

# **Riccarton Racecourse Development Enabling Bill**

Government Bill

As reported from the committee of the whole House



**Key to symbols used in reprinted bill**

**As reported from the committee of the whole House**

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*Hon Dr Nick Smith*

# **Riccarton Racecourse Development Enabling Bill**

Government Bill

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**The Parliament of New Zealand enacts as follows:**

**1 Title**

This Act is the Riccarton Racecourse Development Enabling Act **2015**.

**2 Commencement**

**(1) Subpart 2 of Part 2—**

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(a) comes into force on the day after the date on which an Order in Council is made under **section 11**, if the order is made before the close of the day that is 1 year after the date on which this Act receives the Royal assent:

(b) otherwise never comes into force (because **section 3** applies).

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(2) The rest of this Act comes into force on the day after the date on which it receives the Royal assent.

**3 Repeal**

~~This Act is repealed on the close of the day that is 1 year after the date on which the Act receives the Royal assent if no Order in Council is made under **section 11** before that time.~~

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**Part 1**

**Preliminary provisions**

**3 Repeal**

This Act is repealed on the close of the day that is 1 year after the date on which the Act receives the Royal assent if no Order in Council is made under **section 11** before that time.

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**4 Purpose**

The purpose of this Act is to support Christchurch's recovery following the earthquakes of 2010 and 2011 by facilitating the expeditious residential development of certain land at Riccarton Racecourse, Christchurch.

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**5 Interpretation**

In this Act, unless the context otherwise requires,—

**affordable house** has the meaning given in **section 6**

**approval date**, in relation to a development scheme, means the date on which an Order in Council for the scheme is made under **section 11**

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**Board** means the body—

- (a) named and incorporated under the Christchurch Racecourse Reserve Act 1878; and
- (b) continued under **section 5** of the **Riccarton Racecourse Act 2015**

**Crown** has the meaning given in section 2(1) of the Public Finance Act 1989 5

**development scheme** or **scheme** means a scheme prepared under **section 9** of the **Riccarton Racecourse Act 2015** and under **sections 8 to 10** of this Act

**house** means a building or part of a building that is suitable for residential purposes and that is intended to be occupied primarily as the home or residence of not more than 1 household 10

**Ministry** means the department that, with the authority of the Prime Minister, is for the time being responsible for the administration of this Act

**Paparua Stream land** means that part of the development land that is 2.8700 hectares, more or less, being Section 5 SO 486359, Part computer freehold register CB47C/254 15

**Riccarton Racecourse development land** or **development land** means the land that is 40.3050 hectares, more or less, being Sections 2, 3, 4, and 5 SO 486359, Part computer freehold registers CB47C/254 and CB9F/515.

**6 Meaning of affordable house** 20

(1) In this Act, **affordable house** means a house that has a maximum sale price at the date on which the house is sold as required by **section 9(a)** of—

- (a) the amount at which a person eligible for a HomeStart grant in Christchurch City would be able to purchase the house and receive the grant; or 25
- (b) if the HomeStart grant scheme no longer exists as at that date, the last amount that applied under **paragraph (a)** when the HomeStart grant ceased; or
- (c) \$450,000 if the amount referred to in **paragraph (a) or (b)** (as the case may be) is less than \$450,000,— 30

and **affordable housing** has a corresponding meaning.

(2) For the purposes of **subsection (1)**,—

**Christchurch City** means the area that corresponds with the district of the Christchurch City Council

**HomeStart grant** means the government assistance programme commonly known as the KiwiSaver HomeStart grant or any programme that, with or without modification, replaces or corresponds to the KiwiSaver HomeStart grant 35

**maximum sale price** includes the land price if applicable.

**7 Act binds the Crown**

This Act binds the Crown.

**Part 2****Riccarton Racecourse development**

## Subpart 1—Development scheme 5

**8 Board may submit development scheme**

The Board may submit a scheme to the Minister.

**9 Minimum requirements of development scheme**

A scheme submitted to the Minister must—

*Minimum number of affordable houses requirement* 10

- (a) require a minimum of 180 affordable houses on the development land to have been issued with code compliance certificates under the Building Act 2004, and to have been sold for occupation primarily as the home or residence of not more than 1 household, no later than 5 years after the approval date; and 15
- (b) provide for compensation payable to the Crown in accordance with **section 14** if that minimum number of affordable houses requirement is not met; and

*Other requirements*

- (c) be capable of satisfying the relevant regional and district planning requirements, including in relation to providing any infrastructure to service the development in the manner proposed by the scheme; and 20
- (d) provide for the transfer of the Papanui Stream land to the Christchurch City Council to be held as reserve or reserves no later than 5 years after the approval date; and 25
- (e) protect the interests of Ngāi Tahu in the development land as required by **section 10**; and
- (f) provide for fibre-optic broadband connections to be provided to all premises; and
- (g) explain how the Board will ensure that the development land is developed in a manner that will satisfy the requirements in this Act. 30

**10 Ngāi Tahu right of first refusal**

A scheme submitted to the Minister must be accompanied by a deed signed by or on behalf of the Crown, Te Rūnanga o Ngāi Tahu, and the Board that—



*Existing right of first refusal*

- (a) provides for the release of the Crown, as from the approval date for the scheme, on terms agreed with Te Rūnanga o Ngāi Tahu, from all legal or equitable obligations (including any fiduciary obligations) that are owed, or that may be owed, by the Crown to Te Rūnanga o Ngāi Tahu in relation to the disposal of the development land; and 5
- (b) records the agreement of the Crown, Te Rūnanga o Ngāi Tahu, and the Board to the creation of computer registers in accordance with **section 17**; and
- (c) records the agreement of the Crown and Te Rūnanga o Ngāi Tahu that the provisions of this Act replace the Ngāi Tahu Claims Settlement Act 1998 to the extent of the development land; and 10

*New right of first refusal*

- (d) provides for the conferral by the Board on Te Rūnanga o Ngāi Tahu of a right of first refusal to the development land, as from the day after the approval date for the scheme, to replace the rights in Part 9 of the Ngāi Tahu Claims Settlement Act 1998, with that right in an instrument signed by or on behalf of Te Rūnanga o Ngāi Tahu and the Board; and 15
- (da) provides for the nature of that instrument (whether an encumbrance or other instrument) to be agreed between Te Rūnanga o Ngāi Tahu and the Board; and 20
- (e) provides for that instrument to be registrable against the computer freehold register for the development land.

**11 Approval of development scheme**

- (1) The Governor-General may, by Order in Council made on the recommendation of the Minister, approve a development scheme. 25
- (2) Before making a recommendation under **subsection (1)**, the Minister must—
  - (a) consult the ~~Minister for Canterbury Earthquake Recovery~~ Minister supporting Greater Christchurch Regeneration; and
  - (b) consult the Christchurch City Council; and 30
  - (c) be satisfied that the scheme—
    - (i) meets the requirements in **sections 9 and 10**; and
    - (ii) will result in a quality residential development.
- (3) The order must identify, but need not contain, the scheme and the deed referred to in **section 10**. 35

**12 Effect of approval**

- (1) If a development scheme is approved under **section 11**, an agreement between the Crown and the Board—

- (a) is formed on the terms set out in the scheme; and
- (b) is effective as from the day after the day on which the order is made.
- (2) The agreement is enforceable according to its terms (including, to avoid doubt, the terms as to compensation).
- (3) This section applies despite— 5
- (a) any rule of law or equity to the contrary relating to the enforceability of a contract containing 1 or more provisions that specify remedies in the event of a breach of the contract; and
- (b) Part 9 of the Ngāi Tahu Claims Settlement Act 1998.
- 13 Publication of development scheme 10**
- As soon as is reasonably practicable after a scheme is approved, the chief executive of the Ministry must publish a copy of the scheme on an Internet site maintained by or on behalf of the Ministry so that it is publicly available, free of charge, at all reasonable times.
- 14 Compensation payable to the Crown if minimum affordable housing requirement not met 15**
- (1) A scheme submitted to the Minister must—
- (a) provide for the compensation payable by the Board to the Crown if a scheme is approved and the Board fails to meet the minimum number of affordable houses requirement referred to in **section 9(a)** within the 5-year time limit required by that section; and 20
- (b) specify the amount payable, or the method to be used for calculating the amount payable, which must include or provide for the following:
- (i) monthly compensation, starting 5 years after the approval date, of \$1,500 per month for each house by which the number of houses that meet the time limit in **section 9(a)** is less than 180; and 25
- (ii) maximum compensation payable for each house of \$17,000 that is payable in full on the date that is 6 years after the approval date unless otherwise specified in the scheme; and
- (iii) the remission of compensation in part or in whole if, for reasons specified in the scheme, it would be unreasonable for the Crown to enforce the compensation; and 30
- (iv) the manner in which the compensation is remitted.
- (2) The compensation payable under this section is recoverable by the Minister, on behalf of the Crown, as a debt due to the Crown in the amount stated or determined in accordance with the terms of the development scheme. 35

## Subpart 2—Change in status of development land on approval of development scheme

### 15 Revocation of reservation of development land as reserve

- (1) The reservation of the development land as reserve subject to the Reserves Act 1977 is revoked. 5
- (2) Sections 24 and 25 of the Reserves Act 1977 do not apply to the revocation.

### 16 Estate and interests in development land

- (1) The fee simple estate in the development land remains vested in the Board free of the trust provided for in the Christchurch Racecourse Reserve Act 1878 to hold the land for the purposes of racing. 10
- (2) The development land ceases to be relevant land under Part 9 of the Ngāi Tahu Claims Settlement Act 1998 (but, to avoid doubt, subject to the new right of first refusal referred to in **section 10(d)**).
- (3) To avoid doubt, nothing in this Act affects any other interest in the development land or that affects the development land (for example, existing leases or licences). 15

### 17 Creation of computer registers

- (1) The Board must, as soon as is reasonably practicable after the commencement of this subpart, apply in writing to the Registrar-General of Land citing this section. 20
- (2) The Registrar-General must comply with the rest of this section as soon as is reasonably practicable after receiving the application.
- (3) The Registrar-General must create a computer freehold register for the fee simple estate in the development land in the name of the Board and—
  - (a) record on the register any interests that are registered, notified, or notifiable and that are described in the application; and 25
  - (b) omit the notation of the words quoted in section 98(3) of the Ngāi Tahu Claims Settlement Act 1998 from the computer register.
- (4) The Registrar-General must create a computer register for Section 1 SO 486359, Part computer freehold registers CB47C/254 and CB9F/515 in the name of the Board and— 30
  - (a) note on the register that the land is racecourse reserve subject to the **Riccarton Racecourse Act 2015** and the Reserves Act 1977; and
  - (b) note on the register the words quoted in section 98(3) of the Ngāi Tahu Claims Settlement Act 1998. 35
- (5) **Subsection (2)** is subject to the completion of any survey necessary to create a computer freehold register.

- (6) **Subsection (3)** replaces any requirements of the Ngāi Tahu Claims Settlement Act 1998 in respect of notations on certificates of title or registered leases in relation to the development land.

**Legislative history**

19 October 2015	Introduction (Bill 80–1)
3 November 2015	First reading and referral to Local Government and Environment Committee
7 March 2016	Reported from Local Government and Environment Committee (Bill 80–2)
1 June 2016	Second reading
14 June 2016	Committee of the whole House (Bill 80–3)