



## Canterbury Earthquakes Royal Commission

Komihana a te Karauna hei Tiro tiro i ngā Whare i Horo i ngā Rūwhenua o Waitaha

22 September 2011

Chris Chapman  
Harcourts Commercial  
PO Box 1625  
CHRISTCHURCH 8140

By email: [chris.chapman@naiharcourts.co.nz](mailto:chris.chapman@naiharcourts.co.nz)

Dear Sir

### **246 High Street Information request**

I refer to our telephone conversation with you on 21 September 2011.

As explained, the Royal Commission of Inquiry into building failure caused by the Canterbury earthquakes is currently inquiring into a number of buildings in the CBD, including the building at 246 High Street (the Building).

I understand from you that Harcourts Commercial manage this Building for the owners Shugborough Properties Ltd and that you have engineering reports and other documentation in relation to the property.

Would you please provide the following information, by **30 September 2011**:

1. Was any structural strengthening of the Building carried out prior to 4 September 2010? If so, please provide any documentation/drawings/engineering reports/photographs which relate to any structural strengthening in relation to that work.
2. Are you aware whether or not the Building was deemed an earthquake prone building under the Council's earthquake prone policy? Was any work done on the Building in relation to its status in terms of that policy? If so, please provide details.
3. Please provide details of any structural assessment of the property following the 4 September 2010 earthquake including copies of any engineering reports, drawings or photographs. We understand from our conversation that there was a report done on 10 September 2010.

4. We understand that work was done on the property, in particular in relation to the parapets, between 4 and 20 September 2010. Please provide copies of any documentation in relation to this work and if that documentation is not clear, please advise the nature and extent of that work.
5. We understand that a structural engineer's report was obtained on 20 September 2010 following the work that had been completed. Please provide a copy of the same together with any drawings and photographs relevant to that report.
6. We note your telephone advice that no structural report was obtained following the Boxing Day earthquake. Could you please check your file and confirm that was the case. Were you aware of any Council inspection of the Building following the Boxing Day earthquake and the result of the same? Did this impact on your decision as to whether or not an engineer's inspection was necessary? If so, please provide details.
7. Could you also please provide copies of any Council or USAR inspections in relation to the Building which were provided to you.
8. I note your advice that further engineer's reports were obtained following the 22 February 2011 earthquake. Would you please provide copies of the same including any drawings and photographs.

The above information is requested pursuant to the Royal Commission's powers of investigation under s 4C Commissions of Inquiry Act 1908.

Your assistance in this matter is appreciated.

Yours faithfully



Mark Zarifeh  
Counsel Assisting  
Canterbury Earthquakes Royal Commission

**From:** Chris Chapman [mailto:chris.chapman@naiharcourts.co.nz]  
**Sent:** Thursday, 29 September 2011 2:23 p.m.  
**To:** Mary-Ann Hutton  
**Subject:** RE: Letter from Canterbury Earthquake Royal Commission

Hello Mary-Ann

The following is provided in response to the Royal Commissions information request

1. We believe some earthquake strengthening was undertaken by others prior to Shugborough Properties ownership, and that involved the ground floor and basement areas. We do not hold any formation relating to these works.
2. The earthquake events have proven that perhaps the building, like many others, was earthquake prone, which we weren't specifically aware of up until then. No specific works had been undertaken in respect of any council policy nor had any notice, that we are aware, been issued to the owners in respect to that policy.
3. Attached engineers rapid assessment report following 4 Sept 2010 event dated 10-9-2010 attached. This assessment also changed the Council's initial assessment placard from Green to Yellow, and I also believe it changed the adjoining properties (240 High Street) placard from Green to Red until the make safe works were completed.
4. Make safe works were undertaken under engineers supervision/specification to secure the south eastern parapet wall – photographs labeled 001 to 003-4Sept10 show the initial damage. The Spotless \$22k invoice attached outlines the works and costs associated with these make safe works.
5. Following completion of those make safe works another inspection was undertaken by the engineer. A copy of that inspection report dated 20-9-2010 is attached. Photographs 004 and 005-4Sept10 show the works undertaken.
6. I do not believe an independent rapid assessment inspection was undertaken after the Boxing Day event. I believe there was more reliance on the council inspections at this time. The contractors who undertook the make safe works did undertake check the earlier works undertaken to the south eastern parapet wall however this wasn't able to be undertaken until 31<sup>st</sup> January 2011.
7. We have not been provided with copies reports or notes of any inspections undertaken by either the council or USAR.
8. Following the 22<sup>nd</sup> February 2011 we were able to get an engineer into the Red Zone on the 1<sup>st</sup> and 2<sup>nd</sup> March 2011 to check on the status of various buildings within our management portfolio – the attached CBD Property Report is attached. Following the initial restrictive access into the Red Zone a further assessment report was undertaken – attached report 220172-242-246 High Street dated 28-4-2011 refers
9. We have attached some pre 4 Sept 2010 photographs of the building, more particularly showing the long run iron clad north western wall adjoining the Link Centre walkway. While we cannot be certain we believe that this wall and it's iron cladding may have been undertaken at the time of construction of the Link Centre as a means of fire separation / protection. From the inspections undertaken of 242-246 High Street after the September 2010 event no damage to this parapet or wall was identified.

If we can be of any further assistance please contact us.

Regards  
Chris

**Chris Chapman**  
Commercial Property Manager

Grenadier Real Estate Ltd, MREINZ, Licensed Agent REAA 2008  
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**From:** Mary-Ann Hutton [mailto:Mary-Ann.Hutton@royalcommission.govt.nz]  
**Sent:** Thursday, 22 September 2011 12:27 p.m.  
**To:** Chris Chapman  
**Subject:** Letter from Canterbury Earthquake Royal Commission

Please see attached letter from Mark Zarifeh, Counsel Assisting, Canterbury Earthquake Royal Commission.

Regards

**Mary-Ann Hutton**  
Legal Administrator  
Canterbury Earthquakes Royal Commission  
mary-ann.hutton@royalcommission.govt.nz  
PO Box 14053  
Christchurch Mail Centre 8544  
Ph: (03) 741-3003

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Project Name: 242-246 High St.  
 Project No: \_\_\_\_\_  
 S.R. No: \_\_\_\_\_  
 Date: 10/9/10  
 Reviewed By: Jeff Matthews.

SITE REPORT

## Work Reviewed:

Post EQ assessment # L2 Rapid Response

## Observations &amp; Comments:

Undertook a review 242-246 High St. Have a walk around of the building. The bldg consists of a basement # 3 storey unreinforced masonry.

Damage observed was generally limited to damage to lath # plaster ceilings.

On the top of the bldg there is damage to the parapet/chimneys. One has fallen thru a sky light # landed on the floor inside the bldg. Others are cracked # could topple given an aftershock.

Carried out L2 rapid assessment.

Bldg to have placard changed to yellow. No entry or very limited entry until the right hand side parapet is removed.

Time on site 9.00 am





Project Name 242 High Street  
Project No: 105315  
S.R. No:  
Date: 20 September 2010  
Reviewed By: Bruce Galloway

SITE REPORT

Work Reviewed:

Securing of parapets.

Observations & Comments:

- Metal strap installed to front parapet corner as required.
- Chimneys removed from South parapet down to roof level. The majority of the parapet appears relatively undamaged except for a short segment approximately half way along the roof. Please remove this segment of parapet (approximately 2m long 0.7m high) down to roof level (also adjacent 5m long section).
- Once this work is complete the parapet is considered to be as stable as it was before the earthquake. Long term, we recommend the parapet be investigated with a view to securing the taller sections of the parapet.

Report Prepared By:

Bruce Galloway  
PROJECT ENGINEER

Christchurch

Telephone

64 3 366 3366

Facsimile

64 3 379 2169

Internet

www.holmesgroup.coi

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New Zealand

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BUI.HIG242.0001A-G





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 Temporary Office, Sudima Hotel , 550 Memorial Avenue  
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## Site Inspection Report

<b>Client:</b>	NAI Harcourts – Commercial Real Estate Services		
<b>Project:</b>	CBD Seismic Safety Assessment		
<b>Project No:</b>	ZP01005		
<b>Date of Inspection:</b>	01/03/2011 & 02/03/2010	<b>Time:</b>	All day
<b>Inspectors:</b>	Brendan Donnell (CPEng) Amy Williams (CPEng) Wayne Gyde (CPEng)	<b>Reviewer:</b>	Trevor Robertson (CPEng)

### Background & scope:

This report is compiled at the request of NAI Harcourts Industries to provide information on the general physical condition and “Building Safety Evaluation” status of the buildings in its property management portfolio within the Christchurch CBD. The scope of work can be listed as follows:

- Reconnaissance of all properties to confirm their current level of accessibility
- Record details of any placards placed on buildings. This includes the colour and assessment level of the placard (see Figure 1).
- Undertake Level 2 inspections for any restricted use (yellow placarded) buildings where a Level 2 inspection has not already been undertaken by the territorial authority (it has been assumed that Level 2 inspections for green placarded buildings have a low priority, although these could be undertaken later if required. Red placarded buildings were considered too dangerous for internal, Level 2 inspection).

The inspections were undertaken from floor levels and were visual inspections only. Our report is not a full assessment of the damage for insurance purposes - it is only a review of the damage to assess whether the structures appear safe to occupy. Our report reflects the situation at the time of the inspection and does not account for changes caused by any events following our inspection. Electrical, mechanical equipment, gas connections, water supplies and sanitary facilities have not been inspected.

<b>GREEN</b>	No restriction on use or occupancy. Secondary damage (e.g. to partitions, windows, fittings and furnishings) may be hazardous. Repairs and further investigation may be required. Further inspection may reveal safety hazards.
<b>YELLOW</b>	Restricted use. Structural safety questionable, enter only at own risk. Only parts of the building may be unsafe and need to be repaired or demolished.
<b>RED</b>	Unsafe or collapsed. Entry may result in death or injury.
<b>LEVEL 1</b>	Initial rapid preliminary assessment – normally based on exterior observation only
<b>LEVEL 2</b>	Optional secondary assessment – normally based on more thorough interior & exterior observation

**Figure 1: Table to define meaning of placard colours and levels for Building Safety Evaluations**



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## Site Inspection Report

If a state of emergency is declared following a significant earthquake, Territorial Authorities (TA's) are responsible primarily for the initial or Level 1 Rapid Assessments. The process for Level 2 Rapid Assessments, which are more appropriate for assessment of large buildings (typically multi-storey), may be undertaken by critical facility operators (eg. hospitals) and as part of the TA response to ensure appropriate placards are placed in an emergency situation. After the state of emergency is lifted, yellow and red placards are likely to be replaced by a notice under the Building Act 2004 which may declare the building to be "unsafe and insanitary" until appropriate repairs are completed by the building owner. Level 2 assessments also assist the TA in confirming whether such a notice is required. Detailed engineering evaluations are generally considered part of the disaster recovery phase, and will usually be undertaken by engineers contracted by building owners.

### Access:

Wider security cordon: at the time of inspection, a civil defence security cordon was in place between Bealey, Fitzgerald, Moorhouse and Rolleston Avenues, allowing only chartered and warranted engineers to gain access for the purpose of structural safety inspections for buildings.

Inner city exclusion zone: a comprehensive "no go" zone was in place in the four blocks bounded by Colombo, Hereford, Lichfield and Madras Streets, due to the risks associated with the Grand Chancellor Hotel and CTV buildings (refer Figure 2 below). Only security personnel and approved Urban Search & Rescue (USAR) teams were permitted within this safety cordon. Because chartered engineers were not allowed to operate inside this zone, buildings on these blocks had not been assessed and placarded under "Operation CBD" which was managed by the Canterbury Civil Defence Emergency Management Group.

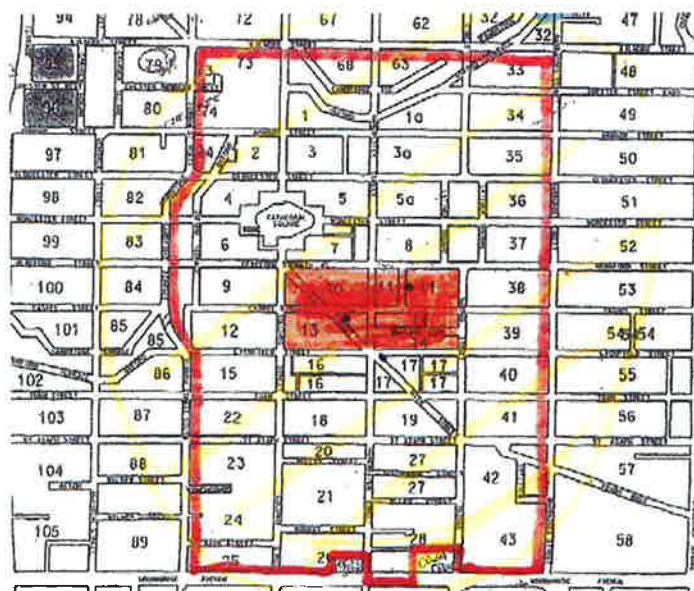


Figure 2: Christchurch CBD Security Cordon as at 27/02/11 (exclusion zone shaded red)





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## Site Inspection Report

### Assessment of Damage to the Property

ADDRESS (BUILDING NAME)	PLACARD COLOUR	ASSESSMENT LEVEL	COMMENTS
242-246 High St	No Go	N/A	<ul style="list-style-type: none"> <li>■ Within inner city exclusion zone close to Grand Chancellor Hotel (but Grand Chancellor appears to be leaning in the opposite direction).</li> <li>■ Unable to identify building on site, client may be able to identify from site photos attached, taken from corner of Lichfield St &amp; High St.</li> <li>■ Recommend detailed engineering assessment and specification of remedial work once cordon is lifted.</li> </ul>

Further enquiries regarding this property may be directed to the Christchurch City Council Helpline:  
 (03) 941 8999.

Regards

**Brendan Donnell**

*Structural Engineer*

E-mail: [bdonnell@skm.co.nz](mailto:bdonnell@skm.co.nz)



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## Appendix 1: Site Photographs

224-246 High St



View from cnr Lichfield & High Streets

Aurecon New Zealand Limited T +64 3 633 0821  
 Unit 1, Cavendish Park F +64 3 379 6955  
 150 Cavendish Road E christchurch@ap.aurecongroup.com  
 PO Box 8061 W aurecongroup.com  
 Christchurch 8051  
 New Zealand



28 April 2011

Shugborough Properties Ltd  
 c/o Howard Buchanan  
 NAI Harcourts  
 PO Box 1625  
 Christchurch

Dear Howard

## **242 HIGH STREET, CHRISTCHURCH POST 22 FEBRUARY 2011 EARTHQUAKE STRUCTURAL ASSESSMENT**

We carried out an inspection of 242 High Street on 27 April 2011. The purpose of our inspection was to assess the damage caused to the building by the 22 February 2011 earthquake and subsequent aftershocks.

### **1. Description of the building**

The building is a three storey masonry structure with brick walls and timber floors. Some concrete appears to have been used in the front façade. The façade at ground floor level appears to have been altered in the past to open up the retail areas. The adjacent building to the south east appears to have utilised the side wall of 242 High Street as a party wall but this would need to be confirmed.

### **2. Damage to the building**

The building has been severely damaged by the 22 February earthquake. The north west side wall has collapsed down to second floor level. It was not possible to access all external walls but the top part of the rear wall has collapsed. There is extensive cracking in the remaining brick walls including the "party" wall.

We inspected the inside of the ground floor but were not able to access the upper levels of the building. However we were able to see extensive damage to the internal lath and plaster linings and other finishes through the windows. A more detailed inspection is likely to reveal more rather than less damage.

### **3. Recommendations**

The building has been severely damaged and would need to be strengthened as well as repaired if it was to be saved. We consider the building to be an economic loss and recommend that it is demolished. If the south east wall is a party wall then this would need to remain unless the adjacent building was also being demolished.

### **4. Explanatory statement**

The inspections of the building discussed in this report have been undertaken to assess structural earthquake damage. No analysis has been undertaken to assess the strength of the building or to determine whether or not it complies with the relevant building codes, except to the extent that Aurecon expressly indicates otherwise in the report. Aurecon has not made any assessment of structural stability or building safety in connection with future aftershocks or earthquakes – which have the potential to damage the building and to jeopardise the safety of those either inside or adjacent to the building.

This report is necessarily limited by the restricted ability to carry out inspections due to potential structural instabilities/safety considerations, and the time available to carry out such inspections. The report does not address defects that are not reasonably discoverable on visual inspection, including

defects in inaccessible places and latent defects. Where site inspections were made, they were restricted to external inspections and, where practicable, limited internal visual inspections.

Due to the limitations of this report, it is recommended the client obtain a detailed assessment evaluating the structural capacity of the building. Such an assessment will involve consideration of engineering calculations, structural analysis, reviewing of drawings and design documentation and, where necessary, removal of building fabric to observe primary and secondary structural elements (none of which has been undertaken for the purposes of this report).

While this report may assist the client in assessing whether the building(s) should be demolished or repaired, that decision is the sole responsibility of the client.

This review has been prepared by Aurecon at the request of its client and is exclusively for its client's use. It is not possible to make a proper assessment of this review without a clear understanding of the terms of engagement under which it has been prepared, including the scope of the instructions and directions given to and the assumptions made by Aurecon. The report will not address issues which would need to be considered for another party if that party's particular circumstances, requirements and experience were known and, further, may make assumptions about matters of which a third party is not aware. No responsibility or liability to any third party is accepted for any loss or damage whatsoever arising out of the use of or reliance on this report by any third party.

Without limiting any of the above, Aurecon's liability, whether under the law of contract, tort, statute, equity or otherwise, is limited as set out in the terms of the engagement with the client.

Please let me know if you require any further information.

Yours sincerely

A handwritten signature in blue ink, appearing to read "G Wilby".

Dr Grant Wilby  
Chartered Professional Engineer



**Site photographs**

1 - High Street facade



2 – High Street facade on right and north west side wall on left



3 – Adjacent building to south east appears to have utilised the side wall of 242 High Street as a party wall





4 – Rear of building





Please make cheques payable to Spotless Services (NZ) Ltd at the address below:

**Spotless Services (NZ) Ltd**  
 Spotless Facilities Maintenance  
 PO Box 9266  
 Addington  
 Christchurch 8002

Shugborough Properties  
 C/- Harcourts Commercial  
 Po Box 1625  
 Christchurch  
 Christchurch 8001

Attention:

Spotless Services (NZ) Ltd, GST Reg. NO. 13 478 198

**TAX INVOICE**

Amount due: **\$22,890.21**

Date issued: **20-OCT-2010**

Please quote Invoice no. with claims/payments

Invoice No: **A00076005**

Order Number: **EQ2010-945**

Account No: **8458521**

Payment Terms: **30 DAYS**

Enquiries To: *[Signature]*

Details	GST	Amount
<p><b>Shugborough Properties Our Reference: 769</b></p> <p>Docket Order Number: EQ2010-945</p> <p>Docket No. Raised Target Completed Location</p> <p>R147094 13/09/2010 20/09/2010 12/10/2010</p> <p>Site: 242 High St Request Type: MINOR                      Item: Client Item Ref.:                      Space:                      Location:                      Fault Type:</p> <p>Job Description: Remove the broken parapet and chimneys from the right hand side of the building - which has been damaged in the earthquake.</p> <p>Work Done: Attended site and removed the broken parapet and chimney from the right hand side of the building.</p> <p>A crane and traffic management were required for this work to be carried out safely.</p> <p>Photos are attached.</p> <p>Lab: \$1874.00 Mat: \$823.14 Sub: \$16065.40                      Oth: \$1141.99</p> <p>Labour: Electrical:                      Normal .5hrs@\$44 = \$22.00                      Normal .5hrs@\$44 = \$22.00                      Normal 2.5hrs@\$44 = \$110.00                      Normal 5.5hrs@\$44 = \$242.00                      Normal 5.5hrs@\$44 = \$242.00                      Mechanical:                      Normal 14.5hrs@\$51.5 = \$746.75                      Normal 1hr@\$51.5 = \$51.50                      Normal 2.5hrs@\$51.5 = \$128.75                      Normal 6hrs@\$51.5 = \$309.00</p> <p>Purchases: Materials: Dust Pans \$15.93                      Electrical fittings \$333.47                      Keys cut \$25.93                      Length of duragalv and spray can of duragalv \$232.34                      Threaded rods, galv nuts, washers \$190.06                      Toothbrushes for cleaning \$25.41                      Other: Skip hire \$1,141.99                      Subcontractor: Builder \$15,301.00                      Builder \$764.40</p>	<p><i>EQ</i></p> <p>2,985.68</p>	<p>19,904.53</p> <p><i>MIS</i>  <i>\$22,890.21</i>  <i>Auth: [Signature]</i>  <i>E.L.: 29.3.11</i>  <i>Pd:</i></p>

Reprinted: 23-MAR-2011 08:48



<b>Sub Total</b>	\$19,904.53
<b>GST</b>	\$2,985.68
<b>Total Amount Payable</b>	<b>\$22,890.21</b>

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[www.spotless.co.nz](http://www.spotless.co.nz)

HIGH 242 - Photos provided by NAI Harcourts



001-4Sept10.jpg



002-4Sept 10.jpg



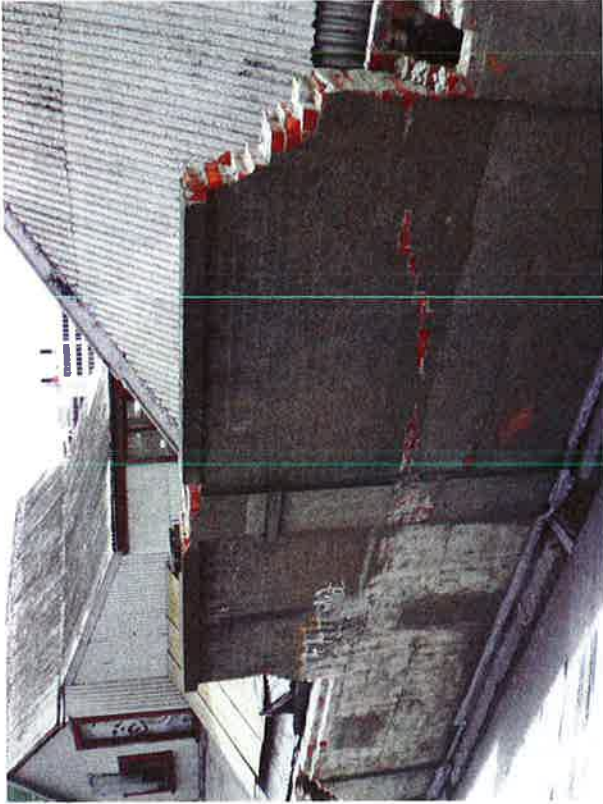
003-4Sept10.jpg



004-4Sept10.JPG



HIGH 242 - Photos provided by NAI Harcourts



005-4Sept10.JPG



