PROPOSED INTERNAL REFIT

TO

SHOP G3, THE GRACE BUILDING
77-79 YORK STREET, SYDNEY, NSW

HERITAGE IMPACT STATEMENT

Prepared by:

John Oultram Heritage & Design
Level 2, 386 New South Head Road,
Double Bay NSW 2028

T: (02) 9327 2748
E: heritagedesign@bigpond.com

Prepared for:

Spacelab Project

September 2019

© John Oultram Heritage & Design
## TABLE OF CONTENTS

1.0 INTRODUCTION ........................................................................................................... 3
  1.1 THE BRIEF ............................................................................................................... 3
  1.2 THE STUDY AREA .................................................................................................. 3
  1.3 CONSERVATION MANAGEMENT PLAN ............................................................... 4
  1.4 LIMITATIONS AND TERMS .............................................................................. 4
  1.5 METHODOLOGY .................................................................................................... 4
  1.6 AUTHORS AND ACKNOWLEDGMENTS .............................................................. 4

2.0 HISTORICAL SUMMARY ............................................................................................ 5
  2.1 THE GRACE BUILDING ......................................................................................... 5

3.0 PHYSICAL DESCRIPTION ............................................................................................ 8
  3.1 THE GRACE BUILDING ......................................................................................... 8
  3.2 SHOP G3 .................................................................................................................. 8

4.0 HERITAGE CONTROLS .............................................................................................. 12
  4.1 HERITAGE DIVISION OF THE NSW DEPARTMENT OF PREMIER AND CABINET .................................................................................................................. 12
  4.1.1 STATE HERITAGE REGISTER ....................................................................... 12
  4.1.2 STATE HERITAGE INVENTORY .................................................................... 13
  4.2 LOCAL AUTHORITY ............................................................................................... 13

5.0 ASSESSMENT AND STATEMENT OF SIGNIFICANCE ........................................... 14
  5.1 STATE HERITAGE REGISTER LISTING SHEET .................................................. 14
  5.2 STATE HERITAGE INVENTORY LISTING SHEET ............................................... 14

6.0 THE CURRENT PROPOSALS ...................................................................................... 15
  6.1 CURRENT PROPOSALS ......................................................................................... 15

7.0 IMPACT OF THE PROPOSED DEVELOPMENT ....................................................... 16
  7.1 GENERALLY .......................................................................................................... 16
  7.2 SIGNIFICANT FABRIC .......................................................................................... 16
  7.3 SIGNIFICANT SPACES ......................................................................................... 16
  7.4 IMPACT OF THE PROPOSED WORKS ................................................................ 16
  7.5 UNIT G3 .................................................................................................................. 16
  7.6 FINISHES ............................................................................................................... 17
  7.7 SERVICES ................................................................................................................ 17
  7.7.1 WATER .............................................................................................................. 17
  7.7.2 SEWAGE ........................................................................................................... 17
  7.7.3 ELECTRICAL ..................................................................................................... 17
  7.7.4 AIR CONDITIONING AND EXHAUST .................................................................. 17

7.8 SUMMARY .................................................................................................................. 17
  7.9 NSW HERITAGE OFFICE ..................................................................................... 18
  7.9.1 STATE HERITAGE REGISTER ......................................................................... 18

8.0 SUMMARY ................................................................................................................... 18
  8.1 SUMMARY .............................................................................................................. 18
1.0 INTRODUCTION

1.1 THE BRIEF

The following report has been prepared to accompany a Section 57(2) application to the NSW Heritage Council for an internal refit to shop unit G3 at the former Grace Building at 77-79 York Street, Sydney NSW.

The report has been prepared on behalf of Space Lab Project, the designers for the works.

1.2 THE STUDY AREA

The study area is Lot 1 in DP 109554 at Sydney, Parish of Alexandria and County of Cumberland (Figure 1.1).

![The Study Area shaded](source: Six Maps)
1.3 Conservation Management Plan

Conservation Management Plans (CMP) have been prepared for the place:

Australian Construction Services, Regional Heritage Architect’s Branch, Grace Building Conservation Management Plan, 1989

(CMP 1)


(CMP 2)

Noel Bell Ridley Smith, Grace Plazq Building, 77-79 York Street, Sydney, 1977

(CMP 3)

These reports have not been sighted by the author.

1.4 Limitations and Terms

The report only addresses the European significance of the place. The terms fabric, conservation, maintenance, preservation, restoration, reconstruction, adaptation, compatible use and cultural significance used in this report are as defined in the Australia ICOMOS Burra Charter.

No further historical research was carried out for this report.

1.5 Methodology

This report was prepared in accordance with the NSW Heritage Manual “Statements of Heritage Impact” and “Assessing Heritage Significance Guidelines”. The philosophy adopted is that guided by the Australia ICOMOS Burra Charter 2013.

1.6 Authors and Acknowledgments

This report, including all diagrams and photographs, was prepared by John Oultram of John Oultram Heritage & Design, unless otherwise noted. John Oultram Heritage & Design was established in 1998 and is on the NSW Heritage Office list of heritage consultants.
2.0 HISTORICAL SUMMARY

The following summary is taken from the State Heritage Register listing sheet for the property (Database No. 5045395).

2.1 THE GRACE BUILDING

On 1st August 1885, English merchants Joseph Neale Grace and his brother Albert Edward Grace opened a small store at 203 George Street West Sydney. In 1887 the firm moved to 5-7 The Broadway and in 1896 commissioned Morrow and Gordon to design the Grace Bros store on the corner of Bay and Grose Street Broadway. In 1911 the firm opened a seven-storey building in Grose Street and the original George Street West shop demolished. During the early nineteenth century the firm enjoyed retail growth and was reflected by the acquisition of adjacent properties. The family company was now known as Grace Bros Ltd. By 1923 the firm boasted 250 departments and employed nearly 3000 people. During the 1920's Sydney was undergoing a retail boom in conjunction with the construction of the city underground railway line.

In 1926 Grace Bros purchased land bounded by York, King and Clarence Streets and in 1928 commissioned Morrow and Gordon to design a major building on the site. The new Grace Bros building would be located midway between Wynyard and Town Hall Stations and slightly off the main pedestrian and public transport routes along Pitt and George Street. However the firm believed that the opening of the Harbour Bridge would change transport patterns in their favour by directing pedestrians and traffic along York and Clarence Streets. The building was designed to use the first two storeys in the manner of a department store. The remaining storeys were intended to provide rental office accommodation for importers and other firms engaged in the soft goods trade.

The Grace Building was constructed between 1928 and 1930. The 1929 Wall Street Crash severely affected Grace Bros' business and in 1931 Joseph Neale Grace died. The opening of Wynyard and Town Hall Station and the Harbour Bridge in 1932 did little to improve the situation of the new Grace Bros store. The firm noted the growth in suburban retailing and plans were made to open stores in Parramatta, Bondi Junction and other suburban locations. In 1938 Albert Edward Grace died.

At the beginning of the Second World War Grace Bros was still experiencing difficulty letting space in the Grace Building. During the early 1940s the Grace Building became the accommodation for a range of Commonwealth Departments. In addition it was one of the premises used by the United States Armed forces and became the American headquarters in Sydney.

Considerable anecdotal evidence exists of the building having been used by General Douglas Macarthur the Supreme Commander of Allied Forces in the Pacific. Other anecdotal evidence links MacArthur's name with a system of tunnels running beneath York Street to Circular Quay and Victoria Barracks. These were constructed prior to the Second World War and it is likely that at least one of them housed emergency telephone equipment should armed conflict within Sydney damage or destroy existing exchanges.
When the war ended, the Commonwealth was likely to lose much of the accommodation, pending repeal of emergency power legislation. In November 1945 the Grace Building was compulsorily acquired by the Commonwealth. In January 1946.

The telephone exchange opened in December 1948 and was named the Barrack Exchange. The Post Office was opened in December 1950.

The building was reconfigured in the mid 1990s when the building was converted to Hotel use by a Malaysian consortium with the ground floor becoming the Hotel lobby with commercial tenancies to the main streets.
Figure 2.1  McArthur House, HL Cooper and Dickson’s York Hotel on the site now occupied by the Grace Building

Source: City of Sydney Archives NSCA CRS S1/1365

Figure 2.2  The Grace Building, undated

Source: State Library of NSW Home and Away 34845
3.0 PHYSICAL DESCRIPTION

An inspection of the building was carried out by John Oultram in September 2018.

3.1 THE GRACE BUILDING

The Grace Building is an example of commercial Gothic, with a soaring vertical emphasis and prominent ‘Gothic’ corner tower, complete with flying buttresses, pointed windows and quatrefoils. Sheathed in glazed cream terra cotta, details are picked out in green. Decoration is limited, skyscraper fashion, to the summit and lower portion of the building. The street level facade has been altered, but the facade above the awning remains intact.

3.2 SHOP G3

Shop G3 fronts King Street with metal clad doors and windows to the street under the main awning.

Internally the space has been recently cleared of the previous fitout. The floor is in polished timber and tile. Walls are in plasterboard, concrete blockwork and plastered masonry with some remnant stainless steel sheeting from the previous fitout. The ceiling is in concrete and there is a downstand for a stair outside of the tenancy. The ceiling has air conditioning, exhaust ducts and plumbing.

Figures 3.1 - 3.3
Figure 3.1 The Grace Building Unit G3
Upper: Elevation to King Street looking southwest
Lower: Elevation to shop unit
September 2019
Figure 3.2  The Grace Building – Unit G3
Upper: Interior
Lower: Interior

September 2019
Figure 3.3 The Grace Building – Unit G3

Upper: Interior
Lower: Interior

September 2019
4.0 HERITAGE CONTROLS

4.1 Heritage Division of the NSW Department of Premier and Cabinet

4.1.1 State Heritage Register

Under the Heritage Act 1977 (as amended), the NSW Heritage Council, administered by the Heritage Division of the NSW Department of Premier and Cabinet, maintains the State Heritage Register (SHR), a register of items and places that are considered to have heritage significance at a state level.

The subject property is listed on the Register (Listing Number 00712).

![State Heritage Register Plan for the Grace Building SHR 00712 Plan 1763](image)

Development at the place would require the consent of the NSW Heritage Office under Section 60 of the Act, though the standard and special exemptions under Section 57(2) of the Act have been granted.
4.1.2 State Heritage Inventory

The Heritage Division also compiles the State Heritage Inventory (SHI), a collated database of all places listed on statutory heritage lists, including Local Environmental Plans. The subject property is listed on the Inventory:

<table>
<thead>
<tr>
<th>SHI REF</th>
<th>ADDRESS</th>
<th>ITEM</th>
</tr>
</thead>
<tbody>
<tr>
<td>2424063</td>
<td>77-79 York Street</td>
<td>Former Grace Building including interiors</td>
</tr>
</tbody>
</table>

Listing on the Inventory has no statutory implications for development at the place.

4.2 Local Authority

The local authority for the area is the City of Sydney. The property is listed as a heritage item in Schedule 5 Part 1 of the Sydney Local Environmental Plan 2012 (SLEP).

<table>
<thead>
<tr>
<th>REF</th>
<th>ADDRESS</th>
<th>ITEM</th>
<th>RANKING</th>
</tr>
</thead>
<tbody>
<tr>
<td>I1990</td>
<td>77-79 York Street</td>
<td>Former Grace Building including interiors</td>
<td>State</td>
</tr>
</tbody>
</table>

The property is not within a conservation area but is in the vicinity of a large number of heritage items shown on the plan below. The proposed works are internal and would not have any impact on the adjoining items.

The heritage provisions in the SLEP relating to the development of a heritage item, in a conservation area and in the vicinity of a heritage item would apply.

Development at the site would also be the subject of the heritage provisions of the Sydney Development Control Plan 2012 (as amended) (SDCP) that contains detailed heritage objectives and controls for development of heritage items.

Figure 4.1 Sydney Local Environmental Plan 2012 – Heritage Map HER_013
5.0 ASSESSMENT AND STATEMENT OF SIGNIFICANCE

5.1 STATE HERITAGE REGISTER LISTING SHEET

The State Heritage Register Listing Sheet (Database No. 5045395) contains a statement of significance:

The Grace Building is historically significant because of its associations with the retail boom of the 1920s. It epitomises the optimism and dynamism of that period as well as the subsequent economic collapse and Great Depression. It is also associated with the World War II presence of United States military forces in Australia and with General Douglas MacArthur in particular. It is architecturally significant because it is Sydney's finest example of the skyscraper gothic style which illustrates the American influence on Australian commercial architecture and is a distinctive landmark in the city. It was one of the most significant works of Morrow and Gordon, a leading architectural firm of that period. The Grace Building is technically significant because of the unusual reinforced concrete slab and beam construction and the glazed architectural terra cotta cladding. (Australian Construction Services)

5.2 STATE HERITAGE INVENTORY LISTING SHEET

The State Heritage Inventory Listing Sheet (SHI 2424063) also contains a statement of significance:

Of architectural significance as Sydney's finest example of Skyscraper Gothic. Illustrates American inspiration of Australian commercial architecture. Of environmental significance as a distinctive landmark in the city. Its physical relationship to Broughton House (312-318 Kent Street) allows an interesting contrast of 19th and 20th century styles in significant buildings of a similar mass.

We would concur with these assessments.
6.0 THE CURRENT PROPOSALS

6.1 CURRENT PROPOSALS

The new tenant would like to refit the existing space as a sushi outlet. The proposals are shown in Drawings Nos. 01, 01-1, 01-2, 02-1, 02-2, 02-3, 02-4, 100-105, 200-203 and 300-311 dated August 2019 and prepared by Space Lab Project.

The works are largely internal apart from external signage and include:

- Removal of the current fitout
- New part height, internal dividing walls
- New servery and benches
- New freezers and fridges
- New wash-up facilities
- New hinges to the entry door
- External signage

The works will replace the existing fitout on a like for like basis and involve no changes to the external fenestration and doors apart from the use of 180 degree hinges.

The external signage will be the subject of a development application to the City of Sydney.
7.0 IMPACT OF THE PROPOSED DEVELOPMENT

7.1 Generally

The former Grace Building is a very significant example of a purpose-designed department store with the upper floors built to provide for tenancies for importers and others engaged in the soft goods trade.

The building was reconfigured in the mid 1990s when the building was converted to Hotel use by a Malaysian consortium with the ground floor becoming the Hotel lobby with commercial tenancies to the main streets.

The proposed works are limited to one of the shop tenancies fronting King Street where the shop unit has been converted to a restaurant. The works will have no direct impact on original fabric.

7.2 Significant Fabric

There are no elements of significance in the proposed work area including the current shopfronts. The date of the timber floor is not clear but this will be retained under the proposed tiling.

7.3 Significant Spaces

The shop units do not relate to the original layout of the building and could not be considered to be significant spaces. The works will retain the current unit arrangement.

7.4 Impact of the Proposed Works

The impact of the changes is noted in the table below:

<table>
<thead>
<tr>
<th>P</th>
<th>POSITIVE</th>
<th>THE CHANGE IS POSITIVE IN HERITAGE TERMS</th>
</tr>
</thead>
<tbody>
<tr>
<td>N</td>
<td>NEUTRAL</td>
<td>NO IMPACT</td>
</tr>
<tr>
<td>S</td>
<td>SOME</td>
<td>THE CHANGE WILL HAVE SOME MINOR IMPACT</td>
</tr>
</tbody>
</table>

7.5 Unit G3

<table>
<thead>
<tr>
<th>PROPOSED WORKS</th>
<th>COMMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Removal of the current fitout</td>
<td>N The changes will replace a modern fitout and fittings on a like for like basis</td>
</tr>
<tr>
<td>New part height, internal dividing walls</td>
<td>N The changes will replace a modern fitout and fittings on a like for like basis</td>
</tr>
<tr>
<td>New servery and benches</td>
<td>N The changes will replace a modern fitout and fittings on a like for like basis</td>
</tr>
<tr>
<td>New freezers and fridges</td>
<td>N The changes will replace a modern fitout and fittings on a like for like basis</td>
</tr>
<tr>
<td>New wash-up facilities</td>
<td>N The changes will replace a modern fitout and fittings on a like for like basis</td>
</tr>
<tr>
<td>New hinges to the entry door</td>
<td>N The changes will replace a modern fitout and fittings on a like for like basis</td>
</tr>
<tr>
<td>External signage</td>
<td>N This will be the subject of a development application to Sydney City Council</td>
</tr>
</tbody>
</table>
7.6 **Finishes**

Current finishes will be replaced on a like for like basis to comply with health and food safety regulations. Floors and walls will be tiled.

_Recommendation:_ Any tiling to the timber floor be laid on CFC sheet to allow the floor to remain is situ.

7.7 **Services**

The existing services (water, sewage, electrical) will be amended to suit the new layout using the existing service supplies.

7.7.1 **Water**

The water supply to the will be adjusted to suit with pipework in the new or existing plasterboard partitions.

7.7.2 **Sewage**

The sewer connections to the kitchens and serveries will be adjusted to suit and connected to the existing pipework. Existing penetration will be reused.

7.7.3 **Electrical**

The electrical supply will be adjusted to suit with cabling, power points and switches in the new or existing partitions and ceilings.

The lighting will be replaced throughout with new fittings in the new ceiling.

7.7.4 **Air Conditioning and Exhaust**

The current air conditioning system will be retained. No exhaust system is required.

7.8 **Summary**

It can be seen from the above that the works are minor and neutral in heritage terms and will have a no impact on the significance of the building.
7.9  NSW HERITAGE OFFICE

7.9.1  State Heritage Register

The property is listed on the State Heritage Register and the applicant is seeking approval of the works under the Site Specific Exemptions.

The works are largely internal and will have no impact on significant fabric. We consider that the works would fall under the following exempt criteria:

<table>
<thead>
<tr>
<th>WORKS</th>
<th>COMMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Site Specific Exemptions (2)</td>
<td>alterations to the interior of the building except insofar as such work would affect</td>
</tr>
<tr>
<td></td>
<td>the ground floor entry foyer, lift lobby and walkway between York and Clarence Streets</td>
</tr>
<tr>
<td></td>
<td>the main (southeast) staircase, including the mezzanine landing.</td>
</tr>
<tr>
<td></td>
<td>the original corridors on the third and fifth floors</td>
</tr>
<tr>
<td></td>
<td>the exterior of the building</td>
</tr>
<tr>
<td>(3)</td>
<td>change of use.</td>
</tr>
</tbody>
</table>

We consider that the works are eligible for Exemption.

8.0  SUMMARY

8.1  Summary

Based on the above, we consider that the proposed works:

- Are minor and will have no impact on significant spaces or fabric
- Are a like for like replacement of the previous layout and detail
- Will have no impact on the significance of the building
- Are considered to be exempt under the Site Specific Exemptions applying to the property under the State Heritage Register listing

In heritage terms, we consider that the proposal should be approved.

JOHN OULTRAM