

Understanding Private Benefits of Conserving Traditional Residence: A Study of Rental Value in Historic Core of Patan

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Abstract

Patan has been a subject for research as private buildings in historic core are being replaced by modern buildings. Government's interventions and encouragements for conservation of private traditional buildings have been minimal. With 99% of land and buildings in historic area being private, responsibility of passing legacy of historic buildings to new generations has been left solely on the shoulder of house owners who do not want to be deprived from modern development changes. However, some house-owners have followed traditional style for new construction although most of them are restricted to façade treatment. In such context, the study considers rental value as tool for receiving benefits by the house-owners. The research aims to study rental values in relation to conservation of traditional residences. The result shows high rental value of façade treated buildings as compared to modern buildings.

Keywords

Conservation, Conservation policies, Historic core, Benefits of conservation, Rental value

1. Introduction

Kathmandu valley was enlisted in UNESCO's world heritage site in 1979. Private buildings along with monuments of higher order form traditional landscape of the valley. However, uncontrolled development and commercial pressures in the historic cores have threatened heritage values of traditional towns. Many traditional buildings have been lost and many are in verge of demolition. Integrated Management Plan (IMP) was established to develop framework to define heritage sites, conservation approaches, institutional, legal and economic framework. According to Maharjan [1], building bye laws prepared by IMP is minimal in the field of implementation and also financial support for private house owners for conservation in terms of subsidies, tax exemptions, and fund creation did not work properly. Ineffective implementation of building bye laws and incentive measures have resulted in construction which differs from traditional buildings of the historic core [1]. Earthquake of 2015 has further motivated people for modern construction.

Conservation projects in which local community participate actively have been successful and

sustainable in long run. People need change with time, so do requirements of the buildings. Buildings, not able to adapt to the changing contexts are bound to be replaced by modern buildings. Conservation does not necessarily mean to convert ancient city into a museum, but to continue the living heritage [1]. Past experiences have shown the need to address inhabitants' requirements for the success of conservation and regeneration.

A study by Rizzo and Throsby [2] points out that in a case of France, an extensive system of financial support exists for private expenditure on conservation; owners of listed buildings benefit from listing, as shown by the difference in value between listed and non-listed buildings. This difference is smaller in the United Kingdom because it refers to the entire building whereas French regulation concerns only on visible parts such as the façades [2]. Such difference in rental value of properties can be a motivating factor for people to choose traditional style of construction.

Heritages are considered as a capital that impact in local economy. With 99% of land and buildings in the historic cores being private, responsibility of conserving historic buildings is left solely upon the

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shoulder of house owners who do not want be deprived of modern development changes. People's decisions are guided by economic factors. Existing laws, Policies have not been able to motivate people to conserve their traditional houses. However, new constructions in historic cores are observed to comprise both modern and traditional façades. It is thus important study house-owner's perspectives on conservation policies and the factors that motivates or demotivate them to conserve traditional buildings. Identifying such factors can help formulate policies and strategies for conserving such buildings within changing contexts.

Empirical observations show that ground floors of most private buildings in historic cores have been used for commercial purposes and are often rented out. Rental values could thus, be a method to capture the benefits of conserving a building by the house-owners. Thus, the study aims to understand the relation of conservation with rental value.

2. Research Methods

A road section (Bhindwo Kwo - Swagal road) just north of Patan Durbar Square was taken as research area for questionnaire surveys. Façade treated buildings were also considered to be conserved buildings. Selected research area lies in Preserved Monument Sub-zone according to Building by-laws, Nepal, 2064. Among 21 households along the stretch which have economic activities at ground floor, 17 households were selected. With 95% confidence level, 10 confidence intervals were taken for sample calculation. From each household, a shop or restaurant at ground floor was selected for questionnaire survey. Per square feet area rent is taken as major variable which is tested against building type to understand rent difference in modern and conserved building types in research area as quantitative part of the research. Furthermore, on-site observations and open-ended questionnaire with house-owners were done for qualitative understanding of the research.

3. Literature Review

3.1 World Heritage Site

UNESCO defines Cultural heritage as "legacy of physical artifacts and intangible attributes of a group or society that are inherited from past generations, maintained in the present and bestowed for the benefit

of future generations." Heritage conservation is the process of prolonging the material, historical, and design integrity of cultural heritage through carefully planned interventions.

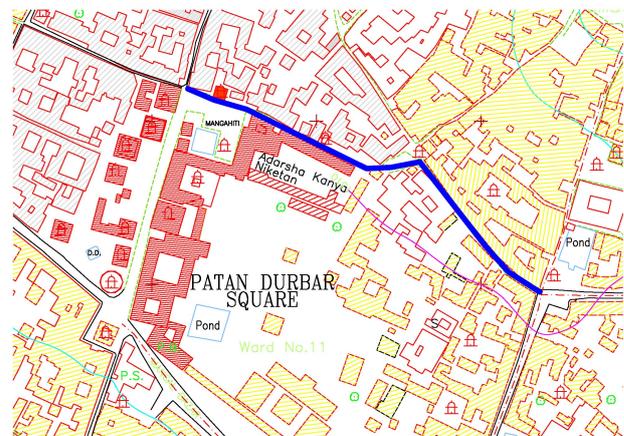


Figure 1: Study area along the road

Heritages are usually grouped in two main categories i.e. tangible and intangible heritages. Tangible heritages comprise of all the components that can be seen and touched i.e. buildings and historic places, monuments, artifacts whereas Intangible heritages are the components that can only be felt and heard, like verbal traditions, performing arts, rituals [1]. Although tangible heritages are considered to be significant to the archaeology, architecture, science or technology of a specific culture, both tangible and intangible heritages form cultural heritages and are equally worthy of conservation.

3.2 Conservation

Heritages have lasting values and are appreciated in their own right [1]. They are living evidences and continuity between past, present, and future that hold information about the past and the cultures of those who came before us. Moreover, they underpin and reinforce community identity and relationships to ancestors and the land [1]. Maharjan suggests that conservation aims to retain and reveal heritage values, and support present day meaning and functions of places of cultural heritage value, in the interests of present and future generation [1].

Architectural monuments and heritages form the image of the city and cultivate pride of the past among the inhabitants, for example, Kyoto is known for conserved historic districts, Paris for the Eiffel Tower, China for great wall, Egypt for pyramids, Rio de Janeiro for Christ the redeemer, India for the Taj

Mahal etc. The importance of preserving heritages is well explained by John Ruskin: "architecture is to be regarded by us with the most serious thought. We may live without her and worship without her, but we cannot remember without her." [1] Heritages are preserved as they represent the marks left on national landscape by the people who shaped it, the collective memory and identity of the people embedded in their culture [1].

3.3 Values of Conservation

Conservation seeks to retain the existing state of things. An action taken against the object of cause of decaying. Conservation is done to those buildings which have values and are significant. Scope of conservation varies from aesthetic, socio-culture, historic, emotion, use, preservation of crumbling artifact, to preserving sense of wonder. The emotional, cultural and use values are motivations for conserving built heritages. Durbar squares are conserved because have accommodated successive ruling dynasties. Similarly, certain buildings are conserved because of their use values. Buildings that were once used by or were associated with great people such as reword poets, artists, builders, famous sportsman, great kings etc. are conserved for the use values e.g. Hagen house.

3.4 Conservation Policies

Policies on heritage conservation are linked with tourism and development besides the primary intention of preserving cultural and historic heritage [3]. Although various policies and regulations are promulgated to conserve heritages, they have not been able to produce desired results. This has thus, caused the needs of actions regarding promulgation of effective policies and institutional frameworks to address various challenges faced by conservation of heritage conservation [3]. There is a pressing need to balance conflicting interests between different stake holders, for example -tourism agencies, local entrepreneurs, donor agencies, government institutions, local people etc. [3]. Responding to Nepal's diverse geographical and cultural contexts, the conservation policy in Nepal needs to count on local cultural institutions, cultural practices and economic bases [3].

In the past guthis were responsible for conserving heritages. These guthis were financially supported by

the government and donation from royal and the prominent families. After the establishment of Department of Archaeology (DoA), Ancient Monument Preservation Act was promulgated in 1956 "to maintain peace and order by preserving the ancient monument and by controlling the trade in archaeological objects as well as the excavation of the place of ancient monuments and by acquiring and preserving ancient monument and archaeological, historical or artistic objects" [4].

Various legal provisions have had direct and indirect consequences on heritage conservation processes. Since its inception, conservation of cultural heritages has been seen closely associated with tourism and hence tourism regulations and development plans have direct consequences on motives and means of conservation [3]. The local development acts, the building codes, roads and other infrastructures are linked with the present condition of heritage sites and its surroundings. Local self-governance act (previously) and Local government operation act (presently) reflect to certain level the basic rights of individual and groups to meet their current aspirations [3]. Various acts and regulations overlap with each other causing the need for coordination mechanism to acknowledge the overlap which is a big challenge.

Ancient Monument Preservation Act (1956) is one of the prime legal documents for the cultural heritage conservation. Moreover, Building Bylaws, 2007, is the key binding regulation that controls the physical environment in historic core of Kathmandu Valley. In addition to the AMPA and Building Bylaws, following legislation, and regulations complement the legal ground for the cultural heritage conservation [5].

- Ancient Monument Preservation Act (1956)
- Guthi Corporation Act (1964)
- Town Development Act (1988)
- Building Bye Laws (2007)
- Constitution of Nepal (2015)
- National Building Code (2015)
- Local Government Operation Act (2017)

As per AMPA, DoA is responsible for the definition and conservation of cultural heritage throughout the country. AMPA defines "Ancient Monuments" as

temple, monument, house, abbey, cupola, monastery, stupa, bihar etc. which have survived One Hundred years. from the view point of history, arts, science, architectonics or art of masonry, and this word shall also mean the site of the monument as well as the human settlement or place, and remnant of ancient human settlement, relics on ancient monument, cave etc. are considered as heritages. These heritages may have specific values from the national or international point of view irrespective of the fact that such settlements or places are adjoining with each other or are separated in the same area. In terms of ownership, the ancient monuments are of two types: i) Public, and ii) Private. Moreover, the importance factor of the ancient monument has classified into three types: i) International, ii) National, and iii) Local. This Act gives the DoA the legal provisions to declare a monument or an area as a Protected Monument Zone (PMZ) which provides the monuments with the highest level of national protection. The DoA is subsequently responsible for the protection of the site, including the prescription of building bylaws, approving requests for building permits and for any other construction, activities within the zone. The DoA is given the authority to stop inappropriate and/or illegal building activities or decide for demolition of unauthorized constructions. It is also mentioned in the act that the "Conservation, maintenance and renovation of the ancient monuments under private ownership which are inside the PMZ area shall be carried out by the concerned person. Provided that, if it is deemed necessary to conserve, maintain and renovate the private ancient monuments which are of importance from the national and international viewpoint, by the DoA, the DoA may conserve, maintain and renovate such ancient monuments".

3.5 Building By-laws

The DoA and local body evaluate applications for building construction permits within historic cores in two stages respectively. In case of historic core of Patan, Lalitpur Metropolitan City Office is the concerned local body. Evaluation of such application is based on a set of basic building form regulations, land use controls, setbacks etc. The building by-laws has a separate section for the Preserved Monument Zone (PMZ) and its key features are as follows:

- Building height limit is 35 feet from the road.

- Maximum Floor to floor height is 8 feet.
- For the new construction: Maximum ground coverage is 80% and Floor Area Ratio is 3
- For reconstruction of existing building: maximum ground coverage is 100% and Floor Area Ratio is 3.5
- Exposed brick façade with vernacular architecture is mandatory
- Mandatory wooden doors and windows

The rules have allowed a certain control over the building form leading to the urban form. On one hand, bye-laws has allowed less room for misinterpretations simplifying the job of regulators but oversimplification has been restrictive to creative interpretations. Such restrictive nature of bye-laws has not been able to convince people to conserve their private buildings. Moreover, the building bye-laws have not considered public properties and its uses, like open spaces, monuments, public buildings and so on. These set of regulations are clearly not adequate to address the problems of complex building types required today, as well as other planning problems that surface [1]. While this lack of adequate building regulations creates a range of problems, to its credit the Municipality has implemented its limited regulations satisfactorily [6].

3.6 Benefits of Conservation

3.6.1 Social Benefits

According to one review, there is neither an agreed understanding of how these community impacts arise, nor is there any strong empirical evidence to demonstrate these impacts – "most reviewers conclude that the evidence for group-level impacts is less compelling than that for individual impact" [7]. Where research does exist, it has concentrated on the following, social mechanisms through which community benefits may arise from engagement with heritage:

- Greater interaction between people, hence the strengthening of social capital
- A deeper sense of collective identity, linked to sense of place
- Enhanced levels of awareness and understanding

3.6.2 Economic benefits

According to Gareth Maer, Amelia Robison and Marie Hobson [8], contributions of heritages in economic / business activity in local areas can be divided into five:

1. The impact associated with the day-to-day operations of a heritage attraction / facility;
2. The economic benefits associated with heritage-based recreation and tourism;
3. The impact associated with capital works, including restoration and repair / maintenance;
4. How heritage and cultural institutions make a place more attractive for non-tourism businesses and workers to locate; and
5. Economic security.

Table 2: Rent of Traditional Building

SN	Area (Sq. Ft.)	Rent	Rent per Sq. Ft.
1	130	5000	38.4
2	150	7000	46.6
3	132	3500	26.5
4	426	9000	21.1
5	600	14000	23.3
6	560	9000	16
7	240	18000	75
8	144	3500	24.3
9	150	6000	40
Average Rent per Sq. Ft. per month			34.3

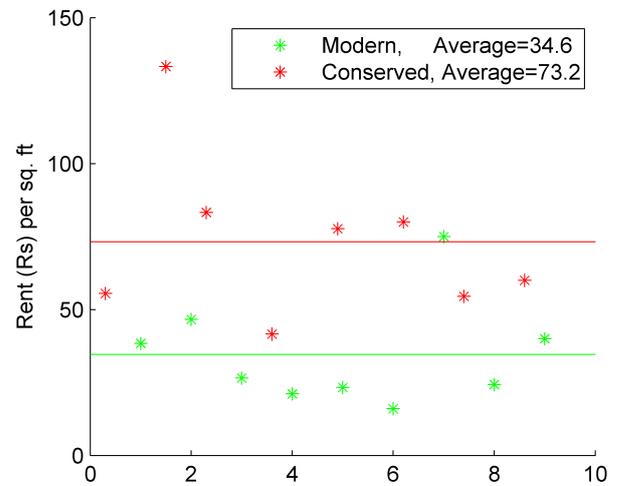


Figure 2: Rental value

4. Findings

From survey conducted in a street of traditional town of Patan, rental value of commercial space in traditional buildings which comprised of buildings conserved traditionally and façade treated buildings were found to be higher than that of modern buildings. The average per sq. ft. monthly rent in traditional buildings was Rs. 73.2 and in modern buildings was Rs. 34.5. The lowest per sq. ft. monthly rent in traditional building was Rs. 41.6 and was Rs. 133.3. Similarly, the lowest per sq. ft. monthly rent in modern building was Rs. 16 and the highest was Rs. 75.

Table 1: Rent of Traditional Building

SN	Area (Sq. Ft.)	Rent	Rent per Sq. Ft.
1	120	5000	41.6
2	180	15000	83.3
3	180	14000	77.7
4	150	12000	80
5	150	20000	133.3
6	110	6000	54.5
7	100	6000	60
8	108	6000	55.5
Average Rent per Sq. Ft. per month			73.2



Figure 3: Change in façade of building

A number of buildings in study area were found to be replaced with modern buildings, some were found to have retained traditional looks over modern construction, some have been conserved in traditional manner and some were decaying. Qualitative observation was done to study the relation between

conservation and type of use of buildings. Qualitative observation and informal discussions were done with local residents for their opinions on conservation of private buildings. Identity of Newari culture and higher rental values were found to be the major motivation to conserve their building and building façade among house-owners. Similarly, adaptive use of buildings for heritage homes was also repetitive answer of house-owners. Local people related traditional architecture to their identity. Traditional setting was found to have comparative economic advantage over modern setting in tourism industry, providing more benefits to house-owners. Such perception of increased benefits also was the motivation for conserving buildings. High rental values of conserved (façade treated) buildings provide more benefits to the house-owners. Conversion of private building into heritage home is also major ongoing phenomenon in traditional settlements to grasp maximum benefits of conservation. It is also one major motivation for people choosing traditional building over modern one.

5. Discussion

Success of conservation of private traditional building depends upon house-owner's willingness to pay for the construction cost of traditional style building. Conservation of traditional private buildings produces positive externalities in traditional towns. From the survey it is found that the per area rent of traditional buildings is higher (more than double) than modern buildings. So, from the survey rental value is found to increase because of preserving façade of traditional building in the case area. This implies that if similar trends happen in other areas as well, the benefits brought by the rental values can be a motivational factor for conserving traditional buildings by house-owners. From the interviews with local people and our own empirical observation, most people were willing to adopt traditional architecture if people get benefits by conserving their old buildings. In cases where direct benefits cannot be received by the people providing financial incentives can also motivate people to conserve their buildings. Reviews of literature and case studies also suggest the need of policy interventions to address affordability issues of construction to encourage people to conserve

6. Conclusion

Benefits generated by traditional buildings can be one of the major motivating factors for house-owners to traditional architecture.

conserve their traditional buildings. The result shows that the house-owners are benefited by conserving (façade treatment) their traditional buildings because of the increased rental values of shop fronts. Since the research is focused on a single stretch of traditional settlement, the results are only suggestive in case of whole core area. Further researches to find the benefits of conserving traditional private buildings for house-owners, can be done considering other indicators like property values or non-monetary benefits like satisfaction etc. Furthermore, economic analysis can be done i.e. pay-back period, Internal Rate of Return, etc. to compare the conserved (façade treated) and modern building.

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