

Repairs of defective Victopia high-rise apartment block escalate to \$54.9m

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CBD chaos: Streets could remain closed for a week.



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A defective Auckland apartment block initially estimated to cost \$35.2 million to fix will instead cost \$54.9m but its owners' committee says that can't be avoided and all owners must pay.

Dariusz Koper, Alan Robertson and Ian Harris of the body corporate committee of the 203-unit, 16-level Victopia between Nelson St and Victoria St said \$54.9m was the new cost estimate to fix the block developed by Korean Dae Ju Developments Co and built by Brookfield Multiplex.

Victoria shed a panel in 2019, shutting Auckland city streets for days after the 1.2m wide by 2m long fibre cement exterior panel was blown off the block. Emergency services shut part of Victoria St. The panel fell from level 13 bedroom wall, falling 36m to the ground. No one was hit.

The men said the blocks' lower repair figure of \$35.2m was based on estimates before work began and pre-Building Code changes.

Owners of 56 units were opposing paying the escalated costs, which average out to around \$100,000 per unit owner, the three men said.

The full estimated repair cost for 135 Victoria St West is precisely \$54,951,461, Koper said.

An extraordinary general meeting of owners will be held at 6pm on Tuesday, August 17 at Body Corporate Administration, 115 Queen St.

Dariusz Koper owns a level 13 apartment, Allan Robertson is a trustee for an estate with units on the ground and level 11 and Ian Harris is the project co-ordinator.

Work has been being carried out by TEAK for the past two years but is far from finished.

"We will try to explain to owners the consequences of not paying and what that means in terms of the impact on the construction and liability of all the owners to the construction company," Koper said of TEAK.

Repairs began in January 2019 and are not projected to finish till around 2023 but Koper stressed the Building Code had changed since initial estimates were made and years of weathering at the block since initial investigations contributed to issues as well.

The three men said the cost increases came from four key areas:

- Mechanical ventilation services, discovered to be so defective that some vents hit concrete beams, blocking air, therefore ineffective. Some units are internal with no exterior windows and need passive ventilation for air circulation;
- Passive fire resistance elements to the building. Wood was found between floors. That must be replaced by either concrete or fire-retardant flooring due to wood's fire properties;
- Changes to exterior cladding: all the east face towards TVNZ was initially not planned to be re-clad but once work started, major defects were discovered which meant an entire reclad of that as well as other walls;

- Repairs to all balconies, instead of only the upper level 13 and 14 balconies which were the only ones initially costed for repairs. Major defects were found on all balconies.

"These massive defects were unknown until work started," Koper said.

Harris said some bolts holding cladding were only 5cm when to be effective, they needed to be 15cm long.

"Concrete blowout" had occurred around some bolts driven into concrete too near edges, causing fractures and instability as well, Harris said.

Some owners including Kas Ikeda and Justin Girgin have objected to repairs of the building. Girgin appealed for help from Auckland Central MP Chloe Swarbrick alleging "misconduct and severe abuse of power".

Victopia owners won \$30m in a legal settlement for repairs in October 2016, Girgin told Swarbrick.

"With such an extraordinary amount of money required at such short notice, we are baffled over how the body corporate committee could have mismanaged our funds and the entire remedial project so negligently," Girgin wrote to Swarbrick.

But Koper, Robertson and Harris said that far from mismanagement, the fee rise was necessary to complete works and Victopia was not the only block where initial repairs had uncovered a far larger scope of works than was initially thought necessary.

Costs in the building sector had risen, materials were in short supply, labour costs rose but the building was in a far worse state than first thought when costs were first put at \$23.1m, they said.

"There's been a tremendous amount of redesigning, re-engineering and re-consenting needed," Harris said.

Koper said: "On the bright side, once the building is finished, everything will be remediated."

• **Victopia owners' EGM, 6pm, Tuesday, August 17 at Body Corporate Administration, 115 Queen St.**