

# Media Release

## Recovery milestone reached today with final flat land red zone settlements

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As the final settlement day is reached for flat land residential red zone property owners, a significant milestone can be marked in the recovery, says the Canterbury Earthquake Recovery Authority chief executive Roger Sutton.

In total 7,349 properties were zoned red due to the level of land damage caused by the earthquakes.

Since the first red zone areas were announced in 2011, thousands of property owners have accepted the Crown offer and moved out of the worst affected areas to start afresh.

"Today is a day of mixed emotions," says Mr Sutton.

"Although we will always reflect on what we have lost and how much has changed, the end of the flat land zoning process shows how far we have come. It is heartening to know that so many of the people worst affected by the earthquakes have been able to start over in their new neighbourhoods."

Around 70 property owners have indicated they are unable to meet the settlement date they originally selected and advised CERA they will not be moving today as planned. As their agreements are legally binding contracts, penalty interest fees are being charged unless extenuating circumstances warrant these fees to be waived.

By the time all flat land settlements are completed nearly \$1.5 billion will have been spent by the Crown to purchase the properties.

Mr Sutton reiterated that the cost of maintaining the infrastructure in the Residential Red Zone to homes where owners had not accepted the offer, or did not move today as agreed, is not viable long term.

CERA has been working closely with electricity networks and the Christchurch City Council, to ensure services are disconnected once the Crown takes ownership of a property.

The Council's City Environment acting general manager Terry Howes says "although the council will continue to provide very basic services to properties where people were living, the cost of providing these temporary services to individual households is about 18 times the usual cost per household for water supply, waste water collection and refuse collection, providing access and dealing with stormwater. In reality this is not sustainable in the long term."

Roger Sutton says that today's focus though is on 98% of eligible property owners who decided to accept the Crown offer.

Statistics collected by CERA and CCC with the help of Statistics New Zealand, show most people have chosen to stay in the Christchurch region, often moving just a suburb or two away.

“What we now know for certain, is that the majority of residential Red Zone property owners were able to stay close to their neighbourhoods. Based on Census 2013 information, over half of all movements by people in areas with high earthquake damage were within just four kilometres. This is particularly important for maintaining that sense of community belonging and pride that we as Cantabrians are known for.”