

PLANNING COMMITTEE REPORT

Agenda Item 3.4

4 April 2006

SCOTS CHURCH REDEVELOPMENT, CORNER LITTLE COLLINS AND RUSSELL STREETS, MELBOURNE

Division Sustainability & Innovation

Presenter Con Livanos, Manager Development Planning

Purpose

1. To advise the Committee of Permit Application No. P7188 to Heritage Victoria under the *Heritage Act 1995* for the demolition of several buildings on the corner of Russell and Little Collins Street, including the Scots Church Car Park (which is included on the Victorian Heritage Register and also known as the Former Victoria Car Park), and the redevelopment of the site by the construction of a 10 storey building (ground floor plus nine levels above) with a nominal height of 40m to its roof parapet.

Summary

Application Number: Permit Application No. P7188 to Heritage Victoria

Proposal: Demolition of several buildings on the site and the redevelopment of the site by the construction of a 10 storey building

Applicant: The Scots Church Properties Trust

Zoning: Capital City Zone 1

Overlay: Design and Development Overlay, Schedule 1 (Active Street Frontages), Schedule 2 (Height Controls – Capital City Zone: Area 9, discretionary height control of 30 metres), Schedule 3 (Traffic Conflict Frontage), Schedule 4 (Weather Protection)

Heritage Overlay, Schedule 919 which relates only to the “Former Victoria Car Park, 103-107 Russell Street and 181-191 Little Collins Street”.

Existing Use: Retail, office, public carpark

Number of Objections: Not applicable.

Recommendation

2. That the Planning Committee advise the Executive Director of Heritage Victoria that Council supports the demolition of the Scots Church Car Park on the grounds that:
 - 2.1 the proposed development will be a worthy replacement for the existing building in that it will:
 - 2.1.1 enhance the existing Scots Church via setbacks and height restrictions;

- 2.1.2. provide a high quality environmentally sustainable design (ESD) performance; and
- 2.1.3. reactivate small commercial tenancies in Little Collins Street, and
- 2.2. whilst the registration of the Scots Church Car Park is acknowledged, it is not considered to be of sufficient importance, especially given it has functional deficiencies as an effective car park, to thereby warrant the refusal of the application.

Key Issues

Subject Site

- 3. The subject site is located on the south west corner of Little Collins and Russell Streets, Melbourne and comprises:
 - 3.1. the Former Victoria Car Park buildings at 103-107 Russell Street and 181-191 Little Collins Street;
 - 3.2. the building on the corner of Russell and Little Collins Street at 109-113 Russell Street; and
 - 3.3. the Scots Church Hall at 99-101 Russell Street.
- 4. A Locality Plan is included at Attachment 1.
- 5. Also included in the Scots Church Precinct, but not directly related to the subject application, is the Scots Church at 77-95 Russell Street and the Assembly Hall at 156-160 Collins Street.

Proposal

- 6. The development of this site was previously considered by the former Planning, Development and Services Committee at its meeting on 17 September 2002. At that time, the Scots Church Car Park (Former Victoria Car Park) was nominated for registration on the Victorian Heritage Register. The Committee considered this nomination and resolved to support the development proposal, including the demolition of the car park building.
- 7. The history of its nomination on the Victorian Heritage Register is outlined under paragraphs 38 to 43.
- 8. The Scots Church Car Park has now since been added to the Victorian Heritage Register and included in the Heritage Overlay under the Melbourne Planning Scheme.
- 9. Approval of its demolition and the replacement development is therefore required from Heritage Victoria under the *Heritage Act 1995*.
- 10. As required by the *Heritage Act 1995*, Council has been referred the demolition application for comment.
- 11. In November 2004, amended plans were submitted to the Minister for Planning. The Department of Sustainability and Environment (on behalf of the Minister for Planning) required that the application be re-advertised given the time that had lapsed since the initial lodgement and advertisement of the application in 2002 and given that the Scots Church Car Park had now been included on the Victorian Heritage Register and in the Heritage Overlay.

12. The amended plans are generally consistent with the previous development plans considered by the Committee in September 2002, except that:
 - 12.1. the Scots Church Car Park (Former Victoria Car Park) is now included on the Victorian Heritage Register; and
 - 12.2. there is a reduction in the height of the development from 12 storeys to 10 storeys (ground floor plus nine levels above, with three levels of basement car parking).
13. A copy of relevant plans submitted to Heritage Victoria are included at Attachment 2.
14. The applicant describes the replacement building as:

“Entrances will be located on both Little Collins and Russell Streets, with a double height main entry off the latter, and an additional loading bay entrance off Little Collins Street. The building will comprise three basement levels (incorporating car parking, storage and service areas), a double-height ground floor and mezzanine (with retail spaces on the north and east sides, restaurant/bar, lift/building lobby, loading area, landscaped seating and passive recreation spaces, and mezzanine offices), and eight levels above dedicated to office and commercial spaces. A void will be located centrally within the building, and will extend from the ground floor to the top of the building. Levels five and above will be ‘cut in’ and stepped back on the south, east and north elevations, incorporating open landscaped terraces. The east setback is also consistent with ensuring views of the spire are retained from the north. External treatments include double-glazed curtain walls, metal and glass sunshading, solar control glazing, glass and steel canopies over the retail spaces at ground level, and vertical and horizontal accent bars on the north and east facades. The plant room and lift overrun on the roof will be clad with copper verdigris metal panels.”

15. The Minister for Planning will not make a decision on the amended planning permit application until such time that Heritage Victoria makes a determination on the application to demolish the Scots Church Car Park.

Assessment

16. The assessment of the proposal can be considered under three key issues. These are as follows:
 - 16.1. heritage significance of the Scots Church Car Park;
 - 16.2. demolition of the Registered Building; and
 - 16.3. suitability of the Replacement Development.

Heritage Significance of the Scots Church Car Park

17. The Heritage Victoria Statement of Significance for the Scot Church Car Park (Former Victoria Car Park) is as follows:

What is significant?

The Former Victoria Car Park was constructed in 1938 in reinforced concrete to a design by noted Melbourne architect Marcus Barlow for the Victoria Car Park Investments Ltd. Built in two distinct sections of four storeys, one facing Russell Street, the other facing Little Collins Street, the facades are in a restrained streamlined style, designed to look like an office or warehouse. The Russell Street façade has 'strip' windows, contrasted with a vertical element, capped by a small square tower, and the car entry/exit at the ground level. The rear section, facing

Little Collins Street, has horizontal windows, with a vertical curved corner element, includes long ramps with quarter-circle ends to access each floor. The painted off-form concrete interior includes space for 400 cars. On the ground floor there are two shops facing Russell Street and five facing Little Collins Street.

It was used as a car park until 1944. During World War II, the building was used by the Department of Labour and National Service and the Australian Women's Land Army and by a number of other government departments and agencies. Its conversion into office space for government presumably resulted from wartime demand for office accommodation and a reduced need for car parking in Melbourne because of petrol rationing. The building was later known as the State Government Annex, and included the architectural office for the Public Works Department, the Housing Commission and the Council of Adult Education. A car servicing and washing space remained on the ground floor, with car parking space in the basement used as the Public Works Department garage. The conversion of the building, which became known as the State Government Annex, for office space with a caretaker's flat, was designed by Percy Everett, Chief Architect of the Public Works Department in 1949.

When built, the car park was located in a small precinct very much given over to the motor car. The south-west corner of Russell and Little Collins Street was occupied by Standard Motors, motor car agents. The south east corner was taken up by Preston Motors, and there were ground level parking allotments in Little Collins Street. The car sales industry was still predominantly a luxury trade and these businesses and the new car park were strategically located in the central business district close to the top end of Collins Street. The place was therefore in one of the heartlands of wealthier Victorians who were more likely to be car owners and who frequented the quarter with its private clubs, theatres and cinemas, consulting rooms for leading medical specialists, exclusive shops and department stores, Town Hall and prominent churches. It was within easy reach of Bourke Street and Parliament House.

Its early demise as a car park may be attributed to several factors, including the possibility of design shortcomings and poor commercial judgement, but more particularly to the great reduction in car usage from early in the war, which failed to make the building profitable to its owners. The building was leased to the government and most of it was converted into office accommodation (the ground floor and basement of the Little Collins Street remaining as a garage and car servicing areas).

The Former Victoria Car Park is the earliest multi-storey car park constructed in Melbourne. In other States, multi-storey car parks came later. In Sydney, the first multi-storey car park in the central city was under construction in 1955. All the other capital cities had yet to construct multi-level car parks in the 1950s, relying on off-street ground-level parking lots and street parking.

How is it significant?

The Former Victoria Car Park is historically and architecturally significant to the State of Victoria.

Why is it significant?

The Former Victoria Car Park is historically significant in the history of motoring in Victoria as the first building purpose-designed as a multi-storey commercial car park in Melbourne, different in kind to previous garages and pre-dating the next multi-storey example by fifteen years. Its construction was a direct commercial or speculative response to an emerging need and opportunity for large scale parking facilities in the city area prior to World War II. Its construction marks a point that

had been reached where motor car traffic had outgrown the capacity of the city to deal with it efficiently. It was for Melbourne a precursor of the post-war period when commercial provision of large volumes of off-street parking became essential to economic well being and growth of the Central Business District and the wider city area. At the same time, in its original conception and design, it demonstrated some clear differences between motoring before and after the war.

The architecture and fabric of the building, while undistinguished in the broader context, are of sufficient quality and intactness to demonstrate the historical significance. They were appropriate in scale and design to complement the quality of neighbouring buildings while the structure on Little Collins Street was able unambiguously to proclaim its purpose. The original design, which had some cumbersome and impractical elements and was soon outmoded by developments in car park architecture, nevertheless seemed appropriate to the needs of the time and contained some ingenious solutions to a confined and irregular space.

Demolition of the Registered Building

18. The *Heritage Act 1995* provides for the Executive Director of Heritage Victoria, when considering an application for a permit, to consider:

“...the extent to which the application is refused, would affect the reasonable or economic use of the registered place or registered object, or cause undue financial hardship to the owner in relation to that place or object...”

19. The applicant advises that the Scots Church Property Trust owns all the buildings in the Scots Church Precinct, save for the Assembly Hall at 156-160 Collins Street, which is owned by the Presbyterian Church. The applicant further advises that:

“The Scots Church Trust has specific obligations to meet with regard to its properties...These obligations govern the distribution of income received from the Trust’s properties, a substantial portion of which is required to support the delivery of the Church’s services and work in the community, and the maintenance and ‘improvement’ of Church buildings. Ensuring a sustainable rental income from the Scots Church properties is crucial to meeting these obligations of the Trust Deed.

The Scots Church Trust has entered into an agreement with the Presbyterian Church to purchase the Assembly Hall...Funding for the purchase and upgrade of the Assembly Hall is proposed to derive from the development on the northern portion of the Scots Church precinct...The development is also intended to provide an income stream from the Church’s ongoing use of the subject site, maintenance of buildings, and delivery of Church services.”

20. The applicant argues that the effect of a refusal would undermine the potential positive outcomes outlined above.
21. This may be the case, but the positive outcomes outlined by the Church need to be assessed against the suitability of the demolition of the Scots Church Car Park (Former Victoria Car Park) which has a site specific Heritage Overlay, is graded ‘C’ under the Council’s 1993 Central City Heritage Study and included on the Victorian Heritage Register.

22. Local Policy, *Heritage Places within the Capital City Zone* at Clause 22.04 states that:

“the demolition or alteration of any part of a heritage place should not be supported unless it can be demonstrated that action will contribute to the long-term conservation of the significant fabric of the heritage place.”

23. As noted earlier however, when the development application was previously considered by Committee in September 2002, the Former Victoria Car Park was nominated for inclusion to the Victorian Heritage Register. Heritage issues were therefore considered by that Committee. The report to Committee advised:

Given the relationship with the adjoining Heritage precinct Council has undertaken a heritage assessment of the proposal and the main issues raised are:

- *the buildings to be demolished contribute to the character of the area and the loss of these buildings as a group is likely to have a greater impact than their individual gradings suggest;*
- *the proposed building’s height and bulk is likely to result in a building which is visually dominating as a backdrop to Scots Church; and*
- *the proposal has a large footprint which results in a loss of grain, ie. individual buildings and small tenancies, within the streetscape and coupled with the proposed ground level ‘corporate’ image is not in keeping with the established character of this relatively intimate narrow street environment.*

The Wilson’s car park building has been recommended for nomination on the state heritage register. The property is noted in the 1985 Central City Conservation Study as being graded C, noted for its Modern style and features including curved form and concrete construction (c1938). A hearing by Heritage Victoria has been scheduled for 25th September 2002. While it is acknowledged that there is a pending nomination upon which Heritage Victoria will make a decision, the new development proposal should be assessed on its merits not withstanding the outcome of the nomination. Should the building be included on the register there is still a process where a permit may be issued for demolition based on economic rationale.

From a general urban design perspective it can be argued that the retention of these existing buildings is not necessarily required in order to complement the existing character of the locality. There is opportunity to create a modern, interesting building which enriches the mix of building types in the CBD. However, if demolition of graded buildings are to be contemplated the new building must be of greater merit than the existing buildings. The retail levels of the new building have been designed to recreate small commercial tenancies to preserve the fine grain of the streetscape.

24. It is submitted that the same arguments are still relevant.

Suitability of the Replacement Development

25. As previously acknowledged, the proposed replacement development is very similar to that considered by Committee in September 2002, to which no objection was offered to the Minister for Planning, subject to several conditions.

26. The report presented to Committee concluded that:

“The proposal is now a highly developed architectural response to the site with an exemplary ESD performance. Its construction, including alterations recently offered by the applicant or achievable by condition on permit, is now considered to compensate for the demolition of the existing buildings and the interruption of commercial activity on the site...”

27. The applicant has proposed a 5 Green Star rating, which is higher than the current Green Star rating stipulated under Council's recently adopted Environmentally Sustainable Office Buildings Policy (Clause 22.19 of the Melbourne Planning Scheme), which requires a 4 Green Star rating (in addition to other environmental impact reduction criteria).
28. The amended plans submitted to the Minister for Planning (November 2004) that indicate a reduction in height from 12 storeys to 10 storeys (a reduction in height to 40 metres) is considered to be a significant improvement when compared to the development previously considered by the Committee in September 2002.
29. The development application now before Heritage Victoria is the same as the amended plans of November 2004. It continues to be considered that the replacement proposal is a worthy successor to the existing buildings on the site proposed to be demolished.

Relation to Council Policy (including Municipal Strategic Statement)

30. Council's *Municipal Strategic Statement* (at Clause 21) seeks to conserve and enhance places and precincts of identified cultural heritage significance. Within the Central City, it is policy that development is sympathetic to the heritage values of adjacent heritage areas and places.
31. Local Policy '*Heritage Places Within the Capital City Zone*' (at Clause 22.04) identifies that much of Melbourne's charm is provided by its older buildings, which, while not always of high individual significance, together provide cultural significance or interest. Relevant objectives of the policy include:
 - 31.1. to conserve and enhance all heritage places, and ensure that any alterations or extensions to them are undertaken in accordance with accepted conservation standards;
 - 31.2. to consider the impact of development on buildings listed in the Central Activities District Conservation Study and the South Melbourne Conservation Study; and
 - 31.3. to conserve and enhance the character and appearance of precincts identified as heritage places by ensuring that any new development complements their character, scale, form and appearance.
32. It is policy that the following matters are taken into account when considering applications for buildings, works or demolition to heritage places as identified in the Heritage Overlay:
 - 32.1. the demolition or alteration of any part of a heritage place should not be supported unless it can be demonstrated that that action will contribute to the long-term conservation of the significant fabric of the heritage place; and
 - 32.2. regard shall be given to buildings listed A, B, C and D in the individual conservation studies, and their significance as described by their individual Building Identification Sheet.

Time Frame

33. Under the *Heritage Act 1995*, the Executive Director must determine an application within 60 days after its receipt. Heritage Victoria advises that a decision needs to be made before 16 April 2006.

Consultation

34. As required under Section 71 of the *Heritage Act 1995*, the Executive Director of Heritage Victoria has referred the application to the City of Melbourne as the responsible authority for the area in which the registered place is situated.

Finance

35. There are no direct financial implications arising from the recommendations contained in this report.

Legal

36. Relevant provisions of the *Heritage Act 1995* (“the Act”) are accurately detailed in the report.

Sustainability

37. There are no significant sustainability impacts.

Background

38. In 2002, the Executive Director of Heritage Victoria received a nomination to include the Former Victoria Car Park at 103-107 Russell Street and 181-191 Little Collins Street on the Victorian Heritage Register.

39. The former Planning, Development and Services Committee at its meeting on 8 August 2002 considered the nomination request and neither supported, nor objected to the nomination. The Committee resolved:

That the Planning, Development and Services Committee recommend that Council:

- *note the Executive Director, Heritage Victoria’s recommendation to include the former Victoria Park, Scots Church Car Park at 103-107 Russell Street and 181-191 Little Collins Street, Melbourne on to the Victorian Heritage Register;*
- *note that it is the role of Heritage Victoria to consider all the relevant matters and given an opportunity for all parties to be heard before making a decision on the proposed addition to the Victorian Heritage Register;*
- *note the various views and provide a response to the Executive Director, Heritage Victoria recommending consideration of issues raised in this report and further research to be undertaken in relation to this subject site; and*
- *request that when a Decision is made by Heritage Victoria on the registration of the building, that the Planning, Development and Services Committee be informed of the Decision.*

40. Concurrently, an application was lodged with the Minister for Planning for a major development of the above site, principally proposing:

- 40.1. the demolition of the Former Victoria Car Park at 103-107 Russell Street and 181-191 Little Collins Street;
- 40.2. demolition of the building on the corner of Russell and Little Collins Street at 109-113 Russell Street;
- 40.3. demolition of the Scots Church Hall at 99-101 Russell Street; and
- 40.4. the construction of a 12 storey building which had a 6 storey podium, a 6 level tower above and 4 basements of car parking.

41. The proposal was presented to the meeting of the former Planning, Development and Services Committee at its meeting held on 17 September 2002. In considering the application, it was noted that the Former Victoria Car Park had been nominated for inclusion to the Victorian Heritage Register and heritage issues were considered by the Planning, Development and Services Committee.

42. The resolution of the former Planning, Development and Services Committee was:

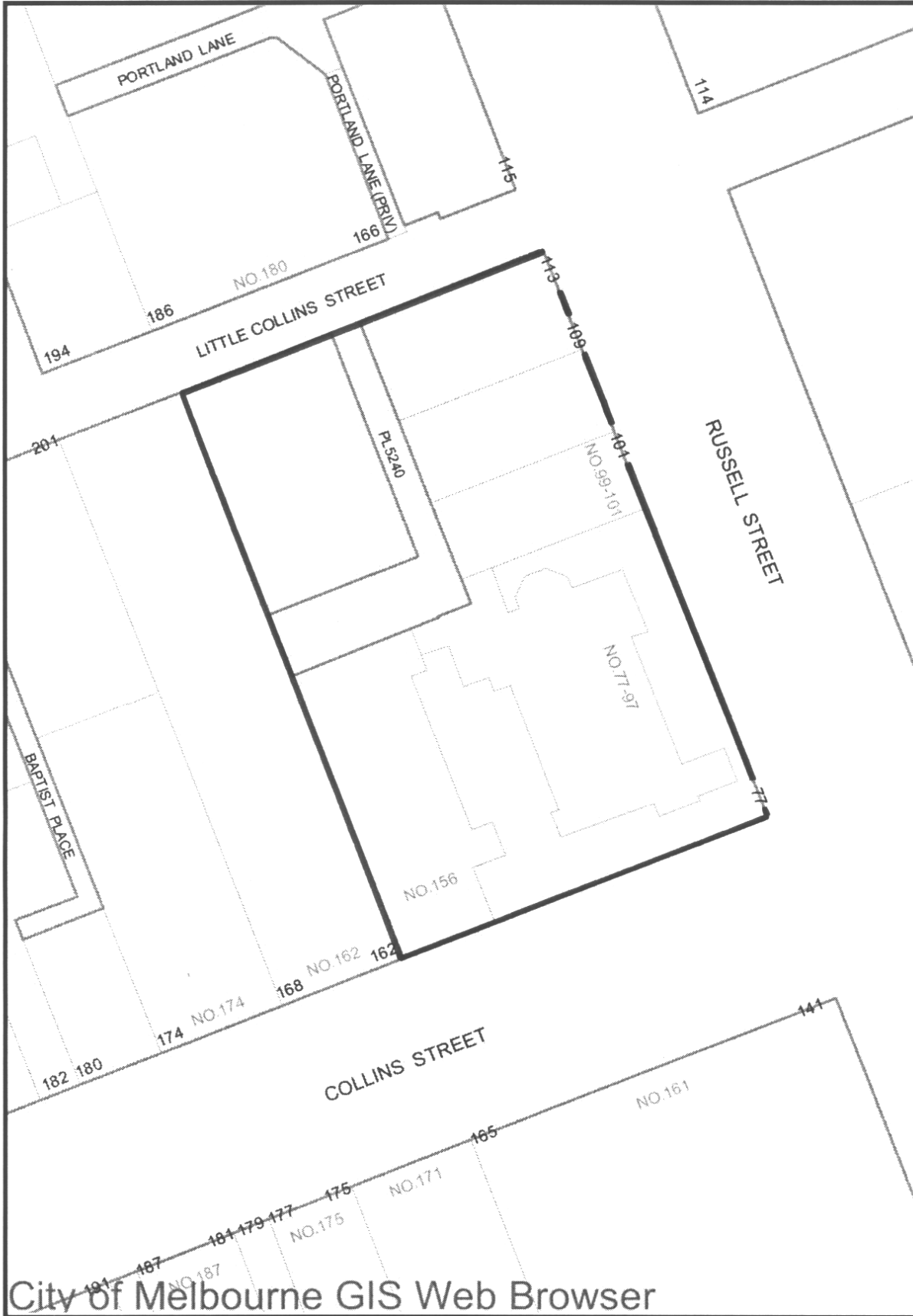
That the Planning, Development and Services Committee:

- *Recommend that Council advise the Minister for Planning that Council supports the proposal subject to the conditions set out in Attachment 3; and*
- *Request the applicant, in partnership with the Council, consult and use its best endeavours, with the current financial retail tenants regarding relocation and compensation.*

43. The Former Victoria Car Park was added to the Victorian Heritage Register on 17 October 2002, after the Committee's consideration of the development proposal. As mentioned previously, the car park was also included in the Heritage Overlay under the Melbourne Planning Scheme and the building is also listed as a C-graded building under the Council's 1993 Central City Heritage Study.
44. The building on the corner of Russell and Little Collins Street at 109-113 Russell Street is listed as a C-graded building under the Council's 1993 Central City Heritage Study.
45. The Scots Church Hall at 99-101 Russell Street is listed as a C-graded building under the Council's 1993 Central City Heritage Study.
46. Also included in the Scots Church Precinct, but not directly related to the subject application, is the Scots Church at 77-95 Russell Street and the Assembly Hall at 156-160 Collins Street, both of which are listed as A-graded buildings under the Council's 1993 Central City Heritage Study.
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Attachments:

1. Locality Plan
2. Development Plans



- Legend**
- MCC Municipal Boundary
 - Docklands Boundary
 - Road Layout**
 - BRIDGE
 - STREET_ALIGN1
 - STREET_ALIGN3
 - STREET_ALIGN5
 - WATER
 - WATER2
 - Property
 - Freeway Overland
 - River

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FINANCE ATTACHMENT

**SCOTS CHURCH REDEVELOPMENT, CORNER LITTLE COLLINS AND RUSSELL
STREETS, MELBOURNE**

There are no direct financial implications arising from the recommendations contained in this report.

Joe Groher
Manager Financial Services

LEGAL ATTACHMENT

**SCOTS CHURCH REDEVELOPMENT, CORNER LITTLE COLLINS AND RUSSELL
STREETS, MELBOURNE**

Relevant provisions of the *Heritage Act 1995* (“the Act”) are accurately detailed in the report.

Under section 71 of the Act an application for a permit must be referred to the responsible authority for the area in which the registered place is registered.

Under section 73, in determining the permit application, the Executive Director must consider various matters including but not limited to:

(a) *the extent to which the application, if approved, would affect the cultural heritage significance of the registered place...;*

.....

(c) *any submissions made*’ in relation to the permit;...

Under section 74 of the Act the Executive Director may determine

‘(a) to issue the permit for the proposed works and activities; or

(b) to issue the permit for some of the proposed works and activities specified in the application; or

(c) to refuse to issue the permit.’

Under section 74(3) of the Act the permit may be issued on any terms and conditions the Executive Director thinks fit.

There are appeal rights available as set out in the Act.

Kim Wood
Manager Legal Services