



**Auckland Regional  
Holdings**

Level 3, 21 Pitt Street  
PO Box 105 048  
AUCKLAND CITY  
Telephone: 09 303 9460  
Fax: 09 303 9461

## **Media Release**

**29 June 2007**

### **Waterfront investment achieves economic and social goals**

A long-term financial and social investment for the future of the Auckland region – that is the rationale behind Auckland Regional Holdings (ARH) investment of \$112 million in the Sea+City redevelopment on Auckland's downtown waterfront.

ARH Chair, Judith Bassett, says the Wynyard Precinct redevelopment, now known as the Sea+City Project, is a classic example of achieving both of ARH's statutory objectives of managing its assets prudently, and acting in the best interests of the Auckland region.

ARH, the statutory investment management entity, which acquired the land to be redeveloped from its subsidiary, Ports of Auckland Limited (POAL), and is the major landowner, investor and sponsor of the Sea+City Project. Mrs Bassett, who is overseas, made the comment in a prepared statement.

She says on one hand ARH is investing in the Sea+City project for long-term financial returns which will ultimately be distributed to the Auckland Regional Council to help improve the region's transport and stormwater assets, which is clearly prudent asset management.

"On the other hand, we are forsaking a considerable opportunity cost to ensure there is an acceptable balance between commercial opportunity and social amenity provision," says Mrs Bassett.

"We could have maximised the return on our investment if we weren't providing the increased level of public open space we have committed to and restricted our ability to maximise commercial returns from the project.

"That, indisputably, is acting in the best interests of the Auckland region."

Mrs Bassett says the revenue generating retail, residential and commercial elements of the project are necessary to provide the larger parks, greater public open space and the minimizing of the height of buildings the public has demanded.

"It is important for the public to understand the trade-off required to provide public amenity – there is a significant cost in doing so," says Mrs Bassett.

She says in addition to the diminished opportunity cost, ARH is also contributing 44 per cent of the \$240 million cost of public infrastructure on the site – such as roads, stormwater and sewerage, parks, plazas and other public amenity.

“This public infrastructure spend by ARH is enabling Auckland City to provide the highest level of infrastructure and social amenity down at the waterfront,” says Mrs Bassett.

She says the Sea+City Project fulfils a prime objective of the Auckland Waterfront Vision 2040 – to which the Auckland Regional Council was a signatory – enabling greater public access to the waterfront.

Mrs Bassett paid tribute to Ports of Auckland project team who have been working on the Tank Farm rezoning and redevelopment for more than five years.

In tandem with that, ARH's achieving 100 per cent ownership of POAL in August 2005 has assisted with an improved and integrated delivery of the Auckland Waterfront 2040 Vision.

ARH has appointed Sea+City Projects Limited, to act as its agent to manage the Sea+City Project in accordance with an agreed business plan. This enables ARH to ensure the redevelopment will achieve the outcomes specified in the ARH/ARC objectives for the redevelopment of the waterfront.

## **ENDS**

### **Key facts about ARH**

- Auckland Regional Holdings (ARH) is a statutory investment management entity established under the Local Government (Auckland) Amendment Act 2004
- As a statutory entity, ARH is not a company, although it has an independent Board
- It has assets of \$1.5 billion, including 100% ownership of Ports of Auckland and property in the Wynyard Precinct and a large treasury portfolio
- The sole beneficiary of the ARH fund is the Auckland Regional Council which uses money from ARH's investment returns to fund regional transport and stormwater programmes
- In the past three years, ARH has distributed \$246 million to the ARC. In the last financial year it distributed \$78 million. Since inception it has achieved a 13% annualised return
- ARH is part of the ARC Group; it has certain statutory financial and governance responsibilities and obligations to the ARC
- ARH plans to distribute \$1 billion to the ARC over the next decade

**For further information please contact:**

Peter Casey  
Chief Operating Officer  
Auckland Regional Holdings

Tel: (09) 303 9464  
Mob: 021 750 756  
Email: [peter.casey@arh.co.nz](mailto:peter.casey@arh.co.nz)

or

Mark Hanson  
Communications Advisor to ARH

Tel: (09) 303 9466  
Mob: 021 751 772  
Email: [mark.hanson@arh.co.nz](mailto:mark.hanson@arh.co.nz)