

Lianne Dalziel, MP for Christchurch East
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Government Helpline 0800 779997

Canterbury Earthquake Recovery Authority 0800 RING CERA 0800 74642372 <http://www.cera.govt.nz/>

Earthquake Commission (EQC) 0800 DAMAGE 0800326243 www.eqc.govt.nz

<http://www.landcheck.org.nz> <http://www.ratesinfo.ccc.govt.nz/>

More Announcements

<http://cera.govt.nz/news/2011/further-758-christchurch-properties-rezoned-17-november-2011>

Updated information on Zones, including the Technical Category for foundations:

<http://www.landcheck.org.nz/Home/ZoneInfo>

At 9.00am on Thursday last week, I received a text from the Minister's office inviting me to a briefing at midday along with other local MPs. We knew that the briefing was about land announcements but that was all. We were advised that all the white-zoned commercial property had been zoned green, so the businesses could get together with their insurers and make decisions about these properties. We were also told about the number of properties that would be zoned green TC3 (blue) and those that would remain orange. There are pockets of orange in Wainoni and Dallington and a strip of orange on the estuary side of Southshore. The Minister has said that this is indicative of a genuine desire to find the right solution. Although I don't doubt this explanation for the delay, it doesn't make it any easier for people living in this state of limbo, which is why I am asking that there is an explanation of what options for land remediation are being considered. I was also advised by the Minister that the green zoned properties bordering the red zones that I have raised with him are being reviewed – although I still haven't had a reply to my letters I wrote to him in July and September about the green zoned properties bordering red zones. Again I believe that much more transparency is required.

The bombshell was the Brooklands decision. I had raised concerns about Brooklands at the Cross Party Forum only the day before. Nothing the Minister said indicated that the decision was coming out the next day. Given that Brooklands was originally going to get an answer 2-6 weeks after the June announcements, and had no warning of their exclusion from the decisions announced on 28 October, they deserved better than this. The problem was that the longer the delay, the more hopeful people became. I have no more detail than anyone else, but having studied the issues relating to Brooklands over the past year, especially the mistake in the LiDAR, meaning Brooklands was more low-lying than previously thought, and the issue of insurance, the decision was probably inevitable. The failure to prepare the community for such an announcement is inexcusable. I am calling on the government to provide full and frank disclosure of all the matters the government has taken into account, including what alternatives were considered and whether any of these are still possible for some parts of Brooklands.

The underground infrastructure required to service the area was no doubt an important factor, which is why I found it extraordinary that the Council had morning tea in Brooklands that day - clearly oblivious to the announcement that was coming that afternoon. CERA has been asking what the community's response is to the news – they think that it's about 50:50, but that's not the feedback I am getting. It is true that for some they can cut their losses and move on, but there are others who want to fight the decision and/or the red zone offer which will leave them out of pocket – by tens of thousands of dollars. CERA has arranged two meetings this week and I will be interested to hear if people have more questions that they would like me to follow up for them. I am also continuing to make the case for stable land to be made available as a land swap for those who want that choice.

Red Zone Offer

There are three questions that need answering. They may require a Declaratory Judgment, which is a decision of the High Court made on an agreed set of facts. This is not taking legal action against an insurer or the government in the usual sense – it's about genuinely not knowing what the legal position is and asking the court to decide. This is what happened with the insurers and EQC over the question as to whether EQC cover was reinstated after each separate earthquake event. The Court said it did, which is why EQC has to go back and reassess how much damage should be allocated to each event and to cost each one separately. I think these questions are important because the government has made much of this offer being voluntary, saying people can simply continue to deal with their insurer and the EQC. But we still don't know what that would mean.

The three questions that need answering are these:

1. **Are insurers obliged to replace a property that would have been repairable had it not been located in the red zone?** Interestingly the insurers seem to accept that they are obliged to do so if an individual property cannot be repaired on a property that has had too much land damage to be economic to repair – refer video: <http://www.rebuildchristchurch.co.nz/blog/2011/11/cera-land-decisions---panel-discussion-video-explanation>
2. **Is EQC obliged to pay out the formula or minimum section size even if the individual section would have been repairable for less if it had not been re zoned?** This is the same question as above but this time directed to EQC as the insurer of residential land.
3. **What is the market value of properties under a compulsory acquisition by CERA under the Canterbury Earthquake Recovery Act?** The reason I raise this is because although it states that it is valued at the time of purchase, I am sure it cannot take into account the fact that it is red zoned and most of the properties have been sold to the Crown under a voluntary offer. This wouldn't be fair and there are plenty of cases where the government hasn't been allowed to get away with this under the Public Works Act.

I can assure you that I have raised these questions with the Minister, but I cannot get answers. If some of my recent conversations with people are anything to go by, most don't realise the quandary that many red zoners find themselves in and are shocked at the difficult decisions people have to make. This is why I have decided to obtain a legal opinion so that I can decide whether to ask the government to back a request for a declaratory judgment on these issues as they did with the insurance industry and EQC.

Green Technical Category 3 (TC3) Blue

The new technical categories for residential foundation design only apply to residential properties in the green zone with foundations that are required to be repaired or rebuilt due to earthquake damage or for future major renovations or new builds. The CERA meetings have addressed some of the issues, as have the FAQs issued by CERA: <http://cera.govt.nz/sites/cera.govt.nz/files/common/cera-dbh-egc-ccc-answers-to-technical-categories.pdf>, but it seems there are still unanswered questions:

- What will happen to my property in a future earthquake if my foundations haven't needed to be repaired or replaced? What will happen to the value of my property (especially resale) in this situation and will I (and a subsequent purchaser) get insurance?
Will the ground under my house still experience liquefaction in an earthquake, meaning I will always have to remove silt from the site? (Most people who ask this question are older and cannot bear to think about more back-breaking shovelling.)

I advised CERA that some of the residents in the Green (TC3) Blue zone had missed out on the CERA round of meetings. **A meeting has been set up for the affected Burwood residents on Thursday 1st December, at the Burwood Christian Centre, Bassett St, from 6.30 - 8.30pm.** I am sure others would be welcome to attend.

Red Cross Announcement

Independent Advice Grant: of up to maximum of \$750 per household to assist vulnerable homeowners with obtaining assistance on what to do with their earthquake damaged property. A vulnerable person, who is either the applicant or a member of their household, must either be disabled/have a pre-existing medical condition, or be over 65 years or have children who live with them who are under 18 years. The grant applies to vulnerable people whose property has been assessed at costing over \$100,000 to repair and/or their land has been zoned red. It is designed to assist homeowners with their ability to make an informed decision on how to proceed with the repair, rebuild, or sale of their earthquake affected property; the purchase of new land and property; the building of a new house; or to obtain an independent property assessment and/or costings for the scope of works to support the decision as to whether the home is economic to repair or needs to be rebuilt. This grant could be used to obtain a geotechnical, engineering or structural report, or obtain information to check against offers received, such as from a builder or from quantity surveyor, or for legal or financial advice. **Call Red Cross on 0800 754 726** or see <http://www.redcrossegrants.org.nz/Overview/Information/Independent-Advice-Grant>.

Election Saturday November 26

The main question I have been asked is which electorate do we vote in. The usual answer is the electorate you have lived in for the past month, but in this election it depends on whether you have moved temporarily or permanently. If you are out of your house due to the earthquake and intend moving back, you stay on the roll and vote in that electorate. If you have moved to a new electorate and you are not coming back, you re-enrol and vote in that electorate. Any inquiries view www.elections.org.nz or call 0800 36 76 56.