

Productivity Commission Inquiry 2005: Conservation of Australia's Historic Heritage Places

Craigston, Spring Hill: a Case-Study

1. Introduction

Craigston is an important Brisbane historic building. Built in 1928, it is the first high rise apartment block in the city and its first reinforced concrete building. It is also a major example of the Spanish mission style used by architects Atkinson and Conrad. In a city where much early architecture has been destroyed, Craigston remains a majestic building, included in the inner city heritage trail. It was placed on the state government's heritage list in 1992, and on the commonwealth government's Register of the National Estate in 1993.

Craigston's current situation is described below. This case-study illustrates the lack of support available to private owners of heritage listed buildings in Queensland, and the related difficulties of sustaining the public benefits associated with heritage listing. It goes on to summarize the lessons learned while attempting to achieve the building's conservation, in the hope that they may be of relevance to government policy formulation.

2. Craigston's situation

Craigston's high standard of construction has partly provided the basis for its decline. It was so well built that limited maintenance was required. Given its company title arrangements, no sinking fund was established. Any small maintenance issues were dealt with through levies imposed on a quarterly basis. Since its construction, Craigston was painted externally only once. It was largely re-wired in 1977, but apart from this, maintenance has been minimal.

It was such a pleasant place to live that several residents have remained there for many years. In 2005, many of Craigston's residents are of advanced age, and on restricted incomes. In these circumstances the building's conservation/maintenance requirements do not readily present themselves as an affordable priority.

Maintenance and other 21st century requirements are, however, now considerable. There are, for example, leaks and water pressure problems, together with fire safety and security concerns. Externally, repairs to the joinery and painting are urgently required. Asbestos may also require

attention. Over the years, unsightly pipework has been placed across the façade, and some traditional windows have been replaced with inappropriate aluminium sliders.

Clearly, something needs to be done if Craigston is to continue to enhance Brisbane's landscape. The cost of basic repairs and maintenance is significant. It appears that no support is available from either the state and or commonwealth governments, which have both stopped relevant grant funding programs. The commonwealth government appears to consider that support to buildings such as Craigston should come from the state government, which has no funds for the purpose. Craigston's residents must therefore meet all expenses.

On this basis, Craigston's board faces a situation where its heritage listing proves regulatory rather than supportive. It must seek approval for aspects of the conservation work, but appears to be provided with no incentives or technical support to facilitate the rehabilitation effort, for which it is both financially and technically ill-equipped.

The building provides a significant example of where the public benefits of heritage listing, while depreciating, far outweigh the private benefits. Indeed it can be argued that the private benefits to its owners are negative. In such circumstances there is a strong case for the public (that is, the government), to assist with the conservation of Craigston, and not simply the private owners.

Since the building was heritage listed, its ratable value has increased substantially. However, it is possible that heritage listing has resulted in a real financial loss to the owners of the building. It has meant, for example, that commercial opportunities for the refurbishment of the building have not been taken up. These might have included the conversion of apartments to commercial office space, the sale of air space, the building of a parking station, or, indeed, given its prime location, Craigston's total sale for demolition and replacement by a modern high rise building. A correct financial evaluation of heritage listing should not therefore be based on before and after comparisons, but rather, on with and without comparisons. In this way, the true private costs, in terms of financial revenues foregone, can be taken into account.

The unsustainability of the public benefits of heritage listing must also be recognized in this case. Given the fact that the owners of Craigston apartments are largely senior citizens on fixed incomes, they do not have the capacity to pay the higher costs of refurbishment associated with

maintenance of conservation values. Moreover, because the apartments are held on a company title basis, even the availability of reverse mortgages is relatively limited and costly. Without government assistance, Craigston appears doomed to deteriorate further.

3. Lessons Learned

Public benefit alone, then, does not appear to be a sufficient condition for heritage listing of buildings. For public benefit to be sustainable, heritage listing should not jeopardize the financial viability of the building. If without heritage listing the building would be financially viable, it could be argued that heritage listing may result in unsustainable public benefits, thereby defeating its purpose.

In deciding if a building warrants heritage listing, it is necessary to evaluate private as well as public benefits. If heritage listing affects financial viability such that it detracts from the financial incentive to maintain the building (by increasing the cost of maintenance and/or precluding the financial benefits of alternative use) at a threshold consistent with sustaining the public benefit of conservation, then there would appear to be a case for financial assistance.

In Craigston's case, some grant funding would have played a significant role in increasing support within the building for conservation efforts. Similarly, the availability of low cost loans would have helped to ease the funding problem. Technical support would have helped the Board in its search for architects and trades-people capable of dealing with the problems of historic buildings. Clarification of the respective roles of the state and commonwealth governments in providing conservation support would also have reduced confusion. It is hoped that the present inquiry will result in progress in all these areas, so that Queensland's remaining historic heritage places will be conserved for the enjoyment and appreciation of its future generations.

Christine Whitlam, 28 July 2005.