


OC241356

11 December 2024



Tēnā koe 

I refer to your request for information under the Official Information Act 1982 (the Act), which was partially transferred to Te Manatū Waka the Ministry of Transport (the Ministry) on 15 November 2024. You have requested the following briefing papers:

- *“Joint Report by the Treasury and Ministry of Transport T2024/2235: City Rail Link Limited - Extension of Foreign Currency Accounts and Derivatives Protocol*
- *Joint Report by the Treasury and Ministry of Transport T2024/2275: City Rail Link Sponsors Options for the Maungawhau and Karanga-a-Hape Development Precinct”*

Both briefings are released with some information withheld. The document schedule at Annex 1 details how the briefings have been treated. The following sections of the Act have been used:

- |             |   |
|-------------|---|
| 9(2)(a)     | to protect the privacy of natural persons   |
| 9(2)(b)(ii) | to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information  |
| 9(2)(f)(iv) | to maintain the constitutional conventions for the time being which protect the confidentiality of advice tendered by Ministers of the Crown and officials  |
| 9(2)(g)(i)  | to maintain the effective conduct of public affairs through the free and frank expression of opinions by or between or to Ministers of the Crown or members of an organisation or officers and employees of any public service agency or organisation in the course of their duty |
| 9(2)(h)     | to maintain legal professional privilege  |
| 9(2)(j)     | to enable a Minister of the Crown or any public service agency or organisation holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)  |

With regard to the information that has been withheld under section 9 of the Act, I am satisfied that the reasons for withholding the information at this time are not outweighed by public interest considerations that would make it desirable to make the information available.

You have the right to seek an investigation and review of this response by the Ombudsman, in accordance with section 28(3) of the Act. The relevant details can be found on the Ombudsman's website [www.ombudsman.parliament.nz](http://www.ombudsman.parliament.nz)

The Ministry publishes our Official Information Act responses and the information contained in our reply to you may be published on the Ministry's website. Before publishing we will remove any personal or identifiable information.

Nāku noa, nā

A handwritten signature in black ink, appearing to read 'HAR' followed by a stylized flourish.

Hilary Penman  
**Manager, Accountability & Correspondence**

## Annex 1 - Document Schedule

Doc#	Reference	Document	Decision on release
1	OC240922 T2024/2235	City Rail Link Limited – Extension of Foreign Currency Accounts and Derivatives Protocol	Released with some information withheld under section 9(2)(a).
2	OC240420 T2024/2275	City Rail Link Sponsors Options for the Maungawhau and Karanga-a-Hape Development Precincts	Released with some information withheld under sections 9(2)(a), 9(2)(b)(ii), 9(2)(f)(iv), 9(2)(h), 9(2)(g)(i) and 9(2)(j).



3 September 2024

**BRIEFING**

OC240922 / T2024/2235

**Hon Simeon Brown**  
**Minister of Transport**

**Action required by:**  
Friday, 20 September 2024

**Hon Nicola Willis**  
**Minister of Finance**

cc Hon Shane Jones  
Associate Minister of Finance

### **City Rail Link Limited - Extension of Foreign Currency Accounts and Derivatives Protocol**

#### **Purpose**

This briefing seeks Ministerial approval to replace the Foreign Currency Accounts and Derivatives Protocol (the Protocol) for City Rail Link Limited (CRL) with a new Protocol to expire on 30 June 2026.

The new Protocol will allow CRL to continue to hold foreign currency accounts and hedge against foreign currency fluctuations while the City Rail Link project (the project) is completed.

#### **Key points**

- Many parties of the Link Alliance<sup>1</sup> are international businesses. Foreign currency accounts are required to allow CRL to buy euros (EUR) and Australian dollars (AUD) to make payments for invoices in those currencies.
- Hedging is required for foreign currency exposures for both EUR and AUD. For example, the foreign currency contract payments for some contracts and staff salaries need to be hedged to help reduce cost exposure for the project resulting from movements in the foreign exchange market.

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<sup>1</sup> The Link Alliance is a consortium of international companies, including Vinci Construction Grands Projets S.A.S (Vinci), Downer New Zealand Limited, Soletanche Bachy International (NZ) Limited, AECOM New Zealand Limited, WSP New Zealand Limited, Tonkin & Taylor Limited, and City Rail Link Limited.

- The Protocol was last reviewed and amended in 2021 when it was increased from \$100 million to \$200 million and given an expiry date of 31 December 2024.
- With practical completion of the project currently forecast to occur in November 2025, the Protocol needs to be extended. Officials recommend that the Protocol is extended until 30 June 2026, the end of the 2025/26 financial year. This date should give CRLI enough time following completion of the project to settle all outstanding foreign currency invoices.
- The Minister of Finance needs to approve CRLI holding foreign currency under section 158(6) of the Crown Entities Act 2004 (the Act).
- The Minister of Finance and Minister of Transport need to jointly approve the use of derivatives under section 160(1)(b) of the Act.
- Auckland Council, as joint Sponsor of CRLI and the project, has been consulted and agrees to the new Protocol.

## Recommendations

We recommend you:

	Minister of Finance	Minister of Transport
1. <b>note</b> that to approve CRLI to hold foreign currency and enter into derivatives worth up to NZD\$200 million, the Minister of Finance needs to approve the holding of foreign currency under section 158(6) of the Crown Entities Act 2004 (the Act) and the Minister of Finance and Minister of Transport need to jointly approve the use of derivatives under section 160(1)(b) of the Act		
2. <b>agree</b> that CRLI may hold foreign currency in accordance with section 158(6) of the Act, which when combined with the value of foreign currency derivatives entered into and approved under section 160(1)(b) of the Act, may be worth up to a limit of NZD\$200 million in value	Yes / No	
3. <b>agree</b> that CRLI may enter into derivatives for foreign currency hedging purposes in accordance with section 160(1)(b) of the Act, which when combined with held foreign currency approved under section 158(6), may be worth up to a limit of NZD\$200 million in value	Yes / No	Yes / No
4. <b>note</b> that under the Protocol this limit applies cumulatively to these transactions up until 30 June 2026, after which no foreign currency transactions are approved		

5. **agree** that the Ministry of Transport notify the Foreign Currency Accounts and Derivatives Protocol in the *Gazette* on your behalf Yes / No Yes / No
6. **sign** the attached letter to the Chair of CRLI informing CRLI of Ministerial approval of the Protocol Yes / No

Hon Nicola Willis  
**Minister of Finance**

..... / ..... / .....



Hon Simeon Brown  
**Minister of Transport**

..... / ..... / .....



Ann Webster  
**Manager, Commercial and Institutional Performance**  
 The Treasury

Richard Cross  
**Director Investment and Monitoring**  
 Ministry of Transport

- Minister's office to complete:**  Approved  Declined  
 Seen by Minister  Not seen by Minister  
 Overtaken by events

**Comments:**

**Contacts**

Name	Telephone	First contact
Richard Cross, Director, Investment and Monitoring	s 9(2)(a)	✓
Alan Collins, Senior Advisor, Crown Entity Monitoring		
Jess Lee, Analyst, Commercial and Institutional Performance, The Treasury		

# CITY RAIL LINK LIMITED - EXTENSION OF FOREIGN CURRENCY ACCOUNTS AND DERIVATIVES PROTOCOL

## City Rail Link Limited requires an extension of its foreign currency accounts and derivatives Protocol

*City Rail Link Limited cannot hold foreign currency or foreign currency derivatives without approval*

- 1 CRLL is a Schedule 4A company under the Public Finance Act and must comply with certain provisions of the Crown Entities Act 2004 (the Act), including sections 158 for foreign currency accounts and section 160 for foreign currency derivatives.
- 2 Under section 158(6) of the Act, all money of a Crown Entity held in a bank account or registered building society must be denominated in New Zealand dollars unless the Minister of Finance allows otherwise.
- 3 Under section 160(1)(b) of the Act, the Minister of Finance and the Minister of Transport (as responsible Minister) must approve foreign currency derivatives as these are otherwise prohibited under the Act.

*City Rail Link Limited's current Protocol will expire on 31 December 2024*

- 4 CRLL was initially approved to hold foreign currency accounts and derivatives up to \$100 million in June 2020. The Protocol was amended in March 2021, increasing the Protocol to \$200 million with an expiry date of 31 December 2024, after which no foreign currency transactions are allowed.
- 5 The current practical completion date for the project is November 2025. The current Protocol expires on 31 December 2024, so an extension of the Protocol is required to ensure CRLL can continue to pay foreign currency invoices and maintain hedging positions until the project is completed.
- 6 The Protocol allows CRLL to hold foreign currency in accounts and permits CRLL to enter foreign exchange derivatives for hedging purposes. This allows CRLL to make payments for foreign currency invoices and help reduce cost exposure for the project resulting from movements in the foreign exchange market.

## The process to amend the Protocol is outlined below

- 7 The process to approve the Protocol under the Crown Entities Act 2004 involves:
  - the Minister of Finance and the Minister of Transport agreeing to the Protocol, according to the required approvals as noted above
  - the Minister of Transport communicating Ministers' agreement in writing to the CRLL Chair (as per the attached draft letter)

- the Minister of Finance notifying the approval of the use of derivatives in the *New Zealand Gazette*, as per section 160(3) of the Crown Entities Act 2004. A draft copy of the *Gazette* notice detailing the Protocol is attached.

### **Approving the Protocol is low risk but there are risks if it is not approved**

- 8 Approving the Protocol is assessed as low risk. The conditions of the Protocol remain unchanged from those used by CRLI for over three years. The use of foreign currency accounts and derivatives by CRLI is appropriate for a project of CRL's scale to effectively manage foreign exchange risk associated with foreign currency payments for services to complete the project.
- 9 Risk is further managed by CRLI via monthly reporting provided to Sponsors. The reporting allows Sponsors to monitor the use of these facilities and how CRLI is managing its exposure to foreign exchange risk.
- 10 There are risks if the Protocol is not approved. Without the Protocol CRLI will not be able to pay its foreign currency contracts, jeopardising delivery. Without foreign currency derivatives, CRLI will also be unable to hedge foreign currency exchange rates that may result in increased costs to the project due to exchange rate fluctuations.

### **Next steps**

- 11 The new Protocol will come into effect on the date this briefing is signed by both Ministers.
- 12 The attached letter to the Chair of CRLI will inform CRLI of Ministers' approval of the Protocol.
- 13 The Ministry of Transport will arrange for the Protocol to be publicly notified by Gazette notice on your behalf.



## LETTER INFORMING CITY RAIL LINK LIMITED CHAIR OF THE NEW PROTOCOL

John Bridgman  
Chair  
City Rail Link Limited  
PO Box 105777  
AUCKLAND 1141

s 9(2)(a)

Dear John

### **Amendment to the Foreign Currency Accounts and Derivatives Protocol**

I am writing to advise you that, pursuant to sections 158(6) and 160(1)(b) of the Crown Entities Act 2004, the Minister of Finance and I have approved a new Foreign Currency Accounts and Derivatives Protocol for City Rail Limited (CRL) (attached).

The updated Protocol is now in effect and will be publicised in the *Gazette*.

The new Protocol will remain the same as the Protocol that was due to expire on 31 December 2024 but now has an expiry date of **30 June 2026**. This new expiry date recognises the later forecast completion date of the City Rail Link project and that CRL will require to transact in foreign currency for a longer period.

I trust that this facility will assist CRL to continue to mitigate foreign currency exchange risks effectively and settle its foreign currency contracts as required until completion of the project.

Yours sincerely

Hon Simeon Brown  
**Minister of Transport**

Copy to: Hon Nicola Willis, Minister of Finance  
Wayne Brown, Mayor of Auckland

# PROPOSED FOREIGN CURRENCY ACCOUNTS AND DERIVATIVES PROTOCOL GAZETTE NOTICE

## City Rail Link Limited – Foreign Currency Accounts and Derivatives Protocol

### Coverage

1. This Protocol sets out the joint approval of the Minister of Finance and the Minister Responsible for City Rail Link Limited (“Joint Ministers”) under section 160 of the Crown Entities Act 2004 (the “Act”), for City Rail Link Limited (“CRL”) to enter into derivatives (as defined in the Act), as well as the approval of the Minister of Finance under section 158(6) for CRL to use foreign currency accounts.
2. The use of foreign currency accounts and entry into derivatives by CRL must be made in accordance with this Protocol and all relevant law.

### Policies and Procedures

3. CRL is responsible for managing its foreign currency accounts and derivatives and must have board/committee approved treasury policies and procedures in place for this purpose, including policies and procedures for derivatives.

### Process

4. CRL may hold foreign currency accounts and may also enter into foreign exchange derivatives (derivatives) to hedge foreign currency risk in contracts with international suppliers and to assist the Link Alliance in purchasing equipment from overseas.
5. CRL may hold foreign currency accounts and enter into foreign currency derivatives worth up to a maximum combined value of NZ\$200 million. This limit applies cumulatively to these transactions up until 30 June 2026 after which no foreign currency transactions are approved under this Protocol. All foreign currency exposures must be actively managed.
6. Any derivatives that are not sourced from the Treasury may be sourced from another entity, providing that it has a minimum long-term credit rating of ‘A’ or above from Standard & Poor’s and/or Moody’s Investor Service. In addition, CRL must have a risk management policy that includes following elements:
  - a. identification, measurement, management and reporting of risk exposures,
  - b. segregation of duties and the management of operational risks,
  - c. restrictions around credit risk and approved instruments/counterparties.

### Monitoring

7. Foreign currency accounts and derivative transactions in accordance with this Protocol are subject to monthly reporting by CRL to the Sponsors of the City Rail Link project, including (but not limited to):
  - a. The extent to which it is using foreign currency accounts and derivatives facilities.

- b. A commentary on its exposure to foreign exchange risk associated with these facilities and how it is managing that risk.
8. CRLI will also include the treatment of derivatives in its upcoming Annual Reports.

#### **Review**

9. This Protocol may be reviewed annually at the same time as the draft Statement of Performance Expectations, or as circumstances require.

#### **Disputes**

10. If a dispute arises between CRLI and the Treasury or the Ministry of Transport over the operation of this Protocol, either party will notify the other of the dispute. Both parties will attempt to resolve the dispute within 15 working days of notice and must meet within five working days of the notice. If the dispute cannot be resolved within 15 working days of the notice, the parties will prepare a submission to Joint Ministers for a decision.

#### **Amendments**

11. This Protocol can be amended at any time by Joint Ministers on written notice to CRLI, in accordance with the Act. Joint Ministers will consult with CRLI prior to making any changes.

#### **Term**

12. This Protocol will take effect from [date briefing is signed by both Ministers] replacing the current Protocol and, subject to clause 11, will continue in force until 30 June 2026 or until it is terminated or replaced by written notice by Joint Ministers. Joint Ministers will take CRLI's requirements into account in replacing this Protocol.

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OFFICIAL INFORMATION ACT 1992



10 September 2024

OC240420 / T2024/2275

**Hon Simeon Brown**  
**Minister of Transport**

**Action required by:**  
Friday, 20 September 2024

**Hon Nicola Willis**  
**Minister of Finance**

## **CITY RAIL LINK SPONSORS OPTIONS FOR THE MAUNGAWHAU AND KARANGA-A-HAPE DEVELOPMENT PRECINCTS**

### **Purpose**

This briefing provides you with background information on the land owned by City Rail Link Limited (CRL) and Auckland Council (on behalf of CRL) intended for development and the decisions made to date in relation to the development sites in the Maungawhau and Karanga-a-Hape precinct.

This briefing is split into two parts, each section outlining the decisions required from you:

- Part 1 provides options for reconsidering the Foundation Outcomes sought in relation to the development of the land, as requested by the Minister of Transport.
- Part 2 provides s 9(2)(f)(iv) [REDACTED]

### **Key points**

- s 9(2)(j) [REDACTED]
- The Foundation Outcomes (Outcomes), are set out in the development programme business case, produced by Eke Panuku and Kāinga Ora and approved by Sponsors in July 2023. The Outcomes set the baseline that any proposed development must achieve on those sites, s 9(2)(j) [REDACTED]

<sup>1</sup> Sponsors of the City Rail Link project are the Ministers of Transport and Finance on behalf of the Crown, and the Mayor and Deputy Mayor of Auckland on behalf of Auckland Council.

- The current development approach maximises the density within the constraints of the Auckland Unitary Plan (AUP). To increase the density of development sites owned by CRL and Auckland Council (on behalf of CRL) in the Maungawhau and Karanga-a-Hape precinct requires a Plan Change to the AUP under the Resource Management Act 1991 (RMA)<sup>2</sup>. This Plan Change would seek approval to breach the volcanic viewshafts<sup>3</sup>. Auckland Council is responsible for approving a Plan Change and have advised that changes to the AUP would be a significant and expensive undertaking involving community consultation and legal challenges.

- s 9(2)(b)(ii), s 9(2)(j)  


- s 9(2)(g)(i)  


- s 9(2)(j)  


- In addition, CRL has identified that following practical completion of the CRL project in November 2025, the development sites are likely to be surplus land that is not required for railway purposes. CRL has advised that any surplus land that was acquired pursuant to the PWA will be subject to the PWA disposal process (see Annex 3). CRL is in the process of determining the nature and extent of any land and protections required for railway purposes under the CRL project to confirm the

<sup>2</sup> The Resource Management Act 1991 (RMA) allows anyone to seek changes to district or regional plans through a request for a private plan change. Requests for private plan changes enable innovative proposals to be tested through the RMA process and allow applicants to initiate change without waiting for a plan review.

<sup>3</sup> Volcanic viewshafts are designated viewpoints or observation areas which protect significant views to Auckland's volcanic cones. Buildings that intrude into a significant volcanic viewshaft require consent.

amount of surplus land that would be available for development. s 9(2)(f)(iv)

- s 9(2)(b)(ii), s 9(2)(j)

**Recommendations**

We recommend you:

s 9(2)(b)(ii), s 9(2)(j)	Minister of Finance	Minister of Transport
[Redacted]	Yes / No	Yes / No
[Redacted]	Yes / No	Yes / No
[Redacted]	Yes / No	Yes / No
[Redacted]	Yes / No	Yes / No

5 **note** if you agree to any of the above options, further advice will be provided to you.

s 9(2)(b)(ii), s 9(2)(j)

s 9(2)(j)

Hon Nicola Willis  
**Minister of Finance**

..... / ..... / .....



Hon Simeon Brown  
**Minister of Transport**

..... / ..... / .....



Ann Webster  
**Manager, Commercial and Institutional  
 Performance  
 The Treasury**

David Wood  
**Deputy Chief Executive, Investment and  
 Monitoring  
 Ministry of Transport**

- Minister's office to complete:**
- Approved
  - Declined
  - Seen by Minister
  - Not seen by Minister
  - Overtaken by events

**Comments**

**Contacts**

Name	Telephone	First contact
Richard Cross, Director, Investment and Monitoring, Ministry of Transport	s 9(2)(a)	✓
Rebekka Jobson, Senior Adviser, Programme Monitoring and Investment Management, Ministry of Transport		

Michael Moore, Principal Advisor, Commercial and Institutional Performance, The Treasury	s 9(2)(a)	
Ann Webster, Manager, Commercial and Institutional Performance, The Treasury		

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## CITY RAIL LINK SPONSORS OPTIONS FOR THE MAUNGAWHAU AND KARANGA-A-HAPE DEVELOPMENT PRECINCTS

### Background

- 1 The CRL project required the purchase of land by Auckland Council (on behalf of CRLL) in order to complete the works required for the underground rail infrastructure and above ground stations.
  - 2 CRLL's primary objective regarding the land is to ensure that the ultimate asset owners of CRL (KiwiRail through the Crown and Auckland Transport through Auckland Council) have the land and associated protections that they require to own, operate and maintain CRL.
  - 3 In June 2020, Sponsors approved the Blueprint Masterplan produced by CRLL, which outlined approximately 4ha of developable land surrounding the Maungawhau and Karanga-a-Hape Railway Stations; one site adjacent to the Karanga-a-Hape Railway Station and eleven sites in the vicinity of the Maungawhau Railway Station. These twelve sites are collectively referred to as the development sites.
  - 4 In July 2021, Sponsors directed Eke Panuku and Kāinga Ora to work in consultation with CRLL to deliver a development programme business case for the twelve development sites. The high-level Blueprint Masterplan, including the development sites, current land ownership and the intended developer of each site (as per Eke Panuku and Kāinga Ora's development programme business case) is attached in Annex 1. The exact composition of the development sites is not yet known, and relies on a number of matters, for example, what land is required by Auckland Transport, KiwiRail and Vector, and what land is still required for railway purposes.
  - 5 Within the Blueprint Masterplan there are three parcels of land owned by Auckland Council that are intended to be incorporated into development Blocks A, C and D. Some of that land will be required to be transferred to CRLL for the Station, some of that land will need to be vested as road, and the balance of land (not required for the CRL project or road) will remain in Auckland Council ownership. Those balance titles will be subject to a Right of First Refusal under the Ngā Mana Whenua o Tāmaki Collective Redress Act 2014.
  - 6 In addition, Kāinga Ora purchased Block G for urban development purposes, enabling amalgamation with adjoining CRLL residual land to facilitate a mixed-use development with a new accessible east-west connection to the station, and maximise value capture opportunities.
- s 9(2)(b)(ii), s 9(2)(j)
- 8 In July 2023, Sponsors approved the development programme business case and precinct development plan, which included seven Outcomes for the development sites that guide the delivery of the development programme. The Eke Panuku Board was also delegated decision-making governance as the lead agency to take the sites

to market. Sponsors set a minimum value to be achieved by property sales [REDACTED]  
s 9(2)(b)(ii) [REDACTED]  
[REDACTED] (OC230402 refers).

9

s 9(2)(b)(ii)

[REDACTED]

10

Previous Ministers also agreed in principle, s 9(2)(i)

[REDACTED]

11

Work to revalue the parcels of land available for development will progress once CRLL has identified the nature and extent of the land and protections required. Based on the timing of land sales and the applicable Outcomes, the land could be sold for s 9(2)(b)(ii), s 9(2)(i)

[REDACTED] as the market will ultimately determine the price.

s 9(2)(b)(ii)

[REDACTED]

s 9(2)(i)

[REDACTED]

s 9(2)(b)(ii)

[REDACTED]

s 9(2)(j)

17

s 9(2)(b)(ii)

18

19

s 9(2)(j)

## Current state

*There are seven Foundation Outcomes guiding the urban regeneration programme*

20 The Outcomes were developed to reflect the vision and objectives of the CRL Blueprints Masterplan. The urban regeneration programme is led by Eke Panuku, in partnership with Kāinga Ora. The seven Outcomes are:

- **Environmental vitality and climate action:** An exemplar net zero carbon urban regeneration development that is resilient to climate change and focuses on the prioritisation of sustainable modes of transport and environmental vitality.
- **Mana whenua partnership:** Partner with mana whenua to integrate mātauranga Māori (Māori knowledge) and reflect Māori identity in the precincts.
- **Homes:** Provide healthy, affordable, and accessible homes with a mix of different types and options, to cater for a diverse community.
- **Affordable homes:** Provide an adequate supply of quality, affordable homes in the precinct to make the most of the location being adjacent to a significant transport connection.
- **Accessibility:** Create precincts that are accessible for all, encourage the use of public transport, and provide a safe and connected neighbourhood.
- **Economic and social wellbeing ('Community well-being')**: Provide public space, health, community space, learning, and employment facilities that enhances the existing community and enables people to thrive.

- **Value realisation:** Creating enduring investments for the community and realise value over time.

21 The Outcomes do not establish specific design criteria, allowing flexibility and interpretation on aspects such as 'adequate' supply of housing and 'accessible' precincts, for Eke Panuku as they develop the design for these sites. The Outcomes will get attached to any development agreement once there is certainty on which sites get transferred to Auckland Council.

*The Blueprint Masterplan reflects the location of underground CRL assets*

22 The development sites will have restrictions on them to prevent compromise of the CRL infrastructure assets underneath, adjacent or in close proximity, while reflecting Eke Panuku's interpretation of the Outcomes. There will be protection covenants for CRL assets and easements in relation to access and utilities.

23 s 9(2)(b)(ii)

*The density of the development sites aligns with the Auckland Unitary Plan*

24 The development follows the preferred option in the development programme business case – maximising the development density within the constraints of the AUP. The development sites currently owned by CRLL have a capacity for approximately 730 homes in total. Developers could maximise development to the volcanic viewshaft height controls, which could increase the development sites to a total capacity of 810 homes. It is recommended that this be undertaken by developers through resource consents.

25 Increasing the current density of the development sites beyond what is currently permitted under the AUP would likely intrude into volcanic viewshafts. This would require changes to the AUP, through a Plan Change under the RMA. Sponsors cannot make this decision – Auckland Council are responsible for making decisions on any changes to the AUP. s 9(2)(j)

• s 9(2)(j)

•

•

*Eke Panuku has made progress since the development programme business case and precinct development plan was approved by Sponsors in July 2023*

26 Eke Panuku has worked with relevant agencies, including Auckland Council, CRL, Auckland Transport and Kāinga Ora, to:

- understand the rail protection requirements that may be needed and the process for CRL to confirm these requirements
- finalise the essential Outcomes which developers will be required to deliver at each site

s 9(2)(b)(ii)

- 
- 
- 

*Kāinga Ora is the Crown's delivery partner in the Maungawhau and Karanga-a-Hape development precinct urban regeneration programme*

27 In June 2021, Kāinga Ora secured, under strategic land acquisition, 98-110 New North Road (Block G identified in Annex 1). The site was purchased for urban development purposes, enabling amalgamation with adjoining CRL residual land to facilitate comprehensive transit-oriented development with a new accessible east-west connection to the station, and to maximise development and value capture opportunities for the shareholders.

28 s 9(2)(f)(iv)

29

s 9(2)(j)

31 Pursuant to the PDA, decisions regarding the CRL project must be collectively agreed to by all Sponsors.

32 s 9(2)(j)

The Outcomes currently reflect the baseline outcomes that any proposed developments on the sites will be evaluated against, and these, together with any qualifying development plan, would then be expressly contracted for

in the ultimate development agreement with developers. This is a widely used contractual framework by public sector entities to provide for the delivery of development outcomes.

s 9(2)(j)



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s 9(2)(j)

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s 9(2)(j)

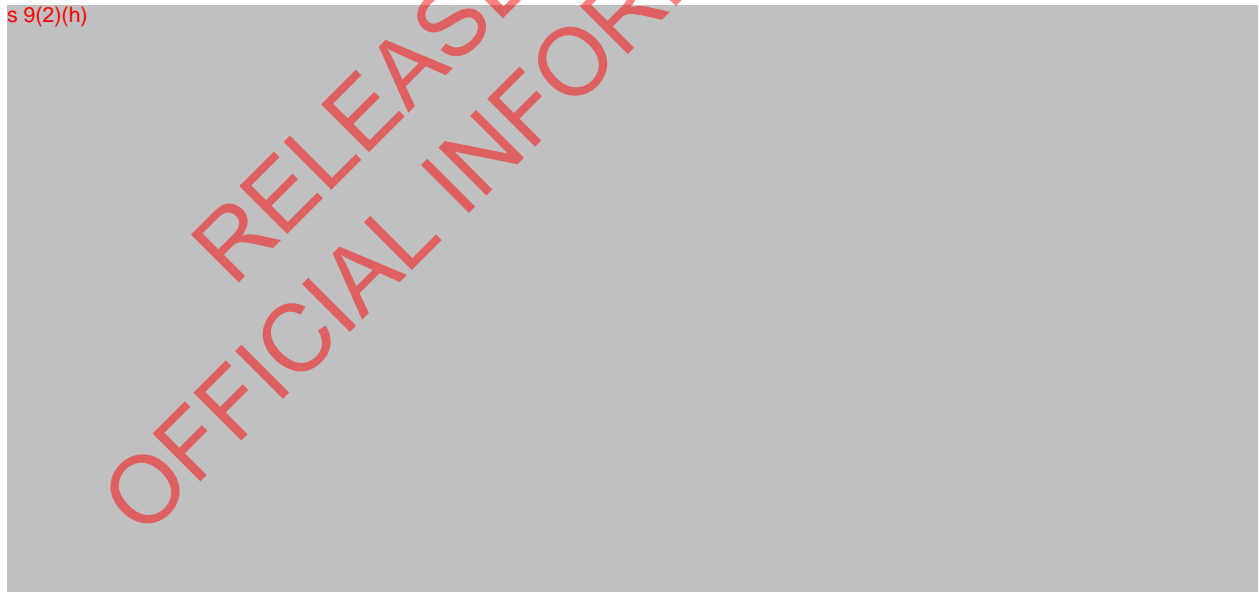


**Part 2: Process for Disposal of surplus land owned by CRL**

*Following practical completion of the CRL project, CRL needs to dispose of surplus land that is not required for railway purposes*

- 45 As per the PDA<sup>5</sup>, it is ultimately the Sponsors' decision on how CRL disposes of land acquired for the CRL project. Any decisions must be provided via written consent to CRL.

s 9(2)(h)



s 9(2)(b)(ii)





s 9(2)(b)(ii), s 9(2)(j)



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s 9(2)(b)(ii), s 9(2)(j)

57

58

### Engagement

59 Officials have engaged with Auckland Council, Eke Panuku, CRLL, Kāinga Ora and the Ministry of Housing and Urban Development in the development of this paper.

60

s 9(2)(b)(ii)

### Next Steps

s 9(2)(b)(ii), s 9(2)(j)

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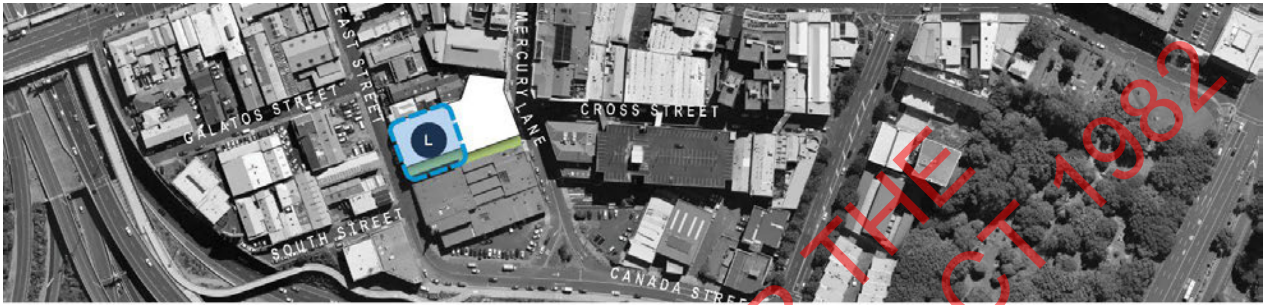
s 9(2)(b)(ii), s 9(2)(j)

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## ANNEX 1: BLUEPRINT OF THE MAUNGAWHAU AND KARANGA-A-HAPE DEVELOPMENT SITES

The below image sets out the Blueprint Masterplan for the development sites in the Maungawhau and Karanga-a-Hape precinct. The twelve development sites are split into blocks of land labelled A-L. Block K is a 220sqm building on Symonds Street, which is not captured in the visuals provided by Eke Panuku. For reference, on the map, block K would be located just above block J. Block G is the parcel owned by Kāinga Ora.



The below table shows current land ownership and the intended developer of each site, as described in Eke Panuku and Kāinga Ora's development programme business case:

Block	Site address	Current landowner
A	Central	CRLL – Auckland Council own RfR portion
B	Central	CRLL
C	Central	CRLL – Auckland Council own RfR portion
D	Central	CRLL – Auckland Council own RfR portion
E	Central	CRLL
F	Central	CRLL
G	98-110 New North Road	Kāinga Ora
H	1 Fenton Street	CRLL
H	3 Fenton Street	CRLL
I	14-22 Boston Street	CRLL
I	26 Mt Eden Road	CRLL
I	28 Mt Eden Road / 11 Water Street	CRLL
J	1 New North Road	CRLL
J	257 Symonds Street	CRLL
K	223 Symonds Street	CRLL
L	East Street	CRLL

s 9(2)(f)(iv), s 9(2)(j)

To note:

- Vector requires land for installation of a substation.
- CRLL's land requirements have been further refined and portions of Block I will not be surplus to the CRL project. Neither 26 or 28 Mount Eden Road as listed in the table are surplus.

s 9(2)(f)(iv), s 9(2)(j)

s 9(2)(h)

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s 9(2)(h)



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s 9(2)(h)



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s 9(2)(h)





## ANNEX 3: PROCESS FOR DISPOSAL OF SURPLUS LAND

### *Sponsors consent*

- Any arrangement CRLI enters into in relation to the transfer of the development sites requires the consent of the Crown (as Sponsor) alongside Auckland Council (as Sponsor).
- This consent can be provided by way of letter confirming that CRLI dispose of the relevant land in the matter contemplated. <sup>s 9(2)(b)(ii), s 9(2)(j)</sup>


### *Public Works Act 1981 (PWA) process*

- If land is required for another public work, land can be transferred to the entity undertaking that public work. Public works can include, for example, urban renewal and public housing. <sup>s 9(2)(b)(ii), s 9(2)(j)</sup>
- If the surplus land is not required for another public work, then the land must be offered back to the person that it was acquired from before any other open market transaction can be considered by CRLI.

<sup>s 9(2)(b)(ii), s 9(2)(j)</sup>

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• s 9(2)(b)(ii), s 9(2)(j)



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s 9(2)(b)(ii), s 9(2)(j)

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