

# Media Release

## ***Comment sought on red zone offers***

Release Date: 25 June 2015

The public is being invited to have a say on new Crown offers for vacant, uninsured and commercial/industrial properties in the Residential Red Zone, based on the preliminary views and key criteria released today.

The preliminary views from the Chief Executive of CERA are featured in the Draft Residential Red Zone Offer Recovery Plan, along with the key criteria that people are asked to consider when making comment.

The views on the offers and key criteria have been developed after previous public feedback on the preliminary draft of the Recovery Plan.

The Chief Executive's preliminary views on the offers are as follows:

- For vacant properties: a new Crown offer at 100 per cent of the 2007/08 rateable land value.
- For commercial/industrial properties: a new Crown offer at 100 per cent of the 2007/08 rateable land value and 100% of the 2007/08 rateable improvements value for the insured improvements (such as buildings). Property owners may choose not to accept any payment for the improvements and keep the benefits of their insurance claims.
- For uninsured properties: a new Crown offer at 80 per cent of the 2007/08 rateable land value. No payment should be made for uninsured improvements (such as buildings). Property owners may choose to relocate, salvage or sell any uninsured improvements, or they could elect for the Crown to demolish the improvements, which the Crown would meet the cost of.

Former owners of vacant, uninsured and commercial/industrial properties in the red zone who have accepted a previous Crown offer will be eligible for an additional payment if the new Crown offer is greater than what was accepted.

The Chief Executive of the Canterbury Earthquake Recovery Authority (CERA) was directed by the Minister for Canterbury Earthquake Recovery to prepare a Draft Recovery Plan for these offer categories following the recent judgment by the Supreme Court on the challenge by the Quake Outcasts group.

The Court directed that the decision-making on the Crown offer to buy properties in these categories should be revisited and indicated that a Recovery Plan with input from the public was an appropriate approach.

CERA Acting Chief Executive John Ombler says his preliminary views and criteria reflect the matters raised by the Supreme Court and the feedback from the public on the Preliminary Draft Recovery Plan.

"There has been a good amount of public comment on the preliminary draft, and that has been important in the development of the draft plan now available for comment."

This announcement was originally published on [cera.govt.nz](http://cera.govt.nz) and [beehive.govt.nz](http://beehive.govt.nz)

"I think the views put forward take into account criteria such as peoples' health and wellbeing, the need to help people recover and move on, fairness and consistency, insurance coverage, and the costs to the taxpayer, but I want to hear from people what they think."

"I also want to hear what people think about the potential for re-opening the Crown offer to insured residential property owners in the red zone who have previously chosen not to accept it, but may now have a different view."

If the Recovery Plan is approved by the Minister, new Crown offers are to be made to the owners of vacant, uninsured, and commercial/industrial red zone properties as soon as practicable.

The Draft Residential Red Zone Offer Recovery Plan can now be viewed at [www.cera.govt.nz/redzoneoffer](http://www.cera.govt.nz/redzoneoffer) or in hard copy at the offices of the Canterbury Earthquake Recovery Authority (CERA) and at Christchurch City Council and Waimakariri District Council service centres.

Comment can be made:

- [on the CERA website](#)
- by emailing [info@cera.govt.nz](mailto:info@cera.govt.nz)
- [on the CERA Facebook page](#)
- or by mailing Draft Residential Red Zone Offer Recovery Plan, Freepost CERA, Canterbury Earthquake Recovery Authority, Private Bag 4999, Christchurch 8140.

Comment must be received by 5pm on Thursday 9 July 2015.

This public written comment will be provided, with the Draft Recovery Plan, to the Minister for Canterbury Earthquake Recovery. The Minister's decision on the Recovery Plan is expected by the end of July.