



*The Voice of Heritage  
for New Zealand*

Patron: Dame Anne Salmond DBR, FRSNZ, FBA

## **Submission of Historic Places Aotearoa on the Building (Earthquake-prone Building) Amendment Bill**

### **SUBMITTER DETAILS**

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Tēnā koutou katoa, tēnā koutou katoa, tēnā koutou katoa

### **Introduction**

1. Historic Places Aotearoa (HPA) thanks the Transport and Infrastructure Select Committee for the opportunity to submit on the Building (Earthquake-prone Building) Bill (“the Bill”). HPA supports the intent of the Bill to establish a more proportionate and risk-based regulatory system for managing earthquake-prone buildings.
2. HPA was formed in 2013 to be a strong and independent organisation representing heritage interests nationally. Before the Heritage New Zealand Pouhere Taonga Act 2014 was enacted, New Zealand Historic Places Trust had 23 local branch committees. This Act saw the Trust replaced by a Crown entity, Heritage New Zealand Pouhere Taonga, and the regional branch committees abolished. HPA now represents many of the former branch committees. Our aims are to:
  - be the lead non-statutory, independent national voice for heritage
  - help preserve historic places in Aotearoa NZ for the benefit of present and future generations
  - lift awareness and appreciation of heritage values
  - help regional heritage groups promote heritage in their areas.
3. Our focus is on heritage buildings and sites—New Zealand’s ‘built cultural heritage’. This obviously encompasses Māori as well as European and all early settler cultures in New Zealand. For consistency’s sake we will use the term ‘historic heritage’ to cover all these cultural influences. The legislation applies equally to an officially listed heritage building as any other non-listed old building and a more modern building. Heritage buildings are often more affected by seismic legislation and any

increase in Building Code requirements, simply because of their age. Our cities and regional towns have many character heritage buildings and hence our intense interest in the ramifications of the legislation.

4. The costs associated with upgrading any heritage building to comply with either seismic, fire, accessibility or other requirement of the Building Act is huge and often unaffordable, especially in regional New Zealand where economic returns on rents etc., are much lower, yet building costs are not reduced. Encouragement and support to upgrade buildings is as important as the stick of legislative requirements. HPA would welcome the Government's ongoing efforts to encourage even faster upgrading of heritage buildings especially via tax relief/incentives and grants if possible. The return on 'investment' via GST and higher tax income to the government from fully functioning buildings will quickly repay itself.
5. Saving New Zealand's heritage is the added benefit, as well as reduced demolition to landfill. It is a much more sustainable option for our environment. New Zealand's heritage buildings are unique in the world, including our European influenced heritage buildings. These were adapted to the New Zealand climate and economic requirements of the day and over time will continue to add to New Zealand's attraction as a place to visit. We all know that world-wide heritage is a huge tourism attractor. New Zealand's heritage buildings, places and areas such as Napier's Art Deco and Oamaru's Victorian buildings already contribute to tourism, but there are many as yet unidentified historic heritage in towns that would with care and promotion be equally valuable economic sources of tourism. Historic heritage buildings add character and attractiveness to our towns and cities and are worth saving for future generations to enjoy. They are our cultural legacy.
6. HPA has identified that the best way to sustain built heritage is through the continued use and upkeep of these buildings. Strengthening facades provides a balance of safety and enables ongoing use, particularly for businesses that may be operating in the ground floor of premises, which are two or three-storeyed.
7. Overall, this submission supports the direction of the reform while identifying areas where clarity and implementation detail will be critical.

### **Liability**

8. HPA acknowledges the significant ongoing work the Government is undertaking to reform liability for local authorities, particularly the protection from joint and several liability.
9. HPA also urges the government to make it clear in legislation that no building owner or tenant can be held liable in any way under the Health and Safety at Work Act for failure to seismically strengthen their building as long as they are within the timeframes of the legislation.
10. Both these initiatives will provide clarity and save over-precautionary actions. These are often driven by tenants and drive up costs and over-compliance far beyond the legal requirements. Such costs result in many buildings being left vacant and consequently uneconomic to retain. This particularly impacts heritage buildings.

### **Clarity on 3 Storeys high:**

11. HPA urge clarity as to the definition of '3 storeys high' to ensure that building owners have certainty.

12. For example, does '3 storeys high' capture buildings of significant height, but with fewer than three storeys (such as certain church buildings)? Are basements, split levels and mezzanine floors included in the definition of 'storeys'? Definitions are required around public spaces for unreinforced masonry fall zones. These definitional 'grey areas' are significant concerns.

#### **Change of Use:**

13. Under the Bill, when a change of use is proposed for an earthquake-prone building, the required seismic work is limited to the remediation measure specified in legislation to address its earthquake-prone status, and no more (see clause 6 of the Bill).
14. In practice this may involve only façade-securing for 1–2-storey unreinforced masonry buildings in medium and high risk zones, which represents a substantially lower threshold than is currently required. HPA largely supports this stance given the overall low risk vs high cost ratio involved in building restoration.
15. This also means that change of use buildings are treated in the same way as other similar buildings that do not change their use, e.g. two identical buildings; one always utilised as an office, and one always utilised as an apartment. Currently, changing the office to an apartment would unfairly require much higher strengthening than the existing apartment building, which is illogical. Consideration in the Bill, however, should be given to changes of use that might result in much higher occupancy buildings, which could lead to high loss of life.

#### **Strengthening of 3-storied buildings in small regional areas:**

16. HPA would like the Bill to be further amended so that 3-storeyed buildings only require facade enhancements (rather than strengthening of the entire building) is applied to all medium-risk areas in population areas between 5,000 to 99,999 town residents. This encompasses all regional centres and excludes the metropolitan areas.
17. Many regional towns have 3-storey buildings on corners in their main streets that traditionally provided visual balance with smaller 2-storey shops between. The ground floor was traditionally retail, and the upper levels were offices. These buildings are the most unaffordable to strengthen and typically require a change of use to apartments for economic return since office space is in low demand. Without this provision, these buildings will not survive, and town centres will be significantly affected by loss of character and the resultant barren sections of land. It is not economic to rebuild anything in these centres. These buildings are a critical feature of small town centres and to their economic prosperity. They also provide an opportunity to provide much needed apartment living. Even in smaller towns, apartments are in demand but are rarely provided because of the current risk/cost of restoration.

#### **Multi-owner buildings:**

18. In the case of multi-owner buildings such as apartments, strengthening can present prohibitive financial, technical, and insurance barriers for the multiple owners involved. HPA urges the Government to consider further measures that will alleviate the difficult financial position these owners are in, many of whom are elderly with limited resources. Many of these buildings have heritage values and are loved and

are inherently strong, but the current costs of seismic strengthening the entire building and the further various cost-impacts triggered by other Building Code requirements create an impossible situation. Government could consider that multi-owner apartment buildings be exempt from strengthening other than the facade. Perhaps they could have the option of opting for ‘owners own life risk’? Consideration to the actual number of people usually resident in the buildings would be on a case by case basis.

### **Priority Thoroughfares:**

19. HPA suggests the Bill be amended so that Priority Thoroughfares do not apply to regional town centres except where this would create an unacceptable and unavoidable impediment to emergency services. An independent national body such as Waka Kotahi/NZTA could identify Priority Thoroughfares with input from Councils and emergency services. Across New Zealand, there are so many Councils who have arbitrarily determined what is a Priority Thoroughfare through their own small town lens. This has led to widespread different rules being applied even in neighbouring towns, where there is little difference in risk.

### **Changes to the Building Consent process for earthquake-prone buildings**

20. HPA suggests the Bill makes it easier and more affordable for building owners to seismically strengthen buildings by ensuring that strengthening can be undertaken without triggering any other Building Code upgrades or professional reports for fire or accessibility, etc. We advocate for the Bill to ensure that in all cases, buildings can be upgraded in a progressive manner over time that allows owners to do so as it becomes affordable and practical, obviously within the timeframes in the Bill.
21. HPA would also encourage the Government to consider changing the Building Code so that owners can upgrade fire protection or accessibility in isolation from triggering seismic upgrades. A simple fire system upgrade to enable changed public use of a heritage building triggers seismic strengthening and other obligations to bring the building as near as possible to the current Building Code. All this work is required to be done concurrently. This should not be the case. This requirement assumes building owners can afford a full upgrade to the building. It overrides the seismic legislative timeframes and is manifestly unfair. It also means many buildings will remain unaltered, and unchanged and often under-utilised or empty as they do not meet the needs of changing use.

### **Incentives**

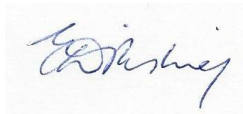
22. HPA encourages the Government to consider support for all owners of heritage buildings, to reflect the public good for the increased life safety and retention of our historic heritage for the wider public. And in particular, for multi-owner apartments where strengthening is so fraught. Incentives are a small carrot that stimulates upgrades—the owners feel restoration effects are appreciated by the wider community and government. Effective examples include:
  23. Access to low-interest or suspensory loans
  24. Access to technical and project advisory support that demystifies seismic strengthening and any other triggered upgrades as a result.

25. Access to standard strengthening methodology for facades and parapets (off the shelf). This will reduce costs and simplify the process, making early strengthening more likely.
26. Tax relief/incentives such as is available for Asbestos removal, which has tax advantages. The treatment of strengthening as a maintenance cost rather than capital cost. Carrying out maintenance from pre-tax income offers significant cost savings through reduced taxation.
27. The reintroduction of Heritage EQUIP Grants. These were very effective at inspiring owners to proceed with upgrades much earlier than the legislation required, plus brought formerly empty buildings back to full economic use and returned money back to government in the form of GST, increased rates and income tax from rents or profits. *(See the economic case study for Drews Avenue, Whanganui.)*

**Dunedin and Coastal region:**

28. HPA notes that Dunedin and coastal Otago are now in the medium seismic zone, making a substantial difference to their seismic strengthening response. Dunedin is a heritage city, and the Council has made enormous efforts to encourage restoration and reuse of heritage buildings in its CBD. HPA encourages the Government to consider incentives as discussed above for this region due to its unexpected seismic risk upgrade.
29. HPA would like to present these points in person at the Transport and Infrastructure Select Committee especially pertaining to matters of heritage.
30. For information and scheduling, please contact Elizabeth Pishief, President, HPA, [president@historicplacesaotearoa.org.nz](mailto:president@historicplacesaotearoa.org.nz) in the first instance.

Nāku noa, nā



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