

**Royal Commission of Enquiry into Building Failure
Cause by Canterbury Earthquakes**

Statement of John Victor Dallison in relation to building at 601/601A Colombo Street,
Christchurch

Introduction

1. My full name is John Victor Dallison. I am a partner of the firm Dallison Stone, Solicitors in Christchurch.
2. I am the legal representative of the building owners, the Yee Brothers Syndicate.

Owners

3. The Yee Brothers Syndicate comprises Simon Yee, Leo Yee, Donald Yee, Ewan Yee and Sun Nam Yee.
4. The members of the Yee Brothers Syndicate are in their senior years, and have little to do with the day to day management and supervision of their buildings.
5. My firm is the first point of contact in relation to each tenancy, and collects rental from each tenant.

Ownership

6. An historical search of the titles to 601/601A Colombo Street records the syndicate became registered as proprietors of the property on 12 April 1973.
7. In addition the syndicate owns a number of other properties, including 603 Colombo Street (north side of Mollett Street) 622/624 Colombo Street and 626 Colombo Street/ 178 Tuam Street.

Summary Chronology

8. 4 September 2010
Earthquake
9. 6 September 2010
I instructed Eliot Sinclair & Partners to complete a report in relation to the damaged building
10. 16 September 2010
Received report by Eliot Sinclair & Partners.
11. 17 September 2010
Forwarded a copy of the report completed by Eliot Sinclair & Partners to Cunningham Lindsey, the loss adjusters engaged by the insurers.
12. 6 October 2010
Notified Vero of insurance claim for material damage and loss of rental.

13. Numerous discussions and attendances on Christchurch City Council, including a meeting on 1 February 2011.

Report by Eliot Sinclair & Partners

14. The report by Eliot Sinclair & Partners identifies:
 - 14.1 The rear of the building had been extensively damaged and part of the wall had fallen on to Mollett Street. Decisions on demolition/ replacement will be dependent on the assessor and to some extent the Christchurch City Councils attitude on the older and more ornate buildings in the Christchurch area.
 - 14.2 The building was so extensively damaged that it should not be occupied.
 - 14.3 The area was fenced off and there was no need to proceed urgently with the demolition on safety grounds.
 - 14.4 The building had existing use rights and in order to preserve those accurate survey measurements should be obtained before it is demolished.


Observations

15. The earthquake on 4 September 2010 was predominately north/south shaking which resulted in damage to the north (Mollett Street) and south walls, rather than to the eastern façade fronting on to Colombo Street.
16. The façade on to Colombo Street appeared largely undamaged, and consideration was being given to retaining the frontage and rebuilding on the footprint.
17. Demolition of the building itself was the only realistic alternative.
18. The northern wall along Mollett Street was perceived as the greater risk, and measures were taken to mitigate that risk including closing the Mollett Street.
19. The possible collapse of the façade on Colombo Street was considered no greater than many other unreinforced masonry in the Christchurch area.
20. Demolition of the building required a building consent.
21. Discussions with the Christchurch City Council invariably included the syndicate's buildings at 603, 624, 626, Colombo Street and 178 Tuam Street. Those discussions tended to focus on the building at 626 Colombo Street/ 178 Tuam Street which was perceived as the greatest risk to public safety. There was no loss of life as a consequence of the partial collapse of that building on 22 February 2011.
22. the Council's approach to 601/601A Colombo Street was more relaxed. At the meeting on 1 February 2011 I confirmed the syndicate's intention to demolish the building, and the Council staff appeared satisfied with this.

Information requested

23. In response to your request for information contained in your letter dated 11 October 2011 I am instructed to reply as follows:
1. No structural strengthening work was carried out on the building prior to the 4 September 2010 earthquake.
 2. I confirm an engineer's preliminary inspections was requested on 6 September 2010, and the report by Eliot Sinclair & Partners was received on 16 September 2010 – refer paragraphs 9 & 10 above.
 3. (a) A CPEng was not obtained. There was no intention to re-occupy the building. The closure of Mollett Street and the Colombo Street footpath adjacent to the building together with the provision of barricades was considered adequate mitigation of any potential risk.

(b) The work described in the Council's letter of 15 October 2010 was not carried out.
 4. (a) The work identified in the Council's letter dated 28 December 2010 was not carried out.

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24. In broad terms the Council did not appear anxious about the building, and instead focused on other buildings owned by the syndicate. The Council appeared satisfied that measures had been taken to mitigate public risk. Delays were incurred with the insurers. An application for a building consent to enable demolition was delayed pending finalisation of insurance issues.

Eliot Sinclair

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Our Ref: 318043

16 September 2010

Mr John Dallison
Dallison Stone Lawyers
137 Armagh Street
Christchurch

Dear John

Re: Structural Inspection – 601 Colombo Street, Christchurch

Further to your instructions we have undertaken a preliminary inspection of the building at 601 Colombo Street with a view to assessing the likely work involved and action required from now.

This building is a two-storey brick building with an extensive brick façade fronting on to Colombo Street. The rear of the building has been extensively damaged and part of the wall has fallen on to Mollett Street. The wall on the south side is also cracked and will need to be demolished or shored up. This could cause complications if this is a party wall or common wall with the adjacent building. Further inspection will be required to assess this at the time of preparation of a demolition consent application.

There appear to be some recent cracks in the façade although it appears to be largely undamaged. It may be possible to retain the façade and rebuild the building behind as a modern building up to current earthquake standards. However, decisions on demolition/replacement will be dependent on the assessor and to some extent the Christchurch City Council's attitude on the older and more ornate buildings in the Christchurch area.

This building is so extensively damaged that it should not be occupied at either the upper or lower floor levels. The area is fenced off and there is no need to proceed urgently with the demolition on safety grounds.

We note that this building has a high façade and a large building envelope that does not include car parking. The building will have existing use rights and in order to preserve these accurate survey measurements to the building envelope should be considered before it is demolished. Otherwise it may not be possible to prove these rights at the time of new building design and construction. Please note however that we have not checked the building dimensions against the City Plan rules in this respect.

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We would be happy to meet with the assessor on behalf of the Yee family to discuss the various options and will await your advice on this matter.

Yours sincerely,

ELIOT SINCLAIR & PARTNERS LTD



Marton Sinclair