

Upgrade Works Grant – Guide for Applicants

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Purpose of Heritage EQUIP

The Heritage Earthquake Upgrade Incentive Programme (Heritage EQUIP) provides support to private owners of earthquake-prone heritage buildings to seismically strengthen their buildings.

Discretionary grants will be directed to worthy projects where financial assistance is required to undertake seismic strengthening so that a building is no longer earthquake-prone under the Building (Earthquake-prone Buildings) Amendment Act 2016.

Heritage EQUIP supports seismic strengthening projects of all sizes by providing Upgrade Works Grants of up to 50 percent of seismic strengthening costs, to a maximum grant of \$400,000.

Upgrade Works Grants contribute up to 50 percent of the seismic strengthening costs to works that raise the earthquake resistant capacity of the building (or part of the building) to 34% of the New Building Standard (NBS).

Additional support is available for owners of earthquake-prone heritage buildings in regional New Zealand, which are also in medium or high seismic risk areas. Further detail is available in section 5 below, and on the Heritage EQUIP website.

General information

Heritage EQUIP is open to applications throughout the year. The fund's expert advisory panel meets three times per year to consider applications. We will publish close-off dates for applications to be considered at panel meetings on the Heritage EQUIP website.

Applications for Heritage EQUIP funding will be considered on a contestable basis against other applications, and within the annual funding available.

To submit an application to Heritage EQUIP, applicants must complete an application form and attach all relevant supporting material.

If you are unclear which grant to apply for, you can contact a Heritage EQUIP fund advisor on heritage.equip@mch.govt.nz or (04) 499 4229.

If your application covers multiple buildings extra incentives are available. Contact us to discuss.

When completing the Heritage EQUIP application form, applicants should be aware of the following:

- This guide has been designed to be used alongside the Heritage EQUIP Upgrade Works Grant application form. If you are unclear about what information is being asked for in the form, refer to the corresponding section in this document.
- The  symbol indicates that supporting evidence should be attached.
- Applicants are not able to make oral submissions on their projects.
- All applications must be submitted in electronic format. A set of the full application and all supporting documents should be supplied. Electronic copies can be provided on a USB flash drive, or by providing a link to your documents held on a web-based document sharing platform. Electronic documents should be indexed to correspond to the relevant section in the application form.
 - Please be aware that by accepting use of third party web-based document sharing platforms the Ministry for Culture and Heritage aims to simplify the transfer of application information. We are unable to make representations on the security of any application information (including personal information) provided via third party platforms, and therefore security of information is the applicant's sole responsibility.
 - If you are unable to provide an electronic application please contact a Heritage EQUIP fund advisor on heritage.equip@mch.govt.nz or (04) 499 4229.
- All sections of the application form must be completed.

- All financial figures should be shown as GST exclusive consistently throughout the application. Please indicate if figures provided in quotes are not GST exclusive.
- Please ensure that the contact email address included in the application form is correct. Ministry for Culture and Heritage staff may contact the applicant during the appraisal process to request further information.

Heritage EQUIP assessment criteria

The Heritage EQUIP expert advisory panel will consider each application against the following criteria:

- a) significance: the heritage value of the building
- b) safety benefit: the extent of the safety benefits from the proposed work, through ensuring life safety standards for people in and around the building
- c) urgency: the urgency of the proposed work, including the extent of potential loss or additional costs if the proposed strengthening work is deferred and whether the building is a priority building under the Building (Earthquake-prone Buildings) Amendment Act 2016
- d) best practice: the extent to which the proposed work is in accordance with recognised conservation and engineering principles. In considering applications against this criterion the panel does not undertake a formal consenting or engineering review, however their consideration will include:
 - the suitability of the solution that funding is sought for – in the context of the upgrade objectives for, and heritage values of the building
 - innovation evident in the proposed works, including utilising new materials, techniques, and strengthening methods
- e) value for money: the costs versus the benefits of the proposed work
- f) buildability: whether the proposed works can be completed, taking into account the provision of suitably qualified project management and supervision
- g) community support: the extent to which the proposed work will contribute to continued or future-use opportunities for the building, or contribute to regional economic growth
- h) the extent to which there is other assistance available in the region.

When you are putting together your application, make sure you demonstrate that the project you're planning meets the criteria. In summary, we are looking to see:

- the building has significant heritage value
- there is/are clearly stated seismic strength problem(s) with the building and the proposed works are a solution to the seismic strength problem(s)
- the proposed works will ensure the building (or part of the building) is no longer earthquake-prone under the Building Act and how this will improve the safety of the building
- whether the building is a priority building and the timeframe set for you to upgrade the building
- the extent of potential loss or additional costs if the proposed strengthening work is deferred or not carried out
- the proposed work is practical to deliver and meets the recognised conservation and engineering principles and best-practice standards
- the proposed work is ready to begin including having plans for project management and supervision of the project, and you have obtained the relevant consents including building consent and resource consent from your territorial authority
- there is community support for the strengthening works
- the proposed work will contribute to continued or future-use opportunities for the building, or contribute to regional economic growth
- you have explored other avenues of funding support available to you within your region
- the project is good value for the investment of public funding.

Guidance on completing the application form

SECTION ONE: APPLICANT DETAILS

The applicant must be the building owner or a representative of the building owner. In circumstances where there is more than one building owner, the applicant will need to show that they have the support of all the building owners.

If you are not the building owner, you'll need to provide evidence that you have authorisation to submit the application on the owner's behalf.

SECTION TWO: BUILDING DETAILS

Heritage EQUIP funding is only available for privately owned heritage buildings. If you are unsure whether your building is eligible for funding, please contact a Heritage EQUIP fund adviser on heritage.equip@mch.govt.nz or (04) 499 4229.

Supporting documents

Certificate of Title

The Certificate of Title is the formal document identifying the owners of a property. Land Information New Zealand (LINZ) is the government department responsible for running New Zealand's survey and title information.

You can find out about how to order a Certificate of Title on the LINZ website:

www.linz.govt.nz/land/land-records/order-title

Documentation determining the building as earthquake-prone

The Heritage EQUIP expert advisory panel will need to see documentation from the relevant territorial authorities (commonly referred to as city or district councils) confirming that your building is earthquake-prone. You will need to provide a copy of s124 notice, or a written statement from the territorial authority. If this information is not available from your territorial authority, you will need to provide a seismic assessment undertaken by a Chartered Professional Engineer.

High Resolution Photos

High resolution photos of at least 1mb file size of the main exterior elevation of the building and parts of the building your project affects.

Name of building

If the building has a number of names (for example the current name differs from that listed by Heritage New Zealand) please enter all known names and clearly identify the current name of the building.

Current and post-works use of the building

The Heritage EQUIP expert advisory panel need to understand how the building is currently used, and the intended use of the building following completion of strengthening works. This will assist in understanding the public benefit as well as the types of buildings that are being strengthened, e.g. retail, multi-unit residential, hotel, theatre.

Seismic risk area

Heritage EQUIP Upgrade Works Grants are typically available for:

- Category 1 heritage buildings across the country
- Category 2 heritage buildings in high or medium seismic risk zones.

To find out which seismic risk zone your building is in, you can talk to your territorial authority or consult this map: www.building.govt.nz/managing-buildings/managing-earthquake-prone-buildings/how-the-system-works/#jumpto-seismic-risk-areas-and-time-frames

Heritage status of the building

To assist the Heritage EQUIP expert advisory panel to understand the heritage value of the building, please provide:

- the New Zealand Heritage List/Rārangi Kōrero number and entry report, specifying whether the building is Category 1 or Category 2 status. You can find out more information about the New Zealand Heritage List at www.heritage.org.nz/the-list/

If your building is not a Category 1 or Category 2 historic place, please provide:

- evidence that the building is listed on other parts of New Zealand Heritage List/Rārangi Kōrero (wāhi tapu, wāhi tūpuna, wāhi tapu area or historic area) or scheduled on the district plan (schedules are available on territorial authority websites), or
- evidence that the building is in the process of being listed with Heritage New Zealand. Please provide evidence from Heritage New Zealand of the proposal and the proposed category, or
- evidence that the building is considered as a 'contributing building' in a listed historic area, or
- evidence that the building is scheduled to a district/city plan, including the territorial authority's heritage record of the building.

If the proposed work, particularly earthworks and foundation works, affects an archaeological site, you must obtain an authority from Heritage New Zealand before you begin.

Upgrade objectives

We require a clear statement about the overall upgrade objectives for the building – this allows us to be sure that the nature of the works for which you seek funding fits a clear plan that you have for your building. Your objectives may range from regulatory compliance, through tenant requirements, to preparation of the building for sale. Your objectives will likely be specific to your circumstances and may not be the same if someone else owned the building.

SECTION THREE: DESCRIPTION OF PROPOSED WORKS

Applicants should provide an overview of the planned project works with supporting documentation. The overview should include:

- clear statement of the seismic strength problem(s) with the building and that the proposed works are a solution to the seismic strength problem(s)
- any issues regarding the urgency of strengthening work to be addressed (this includes the public safety risks if the work is not undertaken)
- the extent of potential loss or additional costs if the proposed strengthening work is deferred
- a comment on the feasibility and durability of the work (including value for money)
- a statement concerning the impact of the works on the heritage values of the building.

Clarity about the seismic strength problem and its solution

If your application demonstrates clarity about the seismic strength problem, and its solution, the panel can be confident that you understand the project well. A good understanding of the project is critical to effective project decision making – especially if new information discovered during the works process requires changes to your original plan.

Impact of works on heritage values

Almost all seismic strengthening projects will have some impact on a building's heritage values. Start by understanding your building's heritage values by securing a copy of:

- your territorial authority's heritage inventory report for your building, or Heritage New Zealand's listing report
- any conservation report prepared for your building

There are several ways the impact on heritage values can be determined, including:

- commissioning a conservation report by a conservation architect (often the most effective method)
- if your building is scheduled to your local district plan, the resource consent process for the work will almost certainly have included a heritage impact assessment by your territorial authority. This assessment will be part of the resource consent decision notice. Please include the assessment with your application.

The application form asks you to summarise the heritage impact of the works. If no independent heritage impact determination has been made you will need to determine impact yourself.

The type of work Heritage EQUIP can fund

Heritage EQUIP funding may be used for (but not limited to):

- provision, fitting and fixing of all materials for the structural strengthening works, including labour and equipment
- the opening-up of parts of the building to access works areas, and the associated make-good required when strengthening is complete
- associated preliminary and general costs (P&G) and margins, for materials and for carrying out the structural strengthening works.
- careful removal, including the recording of what's been removed, transport and storage of heritage material, (to provide access for construction for the structural strengthening works)
- careful removal of other materials and disposal off site (to provide access for construction of the structural strengthening works).

Upgrade works funded by Heritage EQUIP must be commenced within 12 months of signing the Heritage EQUIP funding agreement and completed within two years of signing the funding agreement. The work applied for must not have started before the Chief Executive decides whether funds will be allocated. Note that Heritage EQUIP funding is not available for work that has commenced.

Heritage EQUIP Upgrade Works Grant supporting documents

Heritage EQUIP Upgrade Works Grant applications should be accompanied with sufficient documents to show:

- the location and site-extent of the works
- a statement from Heritage New Zealand or a recognised conservation specialist about the impact of the works on the heritage value of the building
- a Design Features Report (providing basic information on the building, its form, structure and the criteria used for design)
- the heritage inventory report for your building from your territorial authority and/or from Heritage New Zealand, and any other heritage assessment available for the building
- any seismic assessment provided by a Chartered Professional Engineer
- building consent or evidence that the proposed work is permitted. Resource consent if one is required
- architectural drawings (if available)
- evidence of the seismic strengthening work you plan to undertake, including:
 - a full set of detailed structural drawings

- structural design calculations and assumptions including evidence of engineering advice and peer review provided by a Chartered Professional Engineer (structural)
- a Producer Statement PS1, or PS2 from a Chartered Professional Engineer (structural) certifying that the works comply with the NZ Building Code, or where the works will be integrated into a future phase, that the building as a whole will comply with the NZ Building Code
- full specifications for the trades required to carry out the works, including how the removal, reinstatement and protection of heritage fabric (as required) is to be treated
- where the works are a phase of a larger structural strengthening project, evidence of when the strengthening of the building will achieve a minimum earthquake resistant capacity of 34% NBS
- Recent (within three months of application date) itemised quotes or estimates from recognised professionals relating directly to the seismic strengthening component of the project, and/or a costing summary prepared by a registered Quantity Surveyor
- A completed Heritage EQUIP project costing form.

SECTION FOUR: HERITAGE EQUIP OUTCOMES

Please provide a short description of how you think your project meets the desired outcomes of Heritage EQUIP.

In particular, you should describe the public benefits of strengthening your building, including:

- the retention of heritage values
- the improvement of public safety for people in and around the building
- the contribution of the building to the local / regional economy (including future use opportunities enabled through the strengthening work).

Please include in your application evidence of any community engagement and investment, whether financial or otherwise (including involvement of local authority).

SECTION FIVE: FUNDING

Heritage EQUIP Upgrade Works Grants fund up to 50 percent of the actual costs of seismic strengthening. Your application will need to show the total estimated costs for the seismic strengthening work. Your application must be accompanied by a completed project costing summary outlining scaffolding, opening-up, and make good costs.

Heritage EQUIP Funding will NOT cover the cost of any contingency allowance in the contract.

Applicants may not apply for more than one grant relating to the same works within each government financial year (1 July–30 June). Unsuccessful applicants for a specific project are able to re-apply for funding on the basis that the project still meets all the eligibility criteria.

Extent of funding available

Heritage EQUIP Upgrade Works Grants support seismic strengthening projects of all sizes, up to a maximum grant of \$400,000.

Upgrade Works Grants contribute up to 50 percent of the seismic strengthening costs to works that raise the earthquake resistant capacity of the building (or part of the building) to 34% of the New Building Standard (NBS)

Heritage EQUIP recognises that in practice it is difficult to exactly meet 34% NBS, so applications for a design that goes over 34% will be accepted if the application shows the solution presented is the optimal solution.

Heritage EQUIP funding is only able to match the costs of strengthening a building to the point where it is no longer considered earthquake-prone (i.e. to 34% NBS). If an owner wants to strengthen their

building to greater than 34% NBS, the Heritage EQUIP expert advisory panel will consider the level of support that can be given to such a project to ensure a fair assessment of all applications.

Extra support for some regional buildings

Additional support is available for owners of earthquake-prone heritage buildings in regional New Zealand, which are also in medium or high seismic risk areas:

- up to 67 percent of seismic upgrade works costs (compared to up to 50 percent for main centre or low risk area projects).

Heritage EQUIP may also elect to fund the extent of works above 34% New Building Standard (NBS) for regional upgrade projects. Funding for the extent of works above 34% NBS is on a case-by-case basis where the building faces greater risk of loss of heritage values than usual.

Extra support will generally be prioritised towards buildings that are Category 1 or 2 historic places on the New Zealand Heritage List/Rārangi Kōrero.

Applicants who wish to apply for this extra funding should contact a Heritage EQUIP fund advisor to discuss before submitting an application.

Supporting documents

Recent itemised quotes or estimates

Please provide a costing summary prepared by a registered Quantity Surveyor.

All applications must include recent (within three months of application date) quotes or estimates from recognised construction professionals, and the quotes must relate directly to the work for which you are seeking Heritage EQUIP funding. If your application is for works comprising part of a larger project with non-seismic strengthening components, the quote must identify the earthquake strengthening component costs.

Project costing summary form

Your application must be accompanied by a completed project costing form that can be downloaded from the Heritage EQUIP website. You are required to summarise scaffolding, opening-up, and make-good costs. The form also includes fields for you to outline the rationale for funding these works.

These costs are funded on a discretionary basis and the expert advisory panel will assess whether and to what extent Heritage EQUIP funding will be provided for these works. The costs are discretionary because different projects will require different treatment. The appropriate level of scaffolding, opening-up, and make-good will be closely related to the panel's assessment of level of best practice demonstrated in your application (see "assessment criteria" guidance on page 3).

The cost totals in the project costing form should match those in section 5 of your application form.

Evidence you can meet or bridge the full project costs

Heritage EQUIP grants are paid after the work described in your application has been completed. Applicants must include evidence in their application that the property owner can meet or bridge the full project costs. This is usually financial documents, such as audited accounts or bank statements.

Other sources of funding

A Heritage EQUIP grant for seismic strengthening can match but not exceed contributions from other funding sources. Other funding sources could include:

- a grant from a local heritage fund
- community fundraising
- philanthropic contributions.

In the Heritage EQUIP Upgrade Works Grant application form, applicants need to provide information about which funding sources they have approached, how much they requested from that source and the amount of funding they have been allocated.

Your other funding for the same seismic strengthening work cannot come from Heritage New Zealand's National Heritage Incentive Fund. However, the New Zealand Heritage Fund may have contributed to aspects of the project other than the seismic strengthening work (e.g. conservation plans, heritage fit-out).

Community support

Community support is often a wider, less formal, indication of heritage values. Please include any evidence of community support for your project, or for the building in general. Evidence may include links to media articles, presentations to consent hearings, community petition or fundraising efforts, or Council or local heritage organisation endorsement.

Market support

Please comment on general market conditions in your area.

How to submit your application

All applications are to be submitted digitally.

You can submit your application on a USB flash drive, or provide a link to your documents held on a web-based document sharing platform (such as Dropbox, Google Drive, or iCloud). Be aware that you are solely responsible for the security of any information provided via a third-party platform, including personal information. Index documents in the same way as the application form.

If submitting your application using a web-based sharing platform, links to access the application should be emailed to heritage.equip@mch.govt.nz

Postal/courier address for USB flash drives:

Heritage EQUIP Fund
Delivery Group
Ministry for Culture and Heritage
PO Box 5364 or Level 1, Public Trust Building, 131 Lambton Quay
WELLINGTON 6140

If you have any questions about Heritage EQUIP, please contact one of the Heritage EQUIP fund advisors on 04 499 4229 or heritage.equip@mch.govt.nz Further information is also available on the website at heritageequip.govt.nz.