

To: Minister of Finance  
Minister for Canterbury Earthquake Recovery  
Associate Minister of Finance (Hon Steven Joyce)



IN CONFIDENCE

**Rezoning Some White Zone Properties in the Port Hills Green**

Date	15 May 2012	Priority	URGENT
Report No	M/12/0370	File Reference	

**Action Sought**

		Deadline
Hon Bill English <i>Minister of Finance</i>	Agree to rezone some white zone properties in the Port Hills green	With sufficient time to make an announcement on 18 May
Hon Gerry Brownlee <i>Minister for Canterbury Earthquake Recovery</i>	Agree to rezone some white zone properties in the Port Hills green	With sufficient time to make an announcement on 18 May
Hon Steven Joyce <i>Associate Minister of Finance</i>	Agree to rezone some white zone properties in the Port Hills green	With sufficient time to make an announcement on 18 May

**Contact for Telephone Discussion (if required)**

Name	Position	Telephone	1st Contact
Diane Turner	General Manager – Strategy, Planning and Policy		<input checked="" type="checkbox"/>
John WA Scott	Senior Advisor	Withheld under section 9(2)(a)	
Withheld	under section 9(2)(g)(i)		

**Minister's office comments**

- Noted
- Seen
- Approved
- Needs change
- Withdrawn
- Not seen by Minister
- Overtaken by events
- Referred to

**Comments**

24 MAY 2012

# Rezoning Some White Zone Properties in the Port Hills Green

## Purpose

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- 1 This paper seeks to zone 421 properties in the Port Hills from White to Green.

## Executive summary

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- 2 The Port Hills were zoned white on the basis that further mapping and assessment was required before zoning could be completed, especially following the 13 June 2011 earthquakes which caused substantial further land damage and destabilisation of cliffs and rocks. Approximately 2,100 properties remain in the Port Hills White Zone.
- 3 Further geotechnical and scientific investigation has revealed that 421 properties in the White Zone are at negligible risk from falling and rolling rocks, cliff collapse, debris inundation and land movement, and repair and rebuild is possible on an individual property basis via the usual insurance process.
- 4 It is now possible to provide certainty to 421 property owners by rezoning these properties green. This would leave approximately 1,700 properties in the White Zones.

## Consultation

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- 5 Treasury, the Department of Building and Housing, the New Zealand Transport Agency and Christchurch City Council were consulted on a draft of this paper.
- 6 The Department of the Prime Minister and Cabinet was informed of this paper.

## Background

### *Previous Zoning decisions*

- 8 In the initial Canterbury Earthquake zoning announcements on 23 June 2011, white zones were established for areas which required further mapping and assessment before final zoning decisions could be made. Further significant damage occurred in the Port Hills as a result of the 13 June 2011 aftershocks and a number of areas required reassessment. The Port Hills were zoned white.
- 9 Green zones have been declared in areas where properties can generally be repaired on an individual basis as part of the normal insurance process. Around 9,700 properties in the Port Hills were zoned green on 5 September 2011 and around 1,600 properties were zoned green on 19 December 2011. Currently approximately 2,100 properties remain in the Port Hills White Zone<sup>1</sup>.
- 10 A conservative approach has previously been taken in identifying the areas to remain white zoned. This meant that any area or property with an identified potential life safety risk from any significant geotechnical hazard remained white, along with any areas of significant or extensive land damage.

### *Geotechnical issues*

- 11 Geotechnical issues in the Port Hills are characterised by the following:
  - 11.1 Rock fall/roll and the risk of further rock fall/roll;
  - 11.2 Cliff collapse and debris inundation; and
  - 11.3 Land movement (slipping and cracking).
- 12 On 27 June 2011, Cabinet noted the issues on the Port Hills are of a different nature to the low-lying areas [CAB Min. No. 24/15 refers]. On the flat land, land damage is largely a result of thin crust, liquefaction and lateral spreading. In the Port Hills, in addition to the physical land damage in some areas, the increased instability of cliffs and rocks mean that there is an increased risk to life on some properties.
- 13 The Christchurch City Council (CCC) has applied notices to restrict access to properties under s124 of the Building Act. These have been applied to properties where CCC considers there is a potential danger from falling rocks, cliff collapse and debris inundation and land movement. Section 124 notices have also been applied for reasons not relating to geotechnical hazards, for example a property might have a retaining wall that has structural damage.

### *Reports on geotechnical issues*

- 14 The Canterbury Earthquake Recovery Authority (CERA) and CCC have commissioned a series of technical reports on risks associated with, and (to some extent) options for managing, rockfall, cliff collapse and debris inundation. These reports have provided officials with information which has been used to form the recommendations in this paper.

<sup>1</sup> Note that 2,100 is the approximate number of legal property titles. Some of these may have more than one house on them, or a house may be on more than one title. The 421 properties proposed to turn green are actual houses. There are 379 titles proposed to turn green.

## Recommendations

7 It is recommended that you:

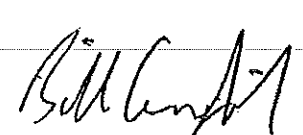

- 1 Note that Cabinet has previously authorised a group of Ministers, comprising the Minister of Finance, the Minister for Canterbury Earthquake Recovery, and the Associate Minister of Finance (Hon Steven Joyce), to have Power to Act to make any further Green Zoning decisions on the Canterbury White Zones until 30 June 2012 [CAB Min (11) 44/14 refers];
- 2 Agree that 421 properties in the Port Hills White Zone, referred to in Attachment A, be rezoned Green.

YES / NO  
Minister of Finance

YES / NO  
Minister for Canterbury  
Earthquake Recovery

YES / NO  
Associate Minister of Finance

  
Diane Turner  
General Manager  
Strategy, Planning and Policy

NOTED / APPROVED / NOT APPROVED	NOTED / APPROVED / NOT APPROVED	NOTED / APPROVED / NOT APPROVED
		
Hon Bill English Minister of Finance	Hon Gerry Brownlee Minister for Canterbury Earthquake Recovery	Hon Steven Joyce Associate Minister of Finance
Date: 18 / 05 / 2012	Date: 17, 05, 2012	Date: / / 2012

Attachment A: Rezoning exercise overview

## Comment / Discussion

### Proposed New Green Zones

- 15 Officials will continue to take a conservative approach to potential life risk when identifying areas for green zoning. Nonetheless, areas which have been identified with negligible life risk should be released from the white zone as soon as possible to provide certainty to property owners.
- 16 Green zoning properties that have been identified as having a negligible level of life risk will be consistent with the rebuild objectives previously agreed by Cabinet:
  - 16.1 Certainty of outcome for home-owners as soon as practicable;
  - 16.2 Create confidence for people to move forward with their lives;
  - 16.3 Creating confidence in decision making processes (for home-owners, business-owners, insurers and investors);
  - 16.4 Using the best available information to inform decisions; and
  - 16.5 Having a simple process in order to provide clarity and support for land-owners, residents and businesses in those areas.

### Geotechnical reports

- 17 Data provided to officials and CCC by New Zealand's Institute of Geological and Nuclear Science (GNS) is in the form of models based on risk modelling for rock fall. Data provided by Geovert is in the form of 3D rock fall simulations. The reports highlight the risk levels associated with the properties in the Port Hills. Inputs and outcomes for the data sets used have been peer reviewed and matched against each other. For the purposes of this decision, both studies derive very similar outcomes.
- 18 The data was field reviewed by the Port Hills Geotechnical Group (PHGG) in a process known as ground truthing. The results of the field reviews were provided to GNS who calibrated their model based on the information. The results are in the form of risk contours and lines indicating negligible life safety risk exposure from rock fall and fly rock (small fragmented debris travelling at high velocities). Work in the pilot study area, which covers a large proportion of residential properties in the Port Hills, is now complete. Data for the areas of the Port Hills not covered by the pilot study is due mid-late May.
- 19 Negligible life safety risk is defined, for the purposes of this paper, as an annual individual fatality risk of less than  $1 \times 10^{-6}$ . This means that a person has less than a 1 in 100,000 chance of dying from rock fall. To put this into perspective, the average New Zealander has approximately a  $1 \times 10^{-4}$  (1 in 10,000) of dying in a car accident annually (varying by age and gender).
- 20 When calculating the life risk for these properties, GNS made several conservative assumptions, for example assuming people spend 100% of the time at home. A peer review of the report noted that the assumptions were slightly conservative, and that the risk has likely been overestimated by a factor of between 2 and 5.
- 21 Note that the use of less than 1 in 100,000 as the negligible life safety risk level is for the purposes of this paper only. Officials are formulating advice on properties that have a life safety risk higher than this. It should also be noted that these issues of cliff collapse and

boulder fall are not unique to Christchurch and the Port Hills. Many other properties around New Zealand face these risks.

- 22 As the risks are negligible, the properties proposed to turn green do not need protective works to be done on the slopes above them in order for the owners to occupy them. As such there is no reason for them to remain in the white zone.
- 23 These properties are able to be repaired/rebuilt on an individual basis through the normal insurance process and should be zoned green to provide certainty to property owners and enable them to progress discussions with insurers. The properties are identified in Attachment A.

#### *Technical Categorisation and Section 124 Notices*

- 24 Technical Categories developed by the Department of Building and Housing (DBH) for flat land in greater Christchurch aim to provide guidance for repairs and rebuilding of foundations. Existing consent requirements by CCC meant that properties in the Port Hills already required a geotechnical report before building, so assigning a Technical Category was not required in the majority of Port Hills. This requirement has not changed. It is possible that some properties identified in this paper are on the flatland section of the Port Hills, but these will already have a Technical Category assigned.
- 25 Under section 124 of the Building Act, the CCC has applied notices to some properties in the Port Hills. A s124 notice prohibits entry to a dangerous building. None of the properties in the proposed green zone are currently subject to s124 notices that have been placed because of a rockfall risk. It is possible that some of the properties have an s124 notice applied for a reason other than rock fall risk. The green zoning of these properties means the owners will be able to begin the process of repair/rebuild and the removal of this notice.

#### **Remaining White Zones**

- 26 The above proposed leaves approximately 1,700 properties in the White Zones. Further work by CERA in conjunction with CCC is underway in regards to the future of these properties.
- 27 Due to the topography and the scattered nature of settlement in the Port Hills, it is not possible to zone large patches of land at once, as it was on the flat land. The nature of the hazards may mean there are small patches where the zoning is different to the close neighbours.
- 28 There are two more broad types of zoning decisions left to be made in the Port Hills. The first is the type contained in this paper. These are the decisions where the properties have negligible life safety risk level. These properties should be relatively easy to identify once finalised geotechnical information for all areas in the White Zone becomes available.
- 29 The second type of decision are the more difficult to make. These properties will require more thought about life safety risk and what is an acceptable level. We will advise on both of these types of properties before the 30 June zoning deadline.
- 30 Life risk was not an important consideration in flat land zoning decisions. The nature of the Port Hills means it is much more relevant. Consideration is being given to how best to incorporate life risk issues into future Port Hills zoning decisions.

- 31 Some of the areas to remain in the White Zone for now may require rock fall protection works to reduce life risk to more acceptable levels. Officials are working on advice on an appropriate policy response to these areas.

#### **Consultation**

- 32 Treasury, the Department of Building and Housing, the New Zealand Transport Agency and Christchurch City Council were consulted on a draft of this paper.
- 33 The Department of the Prime Minister and Cabinet was informed of this paper.

#### **Financial implications**

- 34 There are no financial implications arising from the recommendations in this paper.

#### **Human rights implications**

- 35 The proposals in this paper are not inconsistent with the New Zealand Bill of Rights Act 1990, or the Human Rights Act 1993.

#### **Legislative implications**

- 36 There are no legislative implications arising as a result of this paper.

#### **Gender implications**

- 37 There are no gender implications associated with this paper.

#### **Disability perspective**

- 38 There are no disability implications associated with the proposals in this paper.

#### **Publicity**

- 39 Materials, including letters of notification, general information and updating of LandCheck and CERA websites are being prepared in anticipation of the decisions in this paper. This will be available by 18 May.
- 40 As zoning decisions are made, a letter of advice will be sent to those affected White Zone property owners to inform them of their new land status. This letter will be supported by a FAQ document to address any issues officials anticipate. Community meetings will be held to support each zoning decision. Smaller issues based community meetings will be held to offer information and support residents where zoning status is more complicated. All community support and information is being prepared and implemented as part of a joint communications plan by CERA, CCC, EQC and SCIRT.
- 41 At the same time, it is planned to release the generic GNS report on life risk (GNS Science Consultancy Report 2011/319). Minister Brownlee's office has a copy of this report. This is a CCC report as opposed to a CERA report. While there is an element of risk implicit in the release of this report, it is likely to add to the community's understanding of risk and principles associated with risk.

