

Report to the Future Melbourne (Planning) Committee

Agenda item 6.3

Options for a Hoddle Grid Heritage Review

19 April 2016

Presenter: Ian Hicks, (Acting) Manager Urban Strategy

Purpose and background

1. The purpose of this report is to respond to the Future Melbourne Committee resolution of 10 November 2015 that resolved to:
 - 1.1. Call on the Minister for Planning to gazette planning scheme amendment C186 Part 2, or at least to set down a process and timeline for the completion of the further study announced by the previous Minister for Planning, and request the CEO to write to the Minister to this effect.
 - 1.2. Request management to present a report to this Committee by February 2016 which sets out:
 - 1.2.1. Management's view as to the most efficient way to continue reviewing built heritage in the Hoddle Grid in future, including reference to options for dealing with graded heritage buildings not in the Heritage Overlay
 - 1.2.2. All known potential candidates for future precinct or individual site/s based heritage studies within the Hoddle Grid, so as to illustrate a complete view of potential future work.

Key issues

2. The Hoddle Grid falls within the Capital City Zone (CCZ), which has a clear role in attracting business and development. Identifying the heritage values in the CCZ is an important step in ensuring that development decisions are made with an evidence-based appreciation of the heritage value of the potentially affected buildings, and their role in the overall city amenity.
3. The last formally adopted and spatially comprehensive (but not complete) heritage study of the Hoddle Grid was undertaken in 1984–85.
4. The attached Hoddle Grid Heritage Review (Attachment 2) has been completed slightly later than requested in the motion due to limited available resources. It outlines the heritage studies that have been undertaken for the Hoddle Grid area, the current status of heritage protection and options for reviewing built heritage in the Hoddle Grid.
5. The options as outlined in Attachment 2 are:
 - 5.1. Option 1: Entire Hoddle Grid in one study.
This is the most expensive and resource intensive option but also produces the most comprehensive and time efficient outcome. The cost of this option excluding employee and panel costs is estimated at one million dollars, with all this cost attributed to the 2016–17 financial year.
 - 5.2. Option 2: Hoddle Grid quadrants approach
This option has similar costs compared to Option 1, but would be required to be executed over a longer time period that involves four separate studies, but is not as resource intensive in the short term. The total cost of this option is estimated at one million dollars, with the total cost amortised over four financial years. The first stage costs attributed to the 2016–17 financial year would be \$250,000–\$300,000.
 - 5.3. Option 3: Specific site selection focusing on graded buildings
This option is the most expedient and least expensive option. However, it would not be comprehensive, and the work would not include an assessment of all potentially culturally significant buildings, places and artefacts. Therefore, this option is not recommended.
6. Management considers Option 2 to be the preferred option because it is a comprehensive approach, and in regard to resource management, this approach amortises the cost over a number of financial years.

In any of these options, parallel work on development capacity in the 'quadrants' would ensure that comprehensive economic advice is available for Council consideration alongside heritage outcomes.

Recommendation from management

7. That the Future Melbourne Committee:
 - 7.1. Notes that Option 2 is the preferred option of Management and the most efficient way to update the inventory of built heritage in the Hoddle Grid area, as a preliminary step in refreshing heritage controls in the central city
 - 7.2. Refers the Hoddle Grid Heritage Review to the 2016–17 Financial Year Budget and Planning process for consideration.

Attachments:

1. Supporting Attachment (Page 2 of 15)
2. Hoddle Grid Heritage Review Proposal (Page 3 of 15)

Supporting Attachment

Legal

1. No direct legal issues arise from the recommendation from management.

Finance

2. The costs associated with a Hoddle Grid Heritage Review Options are outlined in Attachment 2.
3. The estimated cost of the recommended option (Option 2) is \$250,000 per quadrant with a total estimate of \$1,000,000 over the life of the Hoddle Grid heritage review project.
4. Following a heritage review should Council resolve to proceed with any associated Amendment process, this will incur significant additional costs associated with the exhibition and panel hearing processes.

Conflict of interest

5. No member of Council staff, or other person engaged under a contract, involved in advising on or preparing this report has declared a direct or indirect interest in relation to the matter of the report.

Stakeholder consultation

6. Prior to the formal Planning Scheme process, property owners would be notified of the Heritage Review being undertaken, so as to inform them that a consultant will review their property's exterior (and possibly interior, with their permission).

Relation to Council policy

7. The recommendation is consistent with action 2.2 of Council's Heritage Strategy, 2013:
Progressively undertake a review of heritage in the high-growth and urban renewal areas and mixed use areas of the city.
8. Any heritage review will draw on and refer to The City of Melbourne's Thematic history: A history of the City of Melbourne's urban environment.

Environmental sustainability

9. The protection of local heritage has internationally recognised benefits for social, cultural, economic and environmental sustainability and ongoing resilience, in particular through the conservation of:
 - 9.1. existing urban fabric for adaptive re-use to support locally-based and productive networks of exchange
 - 9.2. neighbourhood places with meaning and value for locals and visitors
 - 9.3. existing mature trees that provide shade and habitat.

**HODDLE GRID HERITAGE REVIEW
PROPOSAL**

W O O D E D

HODDLE GRID

HERITAGE REVIEW PROPOSAL



INTRODUCTION

On 10 November, 2015, the Future Melbourne Committee resolved -

1. That the Future Melbourne Committee:

1.1 Calls on the Minister for Planning to gazette planning scheme amendment C186 Part 2, or at least to set down a process and timeline for the completion of the further study announced by the previous Minister for Planning, and requests the CEO to write to the Minister to this effect.

1.2. Requests management to present a report to this Committee by February 2016 which sets out:-

1.2.1. Management's view as to the most efficient way to continue reviewing built heritage in the Hoddle Grid in future, including reference to options for dealing with graded heritage buildings not in the Heritage Overlay.

1.2.2. All known potential candidates for future precinct- or individual site/s based heritage studies within the Hoddle Grid, so as to illustrate a complete view of potential future work.

This discussion paper responds to point 1.2 in relation to heritage protection within the planning scheme (as opposed to Heritage Victoria). The letter required by point 1.1 has been sent.

THE HODDLE GRID STUDY AREA

For the purposes of this paper, the **Hoddle Grid** is the area shown in **blue** (Figure 1). This area incorporates the traditionally understood Hoddle Grid. The study area also includes north east blocks between Swanston, La Trobe, Victoria and Spring Streets. Areas that are subject to a current or recent heritage review such as Amendment C186 or the current Guildford / Hardware Lanes review are also excluded.



Figure 1. Proposed Study Area

BACKGROUND

CITY OF MELBOURNE'S STRATEGIC DIRECTION

1974 STRATEGY PLAN

The City of Melbourne began heritage work in the 1980s, with the following timeline of principal heritage studies for the Hoddle Grid Area:

1982-83

An Interim Development Order for the Central City enabled the first implementation of heritage controls, and in 1983, the Metropolitan Planning Scheme was amended to incorporate its provisions. (The first heritage studies for the Central City were in the late 1970s to early 1980s by/for the Historic Buildings Preservation Council, the Historic Buildings Council and State Government).

1985 STRATEGY PLAN

1985

The first heritage study for City of Melbourne, the *Central Activities District Conservation Study* (Butler), was adopted by Council as part of the 1985 *Heritage of the City of Melbourne Strategy*, and formed advice to State Government as Planning Authority.

1987 GRIDS & GREENERY

1989

The *Little Bourke Precinct Conservation Study* (Butler), was an advisory document for conservation works and appropriate land uses in the Little Bourke precinct (this precinct was identified in the 1985 *Chinatown Action Plan* and *1985 Strategy Plan*).

1993

The *Central Activities District Review* (Goad *et.al.*) was a study that reviewed sites within the Hoddle Grid, making recommendations for the listing of additional sites, artefacts and some interiors, and removal of particular sites from the schedule (e.g. due to demolition since 1985). This study has never been formally adopted.

1999

With the introduction of the new format planning scheme in 1999, some individual buildings and precincts became protected while others were excluded.

2000-02

The *Central Activities District Heritage Shopfronts Survey* (RBA & Associates for National Trust Victoria, funded by City of Melbourne) reviewed the cultural significance of shopfronts within the traditional Hoddle Grid Area (refer Figure 1). The status of this study is not known. The *Review of Heritage Overlay Listings in the CBD* (Raworth), formed planning scheme Amendment C19 in 2001-2002.

2004

The *Heritage Precincts & Local Policy Project* (Gould) identified sixteen culturally significant precincts within the City of Melbourne; ten of these are within the Hoddle Grid. This work has guided the study area for the Guildford and Hardware Lanes (see below).

2008 FUTURE MELBOURNE

2011-13

Amendment C165 for the 'Little Lon. Precinct', introduced heritage controls to a small number of sites in the little Lonsdale Street area.

The 2011 *Hoddle Grid Heritage Review* assessed 100 buildings identified as notable in the 2002 Raworth study. Based on this review, in 2013 the Amendment C186A introduced 87 new individual heritage overlays to the planning scheme. One inter-war Art Deco building and ten post-World War II buildings that had been identified in the review were excluded from the Amendment by State Government, and so remain unprotected. One of the ten post-war buildings has since been demolished.

2015

The *Bourke Hill Heritage Review* was undertaken in parallel with a review of built form design. The outcomes of this work included revised boundaries for the Bourke Hill Precinct heritage overlay, formalised through planning scheme Amendment C240, and a set of mandatory and discretionary built form controls.

Those buildings assessed in Bourke Hill as having cultural significance were assigned the 'A'-D' heritage grading system. While there are no Statements of significance for these buildings, having up-to-date gradings means that they are relatively well protected.

2016+

The ongoing *Guildford and Hardware Lanes Heritage Review* will assess cultural significance of all buildings and spaces in the precinct to form evidence for a planning scheme amendment.

The Heritage Inventory incorporated in the Melbourne Planning Scheme is being updated to the new grading system of individually significant or contributory, including for the Hoddle Grid area. In the update, Amendment C258, the grades are not being reconsidered and only changed to the new system.

CURRENT STATUS

CURRENT PROTECTION UNDER THE PLANNING SCHEME

- A number of precincts and individual buildings are protected under the Melbourne Planning Scheme (Figures 2 and 3). Within the Hoddle Grid area (as defined in Figure 1) there are approximately 771 sites with a building identified as culturally significant (in the 1985 *Central Activities District Conservation Study*, and subsequent heritage reviews such as for Bourke Hill). Over half (60%) of these, including 'A' and 'B' graded buildings, are not adequately protected because they are not situated within a heritage overlay: there appears to be no correlation between the degree of cultural significance and omission from heritage overlays. The fact that so many sites are outside of a heritage overlay renders them vulnerable to demolition or inappropriately scaled and/or sited redevelopment.

In summary, Figures 2 and 3 reveal:

Total Sites With Buildings Graded 'A'-E'	Approx. 771
Total Graded Sites Outside of a heritage overlay	Approx. 460 or 60%



Figure 2. Existing heritage overlays and heritage precincts.



Figure 3. Existing 'A'-'E' graded buildings, heritage overlays and heritage precincts.

NOT UP TO DATE

- Although there has been subsequent heritage work to the 1985 *Central Activities District Conservation Study*, such as the 1993 *Central Activities District Review*, none has been adopted as a replacement to the earlier study. Therefore, the most spatially inclusive heritage review of the Hoddle Grid (and not including all sites) is dated 1985: development applications are currently guided by a study that was completed an entire generation ago.
- Not all potentially significant places, buildings and artefacts have been reviewed. Heritage practice has evolved over the last 30 years, with a broader investigation now undertaken to consider sites for not just their aesthetic and architectural significance, but also social, historic and scientific significance. Cultural significance is also now considered in context to the City of Melbourne's *Thematic History* (2012).
- Due to culturally significant sites being finite, those that survive over time become rarer and so arguably more significant. For example, a building graded 'D' in 1985 may now be a scarce example of a typology or style, and so its significance and protection should be elevated (Figure 4).
- Due to unsympathetic alterations and/or redevelopment, some graded sites may no longer warrant protection status. Given that 48% of the central city has redeveloped since 1985¹, it is highly likely there are such examples in the Hoddle Grid.

NOT COMPREHENSIVE OR COMPLETE

- According to the author of the 1985 *Central Activities District Conservation Study* (Butler), not all sites in the study area were assessed. Approximately 1250-1285 sites were considered as follows:
 - Predominantly pre-World War II buildings (i.e. before 1939).
 - Publicly recognised post-World War II buildings (e.g. AMP Building), as identified in 1956-1960s guides to the city and RAI A awards.
 - Principally for building exteriors, excluding artefacts such as post boxes, service boxes, street paving, lamp post bases and trees.
- In the 2011 *Hoddle Grid Heritage Review*, one inter-war Art Deco building and ten post-World War II buildings were not included in Planning Scheme Amendment C186A by the previous Planning Minister; Amendment C186B is pending approval.
- Due to the above, some post-war sites of potential or proven cultural significance are particularly vulnerable to demolition and/or redevelopment, as they are not registered or included in heritage overlays.
- Urban places such as laneways, which contribute distinctive character and essential urban structure for a complex and dynamic central city, have not been the subject of a broad heritage review, and so are vulnerable to loss of fragile, potentially significant urban fabric (refer to Appendix 1).

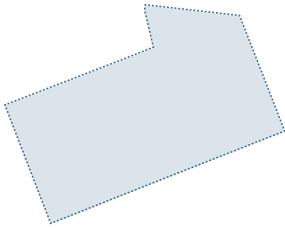


Figure 4. The Port Phillip Arcade in Flinders Street. Much of the upper facade is intact in 2016. The arcade has a 'D' grading, and is about to be demolished. Arguably, this site could have greater cultural significance as a rare surviving example of a Modern arcade inserted into the central city's urban structure by connecting with an existing alley. Further, some of the retail activities within the arcade have been situated there for decades and so have social significance as Melbourne retail "institutions" (e.g. the coin and stamp shop and the cake decorating shop).

¹ This figure is from *Places for People* (City of Melbourne, 2015), and while it includes Docklands and Southbank, the spatial distribution of change is relatively even.

RECOMMENDATION

There are a number of ways in which a heritage review may be undertaken for the Hoddle Grid. The following options are listed in descending order for extent of spatial area and potential sites considered:



OPTION 1

ENTIRE HODDLE GRID IN ONE STUDY: *OPTIMUM*

Undertake a heritage review of every site and laneway within the Hoddle Grid.

Approximate Cost

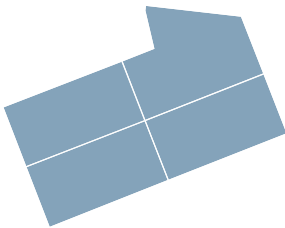
\$1,000,000.²

Pro

The entire Hoddle Grid (as defined in Figure 1) would be assessed in a single study, ensuring all urban context informs the analysis.

Cons

Resource-intensive, requiring at least two City of Melbourne staff members for the duration of the study (estimated to be eight months prior to the planning amendment stage. It is also anticipated that the Panel Hearing will be resource intensive as Amendment C186 for the Hoddle Grid took 10 days to introduce 100 new buildings into the planning scheme).



OPTION 2

HODDLE GRID QUADRANTS: *PREFERRED*

Undertake a heritage review of a quarter of the Hoddle Grid at a time, starting with the south-west quarter (see Figure 4).

Approximate Cost

\$250,000 for each quadrant.³

Pro

More manageable study area compared to Option 1, with four discrete studies undertaken over time.

Cons

Analysis may be compromised by spatial limitations to urban context, particularly along the perimeter of each study quadrant. Sites vulnerable to redevelopment that are located in later quadrants, may be demolished or redeveloped before the required heritage review and Planning Scheme Amendment can be completed.



OPTION 3

SPECIFIC SITE SELECTION: *INTERIM*

Undertake a heritage review of specific sites, selected for such parameters as being graded by City of Melbourne and situated outside of a heritage overlay.

Approximate Cost

\$500,000.⁴

Pros

More manageable study area compared to Options 1 and 2; the fastest option for addressing the issue of graded buildings unprotected by a heritage overlay.

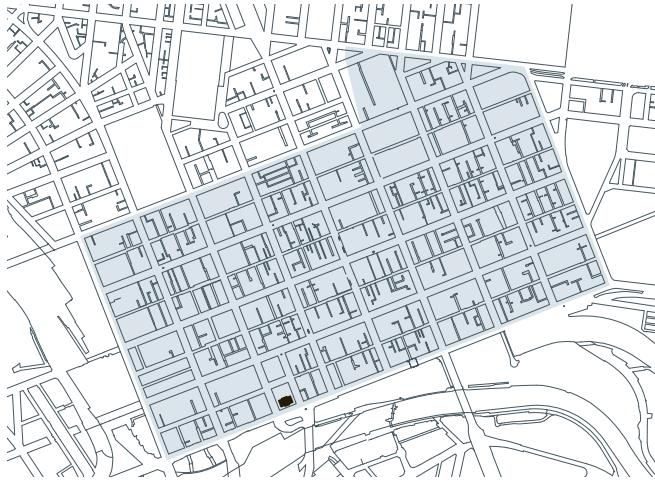
Cons

Analysis may be compromised by spatial limitations to urban context, particularly as the review would be site specific. Unlisted sites would not be assessed. This is particularly an issue for buildings, places and artefacts dated after 1945, because previous studies and planning scheme amendments have focussed on pre-World War II sites.

² Based on the 2015/2016 budget for Guildford and Hardware Lanes Heritage Review.

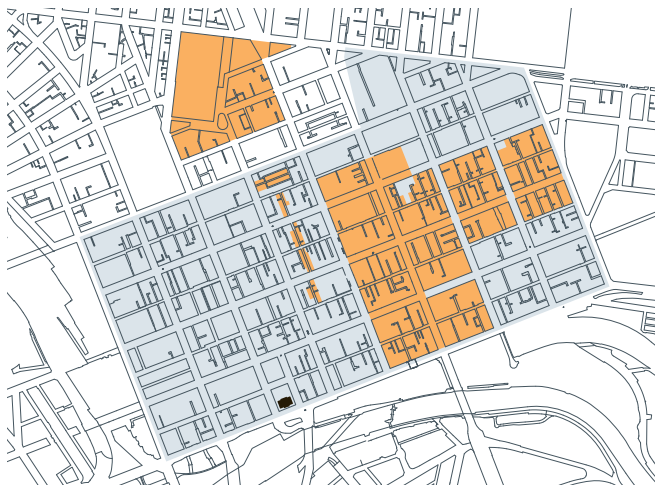
³ As above.

⁴ Based on a per site estimate for all graded properties currently excluded from heritage overlays. **7**



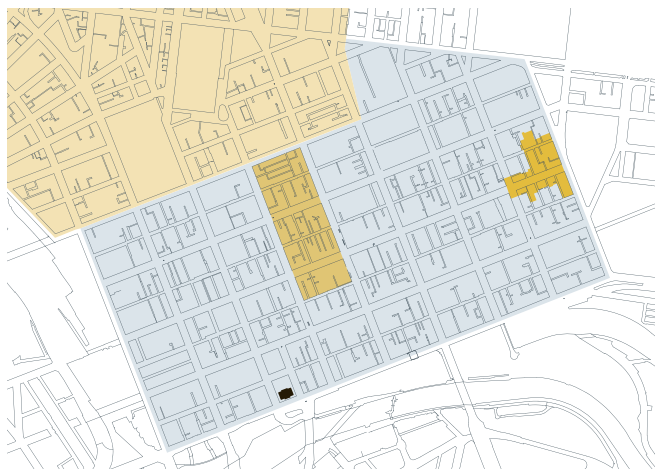
HISTORIC URBAN FABRIC

The oldest part of the Hoddle Grid is south west around Customs House (Immigration Museum). While the western half of the Hoddle Grid has undergone substantial phases of redevelopment, including the replacement of industrial sites with commercial buildings (1960s-1990s), and residential towers (2000s+), it is likely there is remnant and potentially significant fabric in the form of buildings, structures, artefacts and places (e.g. laneways and alleys).



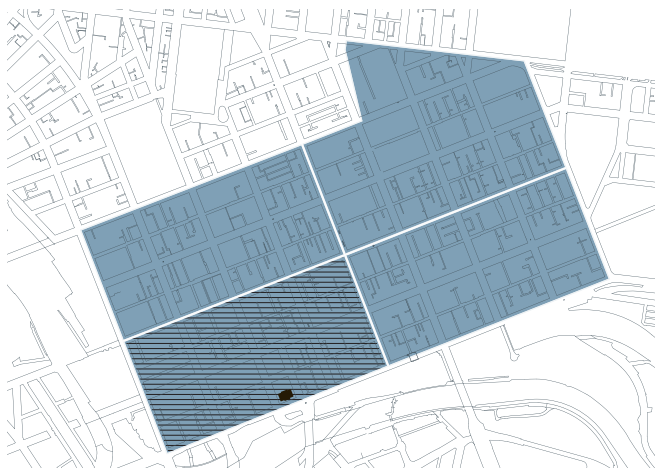
SCALE OF REDEVELOPMENT

There are a number of interim height controls in the eastern half of the Hoddle Grid and around QVM, which ensure that the scale of redevelopment is more appropriate to potentially significant urban fabric (in the assumption that towers and podium towers dated 2000+, will not have cultural significance). The western portion of the Hoddle Grid does not have such height controls.



HERITAGE REVIEWS

There are recent and current heritage reviews being undertaken for the northern, central and eastern parts of the Hoddle Grid, which will identify and protect any culturally significant urban fabric. There are no such studies in the western portion, with the last comprehensive study undertaken in 1985.



PROPOSED FIRST OPTION 2 STUDY

Due to all of the above, it is recommended that the Option 2 heritage review commences in the south western quadrant.

Figure 4. OPTION 2 - Study Area Quadrants

CONCLUSION: THE NEED FOR A HODDLE GRID HERITAGE REVIEW

Currently in the Hoddle Grid, Victoria's capital city and cultural centre, heritage protection needs to be updated.

The most comprehensive heritage study of the Hoddle Grid was undertaken **an entire generation ago**. This study did not assess all sites and was limited to buildings with places and artefacts excluded from consideration. **Over half (60%)** of currently graded sites are not protected by heritage overlays, and there are potentially many significant buildings, places and artefacts, particularly from Inter-War and Post-War periods, which have not yet been identified and/or listed.

Unprotected sites are vulnerable to demolition or redevelopment, which has a profoundly negative impact on a city's urban character and resilience. This is because historic buildings and places are well understood as contributing to:

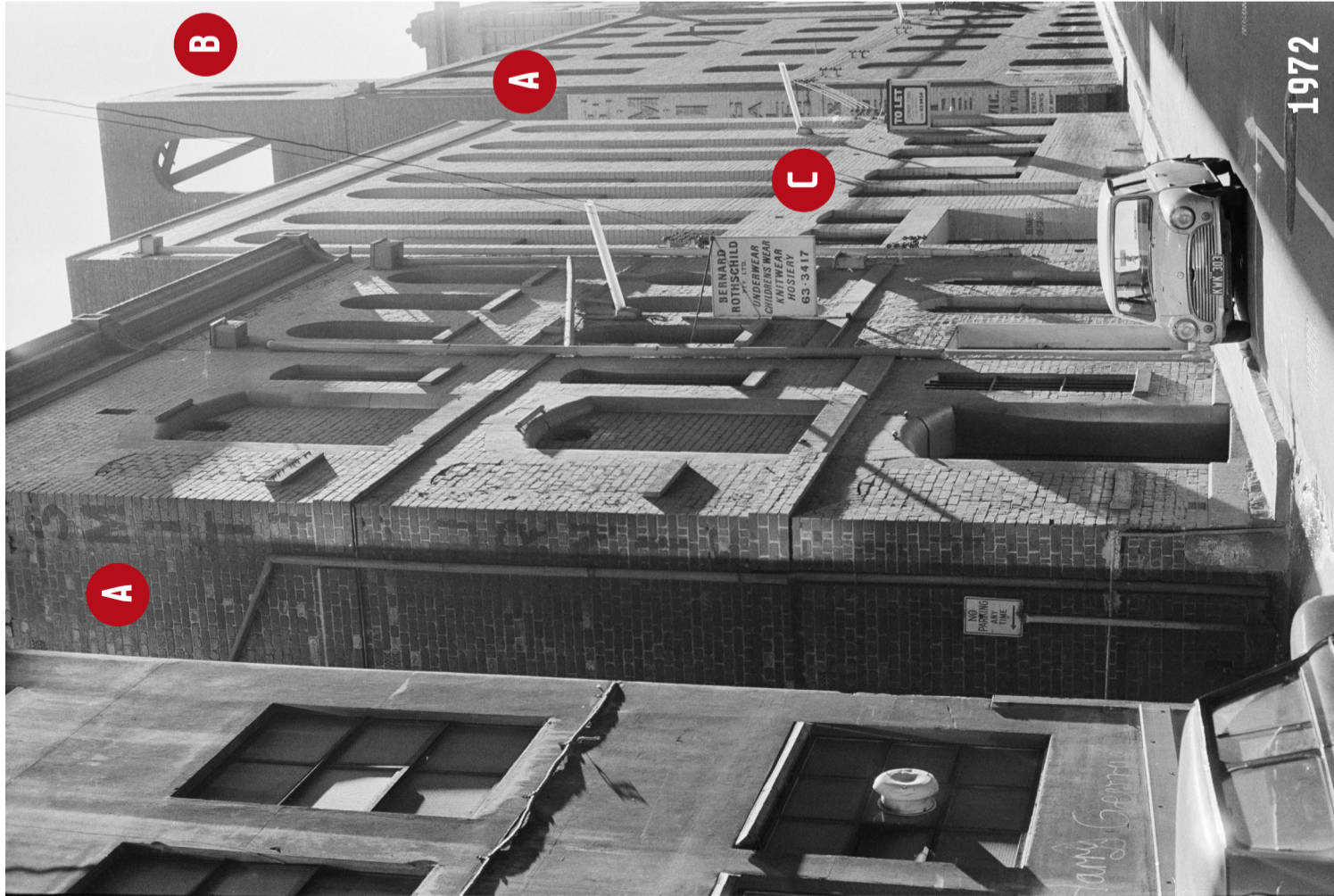
- Evidence of the past, including periods of growth and change in social, cultural and economic circumstances.
- Richness in urban form and structure, whose complexity in layering and resulting distinctiveness, may help cultivate local connections and exchange, and distinguish Melbourne as a place of many places for visitors.
- Economic and social resilience - through a diversity of places and tenancies that support a range of businesses, households and community needs.
- Environmental resilience - offering opportunities for adaptive reuse that embody significantly less environmental costs than demolition and new construction.

LOST SINCE 1972

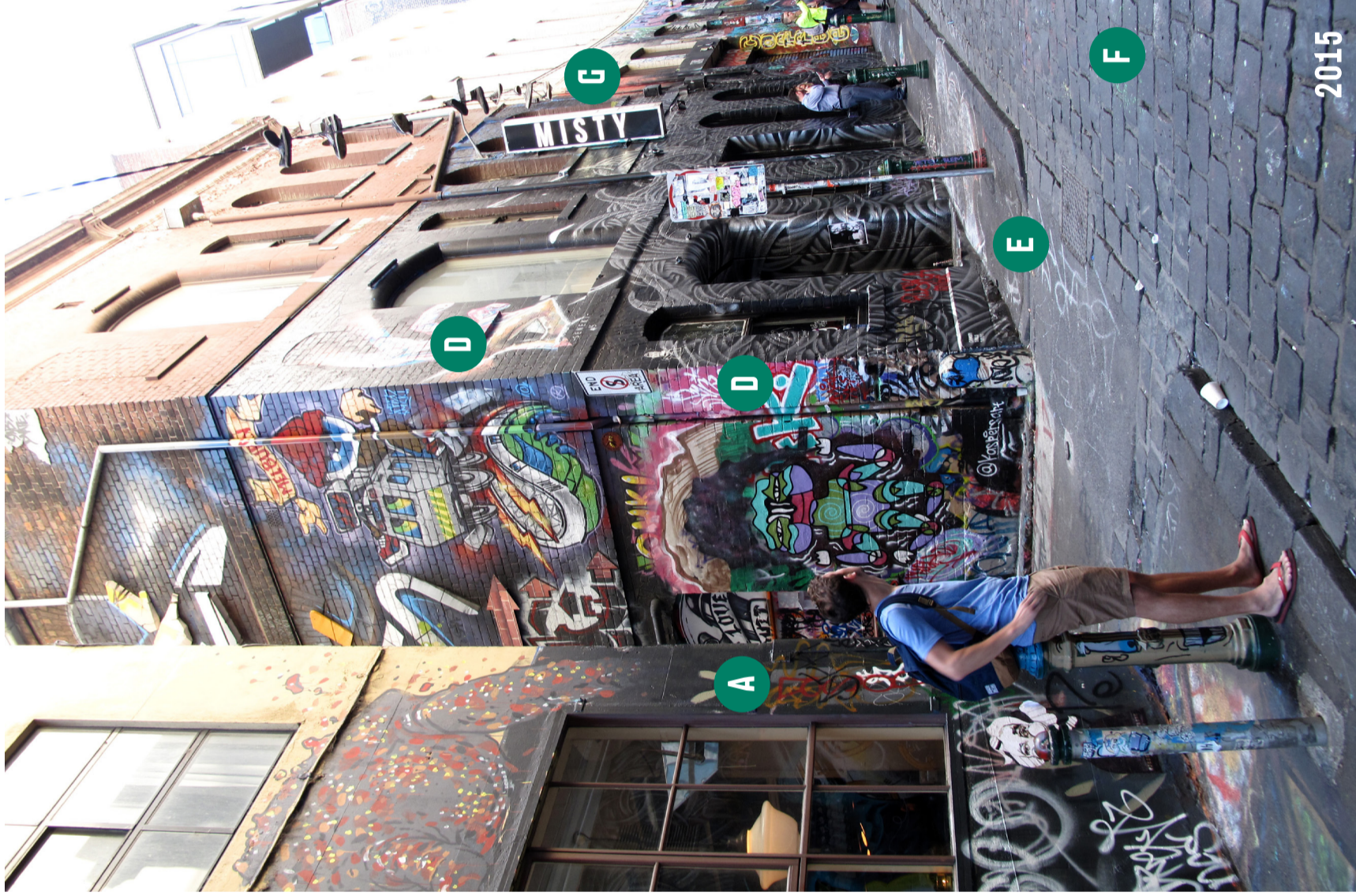
- A** Loss of industrial and commercial signage.
- B** Loss of historic built fabric.
- C** Loss of productive land uses.

GAINED SINCE 1972

- D** Formerly bricked-in windows have been reinstated.
- E** Improved provision for pedestrians, including wider footpaths.
- F** Historic bluestone pavers re-installed in the 1980s (asphalt was laid for the 1956 Olympics).
- G** Buildings' adaptability to ongoing internal occupancy and as a canvas for street art.



'Before' and 'After' photos of Hosier Lane reveal what has been lost and gained over time, and so what opportunities exist for future conservation of historic buildings and laneways.



2015



2000s

LOST IN CALEDONIAN LANE (LEFT)

- A** Loss of historic built fabric that engages with the lane.
- B** Loss of multiple local tenancies.
- C** No improvements to the pedestrian environment.

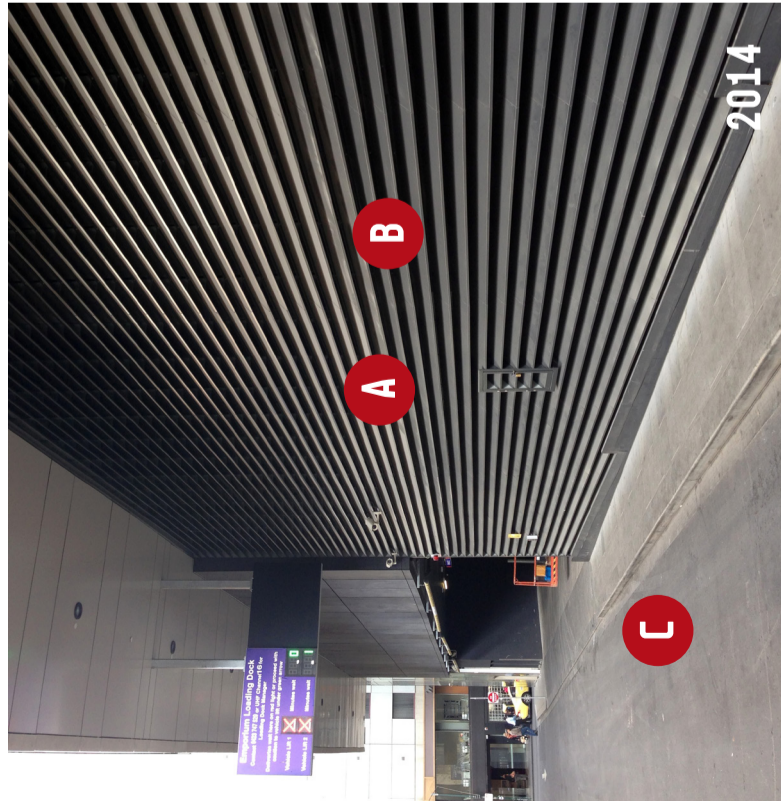
LOST OR GAINED IN AC/DC LANE (RIGHT)

- D** Loss of original built fabric; replaced with contemporary design that has no relationship with the remaining fabric in the lane.
- E** Arguably, despite the intrusion of inappropriate redevelopment, the new building contributes to a more active laneway through a more porous facade.



2000s

D



2014

B

A

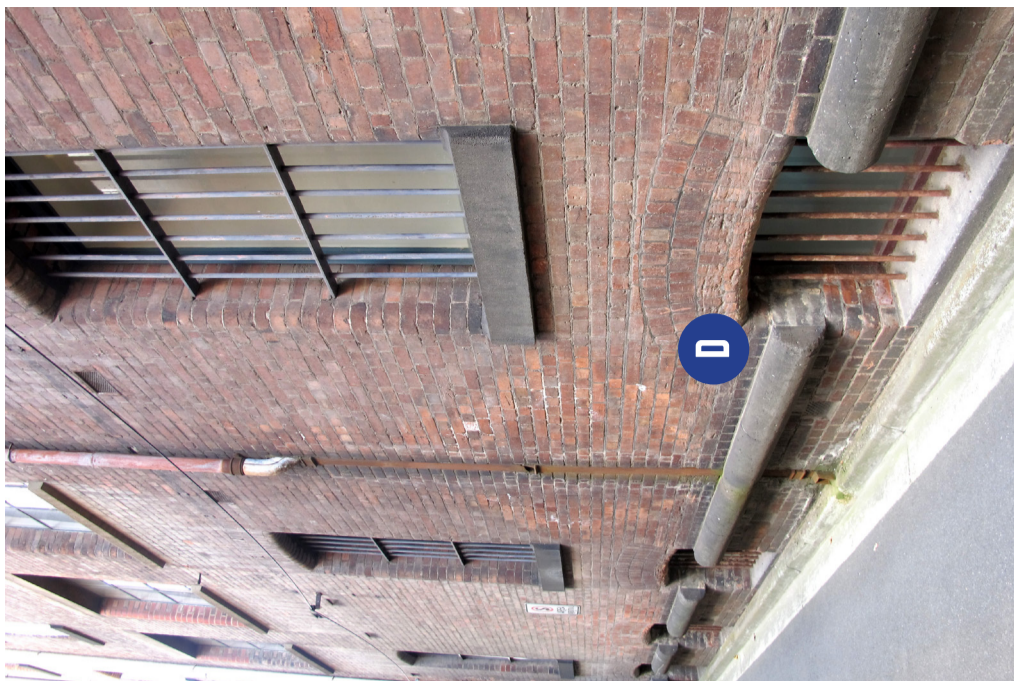
C



2015

E

'Before' and 'After' photos of Caledonian Lane (left) and AC/DC Lane (right) reveal what has been lost and gained over time, and so what opportunities exist for future conservation of historic buildings that front or back onto laneways.



A Historic signage provides an indicator of past land uses and examples of historic graphic design.

Historic warehouse design and infrastructure are evidence of original uses, including:

B Rope Pulleys.

C Upper floor entries to storage.

D Timber or stone crash barriers.

*Potentially vulnerable historic fabric in Hoddle Grid laneways.

