

Canterbury Earthquake Recovery Authority

Private Bag 4999
Christchurch 8140

03 354 2600
0800 RING CERA



14 September 2011

Church Property Trustees

[s 9(2)(a)]

[s 9(2)(a)]

[s 9(2)(a)]

Dear

Demolition of the Building at 20 Lychgate Close (Church)

Thank you for your response to the Section 38 Notice sent to you recently. I note that you have elected to arrange for the demolition of the building at 20 Lychgate Close (Church), CDB 75086124 yourself. As specified in the Section 38 Notice, Schedule 2 sets out the requirements that must be met. I acknowledge receipt of the information you have provided CERA in response to this. This has now been approved.

For the avoidance of doubt, I note a start date of 15 September, with a completion date not later than 10 November 2011.

If you feel that you are unable to meet any of these requirements, please notify me at demolitioncontracts@cera.govt.nz within one working day of receipt of this letter. Further, if demolitions do not proceed in accordance with the plan outlined above, CERA will take over responsibility for the management of your building demolition.

Please email the CERA Demolition Project Management Office on demolitionspmoc@cera.govt.nz before the works begin. Please quote job number C8210.

Yours sincerely


Warwick Isaacs
General Manager - Demolition

Owner's Response to Demolition Notice under s38(4) of the Canterbury Earthquake Recovery Act 2011 (the Act)

To: The Chief Executive, Canterbury Earthquake Recovery Authority
Attention: Warwick Isaacs, Demolition Manager

Email demolitioncontracts@cera.govt.nz, or

Post to Canterbury Earthquake Recovery Authority, Private Bag 4999,
Christchurch 8140.

1. I confirm that I am the owner or duly authorised representative of the owner of the building at 20 Lychgate Close PT LOT 2 DP 26713, as described in the demolition notice you issued to me under section 38(4) of the Act.
2. I agree that the description of the building in that notice is accurate (if not please amend and attach updated description).
3. I agree (cross out which you do not want to apply):
 - a. That CERA will arrange for the demolition of the building and will invoice me for the cost of the work once it is completed; OR
 - b. To arrange for the demolition of the building in accordance with my proposal under which demolition will be completed, the site cleared and all waste disposed of in accordance with all relevant requirements by no later than 31st December 2011 2011.

From: [s 9(2)(a)] (Property Manager)

Signed this 15 day of September 2011 by [s 9(2)(a)] as owner or duly authorised representative of the owner.

[s 9(2)(a)]

- Attached:
- Amended description (if building description is not accurate)
 - Copy of demolition proposal under paragraph 3(b) above (if applicable)
 - Proof of authority to sign this letter if signing as duly authorised representative
 - Completed Owner's Agreement (if paragraph 3(a) is chosen)

Canterbury Earthquake Recovery Authority

Private Bag 4999
Christchurch 8140

0800 RING CERA (0800 7464 2372)



6 September 2011

Church Property Trustees

[s 9(2)(a)]

[s 9(2)(a)]

Dear [s 9(2)(a)]

Demolition of your building at 20 Lychgate Close (Church)

1. The purpose of this letter is to:
 - Advise you that I have determined that your building is dangerous in terms of the Canterbury Earthquake Recovery Act 2011 (CER Act), and is subject to the provisions of section 40(1) of the CER Act (as described in Schedule 1 of this letter); and
 - Give you notice under section 38(4) of the CER Act that your building needs to be demolished.
2. You have 10 calendar days from the date of receipt of this notice to advise me whether you intend to undertake the demolition of the building (including, as appropriate, removal of the foundations) and, if so, when you intend to undertake and complete the work.
3. Schedule 2 (attached) provides an outline of the information required from you should you propose to complete the demolition work using your own contractor.

Note: For the purposes of section 38 of the CER Act, where CERA approves your demolition proposal, CERA has commissioned the work. This will enable you to rely on CERA's exception from a building consent for demolition and the permitted activity status for demolition of buildings under the appropriate district plan. You will, however, need to obtain an archaeological approval if the building is dated pre-1900 and for the disturbance of the soil if the area was occupied pre-1900 (regardless of the age of the present building).

CERA contracts all demolition related work within the CBD (the area within the four avenues). Before any work may be started CERA requires that it approves the demolition plan.

4. You may elect to have CERA undertake the demolition work for you. To assist you in deciding if this is your preferred option, please find attached Schedule 3, which is a summary of the services CERA will provide. If you choose this option, the demolition works will be at your cost and you will be invoiced for the work. Also enclosed with this letter is an Owner's Agreement for your consideration. You are invited to complete the Owner's Agreement if you elect to have CERA complete the work on your behalf.

5. Should you elect to have CERA undertake the demolition work for you, CERA will arrange for the work to be carried out through CERA's Project Management Office (PMO). I encourage you to consider using the PMO as CERA will schedule the work to most efficiently use accredited contractors. Accredited contractors are engaged by CERA using competitive market rates; these are independently monitored and assessed. The PMO will ensure that the demolition and related plans (similar to those listed in Schedule 2) are prepared before the work is started, that the site is monitored during the work and that the site is left safe and clear of debris.
6. Reopening the central city as quickly as possible, and working towards the recovery of greater Christchurch are top priorities for CERA. In considering your response to this notice and the acceptability of any alternative proposals you put forward, speed of completion of the works will be key criteria for me.
7. Please note that even if you wish to undertake the work I may not accept your proposal and may decide it is more appropriate for CERA to undertake the work.
8. Your written notice to CERA of your intentions should be in the form attached to this letter entitled "Owner's Response to Demolition Notice under s38(4) of the Canterbury Earthquake Recovery Act 2011". Your notice can be either:
- 8.1 Emailed to us at demolitioncontracts@cera.govt.nz, or
- 8.2 Posted to Canterbury Earthquake Recovery Authority, Private Bag 4999, Christchurch 8140.
9. In making your decision you should be aware that the CER Act provides that:
- 9.1 if you fail to give notice to me within the 10 calendar day period; or
- 9.2 if I am not satisfied with the time specified by you for demolition of the building; or
- 9.3 if you do not carry out the works in the time specified,
- CERA may commission the demolition work and recover CERA and third party costs of carrying out the work from you as owner of the dangerous building.
10. If you do not respond to this letter within 10 calendar days of receipt, CERA will look to commence action to commission the demolition works at your cost. The timing and arrangements for demolition will then be negotiated with the demolition company and you will be informed in accordance with the process under the CER Act.
11. Please take the time to read the Frequently Asked Questions information sheet that has been provided. You can also visit www.cera.govt.nz/demolitions.

Please contact my office by email, or telephone 029 200 8830 if you have any questions about this written notice or wish to discuss the demolition.

Yours faithfully



Warwick Isaacs
General Manager Demolition
Canterbury Earthquake Recovery Authority

Schedule 1: Summary of meaning of “dangerous” building: Building Act 2004 as amended by Canterbury Earthquake (Building Act) Order 2010

A dangerous building is a building which:

- (a) in the ordinary course of events (excluding the occurrence of an earthquake), is likely to cause —
 - (i) injury or death (whether by collapse or otherwise) to any persons in it or to persons on other property; or
 - (ii) damage to other property; or
- (b) in the event of fire, injury or death to any persons in the building or to persons on other property is likely because of fire hazard or the occupancy of the building; or
- (c) there is a risk that the building could collapse or otherwise cause injury or death to any person in the building as a result of an earthquake that generates shaking that is less than a moderate earthquake; or
- (d) there is a risk that other property could collapse or otherwise cause injury or death to any person in the building; or
- (e) a territorial authority has not been able to undertake an inspection to determine whether —
 - (i) the building is dangerous under paragraph (a); and
 - (ii) the territorial authority or the chief executive, as the case may be, is required to exercise powers under section 124 or 129 of the Building Act 2004 as modified by the Canterbury Earthquake (Building Act) Order 2010.
- (f) if, having regard to its condition and to the ground on which it is built, and because of its construction, the building —
 - (i) will have its ultimate capacity exceeded in a moderate earthquake (as defined in the regulations); and
 - (ii) would be likely to collapse causing —
 - (a) injury or death to persons in the building or to persons on any other property; or
 - (b) damage to any other property.

Note: (f) does not apply to a building that is used wholly or mainly for residential purposes unless the building —

- (i) comprises 2 or more storeys; and
- (ii) contains 3 or more household units.

Extract from Canterbury Earthquake Recovery Act 2011
S40. Compensation for demolition of building

- (1) If the chief executive demolishes a dangerous building —
 - (a) the Crown is not liable to compensate the owner or any tenant or other occupier of the building; and
 - (b) the chief executive may recover the cost of demolition from the owner.

Schedule 2: Information Required to Support Owner Managed Demolition

The following information is required to support owner managed demolitions.

- Demolition plan of work , including removal of foundations if appropriate
- Name of accredited demolition contractor
- Date of commencement of work – and proposed completion date
- Site specific safety plan
- Waste minimization plan
- Transport management plan
- Hazard management plan
- If appropriate, archaeological authority to damage or destroy archaeological site

The demolition plan is expected to include treatment plans for the following where relevant:

- Site services capping plan
- Treatment proposal for basements and piles
- Treatment of adjacent footpaths and kerbs
- Treatment of ground service – e.g. top soiled and seeded

CERA also requires that owners provide photographs of completed works, reserves the right to monitor the demolition as it occurs, and to conduct a site audit following notification by owners that work is completed.

Note: Any required resource and building consents are the responsibility of the owner.

- Where CERA approves your demolition proposal, for the purposes of section 38 of the CER Act, CERA has commissioned the work. This will enable you to rely on CERA's exception from a building consent for demolition and the permitted activity status for demolition of buildings under the appropriate district plan. You will, however, need to obtain an archaeological approval if the building is dated pre-1900 and for the disturbance of the soil if the area was occupied pre-1900 (regardless of the age of the present building).

Schedule 3: CERA Services Provided

The services that CERA will provide to owners should they elect to use the CERA-managed demolition process include the development of the plans at Schedule 2 plus the following:

- CERA will provide dedicated project and site management to ensure contractor resource is tightly and effectively managed.
- CERA has a large database of cost and performance information intended to enable continuous improvement of demolition project works .
- CERA will provide a full tender and cost management service by an independent consultant.
- Close supervision by CERA contractors minimises risk of damage to Christchurch City Council - owned infrastructure (roads, footpaths, water supplies, SS & SW, etc)
- Close supervision by CERA contractors minimises risk of damage to other utilities (telecommunications, power, etc). Repair of these is a cost risk to property owners.
- CERA has access to the most current and best engineering advice from New Zealand and overseas, including those trained in specialist USAR deconstruction.
- CERA processes satisfy regulatory requirements and substitute for building consents.
- CERA will manage the demolition methodology, traffic management plan, site safety plan including the removal of asbestos or hazardous waste, debris management plan, etc.
- CERA will act as principal in terms of the construction contract and will sort out non-conformances directly with the contractor.
- CERA has obtained approval from Christchurch City Council that building consents are not required for work commissioned by it.
- CERA does not require resource consents for the demolition of most heritage buildings.
- CERA will obtain archaeological approvals if required.

Owner's Response to Demolition Notice under s38(4) of the Canterbury Earthquake Recovery Act 2011 (the Act)

To: The Chief Executive, Canterbury Earthquake Recovery Authority
Attention: Warwick Isaacs, Demolition Manager

Email demolitioncontracts@cera.govt.nz, or

Post to Canterbury Earthquake Recovery Authority, Private Bag 4999,
Christchurch 8140.

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2. I agree that the description of the building in that notice is accurate (if not please amend and attach updated description).
3. I agree (cross out which you do not want to apply):
 - a. That CERA will arrange for the demolition of the building and will invoice me for the cost of the work once it is completed; OR
 - b. To arrange for the demolition of the building in accordance with my proposal under which demolition will be completed, the site cleared and all waste disposed of in accordance with all relevant requirements by no later than _____ 2011.

From:

[s 9(2)(a)]

Signed this ___ day of _____ 2011 by _____ as
owner or duly authorised representative of the owner.

Signature

- Attached:
- Amended description (if building description is not accurate)
 - Copy of demolition proposal under paragraph 3(b) above (if applicable)
 - Proof of authority to sign this letter if signing as duly authorised representative
 - Completed Owner's Agreement (if paragraph 3(a) is chosen)

AGREEMENT FOR DEMOLITION OF A DANGEROUS BUILDING DATED

BETWEEN

1. Her Majesty the Queen acting by and through the Chief Executive of the Canterbury Earthquake Recovery Authority (CERA), and
2. _____ (Owner)

SPECIFIC TERMS

SUBJECT	SPECIFIC TERM
Demolition Site	20 Lychgate Close
Scope of Demolition Works	<ul style="list-style-type: none">• Demolition
CERA's Representative:	Name: Warwick Isaacs Cell phone: [s 9(2)(a)] Email: demolitioncontracts@cera.govt.nz Postal address: Private Bag 4999, Christchurch 8140
Owner's Representative:	<i>Owner to complete</i> Name: Cell phone: Email: Postal address:
Salvageable Goods	None [OR] As previously advised to CERA
Estimate of Costs	

SIGNED for and on behalf of Her Majesty the Queen acting by and through the Chief Executive of the Canterbury Earthquake Recovery Authority by:

SIGNED for and on behalf of Owner by:

Name of authorised signatory
Warwick Isaacs

Name of authorised signatory

Signature

Signature

GENERAL TERMS

1. CER ACT ACKNOWLEDGEMENTS

1.1 Dangerous Building: The Owner acknowledges that the Building is a dangerous building as defined under section 4(1) of the CER Act.

1.2 Section 28 notification: The Owner acknowledges that either:

(a) prior to the execution of this Agreement it has received notice from CERA in accordance with section 38(4) of the CER Act that demolition works is to be carried out at the Demolition Site; or

(b) this agreement shall be deemed to constitute a valid notice under section 38(4) of the CER Act.

1.3 Commissioning of the Demolition Works: In lieu of the Owner giving notice under 38(4)(a) of the CER Act to the satisfaction of CERA, which the Owner acknowledges has not occurred, the Owner acknowledges that pursuant to section 38(4)(b)(i) of the CER Act CERA may commission the carrying out of the Demolition Works.

1.4 Recovery of Demolition Costs: Pursuant to section 38(4)(b)(ii) of the CER Act CERA shall be entitled to recover the costs of carrying out the Demolition Works from the Owner. CERA acknowledges that CERA's entitlement under this Agreement shall be deemed to be the full extent of CERA's entitlement under section 38(4)(b)(ii) of the CER Act.

1.5 Charge over Demolition Site: Pursuant to section 38(4)(b)(iii) of the CER Act the Demolition Costs shall become a charge on the Demolition Site.

1.6 No liability for any Loss: Pursuant to section 40(1) of the CER Act CERA shall not be liable to compensate the Owner for any cost, loss or liability the Owner may incur due to the carrying out of the Demolition Works.

1.7 This Agreement deemed s39 Notice: The Owner acknowledges that this Agreement constitutes notice from CERA in accordance with section 39(3)(a) of the CER Act of the work to be carried out at the Demolition Site.

2. CERA to commission the Demolition Works

2.1 Selection of Demolition Contractor: CERA shall commission an appropriately qualified and experienced contractor to carry out the Demolition Works.

2.2 Scope of Demolition Works: The general scope of the Demolition Works is as described in the Specific Terms. The actual scope of the Demolition Works will be as specified in the Demolition Contract.

2.3 Structures to be Retained: The scope of the Demolition Works under the Demolition Contract shall include provisions relating to the protection and retention of the Structures to be Retained. CERA gives no warranty or other undertaking that these structures will be able to be retained without damage or at all.

3. OWNER LIABLE FOR DEMOLITION COSTS

3.1 Owner's authority: The Owner warrants that it has authority to enter into this Agreement and that the Owner has obtained any permission or approval required from any other person who may have an interest in the Building, the Demolition Site or the Demolition Works including (as the case may be):

(a) any person sharing any ownership interest in the Building or the Demolition Site;

(b) any person holding security over the Building or the Demolition Site; and

(c) any insurer of the Building.

3.2 Recovery of the Demolition Costs: CERA shall be entitled to recover the Demolition Costs from the Owner.

3.3 Invoice for Demolition Costs: CERA may issue GST invoice(s) to the Owner at the milestones and for the amounts stated in the specific terms.

3.4 Payment: The Owner must pay the amount invoiced within 14 days of receipt of the GST invoice.

3.5 Reliance on Information Provided: CERA does not represent or warrant the completeness or accuracy of any information whatsoever provided by

CERA to the Owner including any estimates of the Demolition Cost. The Owner shall rely on all information provided by CERA at their own risk and are solely responsible for the interpretation of the information.

4. PARTIES REPRESENTATIVES

4.1 Representatives: CERA and the Owner shall ensure that at all times they have an appointed Representative.

5. TIMING OF DEMOLITION WORKS

5.1 Completion Date: CERA shall procure under the Demolition Contract that the Demolition Contractor is obliged to achieve completion by the Completion Date. The Owner acknowledges that the actual date of completion under the Demolition Contract may be subject to extensions of time, and/or delays.

6. POSSESSION OF THE SITE

6.1 Possession of the Demolition Site: The Owner shall give CERA and any persons engaged by CERA possession of the Demolition Site from the Commencement Date for the purposes of carrying out the Demolition Works.

6.2 Vacating the Demolition Site: CERA shall vacate and return possession of the Demolition Site to the Owner upon the later of:

- (a) completion of the Demolition Works;
- (b) receipt of payment by the Owner of all invoices issued under this Agreement.

7. RISK AND OWNERSHIP IN DEMOLITION MATERIALS

7.1 Owner's Access prior to Commencement: Where it is deemed safe and practicable by CERA, the Owner may be granted access to the Demolition Site before commencement of the Demolition Works to recover Salvageable Goods. Any such access shall be at the sole risk of the Owner, and be subject to the Owner:

- (a) complying with all of the health and safety requirements of CERA and the Demolition Contractor relating to the Demolition Site; and

- (b) complying with all reasonable instructions of the Principal's Representative.

7.2 Ownership of Salvageable Goods:

Ownership and risk in any Salvageable Goods actually recovered from the Demolition Site separately from the Demolition Waste shall remain vested in the Owner.

7.3 Recovery of Salvageable Goods:

CERA shall procure under the Demolition Contract that the Contractor must:

- (a) report the presence of or deliver to the Principal's Representative all articles of value discovered on the Demolition Site.

- (b) protect or deal with any goods listed under (a) as directed by the Principal's Representative.

- (c) take all practicable steps to recover the Salvageable Goods from the Demolition Site, separately from the Demolition Waste; and

- (d) deliver any Salvageable Goods recovered from the Demolition Site separately from the Demolition Waste to the Delivery Site stated in the Specific Terms.

7.4 Ownership of Demolition Waste:

Risk and ownership in all Demolition Waste shall vest in the Contractor immediately upon removal from the Demolition Site.

7.5 Disposal of Demolition Waste:

CERA shall procure under the Demolition Contract that the Contractor must dispose of all Demolition Waste in accordance with the Demolition Contract.

8. INSURANCE

8.1 Contractor to obtain insurances:

CERA shall procure that the Contractor must obtain the insurances as specified under the Demolition Contract.

8.2 CERA not obtaining any additional insurances:

The Owner acknowledges that CERA is not obliged to obtain any other insurances.

8.3 Owner Responsible to Insure: The Owners shall be responsible for obtaining any other insurance it deems necessary in relation to the Building or the Demolition Works.

9. CONSENTS

9.1 CERA responsible: CERA shall obtain all Consents.

10. DISPUTES

10.1 In the event of any dispute arising out of or in relation to this Agreement either party may notify the others in writing (Dispute Notice). Following receipt of the Dispute Notice the parties shall in good faith meet and use all reasonable endeavours to resolve the dispute.

10.2 If no such agreement or resolution is achieved within one month of the date of the Dispute Notice then any party may refer the dispute to arbitration under the Arbitration Act 1996.

11. DEFINITIONS AND INTERPRETATION

11.1 Definitions: In this agreement, unless the context indicates otherwise:

Agreement: means this agreement including the Specific Terms and the General Terms;

Building: means the buildings at the Demolition Site to be demolished under the Demolition Contract, as generally described in the Specific Terms;

CERA's Representative: means the person stated in the Specific Terms, as may be replaced by CERA by notice in writing to the Owner;

CERA Act: means the Canterbury Earthquake Recovery Act 2011;

Commencement Date: means the date stated in the Specific Terms, or such other date as agreed between CERA and the Contractor under the Demolition Contract;

Consents: means all necessary consents, permits, approvals and the like required to be obtained for

the purposes of undertaking the Demolition Works including pursuant to all relevant legislation, including the Resource Management Act 1991, the Building Act 2004, and the Historic Places Act 1993.

Contractor: means the person engaged by CERA under the Demolition Contract to undertake the Demolition Works;

Demolition Contract: means the contract entered into by CERA for the Demolition Works;

Demolition Costs: means:
(a) the Direct Costs; plus
(b) the Management Costs, plus GST as applicable.

Demolition Site: means the site referred to in the Specific Terms;

Demolition Waste: means all property, materials and any other items produced from the Demolition Works, except the Salvageable Goods;

Demolition Works: has the meaning in clause 2.2;

Direct Costs: means:

(a) the costs actually incurred by CERA to the Contractor under the Demolition Contract; plus

(b) any other actual costs reasonably incurred by CERA in relation to the demolition of the Building, including under agreements with the parties listed in the Specific Terms.

Management Costs: means 5.25% of the Direct Costs;

Owner's Representative: means the person stated in the Specific Terms, as may be replaced by the Owner by notice in writing to CERA.

Principal's Representative: means the person appointed as Principal's Representative under the Demolition Contract;

Salvageable Goods: means those goods and materials defined in the Specific Terms as may be more specifically defined under the Demolition Contract;

Structures to be Retained: means those structures referred to in the Specific Terms.

11.2 Interpretation: In this Agreement, unless the context indicates otherwise:

- (a) **Defined Expressions:** expressions defined in the main body of this Agreement have the defined meaning throughout this Agreement, including the background;
- (b) **Headings:** clause and other headings are for ease of reference only and will not affect this Agreement's interpretation;
- (c) **Parties:** references to any party include that party's executors, administrators, successors and permitted assigns.
- (d) **Persons:** references to a person include an individual, company, corporation, partnership, firm, joint venture, association, trust, unincorporated body of persons, governmental or other regulatory body, authority or entity, in each case whether or not having a separate legal identity;
- (e) **Statutory Provisions:** references to any statutory provision are to statutory provisions in force in New Zealand and include any statutory provision which amends or replaces it, and any by-law, regulation, order, statutory instrument, determination or subordinate legislation made under it;
- (f) **Negative Obligations:** any obligation not to do anything includes an obligation not to suffer, permit or cause that thing to be done; and
- (g) **Inclusive Expressions:** the term includes or including (or any similar expression) is deemed to be followed by the words without limitation.