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### **THE LEGISLATIVE COUNCIL GOVERNMENT ADMINISTRATION COMMITTEE B MET AT THE TOWN HALL, ADELAIDE CITY COUNCIL, ADELAIDE ON WEDNESDAY, 2 SEPTEMBER 2015.**

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#### **BUILT HERITAGE TOURISM IN TASMANIA**

DISCUSSION WITH Mr MARTIN HAESE, LORD MAYOR, AND Mr SANDY WILKINSON, Mr RICK HUTCHINS, Mr KEVIN O'SULLIVAN AND Ms NAOMI TYSON, ADELAIDE CITY COUNCIL.

**CHAIR** (Mr Valentine) - Thank you very much for making yourself available to us.

**Mr HAESE** - I welcome the committee here today. It is a great pleasure to have you here in the City of Adelaide. We are currently celebrating our 175th year as a local government, which places the Adelaide City Council as the first local government in Australia. We have a great accolade which we are acknowledging in 2015. The Town Hall, where we are today, next year celebrates 150 years of this building. We are very cognisant of built-form heritage, cultural tourism. In many ways we're embarking upon this journey ourselves through a piece of work which administration is currently working on to identify what the opportunities are around celebrating heritage and how that connects with tourism.

Only two weeks ago I was in Burra, a town in the mid-north of South Australia. I think Burra does the whole history tourism very well. Burra has a wonderful history.

This is a journey of mutual learning. We are very much looking forward to learning about the work you are doing and also in sharing the work we are currently doing. I believe this has mutual importance to both South Australia and Tasmania.

**CHAIR** - How much of the heritage fabric in your city is given over to being repurposed into tourism or are they still functioning as, say, public offices?

**Mr HAESE** - We have quite a number of notable public buildings, many of which are in the cultural space, which from a built heritage/tourism perspective are very prominent. I am talking about our art gallery, the museum, the Mortlock Library - which is the original library of South Australia - the Institute Building, Government House, Parliament House, Elder Hall, our university buildings and so on. That is a very celebrated precinct in the cultural and education space in the City of Adelaide. There are quite a number of commercial buildings which have varying degrees of occupancy. Some have been repurposed into other uses and some haven't, and therein lies a bit of a challenge and an opportunity for both of us. The dynamics may be similar in Tasmania and we can discuss that.

To some degree over the decades it has been the lack of development in Adelaide which has saved much of our historic building stock, which we now, thankfully, realise has huge intrinsic value and untapped value in terms of tourism.

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**CHAIR** - We are in the same boat with a lot of areas in Tasmania because the money simply wasn't there to develop, especially during the Depression era. It has been a godsend in a way for our state in terms of competitive edge.

**Mr HAESE** - It seems we both acknowledge the what, and this discussion is about the how. How do we capitalise on that without wanting to sound opportunistic, but maybe we have to be? How do we capitalise on our built heritage? How do we turn that into a source of sustainable advantage for Tasmania and for South Australia? How do we bring more people in nationally, regionally and globally to our places? I am sure you hear very similar commentary as to what we do. People come in and say, 'Your buildings are stunning.' Sometimes we take that for granted, which we never can, but people certainly say, wherever they come from, how beautiful our buildings are. I think that is something to be celebrated. Interestingly, to date it is nothing we have really marketed. We have not really identified it as a source of competitive advantage to global markets. We have just accepted it. I look at this very much with a glass-half-full viewpoint. That puts the discussion back onto the how. I don't have all those answers.

**Mr FINCH** - I would like to hear about the study you have done into heritage and tourism to link up with the two.

**Mr O'SULLIVAN** - We've commissioned a study and we are in the final throes of putting that altogether. The study is focusing on heritage and tourism, probably a little more weighted towards the economic value of heritage tourism. Putting a number, if you like, on what people spend and relating that directly to the heritage stock and heritage fabric of this city. It has thrown up some interesting things along the way. When doing our background research we were able to enumerate which precincts were the real drawcards. Some of them were obvious. Central Market was a big drawcard and probably much more than people realise. It is not a heritage building as such, but it has a social heritage of immense value to South Australia.

**CHAIR** - When was this developed?

**Mr O'SULLIVAN** - It's probably been there for probably sixty or seventy years. The other big precinct was the North Terrace precinct. It's a line-up of fantastic buildings. We are blessed with that. We looked at other studies around the country. We did look at the one done in Perth in 2008. They did a very similar study to what we were after, the information and scope of the study, and the report that we desired. We have just done that in the last two months. We did quite an extensive survey on the street, randomly selecting people from interstate and from this state as well, people who are staying overnight, and international visitors, then marrying that up with other research we had and now we will be coming towards some results and numbers.

**Mr FINCH** - How many people do you think you talked to?

**Mr O'SULLIVAN** - Four hundred.

**Mr FINCH** - Was that a mix of tourists, visitors and locals?

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**Mr O'SULLIVAN** - Not locals, not people who didn't stay overnight who were residents already. It was anybody who was more than 100 kilometres away and had stayed overnight, or resided more than 100 kilometres away.

**Mrs TAYLOR** - Tourism is a state responsibility basically. How do you interact with the state? Are they included in this study? Are you working together on that?

**Mr O'SULLIVAN** - Yes, in the initial part when we were scoping and talking to stakeholders - Tourism SA and State Heritage people who handle State Heritage-listed places, a vast number of which are in the city, so we have a sort of a joint interest.

**Mrs TAYLOR** - Yes, absolutely.

**Mr O'SULLIVAN** - One of the other interesting results of the study was that most of the people who came to South Australia end up coming to Adelaide. About 80 per cent spend a lot of their time in the City of Adelaide, which is obviously a more compact sort of site.

**Mr HAESE** - I might pick up on that briefly and then I will hand over to Cr Wilkinson. It is interesting - and the dynamic may be similar with Tasmania - that the emerging industries which may have the greatest benefit to our cities and towns such as tourism, education, possibly medical, are all very citycentric outcomes and are mostly the responsibility of the state in terms of the provision of resources for them, but they have the greatest benefit for us as a local government. We are having very robust discussions here at the Town Hall about all things economic development. That is why we've commissioned this piece of work. We know it has a profound benefit. This piece of work Kevin has spoken about I think is going to inform what role we can effectively play. We know we have a role to play but truth be told, as we sit here today, we have not articulated it into a strategy, but this piece of work is going to help us do that. We know it is of great benefit for the City of Adelaide.

We know that this form of tourism fills hotel rooms, cafes and restaurants and brings different cultures to Adelaide. It helps internationalise our city and it does all these things which we would generally see as wonderful. That is why we need this piece of research to be able to quantify it to some degree, and whether it is qualitative or quantitative or both, I think we do need both to harvest all those anecdotal comments as to why people come here and how they observe it differently than we do. I might hand over to Cr Wilkinson.

**Mr WILKINSON** - My father is from Launceston and I went to Hobart and Tasmania as a tourist a few years ago with my young family. The reason I went there, apart from seeing where my father came from, was to see the heritage that I knew to be very intact in Tasmania. That was the motivator for me to come to Tasmania as a tourist with my family, as well as seeing the forests and things which Tasmania is renowned for.

I think Adelaide is like Tasmania, as the Lord Mayor said, in that by economic default it has been spared what has happened to Brisbane and what Perth laments - that they lost their character in the 1960s and 70s particularly. Adelaide, like much of Tasmania, was a Victorian city and the best buildings in Adelaide were built in the boom time in the 1880s. The 1870s was a bust and the 1880s was a boom. It was boom, bust and has

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always been that pattern. Our best buildings date from that era. We are predominantly a two-storey city. Some people have a defeatist attitude of Adelaide being a big country town, but if you look at Hay Street, Perth, it is two storeys. There is nothing wrong with a big two-storey scale. There is nothing to be ashamed of. Unfortunately there are people who feel that is something that should come of age and become like other cities with chasm-type streets.

**Mrs TAYLOR** - Central Paris is two or three-storey. They have the high-rises out in the suburbs but not in the centre of town.

**Mr WILKINSON** - We have had a tumultuous time with heritage listing. My motivation for being on the council when I was elected in 2007 was when the hotel across the road was demolished. It was a beautiful hotel and that was by reason of political interference by the council in the early 1990s. We tried to heritage list a whole lot of buildings that did not get listed then and we have experienced the state government listing just 14 per cent of buildings put up for listing in the CBD and in the residential area only 37 per cent of buildings were listed. We have a state government that has obviously been lobbied by vested interest who do not want this to happen but it is starting to be recognised that one of Adelaide's greatest assets is its historic buildings. It is the legacy of a lack of economic activities here in the past.

We have examples in the south side of Grenville Street where buildings have been retained and set back with towers. Our tallest building, the former State Bank building on the corner of Currie Street and King William Street, is a 33-storey office tower set behind all these retained historic buildings. That shows how you can do it. You don't have to destroy the city and you can retain the tourist appeal. Next door to here is the old Treasury which has been converted now to the Treasury Hotel.

**Mrs TAYLOR** - We're staying there. It's fantastic.

**Mr WILKINSON** - It is one of the most popular hotels because it is an authentic experience. The Mayfair Hotel, a former Colonial Mutual Life building, on the corner of King William and Hindley streets, has just been converted to a five-star hotel. 2KW, which was the former Bank of Wales building on the corner of King William and North Terrace, has just been converted and is now where Jamie's Kitchen is, the Jamie Oliver restaurant on the ground floor, and there is a roof garden which takes advantage of the views and the heritage building. There is good stuff happening, but unfortunately we are also still losing buildings. The Ibis Hotel, the former Balfours building and the old mattress factory buildings, which could have been incorporated into that, were demolished because they weren't listed and the view of the Adelaide Arcade was spoilt from the eastern aspect because the tower was not set back. So there are bad things happening as well and that is really just state government interference in the process because of a perception that you have to not have any barriers to development to get development investment. Most of my clients are developers and I know first-hand that having restrictions on planning and heritage doesn't stop investment, it just changes the way the investment is made.

**Mrs TAYLOR** - You haven't got planning conditions that will help control that?

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**Mr WILKINSON** - We've tried to heritage list buildings and but the government minister has declined our request to have most of them listed.

**CHAIR** - You have a planning panel here?

**Mr WILKINSON** - We do, but the state government also removed planning powers for developments over \$10 million.

**CHAIR** - So it's not local government that controls that space in that sense?

**Mr DEAN** - How close do you work with Heritage SA?

**Mr WILKINSON** - Kevin O'Sullivan used to work with Heritage SA and he works with us now.

**Mr O'SULLIVAN** - They have a responsibility to manage and approve assessments for state heritage places, which is a higher category if you like.

**Mrs TAYLOR** - Listed places?

**Mr WILKINSON** - Listed places, of which there is 450-460 in Adelaide city, which I think is about a third to a quarter of their stock for the whole state. In the City of Adelaide we have 1 600-odd individually listed places. There is also a conservation zone in North Adelaide which is a blanket covering if you like, an overlay.

**Mrs TAYLOR** - You've got a local listing, haven't you?

**Mr WILKINSON** - Our listing comprises less than 20 per cent of buildings in the whole council area. If everything that should be listed was listed it would probably be more like 25 per cent. The argument often goes around about sterilising development but if everything was listed you would still have 75 per cent.

**CHAIR** - In that listing, do you have anything other than old buildings? Do you have more modern buildings - art deco et cetera?

**Mr WILKINSON** - The fire station that was built in 1982 has just been state heritage listed. The building affectionately known as the 'Crystal Pasty', which is the bicentennial conservatory, has just been state heritage listed.

**Mr DEAN** - How significant are these buildings to tourism in this state? Is it used as a real attraction for people to come here? Is it promoted in tourism magazines or on the tourism sites?

**Mr HAESE** - Before I hand to Councillor Wilkinson, I might say that sometimes by default we talk about our institutional buildings, our cultural buildings and our commercial buildings, but a heritage discussion in Adelaide is as much about our residential buildings. Interestingly, that's one thing that gets noticed just as much, if not more. People talk about Adelaide's wonderful old stone homes. Councillor Wilkinson was talking about the building boom in the 1880s. That wasn't confined to commercial or cultural buildings; that was equally, if not more so, around residential construction. Over

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that period - and I don't have the statistics - it must have been quite phenomenal as to how much of Adelaide was built in those short 10 years.

**CHAIR** - What drove that?

**Mr HAESE** - Prosperity - copper. At that point in time I think per capita South Australia was the wealthiest place on the planet. We had boom-and-bust type episodes through the late 1800s, but in the 1880s, as a consequence of copper - and the discussion of Burra is central to that - copper saved the state. We were an agricultural economy which did well but it was all about the price of the wool clip. Copper was an extraordinary wealth generator for South Australia.

**Mr WILKINSON** - Henry Ayres built Ayres House on North Terrace - which is probably the finest house in the city - on the back of copper. He was a copper magnate. Adelaide is famous for its stone houses. In Tasmania there are a lot of rendered and brick buildings, like Sydney, and Melbourne has its bluestone, but the Adelaide bluestone - which is slate, a fossilised humus - exists only in Adelaide and somewhere in Greenland on the other side of the world, so it is unique to two places on the planet. There is also sandstone from the Adelaide hills that sets us apart. A lot of people move from the east coast to Adelaide because they are attracted to the stone houses. Tasmanian and Melbourne buildings are built out of timber, whereas Adelaide's stone Victorian buildings are very coveted by people. There are tourist buses that go through North Adelaide looking at the stone houses.

Looking at tourist brochures in the past, I don't think the South Australian Tourism Commission has really thought much about the allure of heritage and the streetscapes people like to wander down. That is the appeal to tourists, wandering through interesting streets. Adelaide has lots of those and that is what we are trying to move towards, working with Tourism SA doing more to market that. I have one of my staff hopefully bringing in the brochure from the east coast of the USA. The west coast brochure features a picture of Mickey Mouse and some fandangled new building, whereas the east coast brochure features a close-up of the front doorway of a New York brownstone, such is where New York and the east coast of North America see tourism relating to their heritage.

**CHAIR** - With such a plethora of heritage buildings comes the issue of maintenance and trying to see them continue well into the future. As a city no doubt you have that as a burden, if I can put it that way, so how do you approach that?

**Mr WILKINSON** - Council has the most generous heritage incentive scheme in the nation, which has been going for 21 years. I have been successful, with the Lord Mayor's help, this year in having that upped to \$1 million per annum in grants, plus promotion stuff on top of that. That provides 50 per cent dollar-for-dollar assistance for not so much recurrent maintenance but restoration of buildings such as painting when it is associated with reinstating an original balcony or fence or things like that.

My experience is that most of the woes of maintenance are because of neglected maintenance over years and years. One can't really say that heritage buildings require more maintenance than new buildings. All buildings require maintenance, it is just that older heritage buildings typically haven't been maintained because the owners haven't

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spent a cracker on it for decades. It is a fallacy, in my view, that heritage buildings require more maintenance. Once they're restored and brought up to condition the amount of maintenance that they require is no more, and often less, because stone doesn't need to be painted, for example.

**Mr DEAN** - Who controls that scheme? Is that controlled by the state?

**Mr WILKINSON** - No, the Adelaide City Council.

**Mr DEAN** - Is there any support from the state in relation to that at all?

**Mr HAESE** - We might have Kevin and Rick speak to the detail of that policy, because from a local government perspective this is a very well articulated and successful policy program and at a capital city council level, this is something that we have very proactively done. I think, Rob, you may have asked if it was a burden. I would say it is a responsibility. This policy talks to that so I will hand to Rick and Kevin.

**Mr HUTCHINS** - I will start by taking it back a step in terms of where the scheme sits, in terms of council's overall approach to built heritage management. Council does have a built heritage management program. The Heritage Incentive Scheme is really the key plank in that overall management program, but there are a number of elements which I will quickly go through and then hand to Kevin to talk about the incentive scheme.

In addition to the incentive scheme we have a heritage team which is reasonably large in terms of what you would find within local government sector. We have two heritage architects, a heritage support officer and a heritage promotions officer who works three days a week just on heritage promotions. We have a heritage team. We have a heritage promotions program which coordinates a whole range of activities. Really the aim is to promote the city's heritage. That includes a support for a number of events that happen throughout the year. Each year History SA run a history festival which used to run for a week and now runs for the month of May. Council coordinates and contributes to a number of events through that period.

We have quite a detailed website which promotes heritage and includes details around heritage listing, but also a range of other examples of case studies and elements to promote the city's heritage. We provide a number of walking trails across the city area, which really relate to particularly the tourism aspect, focusing on some of the cultural points but there is also a strong focus there around the residential stock. The other plank in there is really around the seeking formal listing of elements that should be of recognised heritage value. That overall scheme has been running for around 25 years as an important scheme of council seeking to achieve all of those things.

**CHAIR** - With respect to that, is tourism specifically focused on in any way in that process?

**Mr HUTCHINS** - It probably has not been identified as a key driver. It is probably sitting there as an outcome and I think the work we are currently doing now is really trying to understand what other benefits are in that space. It probably has not been written as a key outcome but it certainly is in there.

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**Mrs TAYLOR** - A quick question about your Heritage Month. You said council contributes to that. Does council actually run it? Who is responsible for Heritage Month?

**Mr O'SULLIVAN** - It is run by History SA which I think is part of the arts department still.

**Mrs TAYLOR** - State?

**Mr O'SULLIVAN** - Yes. It is very successful. As Rick said, it started out as History Week which I think a lot of people still call it, and is based on the principle of open house so more than 1 000 places are open across the state. Of course a lot of those will be in the city and be institutions but they are private houses sometimes. It is very successful and it is very low-key, low-cost, and quite heavily promoted through a brochure given out at newsagents and places.

**Mrs TAYLOR** - Through History SA?

**Mr O'SULLIVAN** - That is right, and web pages and all those things.

**Mrs TAYLOR** - It is interesting I suppose from a point of view of state versus Adelaide, as we do, that our tourism people certainly and for that matter our heritage people, because they take a whole-of-state view, particularly our tourism people are saying Hobart is okay, it gets lots of tourists, and what we need to do is get them out into the regions, so they almost push -

**Mr O'SULLIVAN** - People away.

**Mrs TAYLOR** - Not push people away because it is true, the whole state needs to benefit from it. I don't know that we have that kind of link between the city councils, either Launceston or Hobart. These two have been former mayors - one of Hobart and one of Launceston. We haven't got those kinds of not just heritage but tourism teams.

**CHAIR** - They do touch base at various times when they are putting strategies together.

**Mrs TAYLOR** - But dedicated?

**CHAIR** - I don't think so. Mind you, someone in the Hobart City Council sits on the Heritage Council so there is that connection, I guess.

**Mr DEAN** - One that, one of the problems in my area, the Launceston area, was getting the council to understand the value of heritage to the city plus the value of heritage to the state. It seems to me that if you have all of that in place you are doing it very well. That is what comes from what I have heard so far and we can learn a lot from that and we need a greater emphasis on that value which is missing.

**Mrs TAYLOR** - A million dollars a year in incentives sounds pretty good.

**Mr DEAN** - On the dollar-for-dollar basis funding, one of the things this committee has been looking at and one of the reasons it was set up was to look at how we can get the funds into Tasmania to maintain and look after our heritage and ensure it is maintained to a good standard. A lot of suggestions have been put forward. One has been the lottery



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system that I think operates in Western Australia. It also operates in the UK and I understand there is currently a federal conference taking place to look at that very issue, so we were told yesterday at a meeting.

**CHAIR** - Isn't it National Trust?

**Mr DEAN** - Yes, the National Trust is looking at ways of how they can bring in the funds to support National Trust and heritage buildings in the country. We will be interested in hearing what the result of that is. We have looked at the idea of every visitor coming into Tasmania paying \$1 extra on their lodgings as another way. That has been in place in some other countries in the world. There are other options as well. Have you considered those or do you say that the dollar-for-dollar system you have here is sufficient at this time?

**Mr WILKINSON** - We have a total budget of \$180 million and \$1 million out of that \$180 million budget, so it is less than 0.5 per cent of the total Adelaide City Council budget. Only half of our income comes from rates, the other half comes from Adelaide City Council-owned car parks and other commercial operations we have. We are quite fortunate that we have the means to do that. The Norwood Council, which is a suburban council immediately east, has a budget of \$40 million compared to our \$180 million. They used to have a \$30 000 heritage incentive scheme versus our \$1 million heritage incentive scheme and they've just dropped that. The suburban councils are not in a strong position to do much in that space because of their limited rate base. The capital city with office buildings and all the intensive rates means we have more means to take a bit of a state focus.

An approach the Lord Mayor and I have taken since he was elected in November is looking at the commercial value of heritage, so it's not just the niceties of 'Wouldn't it be lovely to keep this?', with the inference being it is going to be at some cost, but rather looking at the pure dollar value. I remember saying to the purchasers of my house who wanted to demolish it - it was an 1882 villa - 'Do you realise a house like this would cost \$5 000 or \$6 000 a square metre to build? It would cost well over \$1 million of improvements. Do you think it's in your best interests to demolish it?' They came back later and said to my valuer friend that they had never thought of it in those terms. All the townhouses I design are typically \$1 million, so we're talking to \$2 000-\$2 500 a square metre for upmarket townhouses. When you sell a property, the house and land doesn't change - whether it has a house on it or not, that cost isn't reflected by the real estate industry that hasn't cottoned on to the replacement cost value. If you want to get a David Cheney reproduction house, you're looking at \$8 000 a square metre to build it.

Also there is the employment generation. I took a photo the other day of people working on my house and I was employing seven South Australians. We have 8.2 per cent unemployment, which is worse now than Tasmania's rate. Of every \$1 million spent on new builds, 30 per cent is labour and 70 per cent is new materials, often purchased from China. When you do a renovation of an existing house - every house that's heritage listed isn't a knock-down job - it is 60-70 per cent labour and 30-40 per cent materials, so double the number of jobs are created for every building that is listed and therefore not demolished. If it is a heritage building that is being restored, it quadruples the amount of employment, so you might have 80 per cent or 90 per cent of labour compared to 10-20 per cent materials. For states such as South Australia and Tasmania that are flailing in

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the employment stakes, one of the best things we can do to employ more people is by heritage listing more. Every building that is listed means it has to be renovated, restored or have an addition built which is labour-intensive.

**Mr HAESE** - Where we see the nub of this opportunity is framing this topic in economic terms. We believe that's how it will get the optimum traction, hence the piece of work administration is doing. Councillor Wilkinson is exactly right. I recently met with inner-metropolitan mayors to determine where our commonalities lay. This is not exclusive to the City of Adelaide in terms of the postcode 5000 to 5006. I have four inner metro mayors. These are the mayors who have joined us, the parklands being the conduit to them. We determined that what we share in common is discussions around transport, always important. Parklands, very important and I will talk to that separately in a moment, but character buildings. All of the mayors said these are the things that resonate with all of us. These are the things that our elected members talk about, that we do not have a lot of fluidity with the City of Adelaide in terms of our discussions and policies. That is an opportunity.

**CHAIR** - Did you touch on tourism as well through that?

**Mr HAESE** - Yes, we did. That debate went on to - we have character buildings, some listed and some not. You have character buildings. More of those are typically, but not always, residential, once we start moving beyond the city limits. Then the discussion defaulted back to the economics of it all. The average sale price of these homes is relatively high, not purely as a consequence to the fact that they are close to the city, but the type of property you can buy, which means a character property.

They are really cottoning onto this as an opportunity too. We have all arrived at a common point. The debate is, we have all recognised what a wonderful opportunity and collectively it is now, how do we do it? How do we capitalise on it? How do we maintain, if not grow, preserving our property prices? How do we turn that into a tourism opportunity? What does that mean in terms of the parklands interface, which is a very interesting one? It is a uniquely Adelaide dynamic, 960 hectares of park and parklands surrounding the City of Adelaide. What does that mean to our urban heat island and cooling, and a whole range of things? I think this discussion is all interconnected, and it is very timely.

**Mr WILKINSON** - The Adelaide Parklands was a deliberate orchestration to manipulate property prices, to make it a scarce commodity. Putting a moat of parklands around it made it a finite entity. Otherwise you could just keep buying land anywhere in South Australia. By defining it within the parkland belt and only offering properties for sale within that belt, there is 1 000 acres exactly. That was the design Colonel Light originally came up with - 900 and something - and the command came from London, 'No you have to get the tally up to 1 000', which is why East Terrace sticks out a bit further to clock up the 1 000 town acres for sale from London.

We also have two other initiatives with the Heritage Incentives Scheme. I was instrumental in this change. We have changed it so that people can apply to have their unlisted historic building voluntarily listed, signing a land management agreement. An unlisted building, which has been not listed for reasons of political interference or been overlooked in the past, can be funded at the same 50 cents in the dollar. Thereby, we

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increase the amount of buildings protected. I have personally worked with some clients where that has been done. In addition to that, we have the Main Street Historic Facade Scheme, which is another initiative of mine whereby unlisted commercial buildings in our main streets are offered a 75 per cent funding in return for signing a land management agreement.

Unfortunately the experience we have had is that the commercial property owners have been very loath to sign a land management agreement that locks in. We are now looking at having capitalised loan repayments, or other mechanisms that will not necessarily have this hurdle, on the basis that once they have invested in restoring the building - even though they have only put in 25 per cent - the likelihood is the building will get listed in the next round of listings, because it won't be bastardised any more. They are more likely to retain and incorporate into a new development if the building has been fixed up.

If it is still in its brutalised state, as in the sixties and seventies a lot of the ornaments or balconies were removed, but through that scheme unlisted commercial buildings that haven't been identified previously can be assisted. We also produce this book with Wakefield Press called *City Streets*.

**CHAIR** - We saw that earlier.

**Mr WILKINSON** - Yes, and that showcases the streets, not just North Terrace but all the commercial streets in Adelaide. It is based on the 1936 centenary publication called *Progressive Adelaide*. It compares the streets in 1936 to today. That was done to enable people to appreciate what we have and also what we have lost, with the importance of holding onto not just the big 'H' buildings but the character buildings that make up our commercial streets and add to our business and tourism appeal.

**CHAIR** - That has some public traction?

**Mr WILKINSON** - It sold out. They had two issues and both sold out and we may entertain discussing with them doing a third edition.

**Mr DEAN** - A great edition.

**Mr FINCH** - Something you mentioned before - people with the skills or the employment opportunities that go with restoration of buildings, how do you deal with the workforce in South Australia? Do you have those specific skills there? People who are able to do that properly? Do you have training programs? Are there people in the workforce who have those definite skills to be able to do that?

**Mr WILKINSON** - My experience is they learn these specialist trades from their employer. They go as an apprentice and they are working with someone who is experienced in a particular field, and they learn from them. I think the WEA have some courses.

**Mr O'SULLIVAN** - There are some big moves in this field, which is not publicly prominent. There is a lot of training now through TAFE, which is our tertiary further education. There is a specific course which covers conservation trades, and that is becoming quite strong. There is also a conference at the end of the year, which I am involved in, and that is concentrating on traditional trades.

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**CHAIR** - Time for an advert.

**Mr FINCH** - We have some of that developing in Tasmania but probably the scope could be greater.

**Mr O'SULLIVAN** - I have been to a couple courses at Longford which is a great course.

**CHAIR** - With Brickendon and Woolmers?

**Mr O'SULLIVAN** - That is right and that is fantastic. That is the best in Australia as far as I can understand

**CHAIR** - Oatlands has a special unit that handles a lot of those skills.

**Mrs TAYLOR** - It is the town in the centre of the island that has the most convict-built heritage in Tasmania. It has more than Richmond.

**CHAIR** - It has a heritage centre, which provides those skills.

**Mrs TAYLOR** - Writing those courses and doing those training courses, as we speak. Building them up, which is important for Tasmania. A lot of our heritage is older than yours, and a lot of it convict built. Because there is so much of it, it is very difficult for people who have it on their properties, especially out of the cities, to maintain and to get some use out of it.

**Mr O'SULLIVAN** - We find that we have sufficient tradespeople to do the work that is required for conservation of the buildings in Adelaide. That is another arm which we have not talked about much, which is the heritage advice we give along with money. Probably as important, if not more important, is the advice, direction, guidance. We have an approval nexus.

**CHAIR** - With that, there are a base set of principles. We have heard about the Burra Charter and ICOMOS. Is the Burra Charter practiced here, in terms of the set of principles people have to abide by when they are doing up heritage buildings and the like, or is there another set of principles?

**Mr HUTCHINS** - Most conservation or works on a heritage place require an approval through the planning system. There is a formal process that someone needs to go through to undertake work. That has a set of principles in our development plan or planning policy document, which is then used to help us through the assessment process. The critical part there is the advisory role that our staff play in helping frame up and supporting applicants through that process. There is a baseline. The Burra Charter is used by the staff in terms of assessing and applying and interpreting those provisions. It certainly is a base line that helps with setting a standard for the work.

**CHAIR** - If someone wants to do up a heritage building, private enterprise, they have to come to council for development approval.

**Mr HUTCHINS** - Yes.

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**CHAIR** - Then that may go off to a panel of unelected people, but an appeal process if they do not like the decision you make. They have to abide by the principles that you set and largely they would be the Burra?

**Mr HUTCHINS** - Maybe without getting into the detail of the assessment process, an application is lodged. It is assessed against the development plan, which is the planning policy document that has a whole set of principles in there around managing, design character, managing development on a heritage place, as well as what new development is suitable or not. That is then assessed through the planning authority. Who makes that decision varies to some degree on the type of development and the size of the development. Sometimes that decision is made by council or council's development assessment panel. Sometimes it is made by the state government.

**Mr HAESE** - None of this debate means that we are anti-development, anti-investment, or anti-economic growth. Often this debate seeks to get polarised, as you know. I would argue quite the contrary. We are an extraordinarily pro-growth council. We see this as part of our growth. That is maybe the inverted view and that is why we are very much looking forward to this work the team has done. It is important that Rick, when it comes to the heritage incentive schemes, provides some detail in terms of what types of things we fund and some of the criteria and up to what level we fund it, and what the average transaction would be.

**Mr O'SULLIVAN** - It is mostly conservation work that we are part funding, and usually the level of funding is 50 per cent. There are different level steps, but we are looking at large projects and tiny projects. We have a lower limit of a \$1 000 grant, so \$2 000 worth of work. That is really just to save us doing a lot of work for tiny things. Most of the work ends up in the \$10 000 to \$20 000 range, and mostly we would be looking at facade repairs of various types, repointing, under-setting, all kinds of treatments with mortar and pointing without getting into it too much. Sometimes it is roof replacement. Most of the old corrugated iron rooves will be 140-odd years old. Although we try and have those either repaired or patch replacement, quite often it is a replacement but we use genuine materials and genuine detailing. This is where the advice and the money come together. The advice will be part of the process for getting approval for the money, and people need to agree to do work in a particular way.

**Mr WILKINSON** - In terms of the Burra Charter approach, one of conserving fabric is meant to be a thing, so that if a building has got its original verandah iron you will never get a better iron than the original tank-riveted veranda iron. We would encourage that the original iron to be retained, not replaced, in line with the Burra Charter approach of conserving fabric. The other thing is that we fund work based on authentic restoration. It is not just a heritage-style balcony. That would be a waste of ratepayers' money. We provide funding to authentic and, with the heritage architect, properly documented drawings to reinstate based on photographic or physical evidence of what was there, so it's not just someone's pick of a heritage style but is true. That is particularly important when you get, say, row buildings. If the first person doesn't do it authentically and the next person wants to, they don't match. People might say it is going to cost more to do it authentically and that is why we say, 'That's why we provide funding assistance' - to get the thicker post, to get the specially profiled mouldings rather than the ones from

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Bunnings. Part of the reason we provide that assistance is to get that detail right, so that it's done once properly.

**Mr FINCH** - The \$1 million the council allocates, is this an initiative unique to the Adelaide City Council or is it in place in other cities? I don't think we do it in Hobart.

**CHAIR** - We have a \$1.5 million fund, but it's not an annual grant.

**Mr FINCH** - Kevin, how far does your \$1 million go each year?

**Mr O'SULLIVAN** - I don't know if I have the numbers to hand, but it will be in the order of hundreds of properties.

**Mrs TAYLOR** - Is it expended each year?

**Mr O'SULLIVAN** - In the years I have been involved there hasn't been a year when we haven't spent and allocated all the money. Generally by the end of the year there is a bit of a wait for the next year's allocation.

**Mr FINCH** - Is there any pressure to extend that even more?

**Mr HUTCHINS** - It was \$820 000 a couple of years ago and has been increased to \$1 million by council, so it has slowly increased.

**Mr O'SULLIVAN** - It has a long history of being at quite a good level. I did a property way back in 1991 and used the scheme then. I thought it was generous then. There are a lot of residents in the CBD, in the city council area, which is a little more concentrated in resident population than most of the capital cities in Australia, I understand. There are 22 000 residents in the square mile plus north Adelaide.

**Mr FINCH** - It is a fantastic initiative. It can get people thinking about their facades, restoration and how they deal with their homes. If we have a sense in Tasmania there is not the support, or negativity in respect of what you are trying to achieve, you don't get traction with this concept of making sure your streetscapes are looked after and your home frontages are restored properly.

**Mr O'SULLIVAN** - Because there are so many residents and so much work is done - and we send them out a sign, which people dutifully put on their front fence - I think the resident population is extremely well aware of the scheme. They know when they're looking at that sort of work that is an opportunity for them to do the work because they will be getting financial assistance and advice. Quite often people will ring up and talk to us about what they might want to do in a year's time.

**CHAIR** - It's a win-win. You're getting the streetscape rejuvenated, and as a result of that the value of the properties goes up. As a result of that you get more rates and it pays back and you recycle again. It is a brilliant concept.

**Mr DEAN** - Going back to the DA applications, obviously Heritage South Australia has a part to play in relation to those applications. The issue back home - and there are some classic examples in Launceston - is where it gets too damn hard. The CH Smith site,

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which is an entrance into Launceston, has been derelict now for about 15-20 years. It was a beautiful old building and parts of it are still standing. There wasn't any indication of the council and Heritage Tasmania working with the developers to come up with a satisfactory position to involve the heritage values in the new development. They couldn't come to any common ground, hence the site has fallen into disrepair ever since. However, we now have a council that is more receptive to accepting some change in the heritage council and they are moving forward with that development - or had done, it has stalled right now. At another place in the centre of Launceston the developer simply said, 'This is too hard,' so the building has now almost collapsed to a stage where it will be off the list and will be demolished, there is no doubt about that. How receptive are you to working with developers who want to develop these heritage sites? Will you bend to allow them to have a reasonable development?

**Mrs TAYLOR** - Obviously the answer is yes. They're not going to say no.

**Mr WILKINSON** - I have done development with clients of my own in private practice where we have used in other council areas the retention and restoration of a historic building as leverage in our negotiations with the council to get a three-storey development in a two-storey zone, so there is a trade-off. The Adelaide City Council used to have a transferable floor area that had a ratio thing whereby people could sell off the air rights. Unfortunately and most regrettably, that was dismantled in 2007 when the plot ratio was thrown out the window and with it the transferable floor area scheme. That really was the fairest way of enabling people to sell off their air rights. There was a basic and a maximum plot ratio and if they were retaining and restoring a heritage building they got the maximum, so they got an economic advantage. Unfortunately because the state government basically has a no-holds-barred approach to development in Adelaide now, you can have everything without offering anything. That is unfortunate because there is no leverage left in our planning negotiations.

**Mr DEAN** - What about non-complying though?

**Mr WILKINSON** - That example I gave where we did a three-storey development in a two-storey zone was a non-complying form of development, which meant that my client forwent appeal rights against refusal and potentially invited third-party appeal rights against it, so then it really has to get up on its merits. I think that is a very good way. We have that sort of non-complying thing.

I am about to be involved in a 10-apartment development in North Adelaide where I am going to be putting that we retain two historic cottages - I will not say where it is - and we will use that as an argument to say, 'They're not listed, we're going to retain them, but we're going to want to put an extra penthouse level on top that is the same floor area as those retained buildings', so there is a trade-off. That is very much the way I operate. As a development assessment planner in the past myself, non-complying triggers and trade-offs are an excellent way of getting really good design outcomes that incorporate those buildings.

**Mr HAESE** - I apologise but I need to politely excuse myself. I would like to thank our friends from the Tasmanian Legislative Council for joining us for this discussion. I will happily answer one more question but then I have to run.

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**Mr FINCH** - I want to talk about interpretation because you mentioned that you came to Tasmania and of your own initiative you had to plot a course around the state. This I feel is something that we can probably assist people with and try to get that heritage highway that guides people to what they might want to see. Regarding interpretation here in South Australia and Adelaide in particular, how do you go about capturing the information and stories of your city so that when tourists come that information is readily available? Either website or maps or guides that are readily available to give them that short cut to success in finding what they want to see?

**Mr HAESE** - It's a very current discussion. The National Trust of South Australia is in the process of building an app, I understand. No, it is up and running. We're having a debate about what role we might play in assisting that process in terms of maintaining it. The National Trust working with council of course is a bit of repository for all this information. I like the term heritage highway, but we have heritage walking trails. Adelaide is eminently walkable. One of its great strengths when it comes to heritage is that you can spend half a day and can see a lot. Having all that on mobile apps is very strong.

**Mr HUTCHINS** - I am happy to forward this information to you because council received as part of a report last night a review that staff have been undertaking of all the collateral we have available at the moment in terms of walking trails and heritage trails. There is a whole number of different providers in the state at the moment, both National Trust, council has its own trails and a number of printed brochures we provide which are very well used and very sought after through our tourist operators. Naomi might like to add to that because she facilitates a lot of this on the ground.

**Ms TYSON** - I look after our visitor information services and council has put together a historical walking trails booklet at the moment which is very well received by our visitors. It is also available online. We support the National Trust with their app and their web page and I believe we have worked together with providing content for History SA who also have an app for walking trails around the city.

I worked with Rick's heritage team doing a bit of an audit of all the walking trails. I think we have identified over 80 different trails across what council, History SA and the National Trust produce. It is a matter of making it a bit easier for visitors to navigate because there is almost too much. Just doing a few things really well I think would be better to get our message across and have visitors leaving with the experience they want, we want them to have.

**CHAIR** - You get the engagement and then they might want to come back and have a look more deeply at certain things.

**Ms TYSON** - Yes.

**CHAIR** - I realise you have to go and I just want to thank you again for taking the time and the effort. This economic focus I think is probably a critical point that you make in terms of if you can convince people that it builds value to indeed enhance the heritage buildings that they have then the buildings get maintained, the tourism increases as a result of that and the city benefits. I think it is a great focus.



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**Mr HAESE** - I am sure we would happily be able to share that piece of work with you once we have completed it and it has gone past the elected members. Ivan, Adriana, Rob, Kerry, thank you. It is great to meet you. I will leave you a business card and I will leave you in the capable hands of Councillor Wilkinson. Thank you very much. We really appreciate this discussion. It is an important one.

**CHAIR** - We appreciate your time and we appreciate this room.

**Mr HAESE** - Maybe if there is a moment we might be able to show you the chamber when you are finished. That is on the agenda? Well done. It is all prearranged.

**Mr WILKINSON** - When we are doing a heritage restoration program we have a sign identifying that works through the heritage incentive scheme is being undertaken. We also have a blue enamel oval plaque scheme where owners can request to have a plaque with the history of the building. That used to be fairly vague, saying 'This is a typical Victorian double-fronted cottage'. Well, Blind Freddy can see that so I initiated that we do some research so that said, 'This is a Victorian double-fronted cottage built by Henry Sykes in 1892'. It is a bit more than a local heritage item so that it is interesting. There was also a program which the ball has been dropped on a bit which was the historic businesses scheme and there are just two examples. The World's End Hotel in Hindley Street is the oldest licensed hotel in Adelaide but is not listed. It could be demolished tomorrow if they wanted to. The other is the Dog and Duck Hotel in Hindley Street. Those are the only two examples. We have an early photograph of the building and the history of the building and the business. That is a scheme I would see expanding because heritage tourism should look at that. I have seen that signage in Hobart.

**Mr HUTCHINS** - Both examples are the heritage promotions aspect of the overall built heritage management scheme. The heritage promotions program receives a budget each year from councils, so parks and those schemes have all come out of that.

**Mr WILKINSON** - That is \$90 000 a year.

**Mr HUTCHINS** - Yes, \$90 000 a year for promotion.

**CHAIR** - Does the arts sector utilise heritage as an attracter for itself? How much effort is put into marrying those two in the city?

**Mr O'SULLIVAN** - The Adelaide Symphony Orchestra is based in this building, upstairs, for its performances. It has a base in Hindley Street in another heritage building, which has been converted for their rehearsals and things.

**CHAIR** - You have a lot of festivals?

**Mr O'SULLIVAN** - Yes. One huge festival - Mad March, we call it. We have several festivals going on.

**CHAIR** - We are in the same boat.

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**Mr HUTCHINS** - A number of the arts organisation probably have their home bases and performance spaces in a number of large buildings, of which a number are heritage listed. More broadly, in terms of the arts and heritage connection, I am not sure.

**CHAIR** - It is not used promotionally?

**Mr HUTCHINS** - No.

**Ms TYSON** - I think they are attracted to the heritage buildings because they are attractive.

**CHAIR** - It is the atmosphere that it adds.

**Ms TYSON** - Yes.

**Mr DEAN** - You have the heritage committee within your council, am I right?

**Mr WILKINSON** - We have a heritage department of which Kevin is one of four people.

**Mr DEAN** - You don't have a committee?

**Mr WILKINSON** - No.

**Mr DEAN** - Launceston has a committee and I chaired that committee for a number of years, which started off the preservation of heritage in and around Launceston which is a focal part of that. One thing they do is provide an incentive scheme where they have awards each year for the best maintained heritage site renovation through that year. At the end of the year there are awards given out for the best design, best maintenance and all the rest of that. Currently they also have in process a position involving young people, trying to promote heritage with young people to get them engaged in the process and the value of heritage to the place. They have a photographic award where young people are asked to photograph heritage sites and building and they make a selection from that as to who receives the awards, which is very popular. Do you have those types of issues?

**Mr WILKINSON** - The state government used to have the Edmund Wright Heritage Awards some years ago, which I won a couple of ,but that has been dropped.

**Mrs TAYLOR** - It sounds like you have a little bit of tension between yourselves and the state government in terms of heritage.

**Mr WILKINSON** - No, a lot. The state government perceive that heritage is going to stymie economic prosperity of the state. Unfortunately they have been lobbied by vested interests - for instance volume home building developers. All the tradespeople working on my house, they are all microbusinesses, either a sole operator or they might have up to five staff. They are not people who have the ear of the minister to lobby to give them the message that you are going to double, triple or quadruple the amount of employment you get by heritage listing. Medallion Homes is almost a publicly listed company. The most valuable real estate suburb in Adelaide is St Peters/College Park. It has the highest average real estate value and is entirely heritage listed. The northern extent of that, where the historic zone peters out, isn't listed. We are seeing those houses, which are maybe bungalows, knocked down and Medallion Homes being built. Those volume

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homebuilding companies are the ones that are getting in the ear of the minister, saying, 'Don't list anything. Don't have character protection if you want development.' It might affect their business but the voice of all the small businesses isn't being heard, which is part of the reason why in my position I am trying to get this message across. The perception that heritage is stymieing economic possibilities is a fallacy; the converse is true.

**Mrs TAYLOR** - But there's no way of getting those small voices together in a representative group?

**Mr WILKINSON** - No, they are a rowdy rabble and not the sort of people you can corral.

**CHAIR** - But if you don't pay attention to that heritage, you are in danger of becoming just like anywhere else. There is no competitive edge.

**Mr WILKINSON** - That is our advantage and it is clearly what New York perceives as its advantage.

**CHAIR** - Thank you very much for your time and effort.

**DISCUSSION CONCLUDED.**