Research on comprehensive treatment of historical building engineering

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Abstract: The protection and effective use of historical building projects is of great significance for improving and effectively allocating environmental resources, preserving the essence of urban culture and historical context, and enhancing the soft power and comprehensive competitiveness of the city. At present, the protection of historical buildings needs a lot of funds and folk forces. In terms of investment and financing, government capital is still the main body of investment, and social capital has not been fully mobilized. In order to protect urban buildings and environmental resources, it is necessary to integrate various funds and technologies to promote the full protection of environmental resources.

1. The necessity of attracting social capital to participate in the protection of historical buildings

1.1 Historical building protection needs a lot of funds and folk wisdom
Due to the long history of construction, different standards, high density and overload caused by historical reasons, Shanghai's modern historical buildings inevitably need a lot of capital investment for the preservation and protection of buildings, repair and improvement of residential environment. Such a large-scale use of funds, only relying on government funds will cause the financial risk of the government.

1.2 The existing government led historical building protection mode needs to be reformed
The existing government led protection mode of historical buildings is relatively solid, which often leads to poor economic benefits or even cost-benefit inversion, so it is difficult to protect and activate historical buildings sustainably.

1.3 The participation of social capital in the protection of historical buildings can allocate resources more effectively
Social capital can change the use of historical buildings to obtain certain value resources, but also enhance the unique value of historical buildings, forming a virtuous cycle of development. Most importantly, historical buildings are closely related to people's lives. In order to better improve people's livelihood, more social capital needs to be attracted to participate in the maintenance of historical buildings.
2. Current situation of attracting social capital to participate in the protection of historical buildings

2.1 Investigate the typical cases of social capital participating in the protection of historical buildings in this city, and further improve the supporting policies

In terms of the introduction of private capital into the renovation of historical buildings, there have been some successful practices in the city, such as the Bund housing replacement plan, which is dominated by the government to use social capital in the renovation of buildings. Shangsheng new institute project is to introduce social capital for multi-party co construction and sharing, including the government, academic institutions, social organizations, residents and real estate enterprises, to use the mixed development mode of land and improve the efficiency of land use. Many districts have set up state-owned holding investment companies to collect and store excellent historical buildings in their jurisdiction, and collect funds by leasing and developing surrounding plots. The contribution of Xintiandi project is the first successful renovation of historical buildings dominated by social enterprises, which provides a possibility for social capital to protect historical buildings, and provides a precedent reference for the transformation of similar historical buildings.

2.2 According to different historical building types, design a reasonable financing plan and put forward operational policy suggestions

From the practice of historical building protection in this city, it can be found that compared with ordinary development projects, the transformation of historical buildings has large investment cost in the early stage, difficult capital turnover and long capital recovery period. At present, the capital management of the city for the maintenance of historical buildings is not mature, resulting in many historical building repair work stagnated due to the lack of funds.

2.3 Sort out the existing policies and regulations, discuss and further improve the scheme

In order to attract more social capital to participate in the protection of historical buildings, the city has promulgated many policies and guidelines. According to the measures of Shanghai Municipality on the administration of special funds for the protection of historical features and urban renewal, interest subsidies shall be granted for a certain period of time for social capital to participate in the transformation projects of plots for the protection of historical features, and the subsidy period shall not exceed five years. The regulations of Shanghai Municipality on the protection of historical and cultural areas and excellent historical buildings have been revised. [1] It will also issue the detailed rules for the implementation of planning land management on the implementation of [several opinions on deepening the organic renewal of cities and promoting the protection of historical features], propose to adopt a variety of ways to protect historical buildings, and put forward a number of supporting policies and measures from the aspects of planning land, finance, protection and repair. However, there are still policy bottlenecks that need to be further improved.

3. Weak links and policy bottlenecks restricting social capital to participate in historical building protection

3.1 Weak links

The contradiction between the cost of protection and maintenance and the return on investment is increasingly prominent. The investment cost in the early stage is large, and a large amount of funds are needed for people's resettlement and urban infrastructure. However, the documents issued by the government restrict the reconstruction of historical buildings too much, and the value obtained after the repair is difficult to balance with the cost in the early stage of capital, and the government has not yet issued detailed compensation regulations. At the same time, historical buildings involve building owners. It is a great challenge for the government to coordinate the interests of owners, and the interests of private investors are more difficult to be protected.
3.2 Policy bottleneck
At present, Shanghai also lacks top-level design, such as the guiding opinions of Shanghai social capital participating in the protection of historical buildings. The existing policies are lack of detailed rules, difficult to implement, complex procedures, difficult to convert, few subsidies, difficult to sustain, tax burden, difficult to earn, no classification, difficult to preferential and a series of problems need to be solved.[2]

4. Experience and practice of cities at home and abroad in attracting social capital to participate in historical building protection

4.1 Experience and practice of attracting social capital to participate in historical building protection in domestic cities
First, in order to introduce social capital into the maintenance of historical buildings, China has gradually explored the separation of asset property rights and management rights of historical buildings. The two sides signed an agreement to repair and develop the buildings within a certain period of time, mainly in the form of joint venture, contractual management rights, transfer of management rights among enterprises. Second, we should attract donations from individuals and enterprises at home and abroad through social organizations. For example: in order to maintain and develop the historical buildings around Wudang Mountain, local Taoist organizations raised a lot of money. Third, in order to raise funds for repair, Beijing transferred the right to use historical buildings, but the state has not yet issued relevant policies for this practice. Fourth, Wuxi City raised funds through the establishment of many foundations, and other cities also started to explore.

4.2 Experience and practice of foreign cities to attract social capital to participate in the protection of historical buildings.
First, the government formulates macro policies to control the overall situation, and issues corresponding compensation rules to introduce capital. Secondly, by combing the practices of historical building protection in western countries, appropriate tax preference is an important leading force to introduce investment for protection. Some western countries have appropriate pre tax deduction for donations to the foundation for the maintenance of historical buildings, as well as tax relief for the main body participating in the maintenance projects of historical buildings, which enhances the awareness of civil society organizations participating in the repair of historical buildings. Third, many foundations have been set up abroad for the protection of historical buildings to absorb social capital.[3]As shown in Table 1. Fourth, government subsidies. The government allocates financial funds to repair historical buildings, which is not suitable for areas with poor economic development. Fifth, compile the catalogue of historical building archives. It is necessary for the government to give appropriate financial incentives to directly protect historical buildings from illegal transformation through cataloguing. Sixth, the government shall issue a planning license to allow individuals or enterprises to transform historical buildings. Seventh, the government provides a platform to use the social capital raised directly for the reconstruction of historical buildings. Eighth, the government takes the lead in setting up companies to implement the policies.

Table 1 sources of funds of British Building Protection Association

| Sort | Proportion% | Source of funds      | amount of money (£) |
|------|-------------|----------------------|---------------------|
| 1    | 26          | Fund subsidy         | 371154              |
| 2    | 22          | Bequest              | 314054              |
| 3    | 20          | Membership dues      | 285503              |
| 4    | 12          | Charity income       | 171302              |
| 5    | 7           | Advertising revenue  | 99926               |
| 6    | 6           | Investment income    | 85651               |
| 7    | 5           | donation             | 71376               |
| 8    | 2           | Other income         | 28550               |
5. Policy suggestions on attracting social capital to participate in the protection of historical buildings

5.1 Pay attention to legislative protection and accelerate the formulation of guiding rules for the protection of historical buildings

The promulgation and revision of the regulations of Shanghai Municipality on the protection of historical and cultural areas and excellent historical buildings have provided legal support for the protection of historical buildings, but the practical problems encountered in the development process are relatively difficult, such as ownership, internal and external problems. Many reasons lead to complex property rights problems, which increase the difficulty of protection; the transformation process to better access to income, to minimize adverse factors. Therefore, we need to carry out field research in the framework of existing policies and policies, and put forward practical guidelines for the reconstruction of historical buildings found in the process of research, which can maximize the degree of protection, achieve the expected protection objectives, and operate the protection of historical buildings well.

5.2 Building a historical building protection platform with blockchain Technology

In order to attract more social capital, it is necessary for the municipal government to build a historical building protection platform that integrates the Internet platform and offline, meet the requirements of multiple participants by using different ways, and truly achieve the best utility of platform resource allocation.

5.3 Develop more financing tools for historical building protection

We should use multiple innovative financing tools to expand the cooperation between government and enterprises. For example, issuing special bonds for reconstruction projects, REITs for historical building protection and investment, securitization of historical building assets, establishing public trust organizations, actively maintaining historical buildings by accepting gifts, bequeaths, contractual trust and purchase, forming organizational goals and responsibilities through the legalization of public trust organizations, and enhancing the maintenance and operation efficiency. Call on non-profit organizations (NPOs) and local voluntary organizations to raise trust funds to better attract social capital.

5.4 Establishment of special funds for historical building protection

In order to set up the special funds for repairing and reforming historical buildings, it can avoid the shortage of funds in the protection and establish a good operation structure for the raising of social capital. The government needs to set up an account for special deposit. The fund for historical building protection is convenient for fund transfer, and its account shall have strict supervision measures. The government raises special funds by allocating special funds and absorbing private donations. In addition, the government should give certain tax incentives to improve the willingness of social capital to enter.

5.5 Establish the government funds guidance mechanism and introduce the supporting policies to guide the social capital.

First, with reference to the successful experience of Wuxi City in setting up protection funds, the government issues initial investment funds, specialized companies operate, introduce a large number of social capital, and fully support the protection of historical buildings. The second is to strengthen the operation of "microcirculation" mode and earnestly implement the principle that "the investment subject is the income subject". Related to the implementation of urban infrastructure by the government, social groups for the repair of historical buildings. The third is to explore new tax policies
for the protection of historical buildings. Individuals and social groups directly participate in the protection of historical buildings to implement pre tax deduction; for groups that repair historical buildings, they can appropriately reduce their income tax; groups that join in the protection action are given some compensation measures by the government;[4]Government and social capital cooperation, as shown in Figure 1.

5.6 According to the types and characteristics of different historical buildings, different social capital entry modes shall be adopted for classification and guidance

Due to the different historical and cultural background, we should choose a unique way of social capital participation for different historical buildings. For example, for the repair of large-scale cultural areas, we need to call on enterprises with economic strength to promote the common development of the surrounding areas with the construction as the center. The government should provide high-value land for such enterprises, so that enterprises have enough revenue to enhance their enthusiasm for transformation. Integrate the historical buildings of housing type with the policies of low rent housing and public rental housing. Combine the protection of historical buildings with the resettlement housing policy, and compensate the residents who cooperate with the protection work. Under the guidance of the policy, priority should be given to the development of several demonstration areas to mobilize the enthusiasm of residents. In order to protect the historical buildings with complex property rights relations, the government and civil society can jointly develop and operate them. Some high-risk projects can be repaired jointly by the government and enterprises to effectively disperse risks.[5]

5.7 Enhance public awareness of historical building protection

Most of the social capital comes from enterprises, individuals and organizations. Only by improving the awareness of protection, can more social capital be added and more publicity efforts be made to encourage citizens to actively protect. Every year, symposiums are held to show the protection results to the public. Encourage non-governmental organizations to carry out publicity and education activities in their own units, so that the basic knowledge of historical building protection can be deeply rooted in the hearts of the people.
6. Conclusion

Many historical and cultural relics of Shanghai are witnesses of the development of Shanghai, bearing the development of the city under the socialism with Chinese characteristics in the new era. With the upgrading of Shanghai Economic Development Center, a large number of historical buildings face the balance of protection and management, inheritance and interests. Relying on the maintenance and repair of various historical buildings, government promotes the economic development of the city, create a good cultural atmosphere, and develop a unique style of Shanghai to the outside world. It can be seen that attracting more social capital to participate in the protection of historical buildings will bring great impetus to the social and economic reform and development of Shanghai.

Reference

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