

26 JULY 2018

Meeting Status: **Public**

Purpose of Report: For Decision

MANAGING COUNCIL OWNED BUILDINGS THAT ARE EARTHQUAKE PRONE

PURPOSE OF REPORT

- 1 The purpose of this report is to establish an approach to the minimum standard to which Council owned community facilities that are earthquake prone buildings should be remediated or otherwise managed, and a timeframe for completing remediation.

DELEGATION

- 2 The Strategy and Policy Committee has delegated authority to consider this matter.

BACKGROUND

- 3 A building, or its parts, is determined to be earthquake-prone if it is less than 34% of the current new building standard (NBS).
- 4 The Council owns five buildings that have been assessed as earthquake-prone. In addition, the Council owns two high-use buildings that are not earthquake prone but are 40% or less than NBS.
- 5 The Council owned buildings that are earthquake prone are:

Building	Address	NBS
Ōtaki Museum	49 Main Street, Ōtaki	10%
Waikanae Beach Hall	Rauparaha Street, Waikanae Beach	10%
Marine Parade Beach Pavilion	Marine Parade, Ōtaki	15%
Paekakariki Memorial Hall	The Parade, Paekakariki	25%
Ōtaki Memorial Hall,	Main Street, Ōtaki	29%

The Council owned buildings that are not earthquake prone but are 40% or less of NBS are:

Building	Address	NBS
Ōtaki Theatre	Main Street, Ōtaki	36%
Paraparaumu Memorial Hall	Tutanakei Street, Paraparaumu	40%

- 6 The Council, in its capacity as building owner, commissioned a seismic assessment of all the buildings in the Community Facilities Portfolio. The assessments employed the NZ Society of Earthquake Engineers' 'Initial Evaluation Procedure (IEP)', and graded the buildings in terms of the percentage to which the building meets the current new building standard in respect of earthquake performance (%NBS).
- 7 In addition, the Council in its regulatory capacity is currently engaged in a project to assess all commercial, industrial and school buildings, and residential buildings that are two or more storeys high and contain three or more household units. The earthquake-prone provision of the Building Act requires that buildings that are initially assessed to be potentially earthquake-prone have an engineering assessment and, if they are determined to be earthquake-prone, the buildings must be rectified within specified time frames.
- 8 From the date that Council in its regulatory capacity issues a Notice under Sections 133AB and 133AK of the Building Act, Council will be required within 15 years to either remediate to at least 34% NBS or alternatively to demolish those buildings. Notices are likely to be issued before December 2018 creating a sunset date for remediation of 2033.

ISSUES AND OPTIONS

Issues

- 9 The Council's Community Facilities Strategy (CFS), adopted in June 2017, provides a high-level understanding of the community facilities the district has now, and those that the Council will likely require in the future. It also considers what existing assets should be maintained, reconfigured, repurposed, or in some instances removed. The strategy considers all community facilities, not only those owned by the Council, and provides a strategic context for making decisions on the future of the earthquake-prone buildings under consideration.
- 10 In regard to community hall facilities, the strategy states: *"The demand for quality, multi-purpose indoor community space will increase (including halls) in the medium to long term. The spread of facilities through the district is good, however, quality and functionality of hall spaces remains variable. Improving the quality of and accessibility to the existing network is the initial priority"*
- 11 Of the seven buildings listed in paragraphs 5, five have a high use profile being:
- Waikanae Beach Hall
 - Paekakariki Memorial Hall
 - Ōtaki Memorial Hall
 - Ōtaki Theatre
 - Paraparaumu Memorial Hall

- 12 The two remaining buildings are the Ōtaki Beach Pavilion and Ōtaki Museum. These buildings have a low use profile. However, both buildings have heritage status which adds a further dimension for consideration.
- 13 The Ōtaki Museum is listed with Heritage New Zealand (HNZ) as a Category 2 historic place whilst the Ōtaki Marine Parade Beach Pavilion has a local heritage listing. Alterations for earthquake strengthening of a scheduled historic building or structure with a Heritage New Zealand Category 1 or 2 classifications are controlled activities under the Resource Management Act.
- 14 It is noted that any partial or full demolition of a HNZ listed building would be a non-complying activity (resource consent can only be granted in exceptional circumstances and cannot be granted if the proposal fails the RMA gateway test.) This is a high threshold and one that can likely only mean remediation within 15 years.
- 15 Any alteration or addition to the Ōtaki Beach Pavilion would be treated as a restricted discretionary activity (Resource consent required, application can be declined on specific grounds based on adverse effects and level of mitigation proposed). Any partial or full demolition of the Pavilion would be treated as a discretionary activity.

Options

- 16 The following options are presented for the Committee's consideration:
- 17 **Option 1** Remediate all earthquake prone buildings to achieve a minimum of 34% of NBS. This would bring all earthquake prone buildings up to a minimum standard to not be regarded as earthquake prone. The estimated cost of this is \$775,000 and could be achieved within eight years. The outcome of this would be buildings that still had a medium level of earthquake risk when compared to the new building standard.
- 18 **Option 2** Remediate all earthquake prone buildings to achieve a target of 80% of NBS. This option would bring all earthquake prone buildings up to a standard that is regarded as having a low level of earthquake risk when compared to the new building standard. Remediation to 80% of NBS is commonly applied to the remediation of buildings within the public sector. The estimated cost of this option is \$2.4m and could be achieved within 15 years.
- 19 **Option 3** Remediate the high use earthquake prone buildings plus the Paraparaumu Memorial Hall and the Ōtaki Theatre to achieve a target 80% NBS. This option is similar to option 2 except that it proposes an initial focus on high use facilities only, including those that are marginally outside having earthquake prone status. The estimated cost of this is \$1.8m and could be achieved within eight years.
- 20 **Option 4** Demolish some or all of Council's earthquake prone buildings. This is not considered to be a realistic option for consideration at the present time as the high use facilities are economic to remediate when compared with the cost of a new facility and there are barriers to demolition in respect of the heritage listed properties.
- 21 Option 3 is the recommended option. It would result in all of Council's high use facilities being brought up to a good level of earthquake resilience within about half the statutory timeframe for earthquake prone buildings.

- 22 It is also proposed that the Council should consult with the Ōtaki Community about the future of the Ōtaki Beach Pavilion and the Ōtaki Museum building, and also with the Ōtaki Heritage Bank Preservation Trust in relation to the latter.

CONSIDERATIONS

Policy considerations

- 23 There are no existing policy considerations

Legal considerations

Building Act 2004

- 24 The Building Act is the primary legislation concerning the design and construction of buildings. It includes (in Part 6A) specific provisions for earthquake-prone buildings, including:

- A process for identifying potentially earthquake-prone buildings
- Requirements for those buildings to be assessed
- For the territorial authority to issue formal notices for buildings determined to be earthquake-prone
- Obligations on owners to undertake seismic work to ensure the building is no longer earthquake-prone.

Health and Safety at Work Act (2015) – HSWA

- 25 Under the HSWA, employers and owners of buildings which are places of work must identify and manage hazards in the place of work where practicable - this includes building-related hazards.

- 26 The policy of Worksafe NZ in relation to earthquake prone buildings is not to impose standards that are higher than those required by the Building Act.

Financial considerations

- 27 There is sufficient financial provision in the Long Term Plan to fund the options set out in this report within the indicated timeframes.

Tāngata whenua considerations

- 28 For the purposes of this report, there are no known Tāngata whenua considerations. However, engagement with appropriate Iwi partners will be considered as part of consultation.

SIGNIFICANCE AND ENGAGEMENT

Significance policy

- 29 This matter has a low level of significance under Council's Significance and Engagement Policy.

Consultation already undertaken

30 No formal consultation has been taken at this stage.

Engagement planning

31 At this early stage in the process, the engagement plan would be focused on seeking community views in particular for the Ōtaki Beach Pavilion and Ōtaki Museum. For the Ōtaki Beach Pavilion, it is intended that the community be engaged as part of the Ōtaki Beach Reserve management Plan process.

Publicity

32 Any changes or impacts to our community will be communicated through a range of Council channels, so stakeholders understand the issues related to Council owned Earthquake prone buildings.

CONCLUSION

33 Council is obliged to remediate its earthquake prone buildings to achieve a minimum 34% of NBS within 15 years. There are five high use buildings that it owns that it is considered should be remediated to higher standard with 80% of NBS being the target. In some instances it may be possible to remediate to 100% of NBS at little additional cost.

RECOMMENDATIONS

34 It is recommended that Council:

- Adopts a target of 80% of NBS for the seismic remediation of its high use community facilities;
- Adopts a target of remediating its high use community facilities within eight years;
- Consults with the community about the future of the Ōtaki Beach Marine Parade Pavilion as the part of the Ōtaki Beach Reserve management plan process;
- Consults with the community and the Ōtaki Heritage Bank Preservation Trust about the future of the Ōtaki Museum.

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