

MINUTES OF THE INAUGURAL MEETING OF DIRECTORS OF DEVELOPMENT AUCKLAND LIMITED (PANUKU DEVELOPMENT AUCKLAND), HELD AT LEVEL 2, PIER 21 BUILDING, 11 WESTHAVEN DRIVE, AUCKLAND ON WEDNESDAY 23 SEPTEMBER COMMENCING AT 9.30 A.M.

ATTENDING		<p>Board: Sir John Wells (appointed Chairman), R H Aitken (appointed Deputy Chairman), E W Davies, P F Majurey, M E Pohio and C M Udale.</p> <p>Executive: J Dalzell (Interim Chief Executive), R G P Aitken (Director Capital Partnering), C Gosbee (Director Corporate Services), D Rankin (Director Strategy and Engagement), R Marler (Director Place Shaping), A Young (Director Development), I Wheeler (Director Portfolio Management), A Cutler (Manager Governance Relationships), R Whitburn (Governance Advisor), and D Gurney (Board Secretary).</p> <p>Public: One member of the public, D Wood (Victoria Cruising Club) was present.</p>
APOLOGIES		Apologies were received from M A Blackburn and Dr S C Macken.
PROCEDURAL	1/01/15	<p>The Interim Chief Executive opened the meeting. He noted the Blessing Ceremony that had taken place in Wynyard Quarter to mark the start of construction earlier that morning, and acknowledged Ngati Whatua's and Ngati Paoa presence.</p> <p>Mr Majurey offered a karakia to bless the deliberations to follow.</p>
APPOINTMENT OF CHAIRMAN	2/01/15	<p>It was resolved that Sir John Wells be appointed as the Chairman of the Board of Directors on the Company to hold that office until further notice.</p> <p style="text-align: center;"><i>Moved by R H Aitken; seconded by M E Pohio. Carried.</i></p> <p>Sir John Wells took the Chair.</p> <p>It was resolved that R H Aitken be appointed as the Deputy Chairman of the Board of Director on the Company to hold that office until further notice.</p> <p style="text-align: center;"><i>Moved by Sir John Wells; seconded by M E Pohio. Carried.</i></p>
DIRECTORS' STATEMENT RELATING TO CONFLICTS OF INTEREST	3/01/15	<p>Directors reviewed the Register of Interests and confirmed that there are no changes in declared interests and there appear to be no conflicting agenda items. A standard certificate of disclosure formed part of the meeting papers</p> <p>Mr Majurey noted potential conflicts of interest relating to the Britomart and Three Kings Quarry developments.</p> <p>Mr Aitken (Board member) noted a potential conflict of interest from Beca's involvement in contaminated sites within the Wynyard Quarter.</p> <p>Mr Aitken (Executive member) noted a potential conflict of interest relating to the Three Kings Quarry development.</p> <p>Mr Davies noted that his list of interests included many subsidiary companies and asked that they be rolled up into the parent companies given the subsidiary interests changed frequently. It was agreed that this could be done, however it was noted that it was the responsibility of Directors to advise any conflicts that exist if they do arise.</p> <p>It was agreed that Directors advise the Board Secretary of changes to the Interests Register that are required.</p>
ESTABLISHMENT RESOLUTIONS	4/01/15	<p>It was recommended that:</p> <ol style="list-style-type: none"> in accordance with the terms of Section 161(1) of the Companies Act 1993, the remuneration for each Director, as advised by Auckland Council's CCO Governance and Monitoring Committee, be approved:

		<p>2. all the Directors of the Company, being Sir John Wells, R H Aitken, M A Blackburn, E W Davies, R I Leggat; Dr S C Macken, P F Majurey, M E Pohio and C M Udale who, in the above resolution, authorised pursuant to section 161(1) of the Act the provision for Directors to receive annual director's fees of up to \$590,000 certify pursuant to Section 161(4) of the Companies Act 1993, that, in their opinion, the provision of the Remuneration Package is fair to the Company. The grounds for this opinion are that the aggregate value of such Remuneration Package is appropriate having regard to the following:</p> <ul style="list-style-type: none"> • the skills and qualifications of the Director; • current market levels of remuneration for persons with comparable skills and qualifications; and • all other matters which the Board considered relevant, including the report commissioned by the shareholder which assessed the appropriate level of remuneration for Directors on this Board. <p>3. the Board notes that all matters in connection with the amalgamation of Auckland Council Property Ltd into Auckland Waterfront Development Agency Limited (AWDAL) (the surviving company) have been attended to, that AWDAL was renamed as Development Auckland Limited, the date of amalgamation was 1 September 2015 and a copy of the certificate of amalgamation, No.10063486471, was tabled together with a copy of the Company's constitution as registered.</p> <p>4. the Board notes that the persons listed below, having so consented, were named in the application for amalgamation as the holders of the number of shares set opposite their respective names and it was resolved that, in accordance with section 41 of the Companies Act 1993, their names, shareholdings and other details as required by section 87(1) and (2) of the Act be entered in the share register of the Company:</p> <p style="text-align: center;"><i>Auckland Council 1100 shares One thousand one hundred shares</i></p> <p>5. the Board notes that the banking arrangements with Bank of New Zealand remain, that the shareholder sweeps the accounts daily and that the shareholder makes all payments, hence the traditional authorities do not apply.</p> <p>6. David Gurney is appointed Secretary to the Board.</p> <p>7. documents requiring signing in terms of the Constitution, be signed by either two Directors or by one Director and an authorised signatory. For these purposes, the following are approved to act as an authorised signatory:</p> <ul style="list-style-type: none"> • the Interim Chief Executive • the Director Strategy and Engagement • the Company Secretary. <p>It was resolved that recommendations 1 to 7 above be approved. <i>Moved by C M Udale; seconded by P F Majurey; Carried.</i></p>
BOARD OPERATING PRINCIPLES	5/01/15	<p>The Chairman provided guidance on how he intends to Chair the meetings, noting that the Board comprised a mix of members – three who sat on ACPL's Board, three who sat on Waterfront Auckland's Board, and three who are new. He encouraged the new members to actively ask questions about the business.</p> <p>The Chairman noted his style of chairmanship is one of "formal informality". He noted it was important to respect the views of all those presenting. The meetings would be structured around certain standing items on the agenda and the Board work programme. He invited Directors to add items they wish to be briefed on to the agendas and work programme.</p> <p>Mr Pohio acknowledged the work done to get Panuku Development Auckland to this point, by the shareholder, the Chair and executive.</p>
ADOPTION OF THE COMPANY NAME	6/01/15	<p>The Board discussed the name of the company and it was resolved that the Board approves the brand and working name as <i>Panuku Development Auckland (Panuku)</i>, noting that the legal name of the company would continue at present to be <i>Development Auckland Limited</i>.</p>

		<i>Moved by P F Majurey; seconded by C M Udale; Carried.</i>
CHIEF EXECUTIVE'S REPORT	7/01/15	<p>In introducing his report the Chief Executive commented that the format should be taken as work in progress and feedback from Directors is welcomed. He noted that a balance was being sought between high level strategic issues and providing enough operational detail to ensure that Directors were appropriately informed.</p> <p>Key items included:</p> <ul style="list-style-type: none"> • Candidates for priority redevelopment locations - a short list will be brought to the October meeting; • Potential cruise ship berthing on an extended Halsey Street Extension Wharf; • Downtown car park not being viable for redevelopment - due to Auckland Transports requirement that 2,000 carparks be provided; • Civic Administration Building – taken to market with Expressions of Interest closing at the end of this month; • Property market analysis – report sequenced November aligned with location analysis work; • Westhaven Marine Centre – important role as ship chandleries are forced from Wynyard Precinct south of Pakenham Street by developments. Development Auckland will design, have built, tenant and retain ownership; • Park Hyatt Hotel - three days until objections close in relation to Resource Consents granted by Independent Commissioners; • Health and Safety – Peter Attwood, independent Health and Safety advisor was introduced to the Board and his oversight role outlined. He provided an overview of activities for the past month and the steps being taken to standardise procedures and find the right reporting balance for the combined organisation. The new legislation will apply from 4 April 2016 and some work will be required to illustrate compliance; • Risk management – a quarterly report will be provided at the October meeting. <p>The Chief Executive's Report was received.</p>
APPROVAL OF THE ANNUAL REPORT FOR AUCKLAND WATERFRONT DEVELOPMENT AGENCY LTD	8/01/15	<p>The Board discussed the Auckland Waterfront Development Agency Limited (Waterfront Auckland) Annual Report for 2014/15. It was noted that the Development Auckland Ltd Board could approve the Annual Report, given Waterfront Auckland was the predecessor company to Panuku.</p> <p>It was resolved that the Board:</p> <ol style="list-style-type: none"> a) adopts the Waterfront Auckland Annual Report for the year ended 30 June 2015; b) authorises the previous Waterfront Auckland Chair and the previous Waterfront Auckland Assurance Committee Chair to sign the Consolidated Financial Statements on behalf of the Board; c) authorises the previous Waterfront Auckland Chair and the previous Waterfront Auckland Assurance Committee Chair to sign the Letter of Representation to Audit New Zealand. <p><i>Moved by E W Davies; seconded by Sir John Wells; Carried.</i></p>
APPROVAL OF THE STATEMENT OF INTENT	9/01/15	<p>The Board noted that the Statement of Intent had been developed with the Shareholder, and had been reviewed by the Development Auckland Board Advisory Group prior to the establishment of Panuku. The Chairman noted that it was a good starting point for Panuku.</p> <p>It was resolved that the Board approves the Panuku Development Auckland Statement of Intent for the period 1 September 2015 to 30 June 2018.</p> <p><i>Moved by Sir John Wells; seconded by R H Aitken; Carried.</i></p>
PROCEDURAL MOTION TO EXCLUDE THE	10/01/15	<p>It was RESOLVED THAT, pursuant to the provisions of Section 48(1)(a) of the Local Government Official Information & Meetings Act 1987, the public be excluded from the Meeting for the following proceedings; the subject matter, the</p>

PUBLIC		reasons and specific grounds for exclusions being set out below:	
		General subject of matters to be considered	Grounds under Section 48(1) for considering in private
		Governance; Committee report	Commercially sensitive issues
		Finance and Risk	Commercially sensitive issues
		Management and operations	Commercially sensitive issues
		<i>Moved by Sir John Wells; seconded by C M Udale; CARRIED.</i>	
		The public meeting closed at 10.15 a.m.	

READ AND CONFIRMED

_____ **Chairman**

_____ **Date**