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There's money in history

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PHOTOS BY AZMAN GHANI



Iconic: Sultan Abdul Samad building, was used to house several important government departments during the British administration, is now used as the offices of the Ministry of Information, Communications and Culture

DESPITE the bustle of tourism and the commotion of vendors selling their trinkets and souvenirs, visitors are unlikely to miss the beautiful embellishments on the pre-war buildings along the length of Jonker Street, Malacca.

These 19th century shophouses are as much a draw for visitors as the food and wares that Jonker Street has to offer.

Rising awareness and appreciation for heritage buildings are seeing more of these old structures repurposed for modern use to draw tourists.

It is not uncommon these days to see old buildings turned into boutique hotels and cafes.

Nonetheless, with prime land for development growing scarce, it is becoming an alarmingly common practice for old buildings to be demolished and replaced by new developments.



Popular: Tourists flock to Jonkers Street. Malacca partially due to its many heritage buildings.

But the Malaysian Institute of Architects (PAM) is looking into championing the cause of conserving heritage buildings for their cultural and economic value, and is encouraging developers to consider adaptive reuse of old buildings rather than tearing them down completely.

“We have so many heritage buildings, so it is important to get value out of them,” PAM president Chan Seong Aun said.

“High-value tourists come to see unique features of a city.

“These are the ones who are interested to know and learn about local cultures.

“And unique features, in all probability, would consist of the historical and cultural buildings of that city.

“So we should enhance the value of historical buildings through adaptive reuse to help attract tourists,” Chan explained.

Economic sense in preservation

But preserving our old buildings is not necessarily for tourism purposes alone.

Chan says that adaptive reuse of a building could be more economical than demolishing one and rebuilding another.



Talking conservation:PAM council member Thang (left) and PAM president Chan and hope more effort is put into preserving local heritage sites.

Studies have noted that the rehabilitation and adaptive reuse of a heritage building can be a profitable investment.

According to a research by Donovan Rypkema, the principal of a Washington D.C.-based real estate and economic development consulting firm, the average cost of a large commercial rehabilitation would be about 4% lower than comparable new construction on a clear site.

If the new building requires demolition of an existing structure, the savings are greater.

Heritage conservation also helps revitalise a city centre as can be seen with Jonker Street.

The town area of Malacca has seen growth in visitor numbers and traffic since Jonker Walk was mooted in 2000.

Additionally, the vibrancy in Malacca's city centre has attracted newer developments and revived old construction projects eager to cash in on the growing interest in real estate there.

In the US, the National Trust for Historic Preservation has been revitalising commercial districts within the context of historic preservation under its programme called Main Street.

Over the past 30 years, the initiative has successfully revived 2,000 communities, produced US\$54bil (RM178bil) in investments, created 450,000 jobs and resulted in the rehabilitation of more than 229,000 buildings.



Old and new: New and old buildings make up the skyline of Kuala Lumpur. But if nothing is effort is put into presever the old buildings, that architecture segment will be gone forever from our heritage.

“That is the type of value we want out of our cities.

“These old, heritage buildings should be preserved as much as possible,” said Chan.

While countries in the West are taking their preservation policies seriously, Chan said it is regrettable that some landmark buildings here have had to go to make way for commercial development.

One such example was the landmark Bukit Bintang Girls’ School, once the oldest school in Kuala Lumpur, which was demolished for the Pavilion KL mall.

However, developers tend to argue that new development projects do better to enhance the value of land.

Note that residential property prices in the area around Pavilion rose from RM500psf in 2002 to RM1,800psf when the mall was completed in 2008.

“But profit can be measured in many ways other than just the bottom lines of development projects.

“We can maintain history and build new economic value from existing buildings.

“We have seen property prices for old buildings appreciate over the past few years because these buildings cannot be rebuilt anymore.

“And after Georgetown and Malacca received the World Heritage Site recognition from Unesco, property prices went up.

“The more authentic the buildings, the higher their value,” Chan explained.

Back in 2008, when the historic cities of Malacca and Georgetown were both listed as Unesco World Heritage Sites, property valuers had expected developers and investors to snap up these heritage jewels.

Some estimated that prices were pushed up almost immediately by at least 20% to 30% in Malacca and more than 50% in George Town. In 2008, the price of a pre-war house in these areas were about RM800,000 to RM1mil.

This, Chan added, would improve rental yield for such properties.

Keeping a piece of architectural history

While there is growing awareness on the need to conserve old buildings, PAM council member Steven Thang said more needs to be done to educate developers to consider a different approach to development.

“Currently, a lot of the major old buildings are owned by the government, so they have to take the lead in preserving these buildings.



We should enhance the value of historical buildings through adaptive reuse to help attract tourists.— CHAN SEONG AUN

“And local councils need to come in stronger in ensuring infrastructure to these old structures are built in order to keep the buildings occupied with

relevant usage, lest they become abandoned buildings, waiting to be redeveloped,” Thang said.

A good example of buildings that are utilised is the Sultan Abdul Samad building, which houses the offices of the Ministry of Information, Communications and Culture.

Thang estimates that it takes about RM100,000 to RM200,000 to rehabilitate old shophouses, which he notes could be a burden to property owners or developers.

“Developers worry that it is expensive to maintain these old buildings.

“So there must be some kind of mechanism where they can recoup their investment in conserving buildings, maybe through reduced assessment or something like that,” he said.

Developers should also consider redevelopment in a sensitive way by incorporating the old buildings into the new designs to maintain a similar facade and to build around the old structures instead of completely demolishing them.

Drawing examples from what YTL Group has done with The Majestic Hotel Kuala Lumpur and KL Performing Arts Centre, Chan said it is not impossible for developers to draw value from historic buildings.

“We must preserve these historic buildings because once they are destroyed, that architecture segment will be gone forever from our heritage.

“And if we do not do something now, in 20 to 30 years time, our towns will be unrecognisable and we will only see glass buildings in our cities,” said Chan.