

# SUBMISSION ON AMENDMENT C387 HODDLE GRID HERITAGE REVIEW



SUBMISSION TO THE CITY OF MELBOURNE ON AMENDMENT C387'S PERMANENT IMPLEMENTATION OF THE RECOMMENDATIONS OF THE HODDLE GRID HERITAGE REVIEW.

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### **PURPOSE**

This submission is made by the Victorian Chapter of Australian Institute of Architects (the Institute) to the City of Melbourne.

The submission provides the Institute's position to the review of 137 individual places and five precincts to be added to the heritage overlay and controls to be brought about under Amendment C387

#### **ABOUT US**

The Australian Institute of Architects (the Institute) is the peak body for the architectural profession in Australia. It is an independent, national member organisation with around 12,000 members across Australia and overseas and 3,300 members in Victoria.

The Institute exists to advance the interests of members, their professional standards and contemporary practice, and expand and advocate the value of architects and architecture to the sustainable growth of our communities, economy and culture.

The Institute actively works to maintain and improve the quality of our built environment by promoting better, responsible and environmental design.



# **FOREWORD**

Heritage is a sensitive issue in the community, and even our own profession has divergent views. The important point is that our Institute is able to represent a range of views across the profession. The Victorian Chapter of the Australian Institute of Architects invites the City of Melbourne to meet with us to discuss this submission and especially those ideas we have put forward to ensure that Amendment C387 is delivered effectively on a long term and sustainable basis.

We note this as being our 90th anniversary year. The important heritage legacy that the City of Melbourne is seeking to protect through Amendment C387 is one that our professional forebears and our Institute members over the last ninety years helped to create. It is critical that we can partner with the City of Melbourne on this important endeavour.

# **EXECUTIVE SUMMARY**

The City of Melbourne has commendably carried out an immensely complex undertaking of the Hoddle Grid Heritage Review. It is a critical process that the Institute acknowledges and supports in order to retain and protect, for future generations, our significant built heritage. The heritage findings provide a very important and needed point of reference for future discussion to be undertaken.

This submission is not intended to diminish the importance of this undertaking, rather to recommend potential areas of focus and possible next steps that are important in evaluating the best outcomes for our future city and our ongoing sustainability in all its permutations.

Melbourne has a long history of being a leading, innovative city for architectural design and it is desirable to maintain the architectural and social heritage of the city, whilst equally allowing for new innovative work that will create a better city for tomorrow. In the past three decades, heritage controls have generally served the city well. However, in recent years, poor results have emerged with some developments, from a combined impact of a lack of heritage controls and other influencing processes and controls.

The Hoddle Grid is the heart of the central business and activities district for Melbourne, as a city, and Victoria. Location and quality of commercial developments have ongoing impacts in terms of attracting and retaining major companies and attracting business to Victoria. A critical mass established by these developments maintains and contributes towards the life of a city. The very heritage that is highly valued, including highly innovative post-WWII buildings, reflects this phenomenon.



Available land and viable sites are scarce within the Hoddle Grid. Careful decisions will need to continue over the decades to come as we continue to renew building stock and allow for future buildings while retaining and restoring the best examples of our built heritage.

CBD buildings need to be listed for their high-quality contribution rather than simply being of interest and of note. The city should maintain those buildings that truly have intrinsic value and when evaluated against other economic and sustainability criteria are still considered to be worthy investments for protection. A case example is the Lonsdale Exchange building, which is attributed to the Commonwealth Department of Works, and of questionable architectural significance. Moreover, it is adjacent to significant buildings. A sympathetic re-development of the site would enhance these surrounding buildings.

A continuing need for new buildings will remain in the Hoddle Grid that accommodate new modes of working, utilise innovative materials and integrate holistic sustainable systems. Covid-19 will likely require that purpose and design of buildings and precincts are reimagined and potentially re-purposed.

Federation Square came into existence from the demolition of two buildings of the 1960s, which, by the criterion of the current review, would be regarded as innovative and architecturally significant. This reflects the need to navigate the tension of the city, between the future and the past to avoid stasis.

Underpinning assumptions that the destruction of all buildings is a poor sustainable outcome, due to the embodied energy is not necessarily supported by evidence. Detailed environmental studies by independent groups have shown that in some Melbourne examples, the retention of mid-century buildings can result in a significantly poorer outcome and replacement buildings can generate a net carbon pay back benefit in a matter of years, not decades.

High quality re-purposing, and even ongoing fabric and structural maintenance in fit-for-purpose condition, represents an economic challenge with the added impact that heritage can reduce development opportunity, and possibly lower site resale value. While some buildings such as ICI house can maintain their market value and justify these costs and reinvestments due to a high intrinsic worth, even exemplary buildings are not immune to economic challenges.

Therefore, we recommend that sites are fully analysed both in relation to their heritage contribution and their potential economic impact if listed.

In addition, we propose the consideration of strategies to provide rent relief, building maintenance support, and other incentives to assist these sites and to encourage their meaningful contribution back to the city.



Amendment C270 could be revised to provide an opportunity to increase the plot ratio for developments that provide money into a heritage restoration fund for the immediate city precinct they belong to.

This more nuanced approach to heritage inclusions and their application to planning decisions will better enable Melbourne's vitality as a world-class liveable city, and help ensure its economic, social and cultural vibrancy is maintained.



# **OUR POSITION IN DETAIL**

## INTRODUCTION

The Australian Institute of Architects (the 'Institute') supports the intent of the City of Melbourne in its undertaking of a broad review of the heritage fabric of the Hoddle Grid, with a particular focus on the Post War architectural period, defined as the period between 1945-75.

Melbourne has a long history of being a leading, innovative city for architectural design and this is particularly the case with a number of its post-Second World War buildings. Many of Victoria's leading architects were the designers of the projects that are currently proposed to be listed, a fact the Institute proudly acknowledges. Furthermore, numerous current members of the Institute were involved in contributing their knowledge to the assessment of the Heritage Review.

The Institute acknowledges and supports the retention and protection of our significant built heritage.

It is important to note that historically, in relation to Central City heritage policy, there has been a balance struck between fabric retention and economic requirements. In the Central Business District (CBD) heritage policy should particularly be considered holistically and not be undertaken in isolation – this is due to the incredible importance of commerce for the survival and prosperity of the capital city.

Over recent decades this balance of heritage controls has by and large served the city well, where buildings are replenished by the next generation of built outcomes and thinking. When balanced heritage controls are married with other appropriate planning controls, sensible and higher quality-built outcomes can result. However, if these policy settings are not in harmony, poor results will emerge, as can be seen with some of the development in the northern quarter of the Hoddle Grid in recent years – which is less to do with lack of heritage controls and more to do with potential shortfalls of other processes and controls.

The Institute supports the protection of significant built heritage in tandem with strategies to encourage and support new built form outcomes within the Hoddle Grid. New built forms are often considered the manifestation of the cultural 'zeitgeist', the spirit of the time, and reflect societal and economic drivers of the period. A selection of these future builds will become our future heritage. It is important that this is supported by policy to ensure that



our city does not become a museum or is perceived to be locked down to new development but continues to represent our ever-changing society.

Amendment C387 proposes that an extensive selection of 137 individual places, including fifty-five Post War buildings constructed between 1945 and 1975 and five precincts, in the Hoddle Grid are protected within heritage overlays.

Our submission to the City of Melbourne applauds the central proposition of the Heritage Review, whilst also raising a number of questions on the breadth and scope of buildings included and the unintended consequences of listing buildings which may not meet the previous high bar of significance. It considers the importance of an evidence-based approach to balancing heritage with a commitment to environmental sustainability, and the critical role new commercial buildings play in the ecosystem of the CBD. Finally, it raises the question of how heritage listed buildings can be sustained in their optimum static and operational conditions and the potential solutions for achieving this.

## HERITAGE OF A CONTINUALLY EVOLVING 'CBD'

#### The viability of the economic centre

The Hoddle Grid is the commercial heart of the State of Victoria. It is the site best equipped with infrastructure to support high density commercial activity. The grid is of finite size and requires the renewal of its building stock to allow for future buildings. The available land and viable sites are scarce within the grid and this trend will naturally continue over the decades to come as we continue to hold onto the best examples of our built heritage. The extent of the proposed additional heritage controls, in conjunction with other planning controls, such as C270, may have the unintended consequence of preventing meaningful future commercial new builds that are designed to meet emerging and unknown future needs of our society.

In recent years, the rapid growth of residential towers within the Hoddle Grid has also impacted on sites available to commercial applications and this in turn is cause for concern in relation to the commercial strength of the civic centre. Commercial towers do require different site areas and configurations to other building types, and generally require the consolidation of multiple sites – which has been naturally occurring ever since the grid was established.

Commercial developments are critical to the function of the city. The location and quality of a commercial development can attract and retain major companies in Victoria who in turn attract other business. Leading companies are constantly looking for competitive advantages to attract the right staff and to secure work, and this often encapsulates the



spaces and places they choose to lease or own. It may drive their decision whether to decentralise, centralise or relocate. These major commercial businesses support a range of other service and support businesses within the CBD and underpin the commercial ecosystem.

The post-war building boom attracted and retained many businesses in Melbourne. The architecture of this time allowed for a new way of working, providing employees flexible open plan floors, year-round comfort of air conditioning, abundant natural light, increased health and safety initiatives and numerous other benefits. These post war-buildings represented a new wave of optimism and opportunity for Victoria and Australia. The buildings integrated the latest work-place ideas, married with an Australian lifestyle and location.

Therefore, it is natural, and critical, to wish to protect and heritage list the very best examples of this period, like the already listed ICI House (glass facade), the proposed listing of 440 Collins (precast facade), and the listed 140 William Street (steel facade), which, by many accounts, are considered the exemplars of this period of the 50's, 60's and 70's respectively. There are also clear and significant commercial examples from more recent times, such as the 80s, including both Collins Place by IM Pei and 1 Spring Street by Harry Seidler, and the 90s with local Gold Medallist architects DCM with 101 Collins Street to name a few.

#### **Emphasis on buildings of critical significance**

However, the key issue we foresee is where buildings which are of interest and of note, rather than of critical significance are protected in the centre of the commercial heart of the city. CBD buildings need to be listed for their high-quality contribution, as otherwise their upkeep, impact on the environment, lost opportunity/cultural cost, will lead to undesirable impacts on the future prosperity of the city. This has always been a source of tension with the development of the city in achieving the correct balance of heritage, economic vitality and future heritage.

The nature and development of curtain wall buildings of the post-WWII period is particularly complicated as there was a diversity of design approaches, patterns, and materials within the genre. It could be argued, perhaps, that only a number of truly exemplary examples are required to be kept from this period. Whilst it might be tempting to keep an example of each derivation of approach, of small, medium and large towers, from rectangular to curvilinear floorplates, from fully glazed, to brick with punched openings, to precast or tiled, this process is fraught in being too broad and too inclusive.

There is also the case to keep iterations of development within a particular practice. However, proper documentation and photographic records can cover many of these



incremental developments, whilst only retaining those examples which truly are a step change.

The bar for heritage protection in the CBD needs to be kept to a high level of significance and avoid over-reach. The city should maintain those buildings that truly have intrinsic value and when evaluated against other economic and sustainability criteria are still considered to be worthy of ongoing investment for protection.

#### Case example - the Lonsdale Exchange building

By way of illustration, an example of potential over-reach in the current Hoddle Grid review is the Lonsdale Exchange building, at 447-453 Lonsdale Street. The building is located in the heart of the Legal Precinct. It was not designed by a prominent architect<sup>1</sup>, is not a significant example of Brutalism<sup>2</sup> and at fifteen stories is significantly out of scale with its context in the absence of true architectural merit to support this height. The analysis states this building should be considered of 'significant' heritage value.

The site is an example of land which is ideal for future development and future heritage, in an area where land is scarce. It is adjacent to the heritage listed Court of Appeal building (1892-93) considered 'one of Melbourne's exceptional public buildings', the Library of the Supreme Court (1874-84), the Law Courts (1874-84), and the old High Court (1926). These surrounding buildings are all of a low scale and of significant architectural merit.

These buildings all have heritage controls and are highly unlikely to be built above. As a result, the Lonsdale Exchange building presents a unique opportunity, if demolished, to be replaced with a competition-based design for a new carbon-neutral building of similar or greater height, combined with the opportunity to have glass to each facade to take advantage of its unique context. Alternatively, the height could be limited to allow for the expansion of the courts into a building that reinforces the scale and significance of the precinct.

There are other examples in the review, such as glass curtain walls, by significant architectural companies, which show process and development of curtain wall thinking. However, they are not representative of their best work in the city of that particular architectural approach. An example is Bates Smart's 43–51 Queen Street which is an infill building, not a corner of freestanding tower site, finished in 1957 but of limited merit when compared to ICI house completed in 1958 which is an holistic approach to glass curtain

<sup>&</sup>lt;sup>1</sup> Attribution is to the Commonwealth Department of Works.

<sup>&</sup>lt;sup>2</sup> It is subject to conjecture if it is even Brutalist at all, or rather 'utilitarian'.



walls. The murals and artwork to the base of this building have been removed. Whilst the curtain wall is of note, this site perhaps would be better used for future opportunities.

The question that the Lonsdale Exchange Building illustrates, perhaps most clearly, is why buildings of questionable merit are included in such an extensive submission for heritage controls? This further raises the question of how many other buildings are also in this category and what the unintentional impact this has on the city? Due to the sheer scale of the submission – 137 individual places and five precincts – it is not feasible to make an informed decision on the relative merits of each site.

#### The building of tomorrow's heritage reflecting today's society

It is critical to understand that we need to allow for the next generation of commercial and workplace thinking to attract the very best talent to our city. We need to be able to provide sites to allow for new commercial towers, new modes of working that have not yet been conceived, and new materials and energy systems which are truly innovative and sustainable. These projects will need land, and it is highly likely that these sites will be sought within the Hoddle Grid. Melbourne, as a city, needs to continue to allow for commercial competitiveness not just within Australia but across the globe.

Melbourne has also been named the most liveable city for seven years and in the top three for the entire eighteen years the Economist Intelligence Unit award has been running. The dynamics of a highly functioning city are highly complex and require constant attention. We believe that the diversity of Melbourne's architecture and streetscapes, its ongoing ability to innovate and lead, helps to support the framework and physical infrastructure that defines Melbourne and its success.

Federation Square is an example of the recent arc of public sentiment towards progressive architecture. When constructed, it was considered an eyesore by many in the press and public arena. However, in recent years, there has been a desire to heritage list its innovative deconstructivist design and topographical plaza which has become a truly celebrated public space for Melbourne. Interestingly, Federation Square demolished two 1960s postwar buildings designed by Les Perrott & Associates in 1967, which could equally be determined as significant examples of brick curtain wall design of the period when using the current criteria for the Hoddle Grid review.

In addition, the still ongoing COVID-19 global pandemic may, indeed, be a catalyst for a new generation of building that is a departure from what we currently understand a commercial building to represent.

We need to allow for the next generation of heritage - our future heritage. What are the buildings of the future that we will cherish in the way we have with those of the past? Many of our finest examples of heritage listed buildings resulted from the demolition of earlier



buildings which would have had some 'contributory' significance. Nonetheless, this can otherwise be regarded as appropriate replenishment of the urban fabric. Unfortunately, in some cases, the buildings destroyed also were of very high individual significance and this is of particular concern. This is the tension of the city, between future and stasis.

#### SUSTAINABILITY

outcomes.

The need for evidence-informed decisions about environmental sustainability
It is often argued that the destruction of buildings is a poor environmental sustainability
outcome, due to the embodied energy of the materials used to construct the building and
the waste created in demolition. This is used as a premise to promote adaptive re-use
solutions as the panacea which, whilst appropriate in some situations, can also lead to poor

The underpinning assumptions of retention does not apply to all buildings, particularly with regard to continually improving sustainable design and technology. Detailed environmental studies by independent groups have shown that in some Melbourne examples, the retention of mid-century buildings (for example, one to two stars Green Star rated) is a significantly poorer outcome than their complete replacement by a high-performance sustainable building (e.g. six stars Green Star rated). The carbon pay back in benefit can be achieved in a matter of years, not decades. This illustrates the need to upgrade the performance of our existing building stock.

This need is due to the relatively poor build quality of these mid-century projects compared to today's requirements. Single glazing, inclusion of now defined hazardous materials, poor service infrastructure, and limited structural capacity, may all be found in these buildings. Significant remedial action would include, and not be limited to, measures such as replacement of facades, strengthening of walls and columns, and enhancements to the building envelope.

The cost of these refurbishments can be significant, and in some cases require contemporary replication of the original. These costs are borne by the owner. Where the building is of significance, the integrity of the building may strongly retain its market value. An example is ICI (Orica) house which represents the 1950s idealism and is a highly sought-after address to this day. However, other sites can fall into disrepair due to downward economic pressure and fashion and therefore become unviable for their owners.

Even exemplary buildings are not immune to this challenge. Better known examples are the Block Arcade and the Royal Exhibition Building. Fortunately, these high quality and truly significant examples survived and have been restored to provide vital integrity to our city.



## HERITAGE SUPPORT

The scale of the review that has been undertaken is commendable. However, this submission has also considered the importance of maintaining a high threshold for architectural significance and heritage worth, as well as being cognisant of the multitude of impacts on other important heritage buildings and precincts when lower quality buildings are listed. There is also the critical issue of taking an evidence-informed approach to the carbon footprint of all buildings in the face of climate change.

The economic impact on sites due to their heritage listing can be significant, due to reduced development opportunity, possible increased cost of upkeep and maintenance, and possible lower site resale value. These impacts are felt by the owners who often unintentionally have a duty of care to society and our cultural history through maintaining each building's newly acquired formal significance.

We recommend that sites are analysed both in relation to their heritage contribution and their potential economic impact, if listed, to ensure that only the best examples are retained and scope is allowed for a new generation of future heritage, environmentally sustainable buildings within the commercial grid.

A solution to this could be maintaining temporary controls while blocks of the Hoddle Grid are released for detailed review one at a time, to allow for greater scrutiny and to ensure that a holistic approach is taken.

Lower threshold buildings can still be recorded by photographs and virtual reality tours to maintain the record of their contribution to the city, whilst still allowing for the opportunity for better built solutions to occur.

It might also be feasible and beneficial to consider further strategies to provide rent relief, building maintenance support, and other incentives to assist these sites and to encourage their meaningful contribution back to the city rather than letting some of them potentially become dilapidated.

Opportunities might be considered through C270, where uplift is allowed above 18:1 plot ratio for developments that generate revenue for a heritage restoration fund for the immediate city precinct they belong to. This would allow for the residents and workers of that precinct to benefit directly from the new building works as the heritage fabric of that immediate area is then maintained and improved.