


OC241346

10 December 2024



Tēnā koe 

I refer to your email dated 13 November 2024, requesting the following briefing under the Official Information Act 1982 (the Act):

*“11 Sep 2024 - 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”*

The briefing “City Rail Link Sponsors Options for the Maungawhau and Karanga-a-Hape Development Precinct” (reference OC240420) is released with some information withheld under the following sections of the Act:

- 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**



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

Yes / No

Yes / No

Yes / No

Yes / No

Yes / No

Yes / No

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		

RELEASED UNDER THE  
OFFICIAL INFORMATION ACT 1982

## 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 CRL) in order to complete the works required for the underground rail infrastructure and above ground stations.
  - 2 CRL'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 CRL, 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 CRL 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 CRL 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 CRL 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]  
[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)



RELEASED UNDER THE  
OFFICIAL INFORMATION ACT 1982

s 9(2)(j)

RELEASED UNDER THE  
OFFICIAL INFORMATION ACT 1982

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)



RELEASED UNDER THE  
OFFICIAL INFORMATION ACT 1982



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)

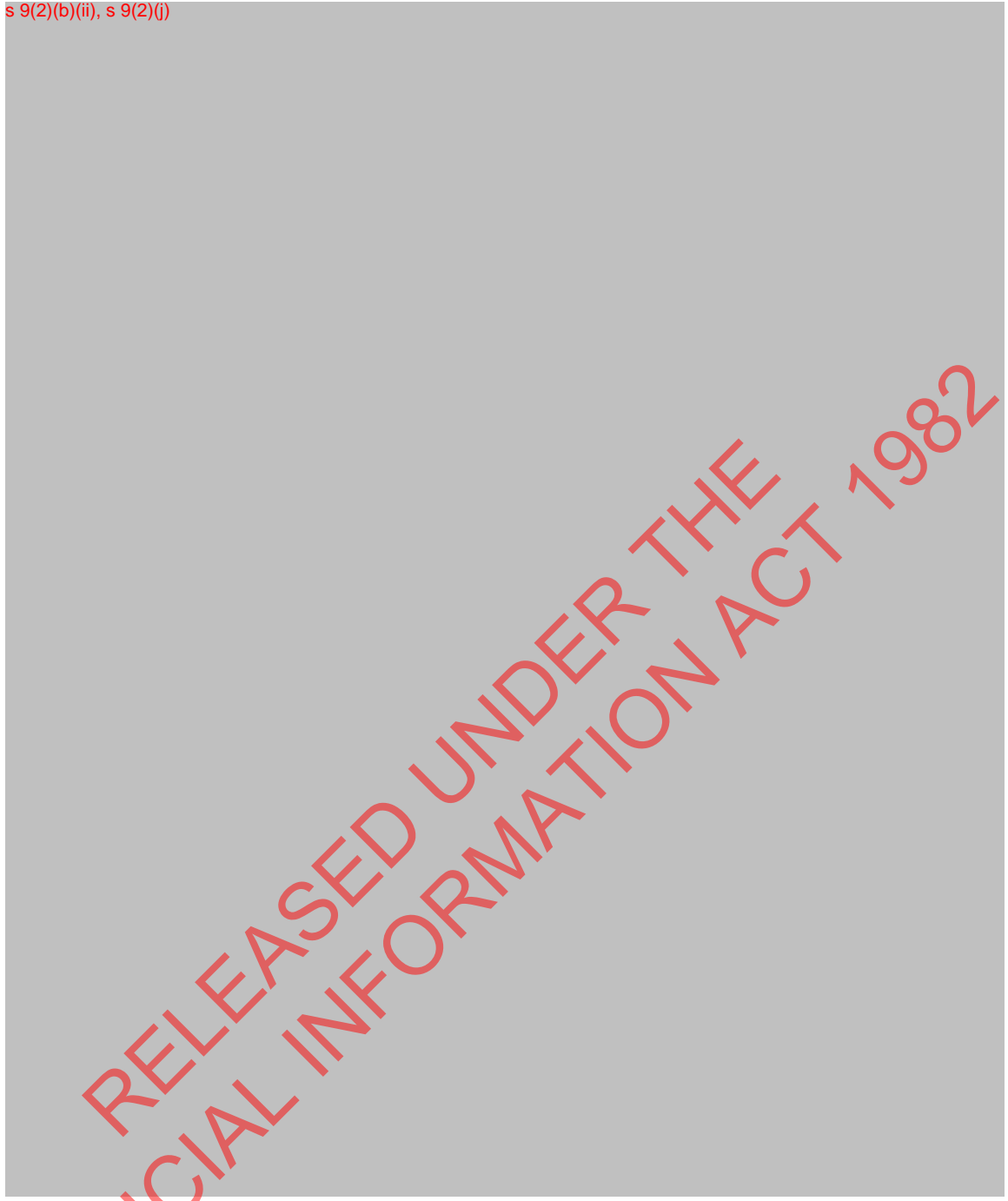
### Next Steps

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

RELEASED UNDER THE  
OFFICIAL INFORMATION ACT 1982

62

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



63

RELEASED UNDER THE  
OFFICIAL INFORMATION ACT 1982

## 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)

RELEASED UNDER THE  
OFFICIAL INFORMATION ACT 1982

s 9(2)(h)



RELEASED UNDER THE  
OFFICIAL INFORMATION ACT 1982

s 9(2)(h)



RELEASED UNDER THE  
OFFICIAL INFORMATION ACT 1982

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>

RELEASED UNDER THE OFFICIAL INFORMATION ACT 1982




• s 9(2)(b)(ii), s 9(2)(j)

•

•

•



RELEASED UNDER THE  
OFFICIAL INFORMATION ACT 1982

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

RELEASED UNDER THE  
OFFICIAL INFORMATION ACT 1982