

Summary of Joint Venture Agreement Reinstatement of Christ Church Cathedral

Overview

A new company – Christ Church Cathedral Reinstatement Limited (**Company**) – has been formed for the express purpose of managing and delivering the reinstatement of Christ Church Cathedral (**Project**) in accordance with law and good industry practice.

The Company has applied for and expects to be granted charitable status. It was set up exclusively for the charitable purpose of reinstating and maintaining the Cathedral.

The Company has two equal shareholders, the Church Property Trustees (**CPT**) who own the Cathedral on behalf of the Christchurch Anglican Diocese, and the Christ Church Cathedral Reinstatement Trust (**CCRT**) which will lead the effort to raise the funds necessary to complete the Project. The rights and obligations of the shareholders are described in the Company's constitution, a copy of which can be viewed on the website of the Companies Office.

The Joint Venture that has been agreed between CPT, CCRT and the Company. The Joint Venture Agreement (**JV Agreement**) sets out the agreed terms needed to implement, execute and complete the Project.

The parties have a common goal – the reinstatement of the Cathedral.

What Reinstatement of the Cathedral is expected to include:

At the date the JV Agreement was signed, the parties' intentions are to:

- stabilise the Cathedral and investigate what is needed to deliver the Project;
- upgrade the main Cathedral building to 100% NBS IL3, including base isolation;
- ensure that the necessary building consents are obtained, and that the Company complies with all planning and resource management laws;
- repair and/or construct (as appropriate) a replacement Tower, Visitor Centre and ancillary buildings to current Building Code standards;
- provide a flexible interior layout with seating options able to be configured for different users, including worship needs and for other users of the facilities;
- improve the functionality and comfort of the Cathedral for worship and to enable civic and other hospitality events to take place, while respecting the integrity of the Cathedral as a listed historic building and a place of worship;
- reinstate and enhance visitor experiences, including an engaging and welcoming interface with Cathedral Square;
- develop ancillary facilities, including a fit-for-purpose Visitor Centre with museum and cafe, and improve the connection with the Cathedral and with Cathedral Square;
- replace the Tower and spire with a structure that will provide an international-standard visitor attraction; and
- reinstate and upgrade the Cathedral grounds, including appropriate landscaping, fencing, lighting and security.

If the Company proposes any material deviation to any of these intentions, it must seek the consent of CPT and CCRT.

The project phases are identified as:

- **Main Cathedral:**
 - stabilisation work to enable safe access to the Cathedral; and
 - reinstatement of the Main Cathedral;
- **Ancillary Buildings:** Reinstatement of the Ancillary Buildings and the Visitor Centre;
- **Tower:** Reinstatement of the Tower,

(In the order of priority specified above).

Each phase has a Project Scope that sets out what is included in each project phase (at a high level), and an agreed Project Phase Budget. The Agreement makes provision around Project Phase review, commencement and completion.

Project Timings

The Company will develop a Project Execution Plan (**PEP**) that will define key milestones of achievements critical to the successful delivery of the Project. The JV Agreement estimates that the Project will take up to ten years to complete, subject to usual commercial risks.

Project Cost

The Project has been provisionally costed using commercial rates and provision for contingencies, subject to any necessary revision once stabilisation and initial assessment are complete. The Company will investigate ongoing opportunities to reduce Project costs.

Project Director

The Company intends to employ or engage a Project Director who will be experienced in the leadership and management of the design, procurement and delivery of complex construction projects, preferably with specific experience in seismic upgrade and heritage projects.

The Project Director's duties and responsibilities are expected to include day-to-day management of the Project in accordance with the PEP (including compliance with all relevant laws and standards), managing the Company's trade, design and consultancy commitments and personnel, preparation of regular Management Accounts and liaison with the three project design committees.

Design

An agreement has been reached between the key stakeholders to reinstate the Cathedral so that it closely resembles, as far as possible, how it looked before the earthquakes. It will be reinstated to current Building Code standards.

Design Committees

It is proposed that three committees will be established to support the Company in the Project:

- (a) **Liturgical Design Committee:** will be established by the Diocese to focus on design elements that relate to the Cathedral being able to function as a church.

- (b) **Functional Design Committee:** will be established by CPT to focus on design elements that relate to the functionality of the Cathedral and ancillary buildings from operational, hospitality and visitor points of view.
- (c) **Heritage Design Committee:** will be established by CCRT to focus on heritage matters.

Maintenance and Insurance Fund

A fund is to be established to permanently fund the future costs of maintaining and insuring the Cathedral. The exact sum is to be determined by an expert.

The Board

The Company board must meet at least 10 times a year. The board has full power to direct the activities of the company in the conduct of the project.

Health and Safety

An overarching objective for all aspects of the Project is for it to be planned, designed, constructed and completed in a manner that ensures at all times the health and safety of all project participants, users of the completed Cathedral and the general public, as required under the relevant Health and Safety Work Act and all other relevant regulations.

Other

The agreement also covers definitions, inter-party reporting requirements, the parties' rights and obligations, dispute resolution, governance (including Companies Act requirements), licence agreement (CPT will licence the Company to take control of the site for the duration of the project), the manner in which the Company will provide reinstatement services to CPT and CCRT, and project insurance.

Q&A

1. How can I find out more about the parties involved?

The Company (Christ Church Cathedral Reinstatement Limited) was incorporated on 3 August 2018 and can be found on the Companies Register.

CPT and CCRT are registered as charities with Charities Services, and the founding documents and annual returns are registered on the Charities Register. An application has been submitted to register the Company as a charity under the Charities Act 2005.

2. What assurance is there that the Project will be completed within the projected time frame?

In signing the Joint Venture, the parties have committed to completing the Project within the projected time-frame or sooner.

3. Why is the Project structured as a joint venture?

The joint venture has been structured to reflect the equal interests CPT and CCRT have in the Cathedral Reinstatement project. Any material changes to what has been agreed will require the consent of each shareholder.

4. What if there is disagreement between the parties?

The parties have agreed to work with each other in good faith. Should a dispute arise, the JV Agreement describes a resolution process, outside of the Court system.

5. When will work start on site?

Work is underway clearing the site. The next stages will be to undertake a thorough investigation of the Cathedral's condition. Substantial stabilisation works will be undertaken, following a detailed design process.

6. How much will the Project cost to complete?

The parties have taken professional advice and have estimated the total cost to complete the Project, including contingencies. A thorough investigation of the Cathedral (see Question 5) may reveal greater or lesser expenditure to reinstate than planned. Although the Company will not be releasing detailed budget or estimate information, it will need to report audited financial statements as part of its annual return to Charities Services.

7. What happens if another event destroys the Cathedral before it is fully reinstated?

It is possible that a future unforeseen event may damage the Cathedral further. If that happens, CPT and CCRT will consult one another in good faith with a view to agreeing a way forward. Further, they will involve an expert to assist them in reaching a decision, if for any reason they find themselves unable to agree.