

Decision released from confidential session			
Recommendation from (agenda report)	Date of meeting	Recommendation to (decision-making meeting)	Date of meeting
		Council	19 October 2023
Report Title and number			
August 2022 Extreme Weather Event Recovery – General Update and Central Government Recovery Support Package			
Note: That clauses 2 to 9 have been restated in the Council 19 October 2023 Open Minutes			
Documents released			
Decision CL/2023/239			
That Council			
<ol style="list-style-type: none"> 1. Receives the report August 2022 Extreme Weather Event Recovery - General Update and Central Government Recovery Support Package (R27910) and its attachments (1982984479-6630, 1982984479-6631, 1590798627-797, 1590798627-796; 1590798627-794, 1590798627-795, 1590798627-798, 1590798627-793, 1590798627-828); and 2. Notes the extent of Central Government’s Recovery Support Package as detailed in Report R27910; and 3. Agrees to enter into an agreement with the Crown (and authorises the Chief Executive to enter into an agreement with the Crown), on the following basis including: <ul style="list-style-type: none"> - the \$6.3M comprising betterment costs of \$6M (being 50% of the betterment portion in dealing with slips that have originated on Council land) and \$300,000 (\$30,000/year over 10 years) towards ongoing monitoring of the Tāhunanui Slump; and - the \$6M (being 50% of the net aggregate cost to purchase up to 14 impacted properties as a result of the August 2022 weather event), subject to consultation with the community; and 			

4. Notes that the \$6M betterment contribution will decrease the expenditure approved by Council in May 2023 to address slips originating on Council land from \$17.3M to \$11.3M; and
5. Agrees to consult with the community on Central Government's \$6M (being 50% of the net aggregate cost to purchase up to 14 impacted properties as a result of the August 2022 weather event) as part of the 2024-34 Long Term Plan; and
6. Approves the amended Draft Eligibility Buyout Principles attachment 5 (1590798627-794), required by the Crown as a condition of acceptance of the support package that will form part of the consultation including 95% for insured properties, less the settled insurance and EQC payments and 80% for uninsured properties, based on a market valuation pre-August 2022, and
7. Agrees that the consultation document include the other options such as not proceeding with voluntary residential property buyouts, and with respect to the eligibility buyout principles, a cap of Nelson median property value, and the option of 100% of market value; and
8. Notes that this is a one-off and does not set a precedent for future events; and the need for community and national engagement on developing a framework for these climate change issues for the future; and
9. Agrees that only the decisions on Central Government's support package be made public; and

WITH RESPECT TO BROOK STREET SLIPS ORIGINATING ON COUNCIL LAND AND ADDITIONAL BROOK STREET PURCHASES BETWEEN 327 AND 345 BROOK STREET

10. Agrees not to consult on the specific purchase of further Brook Street properties between 327 and 345 Brook Street for the reasons set out in report R27910; and
11. Approves the proposal as presented in Report R27910 to seek to purchase a further 10 properties as the preferred option to mitigate the hazards caused by the August 2022 extreme weather event above Brook Street properties (327 to 345 Brook Street – NL12C/771, NL12C/772, NL12C/773, NL12C/774, NL12C/775, NL12C/776, NL12C/777, NL12C/778, NL12C/779 and NL12C/780); and
12. Approves expenditure of up to \$3.1M to purchase a further 10 Brook Street properties (327 to 345 Brook Street – NL12C/771, NL12C/772, NL12C/773, NL12C/774, NL12C/775, NL12C/776, NL12C/777, NL12C/778, NLC12C/779 and NL12C/780) – including the construction of a toe bund - to mitigate the

slips above these properties, noting that this could potentially be offset through savings realised as part of the deconstruction and removal of all structures from these properties; and

13. Notes that the expenditure of \$3.1M will adjust the budget to address slips originating from Council land from \$11.3M (refer to Recommendation 6 of this report) to \$14.4M, noting that this is less than the overall estimate of \$17.3M approved by Council on 4 May 2023 to address slips originating from Council land; and
14. Notes that following consultation, public feedback and any decision by Council to accept Central Government's \$6M support package (being the net aggregate cost to purchase up to 14 impacted properties), that the overall estimated cost of \$14.4M (including additional properties in Brook Street between 327 and 345 Brook Street) could further reduce depending on how Council ultimately allocates the \$6M from Central Government's Support Package; and
15. Notes that officers will pursue reasonably available options to minimise the cost to Council with respect to the deconstruction and disposal costs of structures on the nine properties between 327 and 345 Brook Street (excluding 343 Brook Street being vacant); and
16. Adopts the Draft Nelson City Council Brook Street Purchase Guidelines in Attachment 9 (1590798627-793); and
17. Delegates authority to the Chief Executive to enter into sales and purchase agreements in respect of 327 to 345 Brook Street, with final purchase price and settlement dates to be after final EQC and insurance settlements, based on the endorsed Brook Street Purchase Guidelines, for the agreed number of properties as approved by Council between 327 and 345 Brook Street, and to report back if the estimated budgets are exceeded; and
18. Notes the Chief Executive will appoint an external contractor to assist Council in progressing any property purchases and associated works; and
19. Agrees that Council will investigate the initiation of a process to consider rezoning of all ten properties in Brook Street (327 to 345 Brook Street) – including the recently purchased 321, 323 and 325 Brook Street properties - to prevent further residential development on these properties in light of the slip hazard following settlements; and
20. Agrees that the decision on the purchase of the ten properties in the Brook (327 to 345 Brook Street) only be made public following sale and purchase settlement dates; and

21. Agrees that the decisions on Brook Street (clauses 10-19) be made public following settlement, the report (R27910) and its Attachments (1982984479-6630; 1982984479-6631; 1590798627-797; 1590798627-796; 1590798627-794; 1590798627-795; 1590798627-798; and 1590798627-793; 1590798627-828) remain confidential at this time.

Released 11 October 2024