

4. HERITAGE DEVELOPMENT GRANTS

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The purpose of this report is to consider the recommendations of the Environment Committee meeting of 13 July 2001 with respect to the proposed Heritage Development Grants scheme for commercial heritage buildings.

BACKGROUND

At its meeting on 18 June 2001 the Strategy and Resources Committee gave consideration to a proposal to establish a heritage development grants scheme for commercial heritage buildings within the four avenues. In brief the scheme provides for a grant equivalent to the rate increase resulting from the new development work to be made to the owner of the building.

The Committee reported to the June Council meeting recommending:

1. That the Heritage Development Grants scheme be approved in principle and be referred to the Environment Committee for the development of the application and selection criteria;
2. That the Environment Committee report back to the Strategy and Resources Committee with its recommendations for the scheme;
3. That the funding for the scheme be included in the draft 2002/2003 Financial Plan and Programme;
4. That the scheme terminate for new applications no later than 30 June 2004 unless the Council agrees to the contrary.

The above recommendation was adopted by the Council.

DISCUSSION

The application and selection criteria for the scheme were considered by the Environment Committee at its July meeting.

In developing the criteria consideration was given to the current Heritage Retention Incentives Policy (1999) in order that a consistency of both conditions and criteria are maintained.

It was proposed that the grant would be made from a Heritage Development Grant budget to be created under the City Heritage Advice Output. The budget increase would be matched by an equal increase in the rating base growth.

The Environment Committee recommendations are as follows:

1. To approve the criteria and conditions set out in the report for further consideration by the Strategy and Resources Committee.
2. To recommend to the Strategy and Resources Committee that the Heritage Policy be changed to include the Heritage Development Grants Scheme (once approved by the Council).
3. That at the conclusion of the three year pilot scheme, consideration be given to evaluating the benefits of the scheme to include the whole city.

The proposed criteria and conditions of the heritage development grants scheme are:

CRITERIA FOR APPLICATION

- Buildings eligible for consideration of the Heritage Development Grant must be listed in Appendix 1, Section 10, Volume 3 of the City Plan.
- The scheme will be limited to the restoration, conservation and adaptive reuse of commercial and industrial buildings within the four avenues only to meet Central City Revitalisation objectives;
- Submission of a completed plan of development which recognises any requirements for a building consent and resource consent for the bulk of the work/expenditure;

- Eligibility will be limited to developments with a building consent with a value greater than \$50,000;
- Proposed work must both enhance the use of the building and preserve the heritage features and meet standards as defined by the ICOMOS (NZ) Charter;
- Proposals seeking to retain facades only will not be eligible;
- Owners with a development plan underway or commenced in the 2001 calendar year will be eligible for the grant provided the project meets the required criteria and conditions of the grant policy.

CONDITIONS

- The Heritage Development Grant will be limited to a five year period only;
- The application has been received and approved in advance of the development commencing, except as provided for above;
- The proposal has been granted any required Council consents;
- The work is to be completed in accordance with the approved application;
- A conservation covenant is to be placed on the title to ensure the long term retention of the building;
- The project has had the 'improvements portion' of the rateable value increase following substantial completion of the development (this is the time the Council amends the values of property following completion under a building consent);
- A rate increase occurs in the rating year following the changes to the valuation;
- Payment of the grant will commence after satisfactory completion of the work, a site visit by a heritage planner and the supply of invoices or professional certification;
- The approved grant will commence in the year the rates increase as a result of the redevelopment;
- The grant will be equal to the rate increase resulting from the new works not from a general property revaluation.

Recommendation: That the Strategy and Resources Committee:

1. Consider and approve the Criteria and Conditions and report to the August Council meeting for ratification of the proposed Heritage Development Grant Scheme.
2. Recommend a change to the Heritage policy to include the grant scheme once approved by Council.
3. That the scheme shall run for a trial period of three years after which it will be reviewed and consideration is to be given to evaluating the benefits of the scheme to include the whole city.

Chairman's

Recommendation: That it be recommended to the Council:

1. That the Heritage Development Grants Scheme be approved.
2. That the grants scheme be included in the Council's heritage policy.
3. That the scheme run for a trial period of three years, after which it be reviewed and consideration be given to extending the scheme to include the whole city.