

Hāwea-Wānaka Substitute Block Vesting Meeting Notes

Wednesday 25 January 2017, 5-6.30pm

Attendees:

Mandy Home
Mike Beresford
Theo Bunker
Jo Mclean
Allie Foot
Ranui Calman (Greenwood Roche)
Tracey Black (OTS)
Ross Paniora (TPK)
Tim Rochford (TPK)
Erin Keenan (TPK)

· **The vesting process and steps**

A hand out was provided to show the steps required to complete the vesting process. Hāwea-Wānaka Working Group members explained that they were very familiar with the processes provided under the Ngāi Tahu Act and Deed of Settlement and that they are seeking support for the additional steps necessary to implement the vesting process. This includes support in the lead up to the voting meetings, and in the 'transition' period for finalising the vesting.

A key issue that the working group identified is that the owners have no pūtea and the vesting of the land could place a financial burden on the owners. There needs to be a clear process between the Crown and the owners to ensure there is no financial burden placed on the owners from the provision of this redress.

The working group members also commented on the need for the owners to have the right information and time to make decisions. Members pointed out it is very likely the owners will be reluctant to move forward until they have certainty.

Other issues raised included:

- concern about the accuracy of the list of successors (owners) and a question about whether the Crown should retain some successor shares for the owners that have not yet been identified;
- Māori Land Court communications.

The remainder of discussions at the meeting focussed on the information needs and how these can be addressed. The discussions were organic, and addressed both remaining agenda items often simultaneously. The remainder of this note lists the areas where information is needed and the actions agreed by attendees.

- **Overview: options for what the owners can do with the land**

It was explained that key options for the land had been identified and were unlikely to change. They include:

- The owners retain the land, with no action
- The owners develop the forest and sell the timber
- The owners develop the land themselves
- The owners enter into a joint venture with a third party regarding use of the land (clearing the forest; developing the land)
- The owners sell the land.

It was explained that these options still required development, and required additional information (below).

- **Valuation of the Forest including ETS and deforestation liabilities**

The two key info needs here are current (visual) valuations of both the forest and the land.

- **Action:** OTS to check what information they hold and to consult with the OTS land team about obtaining valuations.

- **Access to the Land**

It was explained that there is no access to the land, impacting on what could be explored with regards to the options for the land. For example, Queenstown Lakes District Council will not rezone the land from rural to residential unless access is able to be provided. The information needs are what the access opportunities are, and what costs and time would be involved to put in access.

- **Action:** OTS to check what information they hold on access to the site, and consult with the OTS land team about identifying opportunities.

- **Entity options and flow-on health and safety liabilities and tax liabilities, costs such as rates**

Discussions were held about the liabilities that may be incurred when the land is vested, with some being able to be addressed in the lead up to the vesting and some needing attention in a 'transition' period. There are questions about how the establishment of the entity, rates and other liabilities would be paid for if the owners do not have pūtea. It was agreed that more information was needed and that as a first step, the Crown would find out more about the appropriate avenues through which this can be better understood.

- **Action:** TPK to re-look at opportunities to explore this through a Māori Potential Fund proposal.
- **Action:** OTS to talk to OTS legal and finance teams about the approach to determining the tax liabilities.

Action: Crown to seek legal advice on the transition period – the processes between voting hui and the vesting and the timeline for this.

- **Presenting options to owners**

Info needs listed included:

- (1) how to summarise the key information for owners;
- (2) how to distribute information to owners, for example via a website;
- (3) how to validate findings, for example through a third party audit.

It was suggested that these needs could be wrapped up into a Māori Potential Fund proposal with TPK.

- **Action:** TPK to find out more about MPF application options for working group.