
ORDINARY MEETING

OF

CITY STRATEGY COMMITTEE

LATE AGENDA

Time: 9:30 am
Date: Thursday, 8 December 2016
Venue: Committee Room 1
Ground Floor, Council Offices
101 Wakefield Street
Wellington

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2. Operational

EARTHQUAKE RECOVERY: COMMUNITY SUPPORT INITIATIVE

Purpose

1. This paper seeks approval of the Council Strategy Committee (the Committee) to allocate up to \$200,000 as a part-contribution to an Earthquake Recovery (Community Support Initiative).

Recommendations

That the City Strategy Committee:

1. **Receives** this information.
2. **Notes** that on 25 November 2016, the Mayor engaged in formal talks with Building, Innovation and Employment Minister Hon Steven Joyce and Acting Minister for Civil Defence Hon Gerry Brownlee to extend a Kaikoura Relief Package to quake affected businesses in the Wellington area.
3. **Notes** that the government agreed to an earthquake relief support subsidy which includes:
 - a. Support for up to eight (8) weeks
 - b. \$500 gross per week per full-time employee (Or, \$4,000 per employee)
 - c. \$300 gross per week per part-time employee (or, \$2,400 per employee)
 - d. Payments are not subject to GST
 - e. Applies from when the business was prevented from operating until the lifting of any restriction or eight (8) weeks, whichever is shorter.
 - f. The subsidy applies after private insurance has been exhausted or where the business has no insurance support.
4. **Notes** that The Mayor announced the Earthquake Recovery Information Centre (ERIC) on Wednesday 30 November. The one-stop shop will help people and businesses to recover after the 14 November 2016 earthquake.
5. **Agrees** to allocate up to \$200,000 as part of a 50/50 funding arrangement with the Greater Wellington Regional Council towards an urgent earthquake relief community support initiative as unbudgeted expenditure.
6. **Notes** that, subject to the Committee's agreement, fares on all buses on the weekends leading up to Christmas will be:
 - a. \$1, for one zone (all)
 - b. \$1.50 for two or more zones (child)
 - c. \$2, for two or more zones (adult).
7. **Notes** this proposal is supported by First Retail and the Wellington Chamber of Commerce.

Background

8. New Zealand was struck by a powerful earthquake on Monday 14 November 2016. The earthquake, centred in Northern Canterbury has caused significant damage and service interruption in parts of the South Island, particularly Kaikoura.
9. The earthquake also had a significant impact on Wellington City and the surrounding region. As of Tuesday 29 November 2016:
 - a) The city is moving from response to recovery, and is looking to strengthen its resilience.
 - b) There are 96,000 Buildings in Wellington City Council's area and approximately 11,000 of those are commercial, industrial or mixed use.
 - c) Of those 11,000 buildings, all the approximately 1,160 properties containing large buildings in the Wellington CBD were rapidly inspected following the earthquake and subsequent large aftershocks
 - d) Detailed inspections by landlords' engineers are being completed - Council is contacting these engineers to see that inspections are being completed. Thus far, at least 650 buildings have had a record of their inspection received by council and their record related to them.
 - e) Council has received over 1900 reports of inspection to work through. This number reflects the multiple inspections of buildings made by landlord and tenant engineers
10. Five buildings are not safe to occupy in the long term – 61 Molesworth Street, the Reading car park, two buildings on the land the Council has purchased for the Movie Museum and St John's Church hall in Karori (the medium term intention had been to demolish these three) .
11. The Council has taken over management of the deconstruction of 61 Molesworth St from the building's owner, to ensure it happens as quickly as possible.
12. Over 1,000 parking spaces in the city are unavailable as a result of cordons.

Discussion

Earthquake Relief

13. On 25 November 2016, the Mayor engaged in formal talks with Building, Innovation and Employment Minister Hon Steven Joyce and Acting Civil Defence Minister Hon Gerry Brownlee to extend a Kaikoura Relief Package to quake affected businesses in the Wellington area.
14. On Monday 28 November 2016, Minister Joyce and the Mayor announced that government had agreed to the extension of the support package. In summary, the package will support specific Wellington region businesses prevented from operating for several weeks due to building damage as a result of the earthquake.
15. The package applies to businesses such as retail and hospitality which have been prevented from operating and will be unable to do so for some time. Some of those businesses will be able to operate from vacant premises nearby or operate from other branches in the same chain, the package is specifically for those who are physically unable to move their fittings and operate elsewhere.
16. The earthquake relief support subsidy includes:
 - a. Support for up to eight (8) weeks

- b. \$500 gross per week per full-time employee (Or, \$4,000 per employee)
- c. \$300 gross per week per part-time employee (or, \$2,400 per employee)
- d. Payments are not subject to GST
- e. Applies from when the business was prevented from operating until the lifting of any restriction or eight (8) weeks, whichever is shorter.
- f. The subsidy applies after private insurance has been exhausted or where the business has no insurance support.

Local Support Initiatives

ERIC

17. In addition to the government's earthquake relief package, officers are considering a range of proposals for Council's consideration as part of a significant Recovery and Resilience Programme. This work will be brought to Council in the coming weeks and months.
18. The Mayor announced the Earthquake Recovery Information Centre (ERIC) on Wednesday 30 November. This one-stop shop helps people and businesses recover after the 14 November 2016 earthquake.
19. Located in a 500 square-metre space in the Public Trust building on Lambton Quay, ERIC will make it easier for people to access help, advice and support following the earthquake by co-locating experts and officials able to help.
20. The Council is working with the Wellington Regional Economic Development Agency (WREDA), the Ministry of Social Development (MSD), the Ministry of Business, Innovation and Employment (MBIE), Inland Revenue (IRD) and relevant community organisations to provide resources for the information centre.
21. The centre is at the corner of Lambton Quay and Stout Street and will be open from 10am-7pm Monday to Friday. If there is demand it may also open 10am-2pm Saturdays.

Cheaper Bus Fares

22. In November 2015, the Council announced subsidized bus fares for the four weekends from 28 November leading through to Christmas 2015. Applying to yellow Go Wellington buses:
 - a. \$1, for one zone (all)
 - b. \$1.50 for two or more zones (child)
 - c. \$2, for two or more zones (adult).
23. The cheaper fares were a public transport initiative designed to deliver a range of benefits by bringing more people in to the CBD, encouraging use of public transport and generating increased patronage of Wellington's businesses. The Council approved \$200,000 for that initiative.
24. Businesses have raised concerns about the economic impact of the earthquakes, in particular the impact of over 1,000 parking spaces being unavailable due to cordons during the run up to Christmas and reported reduced footfall in the CBD. Officers wish to assist in addressing business concerns by encouraging people back in to the CBD.

25. Officers therefore consider it appropriate to repeat the initiative but this time as an immediate earthquake recovery community support initiative. This proposed initiative is designed specifically to provide improved access to public transport through and around the city during the busiest retail period of the year.
26. Officers seek agreement from the Committee to allocate up to \$200,000 as part of a 50/50 funding arrangement with the Greater Wellington Regional Council towards an urgent earthquake relief community support initiative.
27. Fares on all buses on the weekends leading up to Christmas will be:
 - a. \$1, for one zone (all)
 - b. \$1.50 for two or more zones (child)
 - c. \$2, for two or more zones (adult).

Financial Implications

28. Subject to the Committee's agreement, up to \$200,000 for the initiative will be allocated as unbudgeted expenditure.
29. Officers will return to Council at a later date with recommendations arising from a more complete understanding of the medium and long-term implications of the November earthquake to help inform decisions around its financial strategy for the 2017/18 Financial Year. This will include a number of reprioritised investment decisions officers will demonstrate as adding to Wellington's long-term resilience profile but which need to be addressed in the short term.
30. Those decisions will have long-term funding implications. The Committee should also note that spending associated with the Council's response to the earthquake and which have financial implications are unbudgeted expenditure and will inform the Council's financial strategy going in to the 2017/18 Financial Year.

Attachments

Nil

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| Author | Kaine Thompson, Manager, Office of the Chief Executive |
| Authoriser | Kevin Lavery, NO TITLE SUPPLIED |

SUPPORTING INFORMATION

Engagement and Consultation

Engagement on this proposal has been undertaken with:

- Greater Wellington Regional Council
- First Retail
- Wellington Chamber of Commerce.

Treaty of Waitangi considerations

None

Financial implications

Up to \$200,000 for the initiative will be allocated as unbudgeted expenditure. Officers will return to Council at a later date with implications arising from the earthquake to help inform decisions around its financial strategy for the 2017/18 Financial Year.

Policy and legislative implications

None identified

Risks / legal

None identified.

Climate Change impact and considerations

None identified.

Communications Plan

Not required.

Health and Safety Impact considered

None identified.