

Media Release

New process for red zone Crown offers

Release Date: 21 April 2015

Canterbury Earthquake Recovery Minister Gerry Brownlee has announced a process to give everyone a say on the Crown offers to owners of vacant, commercial/industrial and uninsured properties in the Residential Red Zone.

"I have asked the chief executive of the Canterbury Earthquake Recovery Authority (CERA) to prepare a Recovery Plan that looks at the offers to property owners in these categories," Mr Brownlee says.

"Following a legal challenge by the Quake Outcasts group, the Supreme Court directed that the decision on the offer to properties in these categories should be revisited and that a Recovery Plan was an appropriate approach."

Owners of properties in these categories in the Port Hills red zones have not yet received an offer. An offer will be made to them on the basis of the outcome of the Recovery Plan but will not be less than the offer already made to those in the flat land red zones. Consideration will also need to be given to those who did not accept the earlier offer and those who had a reduced offer as a result of significant underinsurance.

"The Recovery Plan process allows us to consider the different options, and for people to give their views based on what it means for the property owners, as well as the taxpayer and how people insure their properties," Mr Brownlee says.

"If the process results in a larger revised Crown offer from that which has expired, then those owners who accepted the original offer will be eligible for a top up of their payments.

"There will be two stages of public input through written comments in the development of the Recovery Plan, and CERA will be publicising those opportunities.

"Following the analysis of the public input and advice from officials, I expect the Recovery Plan to be finalised and decisions made in relation to the Crown offer by the middle of this year."