Dear all,

Congratulations to the HKU ACP team for a very successful heritage conference last weekend. Travelling directly to London from the conference made me particularly receptive to the aging stock of England’s capital city. The title of my talk at conference was ‘The problem of heritage benefit’; a take on Ronald Coase’s ‘The problem of social cost’. The prevailing analysis of social costs was problematic in the 1960s because the stock policy and analytical response was to tax the generator of social costs (tax the polluter), ignoring the reciprocity of value losses and gains in a ‘nuisance’, ‘land-use spill-over’ or ‘pollution’ incident. The same socially efficient result of reduced output and associated reduced social cost, (cost arising from a bi-lateral transaction but born by one or many third-parties), may be attained by the polluted compensating the polluter to reduce the activity that yields the pollution. Who pays who to solve the problem of over-production (or over-consumption) depends on how property rights are stacked. Bringing a Coasean analysis to bear on architectural conservation, I took a look at a range of alternative policy approaches to solving the problem of heritage benefit.

The problem in this instance is not how to reduce output but how to increase it and it helps to start from the understanding that value losses and gains from conservation are reciprocal. The private owner of a historic building might be forced to bear the costs of conservation via regulation that forbids demolition or tax penalties for dereliction of demolition. On the other hand, since conservation serves society at large, the state, or some other collective body that stands to gain, might be expected to compensate the owner for not redeveloping to the ‘highest and best’ use.

Vast areas of London are covered by historic buildings in a bad state of repair, making the academic question of how to organize property rights to more effectively share the benefits and costs of conservation interventions a very practical one. If you are interested in following this up, please review the conference video footage.

Let me extend the line of reason in the context of a city with a large stock of vulnerable historical properties. My image of London last week was skewed by taking a taxi from one side to the other via the inner ring-road (North and South Circular Roads were the first modern ring-roads, built after WW2). This is an unusual route from west to east (normally made via the M25, built 30 years later and now more congested than the Circular Roads). The route took me through a virtually uninterrupted townscape of poorly maintained late 19th and early 20th century terraced homes. Even the pockets of earlier properties located in the centres of what were once London’s early 19th suburban villages, were equally dilapidated.

What struck me forcefully was that this is a systemic problem of both age and capital. On the one hand London is becoming of an age at which much of its historic building stock is wearing out. This means that the costs are too high for most private owners to assume themselves. On the other, the task of subsidizing
the renovation of so many private properties is too costly for the government (never mind the public realm between them, which is also mostly well past its prime).

What does this mean for conservation policy and outcomes? Leaving the problem to the market is by and large the prevailing approach. It is an efficient one and very successful as a conservation measure for the neighbourhoods that spontaneously emerge as gentrified spaces. Islington, where Prime Minister David Cameron has a home is a good example. A few risk-taking entrepreneurial gentrifiers decide that the quality of living space is worth the risks of living in an area of subdivided properties and mixed income and mixed ethnicity. Others follow and the neighbourhood becomes fashionable and its income homogenises (not necessarily ethnicity since higher income housing markets in the UK tend to be quite heterogeneous in that respect).

What happenes to the ungentrified spaces? There are too many of them for any third party to provide the capital to renovate to the point of effective preservation. The most sensible thing to do would seem to be to give owners the right to explore their own preferences in respect of conserving the past and making their homes habitable for the present and future. Only in the very poor areas will this lead towards dereliction; and in these, there is more chance of targeting scarce government funds to maintain housing standards. There are some fine examples of this kind of targeted renovation of entire streets of historical terraces – such as the 1980s so-called ‘enveloping’ schemes. The vast majority of 19th and early 20th century London however will need to go a different way. These areas will need to be left to transform naturally into something else. The nature of that something else will depend on the preferences and income of local residents.

The biggest barrier to something visually, architecturally and socially exciting emerging in such streets and neighborhoods is, ironically, the insistence of the UK planning system on controlling the minutiae of all kinds of development. One of the reasons that these neighbourhoods look so visually poor and monotonous is that the layers of improvements that their owners have been able to afford over the decades are poor (in every sense) facsimiles of the Victorian genre. The planners have generally allowed experimentation of neither materials and shape nor of plot-reorganisation. Some of the nicer features of this kind of area have come from illegal development, producing odd-shapes at the rear of properties out of the eyes of development controllers.

Most people visiting my late Victorian three story home in Cardiff, capital city of Wales comment on its private boutique back-garden. Although the inner city neighbourhood is one of the densest in Wales, the garden is overlooked by no-one. The reason? My neighbour’s illegal densification of his rear garden in the 1970s, which created for me a private walled garden. Rather than diminishing the value of the house, it was a feature that I was willing to pay more for when I bought the house in the 1990s.
Similarly, in the nearby Victorian arterial street leading out of the city of Cardiff towards the next city, most renovations of the handsome 3-4 story 120 year-old houses are in ugly pastiche in low quality materials and formulaic design. The only really nice example is the single modernist design, which adds texture, a sense of history and interest to what is in danger over time of becoming a street of reconstructed imitation frontages of little historic value to anyone. It would be better for the street to upgrade through more efficient use of space via property reorganization and modern buildings at mixed density, sensitively designed to juxtapose the remaining historic fabric. This would increase the value of those remaining properties, which would induce higher quality and more effective conservation.

So a lesson for the planners: less (control) is sometimes more. And for conservationists: work with multiple models of interventions.

Thanks to those mentioned below for their ongoing contributions to the Faculty.

Chris
1. Ms. Tris Kee

- presented a paper at the Conference “Strengths and Challenges of Community Participation in an Urban Transport System – a Case Study of the Hong Kong MTRC” at the International Conference on New Urbanism- Kuala Lumpur on 2 December 2013

- exhibited at the Shenzhen Bi-city Biennale of Urbanism\Architecture Exhibition 2013. Tris’ installation, entitled “Hong Kong Value Farm” is a collaboration with HK Kadoorie Institute and Chinese U exploring urban ecology, building technology and collaborative community

2. Mr. John Lin and Joshua Bolchover

- Joshua Bolchover and John Lin with their research and design collaboration Rural Urban Framework have been named as one of the 2013 Architectural Record’s Design Vanguard.

3. Professor Lynne DiStefano and Dr. Lee Ho Yin


This two-day conference was opened by the HKSAR Secretary for Development, Mr. Paul Chan, and involves two keynote speakers (Mr. Wai Chi Sing, HKSAR Permanent Secretary for Development (Works) and Mr. Andrew Lam, Chairman of the HKSAR Antiquities Advisory Board) and ten international speakers who are academics (including Prof. Chris Webster, Dean of HKU Faculty of Architecture) and practitioners from Canada, Italy, Mainland China, Malaysia, Singapore, U.K. and UNESCO. It was held at the Wang Gungwu Theatre (with simultaneous broadcast in seminar rooms), Graduate House, HKU. About 800 people attended the conference over the two-day period from 29 to 30 November 2013. See: https://www.heritage.gov.hk/en/whatsnew/heritage_conference2013.htm.
Department of Real Estate and Construction

1. Dr Sean Pang (Post-Doctoral Fellow)


Department of Urban Planning and Design

1. Dr. Cecilia Chu

   - published the following single-authored article in *Journal of Historical Geography* (as part of a special issue entitled "Historical Geographies of Moral Regulation"): 


2. Professor Anthony Yeh

   - was invited to give a talk on “Applications of the Integration of Cellular Automata and GIS in the Planning of Sustainable Cities” in the *Workshop on Spatial Strategy of Carrying Capacity of Taiwan – A Case Study of Northern Taiwan* jointly organized by the Construction and Planning Agency of the Ministry of Interior and Department of Urban Planning of National Cheng Kung University of Taiwan on 29 November 2013.

3. Professor Chris Webster