

Building community – brick by brick

You've aligned your super with your values – but what about your property investments? Two developers are setting the bar high with award-winning apartment buildings that are price competitive and include pioneering community initiatives and design.

A few years ago Jodi Newcombe had reached a crossroads, the Melbourne arts and sustainability professional was living in a rental and leasing out an underperforming inner-city investment property. Although she wanted to become an owner-occupier, her apartment hunt had started off badly. “The Melbourne apartment market is pretty depressing – the build quality is poor, the quality of design is poor and the quality of community is really, really poor,” she says. Newcombe lived on her own and was concerned by the absence of a community feeling around her investment property. “People didn’t even say hello in the hallway. I just knew I wanted a place that would actually have a community and neighbours.” The project’s sustainability credentials were the final vital ingredient. “Having worked in the sustainability sector all my life, I needed somewhere that fitted with my values,” she says. Jodi finally came across The Commons, a 24-apartment development in the gritty backstreets of Brunswick built with ambitious sustainability objectives in mind. She bought a two-bedroom apartment off the plan.

A LANDMARK SUSTAINABILITY PROJECT

Sustainable development has boomed in Australia’s commercial property scene due to initiatives like the Green Star rating system. But there has been less leadership in the small to medium size multi-residential sector. This lack of developers pioneering sustainable apartment blocks was a bugbear for Jeremy McLeod, The Commons’ architect, and for developer, Small Giants.

“We decided the best way to influence the market was to build our own project,” says McLeod. The original intention was to create a zero-car, zero-carbon building that would subscribe to a triple-bottom line mentality.

It had to be sustainable, affordable and livable. “It was really about this idea of reduction. We decided we would give people what they needed rather than what real-estate agents thought people wanted,” he says.

The architect created a design that omitted the standard features of many other developments in the area: underground carpark, individual laundries, second bathrooms, plasterboard ceilings, individual boiler systems and – perhaps most controversially – air-conditioning.

Developer Adam Borowski from Small Giants jokes that at times it felt they were spending all their time selling what they *weren’t* putting in rather than the actual features. But it’s all a matter of perspective. Savings on conventional features led to The Commons incorporating exemplary sustainable-design elements. The money that would have gone towards car-park excavation was funnelled into European double-glazing and advanced insulation. Instead of car spaces there are 70 bike spaces, and the services and ductwork that would have been hidden behind plasterboard became a design feature.

Exposing the wiring, piping and concrete ceilings helped with thermal mass and had the added benefit of giving the apartments expansive ceiling heights of almost three metres. Taking out a second bathroom and internal laundry gives each apartment more floor-space, improving their livability. But perhaps the biggest gains are in the community feeling that the reductionist design has fostered.

“No apartment has its own laundry, and when you are doing your washing on the rooftop you quickly meet all your neighbours. Meeting people over washing laundry is a good way to break down barriers pretty fast. After that happens a few times, there are no awkward silences!” says McLeod.

McLeod and his wife bought an apartment in The Commons, with the aim of living there for 12 months for research purposes. The architect says his wife is in love with the community feel and doesn’t want to move out. On the data side, things have also been promising. >

A young resident of The Commons in Brunswick getting involved in the block’s rooftop community garden.

PHOTO: ANDREW WUTTKE TEXT: MADELEINE HINCHY



A rendering of the common entry area of Neometro's Fitzroy development at Nine Smith Street. The project is under construction.

During a heatwave in 2014 the building wowed residents by staying comfortable. The energy savings are working too. "My electricity bill last month was \$43," says McLeod. Ironically, he paid more for the metering than the actual electricity – usage was only \$11.

BANK VALUERS WON OVER

The concept behind The Commons isn't new. In the 1960s, European cities invested in housing stock with shared rooftops and spacious, single-bathroom apartments. But since the 1980s, property has become more maximalist than reductionist.

In the contemporary market, shifting perceptions of what the apartment property market should look aren't just challenging consumer ideas about what's emotionally desirable in a home. McLeod says bank valuers struggled with their valuations of apartments in The Commons. Now there is a precedent, future projects should be easier to finance.

"Since The Commons was completed, some of the properties have been resold with quite a capital increase on what people paid for them. It proved that there is market value," McLeod says.

Following on from The Commons popularity and it winning a swag of awards, in January 2015 it was reported that McLeod had joined forces with a group of prominent architects and investors to build another apartment development. Located across the road from The Commons, the new 20-apartment project, to be called The Nightingale, involves a partnership with architects

Six Degrees, Andrew Maynard and Clare Cousins. Although the local Moreland Council wasn't due to consider the proposal until February 2015, strong demand triggered a ballot to allocate the units which will sell for between \$400,000 and \$645,000.

CREATING COMMUNITY BY DESIGN

Elsewhere in Brunswick, another property developer is shaking things up.

VicTrack recently awarded Neometro the tender to redevelop Brunswick's Jewell Station. The \$70 million project will revitalise the station and see two rundown, low-rise buildings on the eastern side of the historic railway station redeveloped into 100 residential apartments.

An emphasis on social and community outcomes is key to the project, with Neometro's plans providing open space with shops, cafe, community garden and public art. Although the site is not yet under construction, the community has already moved in, with not-for-profit urban farming group 3000 Acres installing a no-dig veggie garden on site.

Neometro was the first property group in Australia to be a certified B Corp (a US-based accreditation of businesses that sets high standards in community, environmental, governance and social endeavours). Small Giants is also a B-Corp and there is a friendly rivalry between the two businesses: they show each other their projects and learn from each other's innovations.

One of the main differences is in Neometro's consistent

design pedigree, Tutton says. "We've been creating modernist architectural buildings for 25 years, working with the same design team, which means our product has evolved but there is a consistent DNA." At its core, that DNA is threaded around the belief that social and community outcomes are best bolstered by exemplary design.

Tutton stresses that, for them, design isn't about superficial details – although Neometro apartments are definitely design-magazine worthy. The company has a focus on building livable apartments with thriving communities. "Quality design results in apartments that are better for living in. That might sound like a sweeping statement, but there is evidence-based research that shows properly acoustically treated apartments, with proper ventilation, have a myriad of positive mental and physical outcomes for the inhabitants," he says.

INVESTMENT WITHOUT DAMAGE

The same research shows that as more urbanisation occurs, and population density increases there is a need for "investment without damage" within our community. This includes opportunities for residents in apartments to be encouraged to engage socially.

The process of fostering culture and creating shared community assets starts well before construction has begun. In 2013, not-for-profit art gallery Slopes opened its doors (rent free) at Neometro's building project, Nine Smith Street. In front of a building on-site that was set to be demolished was a pop-up café while in the carpark were urban veggies from 3000 Acres.

"We invest in the cultural fabric, not just in the arts, but with social enterprises. We believe in taking assets

The money that would have gone towards car-park excavation was funnelled into European double-glazing and advanced insulation. There are 70 bike spaces instead.

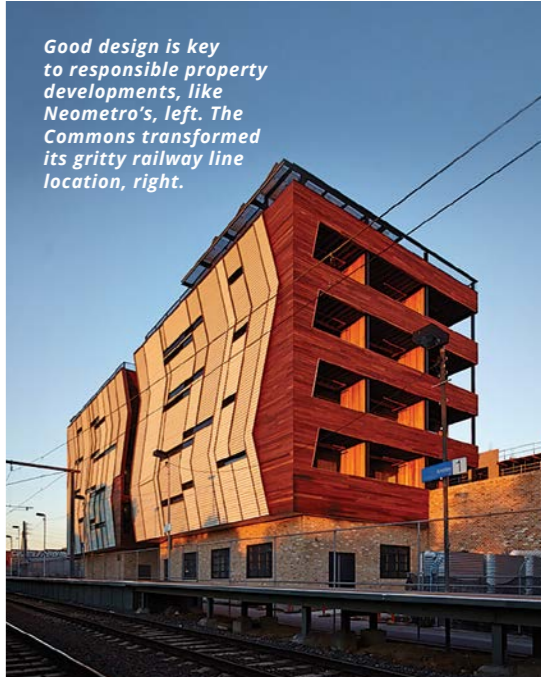
that are being unused and opening them up to the arts." Tutton stresses that this is not at the expense of commercial outcomes – it helps achieve them. "Many developers aren't cognisant about the role arts and community play in making it possible to develop a site successfully in the first place."

Critics of these projects have called them elitist, and Neometro does tend to be more high-end. However, The Commons and The Nightingale are price competitive with other Brunswick developments. A broad segment of the community bought into The Commons, from young families, to downsizers, and one or two ethical investors who made use of their self-managed super funds.

"When you look at things that are happening on the fringes in parts of Sydney, Melbourne, San Francisco and New York, eventually what is an outlier will shift towards mainstream. That is happening in property too," says Tutton.

His perspective is supported by Jodi Newcombe and the others who've found everything they wanted – and more – in their new homes. "I didn't expect just how lovely it would be," says Newcombe. "The community is just amazing. There are drawing classes in one apartment every Monday night, a beehive on the roof, community barbecues once a month in summer and even a rooftop gardening committee. It just shows if you give people a little bit of scope they will do amazing things!" ●

TEXT: MADELINE HINCHY
PHOTOS: (THE COMMONS) ANDREW WUTTKE, OTHER IMAGES FROM NEOMETRO



Good design is key to responsible property developments, like Neometro's, left. The Commons transformed its gritty railway line location, right.