short stay) needs of the performing arts precinct itself, but also the reasonable public parking needs of *Te Pae* (the forthcoming Christchurch Convention Centre), *Tūranga* (the Christchurch Central Library) and other important civic buildings, facilities and activities in this area of the central city north of Cathedral Square. This area, north of Cathedral Square is currently locally inadequately served primarily by temporary 'at-grade' parking lots. Provision for central city public parking capital replacement features in Council's Long Term Plan 2018-21. The Christchurch Central Parking Plan (CCC, 2015) envisages the need for new off-street public parking building or buildings, primarily short stay in the central core somewhere north of Cathedral Square. This proposal is therefore consistent with that outcome.
- 3.8 Car parking is a permitted activity in the Performing Arts Precinct designation. The divestment of land is permissible under the terms of the Global Settlement Agreement.

#### 4. Reason for Report Recommendations

- 4.1 The Committee is asked to approve the recommended option, allowing the Chief Executive Officer to negotiate and execute a conditional Agreement with the preferred respondent (subject to final decision on the land sale by Council).
- 4.2 The project will contribute important public parking supply to help meet the existing and projected public parking needs of the Performing Arts Precinct and nearby existing and proposed civic facilities and activities, including the Isaac Theatre Royal, planned Court Theatre, The Piano, *Tūranga*, *Te Pae* and, to some extent, the Town Hall.
- 4.3 A project delivery date of November 2022 has been sought for the substantive completion of the project, as a functioning public parking building through the approach to market. The timely completion of the facility will meet both the reasonable existing public parking needs

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of existing PAP venues and nearby important civic facilities and activities, as well as ensuring the facility is in place prior to the opening of the new Court Theatre in mid-2023.

## 5. Proposal Details

- 5.1 Council issued a Request for Proposals to the market on 12 November 2020, with the RFP closing (following an agreed extension) on 22 December 2020. The Council received four proposals, one of which was deemed non-compliant against the stated evaluation criteria. The proposals were assessed and scored by an evaluation panel, formed of Council staff and external specialist advisors. A Preferred Supplier has been identified; this being the Clearwater Consortium, (Clearwater Construction Limited as a Design and Build Contractor with Wilson Parking NZ Limited as parking manager/operator and owner of the facility in perpetuity).
- 5.2 The multi-disciplinary panel was formed of Council staff across the disciplines of Capital Delivery - Major Facilities, City Services - Transport, Strategy and Transformation – Urban Design and Heritage, together with external specialist advice concerning architectural matters and funding and business case issues. Procurement and evaluation governance was led by the Council's Procurement Unit, along with the services of an external Probity Advisor. At the conclusion of the evaluation, the Clearwater Consortium achieved the highest scoring proposal against the evaluation criteria.
- 5.3 There has been an initial meeting with the preferred respondent, whereby it was informed that it is the preferred respondent, subject to and conditional upon Council confirmation. At the meeting, the preferred respondent was advised that Council would now be working through its procedures in terms of negotiating and signing an appropriate agreement that is conditional upon Council approval.

### Summary of Clearwater Consortium Proposal as Preferred Respondent

- 5.4 With reference to the concept design and drawings in Attachments B and C, the consortium proposes to design, construct, manage and operate a 380 space parking building on the site Council has set aside within the PAP, (refer Figure 1). This exceeds the minimum number of parking spaces Council sought from the market – i.e. 320 parking spaces.
- 5.5 The proposal commits to the practical completion of the building by November 2022 (as sought through the RFP) – importantly, subject to a contract being secured with Council early in Q2, 2021. This is in turn conditional upon Council, having completed public consultation, resolving to dispose of the land - as is requested by the respondent. Council staff are confident that if the land disposal decision is positive and final Agreement terms can be reached early in Q2, 2021, the delivery timetable of a late 2022 construction completion is realistic.
- 5.6 The consortium wishes to purchase the required land from Council (which was an option outlined in the RFP, subject to necessary Council approvals). Staff have obtained a professional valuation indicating a land parcel value of circa \$4million NZD (based on 2,051m<sup>2</sup>).



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Figure 1 – block outline plan showing location of proposed car park building within the Performing Arts Precinct

#### 5.7 Key Features of Preferred Supplier Proposals

- 5.7.1 Subject to and conditional on Council approval following public consultation, a parcel of land on the Performing Arts Precinct would be sold as requested to the recommended supplier. A new off street car parking building would be constructed, owned and operated in perpetuity by a third party consortium - to a design that incorporates the majority of Council's sought creative arts and urban design needs as set out in the Principal's Requirements (attachment A) - at little / no risk exposure to Council.
- 5.7.2 No significant capital funding is required by Council towards the delivery of the facility – thus minimising any call on Council's existing Long Term Plan budget allocation of \$8.2m for central city parking capital replacement. Any residual capital cost to Council to enable construction to progress would likely be limited to the upgrade of an electrical transformer (required in general for the PAP) - and (to be separately advertised) desirable off-site street-works changes to Gloucester Street (Colombo Street to Manchester Street), which are themselves a separate item in Council's draft Long Term Plan (2021-31).
- 5.7.3 Council would receive \$4million for the sale of the land from the recommended supplier for the building's construction.
- 5.7.4 Land remediation costs are met by the recommended supplier – at no cost to Council.

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- 5.7.5 An attractive and well-developed design is developed from the submitted concept stage design, in response to Council's principal requirements (Attachments A, B and C).
- 5.7.6 Delivery of all required compliance and service requirements by the recommended supplier consortium, including:
- Suitable provision for dedicated mobility impaired parking spaces in convenient locations;
  - storage for cycles and e-scooters;
  - provision from opening of electric vehicle (fast) charging capabilities – subject to further analysis, intended to be 20 EV charging points on opening;
  - subject to detailed design, an attractive design of building façade, achieving ground floor activation (retail, hospitality as appropriate to the PAP precinct activities and public spaces), pedestrian connectivity to and through the Performing Arts Precinct;
  - public universal access toilet facilities serving the entire PAP precinct – accessible 24/7;
  - a clear focus on the longer term sustainability of the building, including the addition of solar energy into the design as a main component of its energy source. This is understood to be the first such parking building in the country to propose this feature;
  - the potential for subsequent optional adaptability of the building, subject to the owner's evolving needs beyond the reasonable expected life of the public parking facility (circa 25+ years), due to a flat slab design and floor to floor heights of 3.1m;
  - a willingness from the preferred respondent to work with key partners such as the Court Theatre and Isaac Theatre Royal on a system of combined / integrated and seamless event and parking ticketing (likely to be achievable through some form of electronic number plate recognition technologies);
  - All such parking management systems to be linked to the central city's public parking wayfinding and occupancy systems.
- 5.7.7 The project aligns well with Council's Strategic Objectives – refer Section 7.
- 5.7.8 If the land is sold, the Council receives the benefit of an encumbrance or covenant registered against the land title requiring the land to be used as a public carpark for a fixed period of time.

## 6. The Site

- 6.1 The site proposed is 2,051m<sup>2</sup> on the South-East corner of the Performing Arts Precinct and abutting the western façade of the Isaac Theatre Royal. Refer Figures 1 and 2.
- 6.2 Council owns the land as a result of the Crown divestment / Global Settlement Process (of 2019). The Council received sixteen individual titles within the block, which combine to allow the precinct projects to progress. Once the final design of the major buildings is determined, the individual titles will be surveyed and amalgamated.
- 6.3 Additional land parcels within the Performing Arts Precinct are earmarked for the Court Theatre development (currently in design), public realm / public space (to the north and west of the proposed parking building) - and for a new future development on the site of 128



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Armagh Street; formerly the Ken's Cameras premises. In a separate process, staff intend to test the market and seek requests for proposals from those who wish to develop the 128 Armagh Street site for a use complimentary to the Performing Arts Precinct and conforming to the PAP designation. Refer Figure 1.

- 6.4 When the Crown owned the land, it placed a designation over the property titles in accordance with the Recovery Plan and the Performing Arts Precinct "anchor project". This designation (District Plan ID 60, V2) allows the development of a Performing Arts Precinct, which includes a car park building to service the adjoining facilities. This designation has transferred to Council as the new land owner in order to realise the intended vision of the Crown.
- 6.5 The land earmarked for the car park is valued at circa \$4 million based on a valuation obtained in October 2020.
- 6.6 The site is vacant and used for short term, temporary car parking and open public space. It is known to be contaminated and this is evidenced by detailed site investigations including two boreholes and seven test pits to characterise the contamination status of the soils.
- 6.7 With the exception of the random presence of asbestos and other low level heavy metal and petroleum hydrocarbon impacts within the dirty fill material, the investigation has shown that the remaining land use activities associated with the former vehicle and engineering workshops and fuel / chemical storage have not resulted in any significant or widespread contamination within the site.
- 6.8 A site management plan for the wider block, including Court Theatre will be developed as part of the future works for the protection of earthworks and for the handling and off-site disposal of contaminated soils. There is no existing hazard or risk to the general public.
- 6.9 Should Council resolve to approve the recommendations in this report, and agree, subject to consultation, to dispose of the land to the preferred supplier, the constructor of the building / new land owner will be responsible for remediating the site. Removal of contaminated material is estimated to cost between \$0.5m and \$1.0m, noting that this cost will vary depending on the structural solution and amount of material disturbed. The estimate is based on similar projects and discussions with demolition companies.
- 6.10 When considering a disposal of the land, Section 138 of The Local Government Act 2002 (LGA) requires Council to undertake consultation. This obligation is reinforced by Section 78 of the LGA, which states Council must give consideration to the views and preferences of persons likely to be affected by, or to have an interest in, the matter. The scale of consultation is determined based on the level of significance to which the matter relates. Noting the 'low' level significance allocated to the land transfer decision, the clear terms of the global settlement with the Crown and the PAP designation (both anticipating a parking building), staff intend to publically advertise the Council's intent to divest the car park land to the preferred supplier, subject to Agreement. This advertisement will be lodged in The Press newspaper following the Council's date of resolution. The advertisement will request any public feedback on the proposal within four weeks.
- 6.11 Council staff are satisfied that the Council's usual "offer back" obligations under section 40 of the Public Works Act 1981 do not apply as the land was originally acquired by the Crown under the Greater Christchurch Regeneration Act, which expressly excluded offer back obligations in respect of the land. It is also considered that an offer back to the Crown itself would not be required as such would be unreasonable in the context of the arrangements provided for in the Global Settlement Agreement.

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- 6.12 When the land was transferred to the Council by the Crown under the Global Settlement Agreement, the Crown registered an encumbrance requiring the Council, in the event it disposed of the land for a non-PAP purpose, that it would maximise the sale proceeds and share 50% of those proceeds with the Crown. That encumbrance expressly provides that a sale of the land for the development of car-parking is deemed to be a PAP purpose, and that accordingly the disposal of the land to the preferred respondent will not be caught by the encumbrance. The Council will ask the Crown to release the encumbrance from the land disposed of, if that eventuates.
- 6.13 In order to ensure the developer utilises the land for the Council's required purpose, an encumbrance will be placed on the land title prior to divestment. This instrument will require the land to be utilised as a primarily public parking building meeting the requirements of the Agreement for a fixed period of time.

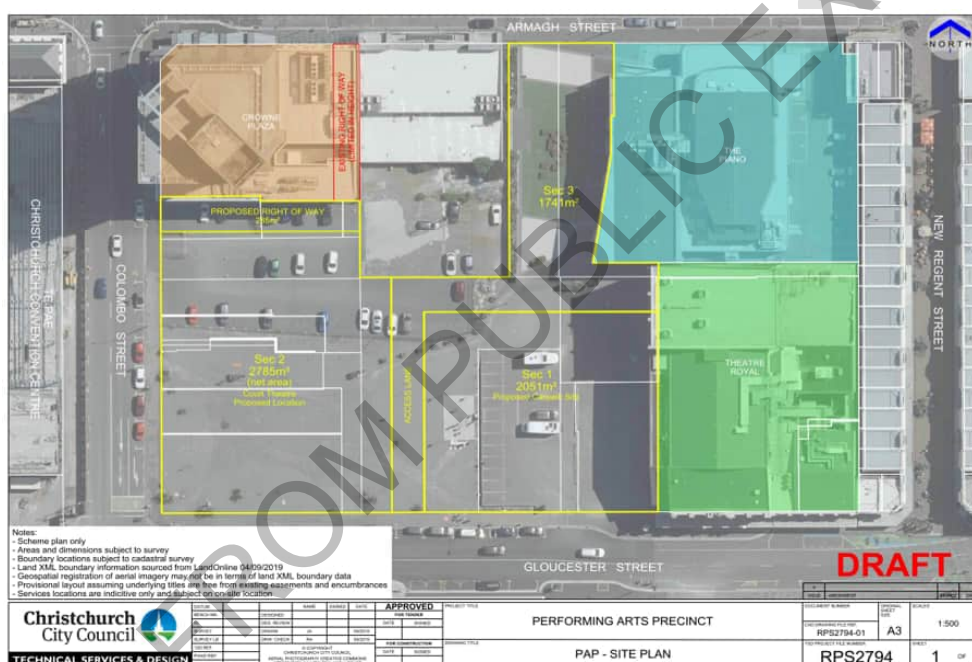



Figure 2 – Performing Arts Precinct Site Plan

## 7. Alternative Options

Council builds, owns and operates the facility

- 7.1 Council may choose to conclude the tender process, refrain from awarding a contract (i.e. refrain from reaching an agreement with a preferred respondent) and build and operate the parking building itself.
- 7.2 This option would require additional funds to be added to the capital programme prior to finalisation of the 2021-31 LTP (based on an estimated build cost of c. \$20m, a further c. \$12m). However, based on projected usage, the operation would create an ongoing revenue stream for Council. In terms of rates impact, this option is projected to generate an ongoing reduction of c. 0.16%, compared to a c. 0.08% reduction under the preferred option.

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- 7.3 The recommendation of the preferred option is driven by a number of factors including reduced exposure to financial risk (preferred option generates up-front financial gain, build and operation would require additional capital investment with ongoing returns varying as transportation preferences change over time), the strength of the private car-parking market already in operation and timeframe (additional design/planning etc. would be necessary resulting in the project's timeframe being deferred). Whilst there would potentially be a limited financial benefit to Council through building and operating the parking building itself, staff recommend this is insufficient to outweigh the factors outlined above.

Do Nothing

- 7.4 Council may choose to conclude the tender process and refrain from awarding a contract. Under this scenario, no off-street public parking building would be provided on Council's behalf to specifically serve the Performing Arts Precinct and nearby civic facilities.
- 7.5 This option would be largely inconsistent with the Council's Christchurch Central Parking Plan of 2015, which envisaged the need for a new primarily short stay public parking building in the central core, north of Cathedral Square. This would likely result, for the foreseeable future at least, in the continued inadequate supply of safe, conveniently placed and well-designed off street public parking to meet the reasonable needs of both the Performing Arts Precinct itself and important nearby civic facilities and activities, such as the forthcoming Christchurch Convention Centre (Te Pae), Tūranga – and to a lesser extent, the Town Hall.
- 7.6 The land set aside for the building within the PAP in the Crown / Council global settlement of 2019 would likely remain vacant within the precinct for the foreseeable future and would be subject to continuing temporary use / landscaping until such time as an appropriate alternative use was identified. The global settlement of 2019 (Section 2, Clause D) included an expectation by the Crown that a parking building would be constructed to support the Performing Arts Precinct, as follows: "The parties agree that the Council will be responsible at its sole cost for delivery of all facilities (including the car park) on the Performing Arts Precinct land being transferred".
- 7.7 The temporary 'at-grade' car parking managed by an external provider on the site would be retained for the time being, simply as meeting a small proportion of the existing and growing public parking needs of the Performing Arts Precinct, *Te Pae*, *Tūranga* and nearby activities.
- 7.8 The relationship with the Court Theatre is strong and Council is working closely with its management to achieve a comprehensive plan for the development of the PAP precinct and a new theatre. The Court has repeatedly stated the importance of public car parking to its ongoing successful business – and this is also a strongly expressed need by the Isaac Theatre Royal, Piano and Crown Plaza hotel. There is an expectation from the Crown also that a suitably scaled public parking building located in the vicinity of the PAP will help to meet at least some of the identified public parking needs of Te Pae (expected to open later in 2021). Therefore, if Council does nothing at this time, there is a significant risk that the comprehensive Precinct development will be perceived by many stakeholders to have "stalled", with potential reputational risk for Council and a likely strain placed on the relationship with the Court Theatre and other precinct and nearby stakeholders.
- 7.9 The 'do nothing' option removes any call associated with this facility on Council's current Long Term Plan \$8.2 million capital parking budget.

Alternative Proposal – Carter Group Ltd

- 7.10 During the tender process of November 2020, Council received an alternative proposal from the Carter Group which proposes a solution to the wider geographical area north of

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Cathedral Square (i.e. beyond the delivery of a parking building within the PAP precinct itself).

- 7.11 Carter Group's alternative proposal is an art-focused proposal, providing a solution to the remainder of the Performing Arts Precinct land along with connection and integration to the Catholic Cathedral Precinct to the immediate north of Armagh Street. As well as provision of the car parking building, the proposal involves the Carter group constructing a new office building on the Performing Arts Precinct, at 128 Armagh Street (formerly Ken's Cameras premises) – and blending that development with adjusted plans for the facilities to be included within the Catholic Cathedral Precinct to the north.
- 7.12 The evaluation team concluded that the alternative design does demonstrate some significant wider benefits of integrating this development with the Performing Arts Precinct and the Catholic Cathedral Precinct to the north. In terms of "non-price" attributes, the proposal did score closely to the preferred respondent proposal.
- 7.13 The Carter Group alternative proposal however scored poorly on price attributes. Under this proposal, Carter Group is offering to purchase both the car parking land parcel (valued at \$4.0m) and the 128 Armagh Street land parcel (valued provisionally by Council at \$3.0m) for an aggregate total of \$4.0m. This equates to Council selling circa \$7.0m worth of land to Carter Group for \$4.0m - and in effect equates to a \$3.0m transfer of value from Council to Carter Group.
- 7.14 It is relevant to this report that Council only received transfer of the 128 Armagh Street land in late 2020 from the Crown - and staff are yet to address how the site might be developed in order to support the Performing Arts Precinct, its designation and meeting the purposes of its transfer to Council from the Crown. It would be typical practice for Council to consider tendering such a site against suitable PAP uses through an open RFP process. Therefore, were such an open market tendering process to be foreclosed by a unilateral agreement with the Carter Group then this is a pertinent matter for Council. It would also place the same obligations on Council to consult over such a sale under Section 138 of The Local Government Act 2002.
- 7.15 In this context, Elected Members are also advised that other external parties have approached staff, expressing an interest in developing the 128 Armagh Street lot(s) and contributing to the Performing Arts Precinct. Whilst these approaches are unsolicited, some are worthy of further exploration and they would normally be encouraged to partake in any subsequent open market process to explore those opportunities further. The future use of 128 Armagh Street is therefore subject to a separate Council decision process.
- 7.16 Staff intend to bring a paper to the Finance and Performance Committee in April 2021 recommending Council commences an RFP process for the future use of land at 128 Armagh Street.
- 6.20 The evaluation team's assessment was that the Carter Group alternative proposal was not the highest scoring proposal against the stated RFP evaluation criteria - and a summary of the key features of this alternative proposal against the preferred respondent proposal from the Clearwater Consortium is contained in the table below.

Summary Features of the Two Highest Scoring Responses

PREFERRED RESPONDENT	Carter Group alternative proposal
Clearwater Consortium	
Responds to RFP with conforming proposal, likely resulting in limited / no risk to Council	Proposes alternative arrangement to that sought through RFP, completing the PAP

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<p>completing the PAP, with a strong design team (of architects, urban designers etc)</p> <p>Commits to practical completion and opening of parking building by November 2022 (subject to timely Agreement)</p> <p>Concept design is well-advanced and could start early with detailed design / consenting in Q2, 2021 subject to a formal Agreement with Council.</p> <p>Clearwater Construction would be the main contractor, with good detailing of sub-contracting team of specialist suppliers.</p>	<p>with a strong design team (of architects, urban designers etc)</p> <p>Synergises with planned Catholic Cathedral precinct to north of Armagh Street – completing two city blocks</p> <p>Commits to practical completion and opening of parking building by November 2022</p> <p>Main contractor to be appointed subsequently by Carter Group in accordance with RFP requirements, if submission was chosen respondent.</p> <p>Fewer carparks provided for in this proposal than preferred response, and marginally more land is required for building.</p>
<p>Sale of parking building land - Council receives full stated valuation (of \$4m) as the RFP, from WPNZ.</p>	<p>Council receives \$4m from Carter Group for both parking building land and 128 Armagh Street parcel. (Council's valuation of both is circa \$7m).</p>
<p>Clearwater have expressed a willingness to work with PAP stakeholders and the PAP design team for a strong broader outcome.</p>	<p>Carter Group have indicated a willingness to work with PAP stakeholders and the PAP design team for agreed outcomes.</p>

## 8. Policy Framework Implications


### Strategic Alignment

- 8.1 This project to progress a parking building within the PAP site aligns with the following Community Outcomes:
- (Enabling) active participation in civic life (the parking building supports convenient and safe access to the Performing Arts Precinct and important nearby civic facilities);
  - Celebration of our identity through arts, culture, heritage, sport and recreation (as the parking building contributes positively to the comprehensive development of the Performing Arts Precinct);
  - A vibrant and thriving city centre (the Performing Arts Precinct is a critical project in relation to the delivery of the Christchurch Central Recovery Plan);
  - A well connected and accessible city promoting active and public transport (the building is being designed to support travel choices, with specific provision of electric vehicle charging, bicycle and personal mobility device storage and charging stations, along with dedicated mobility parking spaces);
  - A productive, adaptive and resilient economic base (the building is being designed to be adaptive to optional alternative future uses beyond the reasonable expected life of the parking building - and also to support future changes to the private vehicle fleet in terms of increased use of electric vehicles and future technology developments);
  - (It delivers) modern and robust city infrastructure and community facilities.

In addition, the new building can also be assessed against the following strategic priorities



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- *Enabling active and connected communities to own their own future* (by enabling easy access by all mode choices and all persons) to the new Performing Arts Precinct and important nearby civic facilities);
- Meeting the challenge of climate change through every means available.
  - While the provision of conveniently located, short stay public parking has long been envisaged as reasonably needed north of Cathedral Square, and the supply sought here is at the minimum of all previous assessments of likely demands, there is however a tension with this strategic priority, in the provision of any new permanent car parking in the central city.
  - The project will be designed with a focus on locally sourced materials, energy efficient fixtures and fittings, reduced packaging, careful management of construction waste and locally-employed sub-contractors.
  - Subject to further analysis, the building will be opened with 20 EV charging points – and is expected to be adaptable to increasing provision / technology adaptations of electric vehicle charging as the New Zealand private vehicle fleet evolves.
  - The building will incorporate solar technology – with an intent for that to be a main component of its energy source. This is believed to be the first of its kind for a multi-level parking building in New Zealand.
  - Any surplus generation of electricity would be intended, subject to agreement, to be ‘gifted’ to the Court Theatre through the national grid.
  - The building will be constructed of flat slabs and a floor to floor height of 3.1m, which allows it to be re-purposed for a different use if subsequently desired by the owner (as beyond the reasonable expected design life of the parking building, to be placed as an encumbrance in any agreement).
  - Cycle parking, e-scooter storage and rapid EV vehicle charging is included in the project from opening, with the provision for additional EV charging by any of these modes should it be necessary in the future.
- *Accelerating the momentum the city needs.* Along with the Court Theatre, this project activates a key central city block of land and gives real momentum to the development of the Performing Arts Precinct. Additional high quality off street parking in a safe, conveniently placed building will be welcome for nearby businesses, civic buildings and local activities, such as Isaac Theatre Royal, Piano, Court Theatre, Turanga and Te Pae (*which opens later this year*).
- *Ensuring rates are affordable and sustainable* (the developed business case minimises impact on Council's capital and operational budgets – and is financially positive to Council over its lifespan. There is a small positive rates impact of 0.07% compared to the status quo. This is from the assumed land sale to the Consortium of \$4 million and from Council no longer requiring the \$8.2 million of car park capex budgeted in the LTP, for this development.

8.2 This report supports the [Council's Long Term Plan \(2018 - 2028\)](#):

8.2.1 Activity: Parking

- Level of Service: 10.3.1 Provide an appropriate number of parking spaces in the central city, so that occupancy is optimised. - 60-85%
- Level of Service 13.7.23 Manage all projects to a professional level (Major Facilities Rebuild).



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#### Engagement

- 8.3 Key stakeholders on the Performing Arts Precinct are supportive in principle of this project, including the benefits of bringing early certainty to the completion and opening of this facility. There is clear interest in the detail which can be shared and discussed with all stakeholders during the design process.
- 8.4 As well as parking for patrons, the Court Theatre and Isaac Theatre Royal have expressed an interest in a small number of permanent car parking spaces within the new building. Staff generally support this request and it was identified as a need in the request to market. Council staff will encourage stakeholders to come to an arrangement with the preferred supplier without Council involvement.
- 8.5 Consultation on the proposal to dispose of the land to the preferred respondent will be undertaken under section 138 of the Local Government Act 2002. Based on the submissions received through that process, the Council will then be requested to make a further decision on whether to dispose of the land or not. This consultation necessarily needs to follow the confirmation of the preferred respondent as it is only proposed to dispose of the land in conjunction with the development and delivery of the PAP car park, and not otherwise.

#### Policy Consistency

- 8.6 The decision is consistent with Council's Plans and Policies as follows:
- 8.7 The decision supports the development of the Performing Arts Precinct in central Christchurch, an Anchor Project identified in the Christchurch Central Recovery Plan (*or Blueprint*) of 2012 (Canterbury Earthquake Recovery Authority);
- 8.8 The delivery of a public, largely short stay off street parking building in the central core and north of Cathedral Square, is consistent with the Christchurch Central Parking Plan (CCC) of 2015;
- 8.9 It accords with and has been assessed against Council's Community Outcomes and Strategic Directions as outlined in section 7.1.

#### Impact on Mana Whenua

- 8.10 This option does not involve a significant decision in relation to ancestral land or a body of water or other elements of intrinsic value. Therefore, this decision does not specifically impact Ngāi Tahu, their culture and traditions.
- 8.11 A cultural narrative for the wider Performing Arts Precinct is being developed by Matapopore to inform the team going forward. This will build on the excellent work detailed in the Grand Narrative from Ngāi Tūāhuriri which includes a section on performing arts written specifically for the PAP. This work will be shared with the car park design team and recommendations included where possible.
- 8.12 Design guidelines, drafted by cultural consultants, Matapopore, will also be shared with the design team.
- 8.13 Staff are aware of the cultural narrative developed for Tūranga including the need to main views directly across from the level four deck to the north. The car park building concept design has its western edge pulled back to maintain the view to Maukatere/Mt Grey and further conversations will be held with Matapopore on this matter.

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#### Accessibility Considerations

- 8.14 As detailed previously, the building offers dedicated mobility impaired person's access throughout the building as required by the request to market – and dedicated mobility parking spaces will be located close to key accesses and lifts.
- 8.15 The facilities throughout the building will be designed to meet universal design best practice outcomes in architectural terms.
- 8.16 The location of the building (between two theatres) offers highly accessible and safe access for all to those important cultural and arts venues, along with the Piano and nearby Turanga and Te Pae. Linked (to be separately advertised) proposals for an associated street-works upgrade for Gloucester Street will help ensure an improved safe and accessible pedestrian environment for this increasingly busy and important central city street.
- 8.17 The required provision of four fully accessible public toilets (24/7) within the complex and meeting needs north of Cathedral Square is a positive feature of the respondent's proposed concept design.
- 8.18 Should the project proceed, the architectural team will be encouraged to consider an external accessibility audit.

### 9. Resource Implications

- 9.1 The preferred tenderer is a consortium of Clearwater Construction and Wilson Parking New Zealand (WPNZ) Ltd, whereby:
  - 9.1.1 Council, subject and conditional on the Council completing its public consultation obligations under the Local Government Act detailed elsewhere and resolving to dispose of the land, will divest the parcel of land to WPNZ under a sale and purchase agreement with legal protection embodied in the Agreement (i.e., that the land is developed wholly in accordance with the intended purpose and shall remain for a reasonable design life).
  - 9.1.2 WPNZ will meet Council's valuation of the land (at \$4.0m).
  - 9.1.3 Clearwater Construction will remediate the land, design, achieve the necessary consents and construct the public parking building.
  - 9.1.4 Council's Performing Arts Precinct project manager will stay close to the development to ensure a coordinated programme and full integration with sister projects on the Precinct - and provide direction and advice where required.

#### Capital Cost to Council

- 9.2 As, under the recommended option, WPNZ will assume responsibility for the construction of the parking building, the capital cost to Council is relatively minimal. The primary impacts are as follows:
  - 9.2.1 Staff are investigating the need to upgrade the power supply to the new site (to enable increased adaptability for additional electric vehicle charging in future years) which may require the installation of a new transformer. The estimated capital cost is \$125,000;
  - 9.2.2 Associated street-works changes to Gloucester Street are desirable in order to achieve safer and more convenient access between the new parking building, Court Theatre and nearby facilities such as Tūranga and Te Pae. Council has made provision for a street upgrade to Gloucester Street (Colombo Street to Manchester Street) in the LTP of \$3.5m across FY24 and FY25. It is recommended the funds for this work are brought

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forward into FY23 to enable better construction programming alignment with the construction and opening of the Court Theatre and this parking building. These street-works changes would be subject to separate public consultation.

- 9.3 Council's capital programme currently allows \$8.2m for central city parking replacements (spread across FY24 – FY26). Taking into account the above this proposal will have a capital saving to Council of approximately \$8.075m.

- 9.4 Additionally, the sale of the land to WPNZ for \$4.0m will create a further benefit.

#### Operating Costs

- 9.5 Operating costs will be nil as Council will have no commercial interest in the project. In terms of rates impact the preferred option's effect is minimal. Historic cost projections for the Performing Arts Precinct overall (including theatre, public realm and car park) assumed \$0.1m per annum of ongoing carpark revenue from an external provider. However, it is intended this limited exposure will be offset by the anticipated rates revenue which would be paid by WPNZ on the resulting parking building.

## 10. Legal Implications

### Statutory power to undertake proposals in the report

- 10.1 The Council has the statutory power to adopt the recommendation outlined in this report.

### Other Legal Implications

- 10.2 The obligation of the Council to consult on the proposed land disposal under Section 138 of the Local Government Act is discussed elsewhere in this report.

- 10.3 The negotiation process with the preferred respondent is likely to be significant and detailed. There can be a risk during such a process that negotiating parties can make interim decisions, representations, and arrangements that are later argued to be contractually binding, or that otherwise confer unintended rights on a preferred respondent. To mitigate this risk, it will be important for Council's negotiators to make the basis of the negotiation clear (i.e., as it was set out in the request for proposals), and to emphasise that:

- 10.3.1 there is no contract until the contract is formally awarded and executed;
- 10.3.2 Council continues to reserve its rights in the request for proposals, e.g. to negotiate with others or not to proceed with the project;
- 10.3.3 interim decisions, representations, and arrangements may not be relied upon by the preferred respondent; and
- 10.3.4 the preferred respondent should not commence any works, expend significant sums, etc., unless and until the contract is formally awarded and executed and becomes unconditional. If it does so, it does so at its own risk.

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### Attachments / Ngā Tāpirihanga

No.	Title	Page
A	Performing Arts Precinct Car Parking Building - Principal's Requirements and Documentation	
B	Christchurch Performing Arts Precinct Parking Building_Submission_Clearwater Consortium	
C	Christchurch Performing Arts Precinct Parking Building_Submission_Clearwater Consortium_supporting drawings	
D	Supplementary Memorandum to Committee 24 March 2021	
E	Commercial Valuation Report	
F	Presentation Performing Arts Precinct Off Street Carparking	
G	Supplementary Memorandum - Additional Information requested - 1 April 2021	

In addition to the attached documents, the following background information is available:

Document Name	Location / File Link
Nil	Nil

### Confirmation of Statutory Compliance / Te Whakatūturutanga ā-Ture

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.

### For Action

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**MEMO TO:** Rees-Thomas, Luke - Property Consultant

**MEMO ISSUED:** 13/04/2021

**COPY TO:** Matt Cummins, Tim Cheesebrough, Elizabeth Neazor, Jane O'Toole

**MEETING:** Council Meeting of 8/04/2021

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Please note for action by you:

**CNCL/2021/00054**      **Performing Arts Precinct, Off Street Car Parking**  
**STAFF REPORT**      21/367047  
**AGENDA ITEM NO.**      29

### Council Resolved CNCL/2021/00054

That the Council:

1. Confirms 'the Joint Venture of Clearwater Construction Ltd / Wilson Parking NZ Ltd' as the preferred respondent from the Performing Arts Precinct Car Park RFP evaluation process.
2. Delegates authority to the Chief Executive Officer to negotiate and conclude on terms and conditions acceptable to her a conditional agreement with 'the Joint Venture of Clearwater Construction Ltd / Wilson Parking NZ Ltd' (or nominee) (subject to and conditional on Council undertaking its statutory obligations in relation to the disposal of land and resolving to dispose of the required land if that is considered appropriate by the Council).
3. Instructs staff to release a public communication detailing the update of the procurement process.
4. Approves that funds in relation to street-works changes to Gloucester Street are brought forward in the draft capital programme to FY23 to enable an improved alignment with the construction and opening of the Court Theatre and the Performing Arts Precinct Parking Building.
5. Instructs staff:
  - a. Following negotiations and conclusion of the conditional agreement referred to in resolution 2 above, to commence public consultation under Section 138 of the Local Government Act, on the proposed land disposal to 'the Joint Venture of Clearwater Construction Ltd / Wilson Parking NZ Ltd', including 2,051m<sup>2</sup> (approx.) of land located at 133-141 Gloucester St. The results of which to be reported back to Council for final decision on the transaction.

Item 15

Attachment A

- b. To update the Finance and Performance Committee at key milestones throughout the design, consenting process and prior to construction commencing on site.
6. Agrees the details of this report shall be publically released in the event of a completed sales transaction and settlement.
7. Agrees that the Council decision and appropriate aspects of the report be released at the discretion of the Chief Executive of the Council, once a conditional agreement has been signed.

The division was declared **carried** by 9 votes to 7 votes the voting being as follows:

**For:** Mayor Dalziel, Deputy Mayor Turner, Councillor Chu, Councillor Galloway, Councillor Gough, Councillor Keown, Councillor MacDonald, Councillor Mauger and Councillor Scandrett.

**Against:** Councillor Chen, Councillor Coker, Councillor Cotter, Councillor Davidson, Councillor Johanson, Councillor McLellan and Councillor Templeton.

Councillor Mauger/Councillor MacDonald

**Carried**

Item 15

Attachment A



## 19. Christchurch City Holdings Ltd - Establishment of Appointments' Committee

Reference Te Tohutoro: 22/240859

Report of Te Pou Matua:

General Manager  
Pouwhakarae: Leah Scales, Acting General Manager/CFO, Resources Group  
(leah.scales@ccc.govt.nz).

Public Excluded Item 19

### Confidentiality

<b>Section under the Act:</b>	The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.
<b>Sub-clause and Reason:</b>	s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons.
<b>Plain English Reason:</b>	The reports identify the proposed members of the Appointments' Committee which includes an advisor from the private sector. The decision could have reputational impacts for that person if the Council does not support the make up of the Committee.
<b>Report can be released:</b>	As soon as the the Council has made the decisions sought in this report.

### 1. Purpose of the Report Te Pūtake Pūrongo

- 1.1 The purpose of this report is to seek the Council's approval to Christchurch City Holdings Ltd (CCHL) establishing an Appointments' Committee (the Committee) to undertake the work required to support a recommendation for the appointment of a new independent member to the CCHL board. This follows the resignation of a current independent director, Mr Greg Campbell from the board.
- 1.2 This report has been written following receiving CCHL's proposal on 24 February 2022 which is at **Attachment A**.
- 1.3 CCHL's proposal meets the requirements of the Council's Policy for the Appointment of Directors to Council Organisations (the Policy).
- 1.4 The decisions in this report are of low significance in relation to the Christchurch City Council's Significance and Engagement Policy. The level of significance was determined by considering the extent to which the decisions may impact the community.

### 2. Officer Recommendations Ngā Tūtohu

That the Council:

1. Approves Christchurch City Holdings Ltd establishing an Appointments' Committee on behalf of the Council to undertake work to support a recommendation for a new independent director to the Christchurch City Holdings Ltd board; and
2. Approves the membership of the Appointments' Committee as follows:

- Mr Jeremy Smith, Chair of the Christchurch City Holdings Ltd board,
  - Councillor-directors Templeton and Gough, members of the Christchurch City Holdings Ltd board,
  - Ms Claire Evans, independent director of the Christchurch City Holdings Ltd board, and
  - Ms Mary Devine, an external commercial advisor with relevant experience and knowledge (yet to be engaged);
3. Approves the quorum of the Appointments' Committee as three of the five members; and
  4. Agrees to release this report publicly after the Council has made decisions on the Appointments' Committee as provided for in this report.

### 3. Reason for Report Recommendations Ngā Take mō te Whakatautau

- 3.1 To replace an independent member of the CCHL board who has resigned, and to ensure that the board continues to have the optimal capacity and capability to attend to its governance obligations with respect to the CCHL group of companies.

### 4. Alternative Options Considered Ētahi atu Kōwhiringa

- 4.1 The only alternative option is not to replace the departing independent board member. While this would reduce the cost of board fees by around \$48,000 per annum, it would reduce the skills and capabilities of the board in its governance of the group's circa \$4.8 billion asset base.

### 5. Detail Te Whakamahuki

- 5.1 The CCHL board currently comprises eight members – four of which are independent and four are councillors. Mr Greg Campbell, an independent member has resigned and will leave on 22 June 2022.
- 5.2 In order that the board maintains its capacity and capability to effectively govern the circa \$4.8 billion of assets and \$2 billion of debt, CCHL's Chair proposes that a new independent member is sought.

#### Policy for the Appointment and Remuneration of Directors of Council Organisations

- 5.3 The Policy sets out the requirements for appointing new members to the CCHL board. This includes at clauses 7.9 and 7.10 that:
  - the Council is to establish an Appointments Committee to recommend the appointment of directors to CCHL;
  - the members of the Committee are to include the CCHL chairperson, an external commercial advisor with relevant experience and knowledge and up to two other members nominated by the Council; and
  - any recommendation must be a unanimous decision of the Committee.
- 5.4 Clauses 7.11-7.13 require the Committee to undertake the following:
  - an assessment of the skills, knowledge and experience required for appointment as a director of the CCHL board, taking into account factors such as encouraging diversity, the Council's objectives for CCHL, CCHL's relationship with the Council, as CCHL's sole shareholder and succession planning;

- assure itself that a candidate for a directorship with the CCHL board has the core competencies expected of all appointees which are sound judgement and decision-making, public service ethos, high standard of personal integrity, commercial and governance experience, clear communication skills and an ability to debate in a reasoned manner, effective teamwork and collaboration, ability to think strategically, risk assessment and contingency management, commitment to good corporate citizenship and understanding of the wider interests of the Council as a publicly accountable shareholder; and
  - prepare a list of possible candidates to be interviewed, using a number of resources including public advertising, a database of potential candidates maintained by CCHL, personal recommendations and self-referrals, identifying individuals with the required skills and competencies and, a specialist consultant.
- 5.5 The Committee may choose not to interview a candidate if he or she has previously been a director on the board of another council-controlled organisation, but must consult with the Chair of that board (clause 7.14 of the Policy).
- 5.6 Clause 7.15 requires the Committee to report to the Council on the outcome of the appointment process with the Committee's recommendations and for the Council to be the final decision-maker.

#### **Proposed membership of the Appointments' Committee**

- 5.7 The Chair of CCHL proposes the membership of the Committee comprises himself, Councillors Templeton and Gough (Councillor-directors of the CCHL board), Ms Claire Evans (independent director of the CCHL board) and Ms Mary Devine (external commercial advisor with relevant experience and knowledge – yet to be engaged). The quorum of the Committee would be three of the five members.
- 5.8 Recommendations are expected from the Committee to the Council in May 2022.

## **6. Policy Framework Implications Ngā Hiraunga ā- Kaupapa here**

### **Strategic Alignment Te Rautaki Tīaroaro**

- 6.1 This report is consistent with the Council's commitment to good governance of its Council-controlled organisations. This is aligned to the efficient delivery of the outcomes sought by the [Council's Long Term Plan \(2021 - 2031\)](#).

### **Policy Consistency Te Whai Kaupapa here**

- 6.2 The decision is consistent with the Council's Plans and Policies. In particular, clauses 7.1 to 7.16 of the Policy for the Appointment and Remuneration of Directors to Council Organisations provides for the process and requirements that must be undertaken to appoint directors to the CCHL board.

### **Impact on Mana Whenua Ngā Whai Take Mana Whenua**

- 6.3 The decision does not involve a significant decision in relation to ancestral land or a body of water or other elements of intrinsic value, therefore this decision does not specifically impact Mana Whenua, their culture and traditions.

### **Climate Change Impact Considerations Ngā Whai Whakaaro mā te Āhuarangi**

- 6.4 Not relevant.

### **Accessibility Considerations Ngā Whai Whakaaro mā te Hunga Hauā**

- 6.5 Not relevant.

## 7. Resource Implications Ngā Hīraunga Rauemi

### Capex/Opex Ngā Utu Whakahaere

- 7.1 The proposal has no incremental costs associated with it.

## 8. Legal Implications Ngā Hīraunga ā-Ture

### Statutory power to undertake proposals in the report Te Manatū Whakahaere Kaupapa

- 8.1 Local Government Act 2002 (LGA).

## 9. Risk Management Implications Ngā Hīraunga Tūraru

- 9.1 A new appointment to the CCHL board will ensure it has the appropriate mix of skills and capabilities to govern the group's circa \$4.8 billion asset base.

## Attachments Ngā Tāpirihanga

No.	Title	Page
A 	CCHL Proposal to establish an Appointments' Committee	17

Additional background information may be noted in the below table:

Document Name	Location / File Link

## Confirmation of Statutory Compliance Te Whakatūtutanga ā-Ture


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 Ngā Kaiwaitohu

Author	
Approved By	Leah Scales - Acting General Manager Resources/Chief Financial Officer



Christchurch  
City Holdings  
Limited

## Report for Council

**Date:** 3 March 2022

**To:** Dawn Baxendale, CEO, Christchurch City Council

**From:** Jeremy Smith, Chair, Christchurch City Holdings

**Subject:** CCHL Director Appointment – Recommended Appointments Committee

### Introduction

Greg Campbell (CCHL Independent Director) has resigned from the CCHL Board and will end his term on 22 June 2022. Accordingly, CCHL needs to appoint a new Independent Director to replace Greg on the CCHL Board.

### Appointment Process

Pursuant to the Council Policy for the Appointment and Remuneration of Directors to Council Organisations ("the Policy"), Council needs to establish an Appointments Committee ("the Committee") whose role is to recommend the appointment of a new director to the CCHL Board.

The Policy sets out that the members of the Committee are to be:

- The Chair of CCHL
- An external commercial advisor with relevant experience and knowledge
- Up to two other members nominated by Council

Consistent with previous director appointments, CCHL is happy to take the lead to facilitate this process to appoint a new Independent Director to replace Greg, noting that Council need to complete two key approvals in this process being:

1. Council approval is required to establish the Committee; and
2. Council approval of the recommendation from the Committee is required to confirm the appointment of the new CCHL Director.

### Purpose of this Paper

The purpose of this paper is to seek Council approval of the Committee.

### Recommended Appointments Committee

CCHL has considered the policy and the requirements of this appointment process and in this context CCHL recommends that the Committee be made up of the members of the CCHL Governance & Appointments Board sub-committee (excluding the CCHL CEO because their CEO role reports directly to the CCHL Board to which this appointment relates), along with the appointed external commercial

advisor engaged by CCHL to support the process (proposed to be Mary Devine – Mary is a very experienced chief executive and director who has previously spent two years on the CCHL Board).

On this basis, the Committee would comprise:

- Jeremy Smith (Chair)
- Sara Templeton
- James Gough
- Claire Evans
- External commercial advisor – Mary Devine (yet to be engaged)

#### Recommendation

The CCHL Board has approved the following recommendations:

1. *That Council resolve that the Appointments Committee to recommend to Council the appointment of a new Independent Director to the Board of CCHL be made up of Jeremy Smith (Chair), Sara Templeton, James Gough, Claire Evans and Mary Devine (or if she is unavailable then another appropriately experienced external commercial advisor engaged by CCHL to support this process); and*
2. *That the quorum of the Committee shall be a minimum of three of the five Committee members.*

Yours sincerely

**CHRISTCHURCH CITY HOLDINGS LTD**



Jeremy Smith  
Chair