

REPORT ON DECISIONS MADE IN APPROVING THE AMENDMENTS TO THE CHRISTCHURCH CENTRAL RECOVERY PLAN IN RESPECT OF THE CANTERBURY MULTI-USE ARENA

1. INTRODUCTION

On 10 June 2021, I received the Christchurch City Council (“the Council”) proposal to exercise my power under s38 of the Greater Christchurch Regeneration Act 2016 (“the GCR Act”) to amend the Christchurch Central Recovery Plan (“CCRP”) in relation to the management of noise resulting from the use of the Canterbury Multi-Use Arena (“CMUA”) (“the amendments”).

The amendments were submitted to me prior to the repeal of s38 of the GCR Act under the Greater Christchurch Regeneration Amendment Act 2020 on 30 June 2021. Under the transitional provisions of the GCR Act, this process can continue as if s38 had not been repealed. Therefore, I refer to sections of the GCR Act throughout this report as if s38 and its related sections had not been repealed.

I have taken my time to consider the amendments and I would like to acknowledge:

- the Council, for preparing the amendments and the supporting documentation;
- the people of greater Christchurch who took the time to participate in this process for the future of their city; and
- Canterbury Regional Council (“ECan”), Te Rūnanga o Ngāi Tahu (“Ngāi Tahu”), and Ōtākaro Limited (“Ōtākaro”) for their input into the process.

I have considered the amendments, alongside the requirements of the GCR Act, and have decided to approve them. This report records the decision I have made under s38 of the GCR Act.

2. THE ISSUE AND AMENDMENTS

The amendments to the CCRP (and, as a result, the Christchurch District Plan), seek to mitigate and manage noise from the CMUA. The CCRP was published in 2012 to aid earthquake recovery and set out a “Blueprint” focussed around key anchor projects throughout central Christchurch and a planning framework to enable the delivery of the Blueprint.

The CCRP provided for the location of the anchor projects in the central city, including a “world class” CMUA. It also identified the importance of establishing a “high-quality inner-city living environment” so that a diverse residential population could be attracted to “support business growth and development and create a high level of activity”. In support of that aspiration, the CCRP also established the East Frame as an anchor project, directly adjacent to the CMUA location.

As such, since 2012, there has been an expectation, established by the CCRP, that alongside a range of other activities, the CMUA and residential living would co-locate in the central city.

The design of the CMUA has progressed, however, some tension has appeared between the aspirations in the CCRP for the CMUA and for inner-city living. In particular, noise modelling indicates that the use of the CMUA, based on its current design would result in noise spill to the surrounding area during concerts. If left unaddressed, this could compromise the “high quality” outcomes sought for the central city residential neighbourhood and / or the outcomes sought for the CMUA.

In that context, the Council has investigated both design and planning options to address this tension. To that end, it has proposed amendments to the CCRP (and consequently, to the Christchurch District Plan) which are intended to facilitate the management and mitigation of noise from the CMUA. In particular, those amendments:

- strengthen the policy direction in respect to CMUA noise effects;
- add conditions to the designation for the CMUA to manage and mitigate noise, such as noise limits for concerts, number of concerts and finishing times;
- increase the area of the central city around the CMUA requiring acoustic insulation for new “sensitive activities” (including residential buildings); and
- increase the standard of acoustic insulation that applies.

In terms of design options, attenuation of the noise at its source with a solid roof was assessed by the Council as being cost prohibitive. It has nevertheless made changes to the design of the CMUA which reduce the extent of noise spill to the north and west of the site. Those changes have resulted in some extension of modelled noise spill to the south of the site.

The proposed amendments to the CCRP are the subject of this decision.

3. PROCESS AND LEGAL REQUIREMENTS

Following the approval of the Outline for the amendments on 31 July 2020, the Council sought the views of s29(1) parties, (ECan, Ngāi Tahu, Ōtākaro and the chief executive of the Department of the Prime Minister and Cabinet (DPMC)), in accordance with s33(2) of the GCR Act. The parties provided views within the 30-working day timeframe required under s16 of the GCR Act.

In January 2021, the Council notified the draft amendments and sought public written comments in accordance with s34, with feedback due by 1 March 2021. In May 2021, it re-notified and then contacted parties to the south of the CMUA, in response to the changes to the CMUA design which altered the noise spill.

The amendments were then submitted to me, along with supporting information.

When making a decision on the amendments, the GCR Act requires me to:

- either approve or decline the amendments (s38(1));
- have particular regard to the views of ECan and Ngāi Tahu (s38(2)(a));
- consider the material specified in s35(2), which must be provided by the Council, (s38(2)(b) namely:
 - a concise statement recording the views provided by the s29(1) parties under s33(2);
 - a concise statement summarising the comments and other input as part of a public call for comments provided under s34;
 - advice on whether the amendments have been developed in accordance with the Outline approved under s31; and
 - advice on how the views and comments provided under ss33 and 34 have been considered and, if relevant, addressed;
- consider whether the amendments have been developed in accordance with the approved Outline (s38(2)(c));
- consider the fiscal and financial implications of the amendments (s38(2)(d));
- consider whether the amendments are in the public interest (s38(2)(e));
- ensure that I exercise my power in accordance with one or more purposes of the GCR Act (s11(1)); and
- exercise that power where I reasonably consider it necessary (s11(2)).

In making my decision, I have considered all the matters specified above. This paper outlines those considerations.

4. SECTION 38 CONSIDERATIONS

As part of the s38 considerations, I have given particular regard to the views of ECan and Ngāi Tahu as required under s38(2)(a), both of which support the proposal.

Views provided under s33(2)

I note the concise statement recording the views provided under s33(2), and the Council's advice on how these views were considered and, if relevant, addressed in the proposal.

I note the comments of Ōtākaro and the chief executive of DPMC. These particularly relate to uncertainty regarding the costs to developers and residents to meet the acoustic insulation requirements for residential premises. They also relate to the proposed balance between the regeneration objectives of achieving a high-quality inner-city living environment, with enabling the CMUA to attract and host a variety of world class events and activities.

While some uncertainty remains with respect to the anticipated cost of the acoustic isolation requirements, for the reasons I set out further below, I am nevertheless satisfied that the Proposal achieves an appropriate balance between the objectives articulated in the CCRP for both the utilisation of the CMUA as a world class facility and the development of attractive and high amenity inner-city living, which will, in turn, support the regeneration of greater Christchurch.

Comments and other input provided under s34

I note the Council's concise summary of the comments and other input provided under s34 and have considered these comments as part of my s38 considerations.

The Council has advised that there were 123 written comments, with the majority being in general support of the proposal.

I have considered the summary of comments, in particular, regarding:

- the noise limits/restrictions;
- finishing times for events;
- the number of concerts/events; and
- the noise management plan and insulation rules.

I note the changes the Council made to the CMUA in response to the public comments to reduce noise in the residential areas to the north and west of the CMUA with corresponding increases in noise to the south. It added another round of public comment on these changes. The Council also reduced the maximum number of annual concerts, included additional noise loggers, removed the base noise limit, and established a Noise Liaison Committee.

There were two areas where the Council did not specifically demonstrate how it addressed the public comments – in relation to the requests that no concerts are held on holy days and for financial compensation for acoustic insulation.

I am satisfied that the restrictions on the maximum number of annual concerts and the establishment of the Noise Liaison Committee (which is intended to facilitate communication between members of local communities and venue operators) will provide the opportunity for managing engagement with the local community on matters, including the timing of events.

I make comment on the financial implications associated with acoustic insulation requirements and the balancing of the various interests below.

In general, although I consider that my decision making would have been assisted by more direct information from the Council on these two matters, I am satisfied that the matters raised by the public have been fully considered and appropriately responded to in this decision-making process.

Development in accordance with the Outline approved under s31

I have considered the material provided by the Council under s35 and its advice on whether it considers the proposal has been developed in accordance with the Outline. I have also considered myself whether the proposal has been developed in accordance with the Outline.

The Council has advised that except for the additional round of public comment instigated due to the adjusted noise contours and public comments received, it has developed the proposal in accordance with the Outline. I agree with the Council's advice and consider that the additional round of public comment was appropriate to ensure there was an opportunity for public feedback on the proposed changes, and that the additional public scrutiny enabled through this step contributed to a more robust proposal from the Council.

Fiscal and financial implications

In accordance with s38(2)(d), I have considered the fiscal and financial implications of the proposal.

I note the Council's advice that there are cost pressures that prevent it from employing a solid roof to prevent noise spill from the CMUA.

As outlined above, I also note the comments from Ōtākaro Limited, the chief executive of DPMC, and those who have provided comments as part of the written comment phase regarding the costs of meeting the acoustic insulation requirements.

Ōtākaro Limited has provided costings related to the acoustic insulation required for new development. Fletcher Living has expressed some doubt over that but has not provided alternative costings. As such, I accept the costings provided by Ōtākaro Limited provide at least an indicative level of cost imposition on private landowners. The Council has also provided information from concert promoters advising that low noise limits and increased time restrictions will detract from the functionality of the CMUA and make it more difficult to attract a range of world class concerts and other activities. I note that the views of the public as provided by Council support the widest use of the stadium possible.

I note that there will be an overall benefit to the city in ensuring the CMUA is best placed to attract a wide range of events and activities. For example, Dunedin's economy was boosted by visitor spend as a result of the concert acts it attracted in 2018/19¹. I therefore consider on balance, and on the information provided, that the potential cost of acoustic insulation and the impacts of that in terms of achieving a thriving residential neighbourhood are outweighed by the benefits achieved in ensuring the CMUA is able to attract the widest variety of events with the consequent regeneration benefits to greater Christchurch.

Such benefits will of themselves also have benefit to those who own and occupy residential developments within the inner city and particularly in the vicinity of the CMUA. A number of

¹ [Dunedin Venues Annual Report 2019](#), Dunedin Venues Management Limited, p. 31.

the public commenters acknowledged the CMUA would make the city a more vibrant place to live².

I have also considered and balanced the costs on individual property owners to provide acoustic insulation against the overall vision of a vibrant city and the likely positive economic impacts (including visitor spend) to Christchurch from hosting big concerts.

Overall, I am satisfied that the financial costs to property owners and developers to meet the acoustic insulation requirements are appropriate and reasonable in the circumstances, particularly when balanced against the wider regenerative benefits for the city (and region) arising from the proposal.

Public interest

As required by s38(2)(e), I have considered whether the proposal is in the public interest.

It is in both the local and national interest that Christchurch regenerates. The higher operational noise parameters are likely to attract bigger concerts. It is reasonable to assume that these will promote the city, increase vibrancy and economic, cultural and social activity. These are essential to support the achievement of aspirations identified in the CCRP. The amendments also impose suite of measures to manage noise in order to support a thriving residential environment. The public comments emphasised public support for the widest possible use of the CMUA.

When compared to the status quo, the amendments will provide increased certainty to current and future neighbouring residents regarding the noise generating activities occurring on the site. I also recognise that developers and residents will get the overall benefit of a vibrant inner-city offered by these louder events, and higher acoustic insulation will increase overall quality of the residential environment.

In addition, it will provide a permanent replacement venue for the temporary Orangetheory Stadium, which is due to be decommissioned once the CMUA is operational, estimated at the end of June 2025. In the interim period, the temporary Orangetheory Stadium can hold an unlimited number of concerts per year at 85dB.

Although I acknowledge that the amendments will result in some additional cost for residents/developers, I am nevertheless satisfied that the regeneration benefits of the Proposal for the surrounding area, the central city, greater Christchurch and the region outweigh those costs. In making this assessment, I am again mindful of the strong support for the widest use of the CMUA and the strong support for the Proposal generally that was expressed by members of the public in the comments period.

Conclusion: s38 considerations

Overall, my view is that approving the amendments is consistent with the considerations set out in s38 of the GCR Act.

² Amendments to the Christchurch Central Recovery Plan in respect of the Canterbury Multi-Use Arena: Proposal for the exercise of the Ministerial power under section 38 of the Greater Christchurch Regeneration Act 2016, Christchurch City Council, pp. 146, 147, and 154.

5. SECTION 11 CONSIDERATIONS

Purposes of the GCR Act

The GCR Act supports the regeneration of greater Christchurch through five express purposes as set out in s3(1). Section 11(1) requires me to ensure that I exercise my power to approve the amendments in accordance with one or more purposes of the GCR Act. In order to assess this, I have considered how the amendments will support regeneration as defined in s3(2)(b) of the GCR Act.

Regeneration means...improving the environmental, economic, social, and cultural well-being, and the resilience, of communities through... urban renewal and development... . Urban renewal means the revitalisation or improvement of an urban area, and includes rebuilding and / or the provision and enhancement of community facilities and public open space.

The CMUA is a community facility and the amendments will enhance the CMUA, providing a more certain, enabling operational framework. Information from promoters indicates that a more enabling framework will likely attract bigger concerts and it is reasonable to conclude that this will improve wellbeing of the community – by drawing people into the city, increasing the support for hospitality businesses. This reflects the aspirations of the CCRP for the CMUA and the city more generally – including stimulating development and attracting people. The public comments indicate strong support for a world class CMUA.

The operational framework also seeks to support a thriving residential environment by establishing noise management measures. Acoustic insulation requirements will result in some additional cost, but they will also improve amenity and support the wider aspiration of a thriving neighbourhood.

Taking this into account, I consider that approving the amendments is in accordance with four of the five purposes of the GCR Act. In my view the amendments would:

- **enable a focused and expedited regeneration process.** The amendments endeavour to expedite development of the CMUA which the Council considers will bring regeneration benefits to the wider regional community through the hosting of large events;
- **facilitate the ongoing planning and regeneration of greater Christchurch.** The amendments provide more certainty for the management and mitigation of noise than the current rules, which effectively have no restrictions on concert numbers or noise levels, and fewer wide-ranging noise insulation requirements (i.e. only applying within 75 metres of the CMUA). Certainty will facilitate the planning and regeneration of the central city around the CMUA. This process will help provide certainty for private sector investment and may help contribute to a more vibrant and successful inner central city;
- **enable community input into its development.** The amendments require community input into the management and mitigation of CMUA noise. A Noise Liaison Committee would be established before the CMUA is operational, to facilitate ongoing

communication between members of local communities, the venue operator and the Council's regulatory compliance officers; and

- **recognise the local leadership of ECan, the Council and Ngāi Tahu, in particular, and provide them with a role in decision-making under the GCR Act.** A decision to approve the amendments would recognise the Council's leadership, and the input of other local leaders, including ECan and Ngāi Tahu who generally either support or do not object to the amendments. The Council also notes that ongoing engagement is intended with Ngāi Tūāhuriri during the development of the CMUA.

Necessity

I am satisfied that exercising my power to approve the amendments is necessary to support the regeneration of greater Christchurch. My view is that using the GCR Act process is necessary:

- to expedite the provision of certainty regarding the operational noise parameters of the CMUA and the implications of that for surrounding uses for CMUA project management, developers and residents in the surrounding area. As a flow on effect it would support the timely commencement of the project which would have positive impacts on the regeneration of this critical area of the central city; and
- if the changes to the regulatory framework are made in an expedited manner, the regulatory environment could be factored into design decisions for the CMUA, and surrounding residential developments, with certainty.

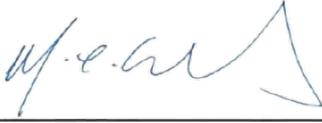
I do not consider that the same result could be achieved at this time through a mechanism other than approving these amendments. I am advised that progressing these amendments under the Resource Management Act 1991 (RMA) could take at least a year, and more likely longer. This could significantly delay the progression of the CMUA and perpetuate the current uncertainty regarding the way in which noise from the CMUA will be managed. While the RMA process would likely include a public hearing, I am mindful that this proposal has been subject to two rounds of formal public comment both of which provided the opportunity for detailed review and engagement.

Self-regulation would also not provide the required regulatory support and certainty expected given the level of investment into the development of the CMUA and the surrounding residential area, and the wider benefits it will bring to greater Christchurch. In a general sense, any alternative would involve delays to regeneration, the CMUA being one of the last remaining anchor projects for the city to be developed.

In coming to my decision, I have considered the significance of the decision, its consequences and the alternatives to approving the amendments.

6. DECISION

I am very pleased to be able to approve the amendments to the CCRP in respect of the CMUA under s38 of the GCR Act, and I am confident that it will support the regeneration of greater Christchurch.



Hon Dr Megan Woods

Associate Minister of Finance

Date: 14 December 2021