
BUILT HERITAGE INCENTIVE FUND: REVIEW OF CONDITIONS AND CRITERIA

1. Purpose of Report

Additional funding has been identified for the Built Heritage Incentive Fund in the Draft Annual Plan for 2011/12. As part of this proposal officers were asked to review the appropriateness of the existing criteria and priorities for the fund. This report provides the findings.

2. Executive Summary

The Council protects built heritage through District Plan provisions and by providing grants to acknowledge that preserving a heritage building by listing it in the District Plan can impose costs on building owners by specifying or restricting what they can do with the building.

The grants fund was established five years ago. It was reduced two years ago. Since then the Council has added six suburban centre heritage areas to the District Plan. The events in Christchurch have also highlighted the vulnerability of unstrengthened heritage assets. The Council has now proposed reinstating the fund to its previous level¹.

Officers have reviewed the appropriateness of the current criteria and have recommended changes to:

- Clarify the assessment process to show the different steps.
- Place high priority on applications that aim to reduce or eliminate potential hazards while retaining a focus on addressing risks to the conservation of heritage materials or fabric through natural processes (decay).
- Reducing the grants rounds from three to two to allow the priorities to be applied consistently.

¹ It is proposed as part of the draft annual plan that the fund be reinstated from \$200,000 per annum to \$329,000.

3. Recommendations

It is recommended that the Committee:

1. *Receive the information.*
2. *Note the regrouping of the existing criteria to make clear the prerequisites, assessment and administrative steps of the process.*
3. *Agree that the priorities for the 2011/12 Built Heritage Incentive Fund will be:*

Place high priority on applications that aim to reduce or eliminate potential hazards (i.e. fire protection or seismic strengthening) while retaining a focus on identifying and addressing risks to the conservation of heritage materials or fabric through natural processes (decay).
4. *Agree that the 2011/12 Built Heritage Incentive Fund grants rounds be decreased from three to two.*

4. Background

The Built Heritage Incentive Fund is key action identified in the Council's Heritage Policy. The overall objective is to encourage and support economic growth that preserves and enhances the distinct character of communities, neighbourhoods, urban quarters and suburban centres through the sustainable use of the city's heritage assets.

The fund was established to help meet some of the additional costs associated with owning and caring for a listed heritage property. The funding criteria supports

- providing grants for conservation work, including stabilisation, repair or restoration, for at-risk significant heritage items;
- providing grants to property owners to assist with fire protection and maintenance and repair work that will aid the conservation of a heritage building;
- funding for professional services (e.g. to undertake conservation plans, heritage inventories, condition reports, earthquake-prone building engineers' reports) for listed heritage buildings and structures and archaeological site assessments;
- fees waiver for non-notified resource consent applications for conservation work on listed heritage buildings and structures, and heritage buildings in listed heritage areas.

The Council has requested that officers review the appropriateness of the criteria and priorities for the fund in light of a proposal to reinstate the fund to its previous level.

The proposed increase follows an increase in eligible applicants given the addition of six heritage areas to the District Plan; an over subscription to the fund; and reflections on the impact of the Christchurch earthquake on its built heritage.

5. Discussion

The current process for assessing funds has evolved to a robust method of application assessment.

All applications are treated on a 'best match' basis against the criteria and conditions as well as the available funding in any given round. Every applicant has identified a need for a particular type of work that conforms to these criteria and conditions. These can be in the form of reducing risk to the future of the place or for repairs to heritage fabric.

The existing priorities are essentially a re-ordering of the assessment aspects of the criteria². They offer little further guidance on weighting applications. This is appropriate given the overall objective is to preserve and enhance the distinct character and to provide sustainable use of the city's heritage assets. The capped nature of the fund however, means that some form of priority is required to ensure the most effective spend.

The underlying tension in the objective is between preservation of values that contribute to character and the right of all landowners for sustainable asset use. These are seldom separate considerations in built heritage. But to the extent that they can be officers recommend that they form the basis for prioritising fund applications in the coming year.

The recommended priorities in descending order are:

1. Highest priority will be given to those applications that aim to reduce or eliminate potential hazards to humans (i.e. fire protection or seismic strengthening) without impacting on heritage outcomes.
2. Identifying and addressing risks to the preservation of heritage materials or fabric through natural processes (decay).
3. Other applications that meet the criteria of the fund.

In all circumstance the prominence and significance of the site and building will be considered. All applications must comply with the criteria.

² The existing criteria focuses on: at risk significant heritage buildings and objects which are listed on the District Plan Heritage List or are included in a Heritage Area listed in the District Plan; Funding for professional services (e.g. structural strengthening reports, maintenance reports, conservation plans, archaeological site assessments, conservation work specifications, or supervision of work, technical advice etc; Projects that have high public access and/or visibility from public areas; Fire protection systems for (i) places which have high public access; and (ii) residential owners.

The criteria have also been reviewed. They are considered to be appropriate but would benefit from regrouping to clarify the assessment process, which can be summarised as; prerequisites, assessment and administrative steps. This grouping is outlined in Appendix 1. A reduction in grants rounds has also been proposed to assist with a balanced weighing up of grants.

6. Conclusion

The Built Heritage Incentive Fund is a key initiative of the Heritage Policy 2010 and demonstrates the Council's ongoing commitment to protect and conserve the heritage places and streetscapes of Wellington.

The results of a review of the criteria and priorities for the coming year are provided here in response to a proposal to reinstate the fund to previous levels.

Contact Officer: Myfanwy Eaves, Specialist Heritage Advisor

Supporting Information

1) Strategic Fit / Strategic Outcome

This initiative has a direct link to the Urban Design Strategy and compliance with the Heritage Policy 2010.

High quality urban design contributes to the following Council outcomes:

Outcome 1: More liveable – by developing and maintaining a high quality public environment.

Outcome 2: Stronger sense of place – by integrating sense of place into asset management, by enhancing the role of the city as Capital, by ensuring high quality built design and by conserving the heritage of Wellington.

2) LTCCP/Annual Plan reference and long term financial impact

\$329,000 has been allocated to this project in the Draft Annual Plan for 2011/2012.

3) Treaty of Waitangi considerations

Built heritage of significance to Maori (that are in the District Plan Heritage List) are eligible.

4) Decision-Making

Not a significant decision for Local Government Act matters.

5) Consultation

a) General Consultation

N/A

b) Consultation with Maori

N/A

6) Legal Implications

No legal advice has been sought for this paper.

7) Consistency with existing policy

This initiative is consistent with existing Council policy.

APPENDIX 1

Re-ordered Criteria (Criteria unchanged)

Criteria	
	Prerequisites
1.	The project makes a positive contribution to achieving the Council's Strategic Outcomes as listed in the Council's LTCCP. (Refer Note A in the application guide).
2.	The project is within Wellington City.
3.	The project relates to buildings and objects listed in the District Plan or to buildings and objects identified as contributing to a heritage area which is listed in the District Plan.
4.	The project conserves and enhances the heritage significance of the item concerned where elements of the item are protected by provisions of the District Plan (e.g. the exterior of a heritage place).
5.	The applicant is the owner or part owner of the heritage building or object (e.g. a private owner, charitable trust including church organisations). The Crown, Crown entities, District Health Boards, Community Boards, Council Controlled Organisations and Council Business Units are not eligible for funding.
	Assessment
6.	<p>The project must be for:</p> <p>A. Stabilisation, repair or restoration of original heritage fabric relating to historic buildings, structures, or objects or the remains thereof (e.g. repairs to masonry, joinery, plaster or glazing, earthquake strengthening, fire protection, protective works on archaeological sites); OR</p> <p>B. Professional services (e.g. structural strengthening reports, maintenance reports, conservation plans, archaeological sites assessments, conservation work specifications, or supervision of work, technical advice etc); OR</p> <p>C. Reimbursement of Council resource consent fees for work which the Council supports as not being detrimental to heritage values and where consent is required as a result of heritage listing (Note: A project which has received funding for either A or B above cannot also obtain reimbursement of Council resource consent fees).</p>
	Administrative
7.	The applicant provides evidence of: appropriate project management, appropriate technical supervision, sufficient resources to complete the project on time, and demonstrated ability to report back on the project results as appropriate.
8.	For any applications for funds over \$3000, applications will be considered only if a heritage report or advice from a suitably qualified conservation professional is provided or budgeted for in the proposal.
9.	These criteria will be reviewed on a three yearly cycle. Only one grant will be approved for a grant to any one heritage place within each three yearly cycle. Consideration may be given to approval of a further grant within a separate three year cycle.
10.	Grants will only be assessed as a percentage of the heritage conservation component of a project, not of the total project cost. The grant assessment is at the sole discretion of the Council.
11.	Only applications for work that has not yet commenced will be accepted for consideration.

APPENDIX 2

Existing Conditions as of March 2011

Council will reserve the right to impose conditions when approving grants under this funding policy, as set below:

1. Grants will be subject to the availability of funds in any particular financial year.
2. Staged availability of funding may be considered for approved projects.
3. Where a grant has been approved for a conservation report or other professional report, payment will be made following a peer review of the report by Council officers or a designated consultant.
4. The amount of funding available for projects involving only construction costs, such as earthquake strengthening will be based on a percentage of the value of the conservation improvements. This will be up to 25% of the cost of the work to a maximum of \$80,000.
5. Funding for conservation reports, technical advice and for domestic fire protection systems will be generally up to a maximum of \$10,000.
6. Grants will only be available for uplifting for a period limited to 18 months from the date of written approval. Extension of this timeframe will only be in exceptional circumstances, agreed to in consultation with Council officers.
7. Grants of over \$50,000 may require a memorandum of encumbrance to be registered on the relevant title(s) to ensure retention of the heritage place.
8. Where an encumbrance is required under condition 7 (above), grants are only payable on completion and certification of the works and the final registration of an encumbrance.
9. Work which is supported by a grant must comply with all other statutory requirements including provisions of the District Plan, the Building Act and Resource Management Act.