

Tēnā koutou,

Thank you for the opportunity to provide a submission for the proposed inclusion of buildings in the Dunedin City District Plan heritage schedule. This submission is written from the owners of 583 Castle St, 585 Castle St and 587 Castle St which are all affected by this proposal.

Bottom Line Up Front

This submission supports adding heritage buildings to Dunedin's District Plan while addressing the increased costs, seismic risks, and insurance challenges for heritage property owners. It advocates for collaborative solutions like rates rebates and simplified heritage fund access to fairly share the responsibility and ensure sustainable, practical heritage preservation.

Submission

The Aitken Family Trust, as rate-paying property owners affected by the Heritage Scheduling changes, supports the initiative to preserve heritage buildings, recognising their cultural and historical importance. We understand the significance of these buildings in shaping Dunedin's character, and we share the goal of safeguarding them for future generations. If safeguards are not put in place, we risk losing this heritage aspect of our city. Once it's gone, it's gone forever. We also recognise that there are practical challenges associated with heritage scheduling, particularly for rental property owners.

A balanced approach acknowledges the concerns regarding increased regulation, potential difficulty insuring the property, and the risk of additional costs and bureaucracy when undertaking repairs or maintenance. For example, the seismic risks associated with unreinforced masonry facades are a real concern. The Christchurch earthquake is a recent testament to this risk. The Napier earthquake is an older testament to this risk. If the facade is damaged, preserving the heritage character could result in the building not meeting current best-practice for performance, leading to potential insurability challenges. While we fully support the preservation of heritage, it is important that we collectively address these risks in a pragmatic and balanced manner, ensuring the ongoing safety and functionality of the property.

As providers of rental accommodation in our city, it is important that we not only meet legislative requirements to provide a warm, dry, healthy dwelling but also remain competitive by providing modern amenities expected of present-day tenants. We agree that the heritage schedule should apply only to the street-facing exterior of the building and not the interior. This allows a good balance of quality of contemporary living while preserving our architectural history.

This proposal fundamentally shifts how risk is shared between the ratepayer, the Council, and insurers. While the intent to protect our heritage is commendable and should be supported, the increased responsibility and risk burden placed on property owners will have wider implications. It is likely to become more onerous for everyone involved, and this additional effort and cost is justified by the need to protect and preserve our heritage. This shared responsibility must be acknowledged, and the cost should be distributed fairly.

To ensure that the costs and responsibilities of owning and maintaining a heritage-listed property are fairly managed, we propose that the Council consider implementing a simple and straightforward solution, such as a rates reduction for Heritage property owners. This would acknowledge the additional financial burden placed on those with heritage-scheduled buildings and provide recompense for the risk transfer. Such an approach would recognise the shared responsibility for maintaining our city's heritage without overcomplicating the process.

Alternatively, a more detailed cost-sharing arrangement could be explored, such as an apportioned payment claim, where heritage-related costs are identified and subject to appropriate vetting. A third option could be for the Council to provide insurance coverage for the elements of the building that are scheduled as Heritage. From these options, we believe a rates reduction would be a simpler, more accessible and administratively easier solution for the Council and property owners alike.

We also appreciate the existence of the Dunedin Heritage Fund and acknowledge the Council's commitment to heritage preservation. This is an excellent initiative to support our city's heritage architecture. It is noted that the fund is limited and contestable. A more universal approach is proposed by extending a rate reduction to all property owners on the heritage schedule to provide broader support rather than making it contingent on the quality of applications or remaining funds. Consideration should be given to the size of this fund, given the expanding number of heritage scheduled buildings.

By adopting these solutions, we can work together to preserve Dunedin's heritage while ensuring that property owners are not unduly burdened. We are more than willing to collaborate with the Council to explore and implement practical solutions that balance heritage preservation with the need for modern functionality and responsible property management.

Recommendations

It is recommended that the Dunedin City Council:

1. **Note** this submission's support for preserving our city's heritage architecture, and
2. **Note** the challenges heritage building owners face, including seismic risks, insurance limitations, and increased heritage ownership costs, and
3. **Acknowledge** the need for a shared responsibility framework to manage costs and risks fairly, and
4. **Approve**
 - a. A 15% rates reduction and simplified access to heritage funds to support owners, **OR**
 - b. Provide full or partial insurance cover for heritage scheduled building elements.

Ngā mihi nui,

Aitken Family Trustees