
Christchurch City Council

SUPPLEMENTARY AGENDA

Notice of Meeting:

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

Date: **Wednesday 15 May 2024**
Time: **9.30 am**
Venue: **Council Chambers, Civic Offices,
53 Hereford Street, Christchurch**

Membership

Chairperson	Mayor Phil Mauger
Deputy Chairperson	Deputy Mayor Pauline Cotter
Members	Councillor Kelly Barber
	Councillor Melanie Coker
	Councillor Celeste Donovan
	Councillor Tyrone Fields
	Councillor James Gough
	Councillor Tyla Harrison-Hunt
	Councillor Victoria Henstock
	Councillor Yani Johanson
	Councillor Aaron Keown
	Councillor Sam MacDonald
	Councillor Jake McLellan
	Councillor Andrei Moore
	Councillor Mark Peters
	Councillor Tim Scandrett
	Councillor Sara Templeton

14 May 2024

Principal Advisor

Mary Richardson
Interim Chief Executive
Tel: 941 8999

Katie Matheis
Democratic Services Advisor
941 5643

Katie.Matheis@ccc.govt.nz

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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19. Resolution to Include Supplementary Reports Te Whakataunga Whakauru Pūrongo āpiti

1. Background Te Horopaki

- 1.1 Approval is sought to submit the following report to the Council meeting on 15 May 2024:
 20. Mayor's Monthly Report
- 1.2 The reason, in terms of section 46A(7) of the Local Government Official Information and Meetings Act 1987, why the report was not included on the main agenda is that it was not available at the time the agenda was prepared.
- 1.3 It is appropriate that the Council receive the report at the current meeting.

2. Recommendation Te Tūtohu

- 2.1 That the report be received and considered at the Council meeting on 15 May 2024.
 20. Mayor's Monthly Report

20. Mayor's Monthly Report

Reference Te Tohutoro: 24/795102

Report of Te Pou Matua: Phil Mauger, Mayor

1. Purpose of Report Te Pūtake Pūrongo

- 1.1 The purpose of this report is for the Mayor to report on external activities he undertakes in his city and community leadership role; and to report on outcomes and key decisions of the external bodies he attends on behalf of the Council.
- 1.2 This report also includes a request for further advice from the Chief Executive on options for the Arts Centre to be considered as part of the 2024-2034 Long Term Plan.
- 1.3 This report also includes a submission to the Climate Change Commission as part of their review of the country's emissions reduction targets and emissions budgets to ensure it is submitted before the close off date of 31 May 2024.
- 1.4 This report is compiled by the Mayor's Office.

2. Mayors Recommendations / Ngā Tūtohu o Te Koromatua

That the Council:

That the Council:

1. Receive the Mayor's Monthly Report.
2. Submit the Council's submission to the Climate Change Commission for its review of New Zealand's emissions reduction targets and emissions budget (**Attachment B** to this report).
3. Request the Chief Executive to report back to Council before the Long Term Plan 2024-2034 is adopted with advice on options for supporting the restoration and development of the former Dux de Lux building and site at 39 Hereford Street, including, but not limited to, options which:
 - a. utilise existing heritage budgets to support an agreed restoration model; and
 - b. support the restoration of the former Dux de Lux, including through lease or purchase; and
 - c. note that options may also help address projected deficits at Te Matatiki Toi Ora The Arts Centre Trust.
4. Note that final advice should ensure that the restoration of former Dux de Lux will maintain that the building's future use is consistent with the objects of the Arts Centre of Christchurch Trust Act 2015.

3. Background

Arts Centre Proposal

- 3.1 Te Matatiki Toi Ora Christchurch Arts Centre Trust (the Arts Centre) has requested a minimum of \$1.8M in funding from the Council in the 2024-2034 Long Term Plan (LTP) to cover the Art Centre's operational expenses going forward.
- 3.2 During the LTP process, Council has heard from submitters asking for either:
 - 3.2.1 Ongoing operational funding to the Arts Centre; and/or

- 3.2.2 Expediting restoration of the former Dux de Lux Building at 39 Hereford Street (the Dux)
- 3.3 In consultation with the Deputy Mayor and Chair of the Finance & Performance Committee, the Mayor is seeking advice from the Chief Executive to help inform Council when making a final decision for the LTP.
- 3.4 This advice is being sought through this Mayor's Report to allow staff to have ample time to provide this information given the ongoing demands of the LTP process and the time expected to compile the advice sought. It also reflects the high degree of public interest in this specific LTP request.
- 3.5 Specifically, the Chief Executive's advice is being sought on options for supporting restoration of the Dux in a similar model to the Old Municipal Chambers, including, but not limited to, advice on:
- 3.5.1 Utilising existing heritage funds to support an agreed restoration model; and
- 3.5.2 Leasing or purchasing the Dux building and site to undertake a restoration model directly.
- 3.6 It is the clear expectation of the Mayor that any option for the restoration of the Dux will allow for its use by the people of Christchurch and its visitors, and align with the objects of the Arts Centre of Christchurch Trust Act 2015.

Operational Expenses

- 3.7 In the 2021–2031 LTP the Council provided a \$5.5M capital restoration grant for 2021 – 2023 to help with restoration, particularly the completion of the Observatory Tower intended to increase revenue.
- 3.8 During the 2021-2031 LTP deliberations, the Arts Centre informed Council that:
- 3.8.1 the \$5.5 million grant would allow flexibility to release funds committed to restoration for operational use, as it had done since the Earthquakes, projecting a deficit over 2021-2023 of \$2.4M; and
- 3.8.2 it was working towards reducing its annual deficit to about \$0.5M in 2023/2024, leaving need for a small, continued Council contribution.
- 3.9 In September 2023, the Arts Centre advised Council that it had not reduced its annual deficit to \$0.5M as planned in 2021, and now projects deficits in the order of \$1.8M per annum from 2024 onwards with funding requested accordingly. The Arts Centre has also advised that it:
- 3.9.1 does not pass through operational expenses to tenants as per normal market rates; and
- 3.9.2 has doubled the projected deficit in the Creative Programmes from 2022.
- 3.10 While the advice requested in this report does not specifically address operational expenses, it is expected that having this additional advice will help inform Council's Long Term Plan deliberations about what funding may be available to the Arts Centre.

GST off rates

- 3.11 On 26 March, the Mayor wrote to Minister of Finance, Hon. Nicola Willis, suggesting that the government consider returning the GST collected on rates to councils. This would provide a simple change which increases funding for local government.
- 3.12 Adopting this policy would help local government to reduce the rates burden on households in this cost-of-living crisis, ensure that core services are delivered and develop the infrastructure needed to support the government's housing objectives.

- 3.13 Both the Council and Local Government New Zealand (LGNZ) have raised this policy in submissions to the Future for Local Government Review, and LGNZ has referred to it in their Briefing to the Incoming Minister. Alongside this, Mayor Wayne Brown of Auckland also wrote to the Minister encouraging adoption of this policy.
- 3.14 On 8 May, the Minister replied to the Mayor and noted that a transfer of revenue equivalent to GST on rates is not under active consideration by the government, but they are considering if the return of a portion of GST collected on new residential builds is appropriate. This letter is included in **Attachment A**.





Greater Christchurch Partnership

- 3.15 On April 19, the Greater Christchurch Partnership held a public workshop to discuss the partnership's work programme and its operating structure. The notes from this workshop can be found [here](#).
- 3.16 Members of the partnership agreed that there has been substantial work done in planning for the future of Greater Christchurch, most recently with the adoption of the Greater Christchurch Spatial Plan by all member councils.
- 3.17 Discussion focused on implementation of these plans going forward as well as looking at some of the outstanding areas of the work programme. There was also discussion about the way that the partnership is structured and what changes could be made going forward.

Climate Change Commission submission

- 3.18 The Climate Change Commission is consulting on their review of the country's emissions reduction target and emissions budgets.
- 3.19 Councillor Templeton, as the Council's Climate Change Portfolio Holder, has prepared a submission on behalf of the Council in consultation with staff (**Attachment B**).
- 3.20 This submission aligns with the Council's existing positions in relation to climate targets and outlines that Council:
- 3.20.1 Agrees with including international shipping and aviation in national emissions reduction targets.
- 3.20.2 Notes that the 2050 target should be strengthened if it is to help reduce warming by 1.5 degrees.
- 3.20.3 Encourages inclusion of the above in the next emissions budget and seek to improve emissions reduction.
- 3.21 This submission is noted in this Mayor's Report as it is due for submission by May 31st for consideration by the Climate Change Commission.

Attachments Ngā Tāpirihanga

No.	Title	Reference	Page
A  	Letter from Hon Nicola Willis (May 8 2024)	24/794683	8
B  	Submission to Climate Change Commission review of emissions budget	24/814787	9

Hon Nicola Willis

Minister of Finance
Minister for the Public Service
Minister for Social Investment
Associate Minister of Climate Change



8 May 2024

Phil Mauger
Mayor of Christchurch
Ruth.close@ccc.govt.nz

Your Worship

Thank you for your letter dated 26 March 2024.

We acknowledge the challenges that councils are facing and are committed to developing funding tools that are fit for purpose.

Regarding GST, a transfer of revenue equivalent to GST on rates is not under active consideration. However, our Government has agreed to an ambitious programme of work to deal with the underlying causes of our housing crisis, called Going for Housing Growth. As part of this programme, we will look to improve incentives for councils and communities to go for housing growth. This includes investigating the best mechanism to give effect to a "Build for Growth" policy, where councils receive a share of economic dividend from new housing supply. As stated in the National/Act coalition agreement and by Minister Bishop, we will consider whether sharing a portion of GST collected on new residential builds could be an appropriate mechanism.

Initiatives such as Going for Housing Growth and the Government reforms to the infrastructure system will unlock new funding for local government through better recovery of growth infrastructure costs and mechanisms such as time of use charging, value capture and public-private partnerships. Additionally, a 30-year infrastructure pipeline will provide certainty and enable more effective planning.

Thank you again for writing. We are committed to working together with councils to progress local government funding solutions.

It was great to see you in Christchurch this weekend and I'm looking forward to working with you and your Council to make progress for your beautiful city.

Yours sincerely



Hon Nicola Willis
Minister of Finance

Councillors' Suite

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Phone 03 941 8999
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9 May 2024

Climate Change Commission
PO Box 24448,
Wellington 6142
By email: haveyoursay@climatecommission.govt.nz

To Whom it may concern

Consultation: 2024 Review of the 2050 target

The Christchurch City Council thanks the Climate Change Commission for the opportunity to submit on the latest consultation.

The Council agrees that international shipping and aviation should be included in our national emissions reduction targets. This increases transparency and is in line with our major trading partners in the United States, United Kingdom and Europe.

We agree that the current 2050 target is on the whole not compatible with our responsibility for keeping global warming under 1.5 degrees and that our target should be strengthened.

The fourth emissions budget should therefore be revised to take into account both the inclusion of both international aviation and shipping and an increased target to do our fair share to combat climate change.

We note that New Zealand's emissions have reduced for the last three years and hope that as a nation we continue to be ambitious and make the most of the opportunities that a transition to a low emissions economy will bring.

Yours sincerely

Cllr Sara Templeton
On behalf of Christchurch City Council

Christchurch
City Council 