

### Central City Update


- 1) The big picture
  - Predictions
  - Reality
- 2) The development picture
  - Rebuild costs
  - Anchor projects
  - Supply chain challenges



### Predictions post quake

Based on other natural disasters internationally:

- Rapid depopulation and on going decline
- Capital flight – risk and uncertainty
- Rapid unemployment growth
- Wholesale business closures
- Growth slows and declines
- Earthquakes higher risk for recovery than other natural disasters

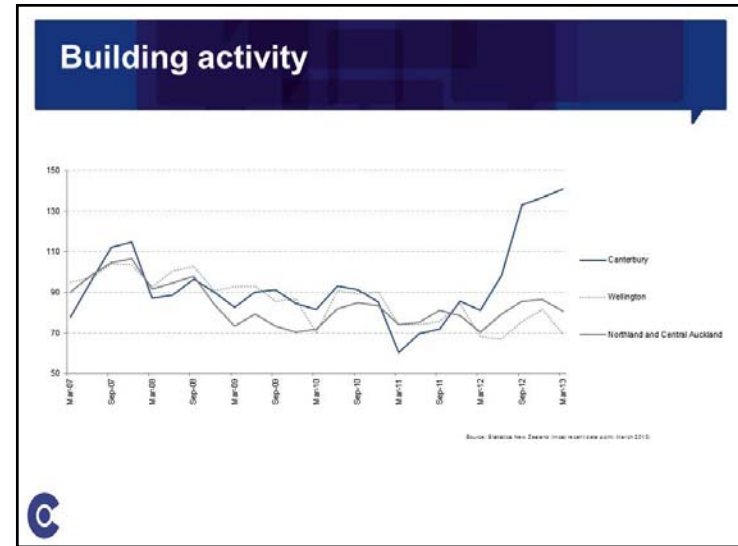
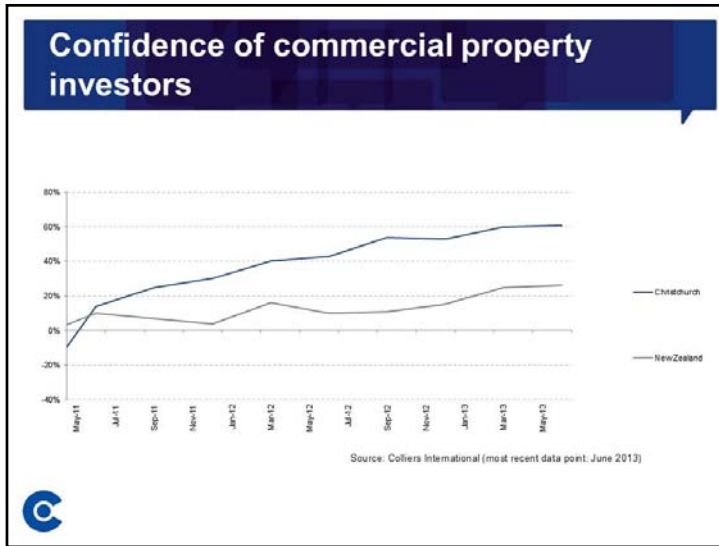


### Reality

Significant capital reinvestment and new investment interest

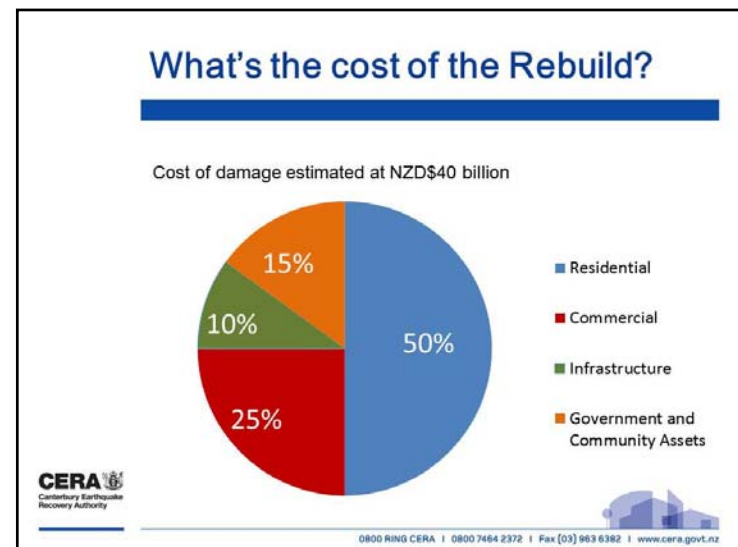
- 17,000 new business registrations
- 11,000 of those new companies
- 1,000 New Zealand companies migrated in
- Regional growth over 7% (New Zealand is 2.5%)
- Early issues well understood or resolved, for example land, insurance, cost sharing

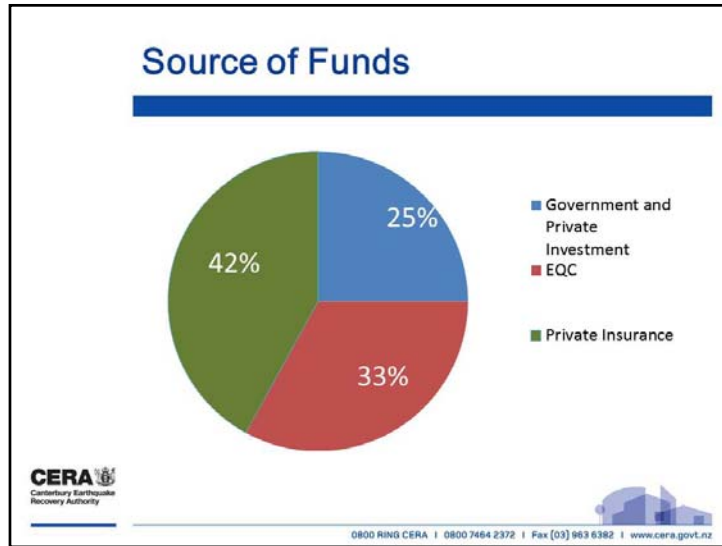




### Crown and Christchurch City Council cost-sharing agreement

Project	CCC contribution (\$m)	Crown contribution including land (\$m)	Project lead
The Frame	\$0	\$481	Crown
Convention Centre Precinct	\$0	\$284	Crown
Stadium	\$253	\$37	Crown
Metro Sports Facility	\$147	\$70	Crown
Bus Interchange	\$40	\$51	Crown
Avon River Precinct	\$6	\$89	Crown
The Square	\$5	\$5	Joint Crown and CCC
Performing Arts	\$158	\$8	CCC
inc. Town Hall rebuild			
Central Library	\$60	\$19	CCC
Car Parking	\$70	\$0	CCC/Private
Transport Plan	\$27	\$44	Crown/CCC
Horizontal Infrastructure	\$1.14b	\$1.8b	Crown/CCC
<b>Total</b>	<b>\$1.9 billion</b>	<b>\$2.9 billion</b>	





### Crown has awarded contracts...

**Avon River Precinct, North and East Frames and Margaret Mahy Amazing Place**

- Opus, BDP, Boffa Miskell and Architectus – design
- Impact – Project Managers
- WT Partnership NZ – Quantity surveyors
- City Care on the early works
- Ernst and Young – business cases

**The Bus Interchange – design brief and business case**

- Coffey Projects - project managers
- Aurecon – engineering
- RLB – Quantity surveyors
- Architectus – architecture and urban planning advice
- PricewaterhouseCoopers – business case

### Crown has awarded contracts...

**Convention Centre Precinct**

- RCP – project managers
- PricewaterhouseCoopers – business case
- Maple & Associates and The Conference Company and Horwarth – convention centre feasibility issues

**Health Precinct - spatial plan**

- Multi-party consortium led by BVN Donovan Hill and Jasmx

**Justice and Emergency Services Precinct**

- Warren and Mahoney, Cox OPUS – architects
- Boffa Miskell – urban design
- Holmes Consulting – structural engineering
- Marshall Day – Acoustics engineering

**Innovation Precinct – spatial plan**

- Architectus

### Anchor Projects

**Convention Centre Precinct**

- 78.2% of land area required has been secured
- Main construction works start first quarter 2015
- Project completion in early 2017
- Five consortia selected from EOI process in late 2012
- Shortlist down to two consortia by early 2014
- A key project in stimulating wider economic activity

### Anchor Projects

#### Health Precinct

- Master planning advice now complete
- There is strong tenant interest in Precinct
- Plays a vital role in accelerating the economic growth of Christchurch
- Initial development fourth quarter 2015



#### Bus Interchange

- 85.8% of land area required has been secured
- Detailed brief and business case complete
- Main construction works start third quarter 2014
- Project completion in second quarter 2015




### Anchor Projects

#### Justice and Emergency Services Precinct

- 90.9% land area secured
- EOI for main contractor went to market 4 Sept 2013
- Work scheduled to begin on site first quarter 2014.
- Design consultants appointed



#### Metro Sports Facility

- RFP for design has gone out
- Main construction works start second quarter 2015
- Completion first quarter 2017




### Anchor Projects

#### Retail Precinct

- Early work commenced on Antony Gough's site, Terrace operating by Show Week 2014
- Private sector -led project
- The Crown is working with parties to maintain development momentum



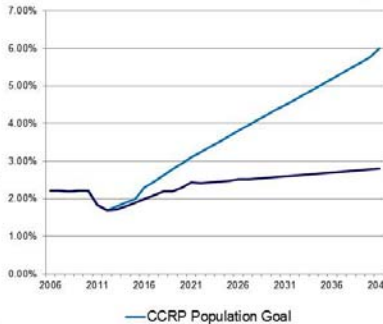

#### South Frame

- Draft spatial framework complete
- Initial engagement with landowners nearing completion
- Public realm delivered 2<sup>nd</sup> quarter 2015




### Central city residential redevelopment

- A substantial inner city residential population critical to central city recovery
- Our objective is to have 12,000 people living inside the avenues by 2020, and 20,000 by 2040 (6% of Christchurch)
- Research demonstrates demand for inner city living

### Supply chain challenges

- Canterbury construction supply chain
  - Peak Government expenditure \$0.9billion per quarter
  - Peak 2015
  - Strain on supply chain – labour, materials, consultants
  - Risk of unnecessary cost escalations
  - Consensus that business as usual in resource constrained market won't work



### Four messages

- 1) Christchurch is tracking better than predicted
- 2) Still a way to go in Central City - office, retail, residential
- 3) Anchor Projects progressing following Cost Sharing Agreement
- 4) Supply chain opportunities – MBIE, CERA, Treasury, SSC
  - Alternative procurement methodologies?
  - Managed work programme?

