

**The Esplanade Hotel Working Group  
Draft Submission of The Esplanade Alliance  
October, 2000**

**The Esplanade Alliance**

The Esplanade Alliance, an incorporated community organisation, was formed by St. Kilda residents, traders, musicians and artists in 1997, to ensure innovative and human scale responses to the unique urban design opportunities presented by the St Kilda foreshore and its neighbouring environment.

During 1998 the Alliance informed residents and visitors about the Becton proposal for a 38-storey skyscraper development at the rear of the Esplanade Hotel. As a result almost 12,000 submissions were lodged with Council, objecting to the proposal.

In April 1999 we informed residents about the significance of the then State Government's *Gateway to the Bay* proposal. Again many thousands of submissions were made to the C5 Ministerial Panel.

The Alliance speaks for a substantial and growing number of St Kilda residents and visitors. Hundreds of people have contributed to the Esplanade Alliance as members, volunteers, advisers and coordinators.

**St Kilda's character**

St Kilda is simultaneously avant-garde and retro, throwback and cutting edge. It started as a residential refuge for Melbourne's elite in the 1880s and then became a resort and recreation town in the first part of this century as public transport made it more accessible.

In the following decades, St Kilda's fading grandeur and increasing affordability created a unique community for displaced people affected by the economic and political upheavals in Australia and in the rest of the world. St Kilda welcomed migrants and cultural refugees when other parts of the metropolis exhibited xenophobia and worse.

In the 1970s and 1980s it built a new reputation around its artistic assets and residents, its moral tolerance and diversity.

Throughout the decades St Kilda's built form has been crucial to its social and cultural role in Melbourne. Its human scale housing stock, represented by a diverse collection of walk-up flats, converted mansions and working class cottages, set together cheek by jowl in the streetscape, created an urban density with a strong relationship to the street. Consequently, the streets became the focus of public life, for leisure, for communication, for consumption, and for all sorts of pleasures, giving the area a gritty urban feel and pulse unrecognisable in any other part of Melbourne.

The debate over the scale of development on the Espy site is as much about how the future character of St Kilda is to be shaped, as it is about how the suburb and individual buildings are to be designed. For there is a point at which human scale is lost, and with it the street life and character so ingrained in Melbourne's vision of St Kilda.

## **Development Controls and St Kilda's Character**

In the late 1980s a planning scheme amendment (RL47) introduced height controls over tourist and foreshore areas of St Kilda.

It was the successful culmination of intense community protest which had been sparked by high rise proposals for the Espy site, the Mandalay site and the . . . site (### on Beaconsfield parade).

The height amendments were sought by the Council as a means of not repeating the planning mistakes of the 1970s that had allowed Arrandale and Bayview Towers. Low rise controls, rather than more high rise buildings, were seen as the key measure to remedy these errors.

The intention of the controls was to introduce a clear planning framework for the future of the St Kilda foreshore, and specifically:

- encourage design and development to enhance the appearance and character of the foreshore and adjacent area,
- relate height, bulk and setback to measures that ensure compatibility and enhance appearance and character,
- retain the features that provide the foreshore with character and identity, and
- enhance urban conservation by encouraging renovations and extensions strengthening the architectural and streetscape character of the area

These parameters were contained in the Foreshore and Environs Design Study in the early 1990s and were continued by the City of Port Phillip's urban design guidelines of the late 1990s. These guidelines were largely supported in the report of the C5 panel in 1999.

Height controls and the supplementary measures have received overwhelming popular support at every local election since 1987. They were also strongly supported by the local MLA for Albert Park (and now Planning Minister) prior to the 1999 State election (see Appendix 1).

Rather than being a crude planning measure, these controls were supplemented by design and development parameters that encouraged innovation, contextual responsiveness, and new development at a scale compatible with the human dimensions of St Kilda.

Since their inception, these low rise controls have been successful in preserving the contours of St Kilda's built form and in fostering new developments that have added considerably to the character and identity of the suburb.

For example, good urban design has been encouraged and achieved at the Prince of Wales the Almedia in Princes Street, the St Leonard's development, the George and the Regal. (It is important to note that the Novotel hotel came to fruition prior to the implementation of the existing height controls).

By any measure low rise height controls have performed:

- they have helped to retain the heritage significance of the existing built form, especially in Fitzroy Street;
- have not stifled new development (indeed the certainty provided has been welcomed in the marketplace); and
- much of the new infill design has been of high quality, and has attempted to accommodate the existing cultures and social character of the neighbourhood

Where the design has been average, for example, the infill at the back of the historic Mandalay, the negative impact on the overall feel of St Kilda is minimised by its moderate scale.

Yet, despite the many positive results and repeated community support for the harmonious integration of developments, pressure continues from the developer of the Espy site to rise above these recommendations.

## Development controls and the Espy Site

The RL47 amendment has provided the core reference point for the current DDOs that apply to The Esplanade Hotel site. Yet, the Espy site is the one potential infill development site in St Kilda, where height control remains an issue. Developers who proposed high rise for other sites have long since bowed to community pressures, revised their plans and completed their developments. The Espy owners fight on while the site degenerates.

The would-be developer, Becton Corporation, has an option over the site and, unlike every other developers in the St Kilda foreshore area, has sought to either remove or significantly modify the existing development controls.

Becton has sought the loosest possible planning framework for the site first through opposing heritage listing of the Hotel and Baymor Court on the Historic Buildings Register; then through a planning scheme amendment in 1998 for a 38 storey tower; and in 1999 through a presentation and submission to the C5 panel for the widespread removal of heritage controls and an amendment to enable a 27 storey development. Finally Becton's nominees to the Working Group have recommended a 'benchmark height' of 1.5 times the height of Arrandale or, effectively, 21 storeys.

The company stands to reap a major windfall advantage if its three year campaign, to reach for the sky, succeeds. Yet little is said about this economic reality. Instead arguments for a high rise are cloaked in 'good design' terms based on an unproven premise that big urban gestures are the only things worth making, and the only ones capable of exemplifying good design. The high-rise arguments for the Espy site, put forward by Becton's nominees, strive to accentuate prominence, to emphasise, to create a structure that will stand out as a 'hinge' or, indeed, a 'bookend'.

Yet, buildings that self-consciously rise above the accepted heights, such as Arrandale, Bayview Towers, and Edgewater do little to enhance the best aspects of St Kilda, or to promote good design. On the contrary, these towers demonstrate that height does not necessarily lead to elegance or design excellence. Nonetheless, it is these towers, rather than the many examples of wonderful low scale developments, which are singled out as the benchmark St Kilda features for determining the scale of the Espy development.

Becton's tower proposals of 38, 27 and now 21 storeys are a clear misreading of St Kilda's spirit and culture, which continually reinvents its unique, eclectic ambience through the harmonious integration of diverse characters and distinct characteristics and strives to maintain a human scale that allows an ongoing relationship and interaction with the street.

High rise development at the Espy is about looking down on the street, literally and figuratively.

It is not surprising, then, that on the issue of height, the Working Group was unable to reach a consensus.

We strongly support a good and creative design outcome. The site is not only capable of accommodating highly imaginative new buildings, there is the potential to make a lasting addition to the rich built fabric of St Kilda.

Our view is that development on the balance of the site should be contained and that the Hotel itself, as a prominent heritage and cultural landmark, should remain pre-eminent.

Our preferred type and scale of development for this site is of low to medium rise development, in which the sense of human scale and relationship between the ground and upper levels, and the compatibility of scale between the new and existing buildings is never lost<sup>7</sup>

It is a type and scale of development that:

- will reinforce the strongest urban design qualities of the Esplanade's foreshore frontage;
- is capable of powerful and meaningful architectural and urban design gestures, but does not sacrifice its core qualities to pursue those gestures by size alone;
- is consistent with policies of urban consolidation and patterns of higher density living, without subscribing to blatantly high rise models; and
- is consistent with the City of Port Phillip policies (as outlined above) and reflects State Government promises and visions for the inner Melbourne foreshore.

The planning scheme should adopt the following key principles, that new development on the Espy site should:

- recognise the diverse and layered history and culture of the local neighbourhood and its residents and visitors,
- recognise the harmonious and integrated relationship between the residential streets of the local area and key foreshore institutions and activity areas.

We maintain that no convincing case has been put for high rise development on the balance of the site, nor for using the Arrandale or Bayview buildings as benchmarks for determining appropriate height on the site.

It would be a major mistake for the Working Group outcome, or indeed any other independent process, to succumb to speculative development pressures based on a nexus between good design and high rise buildings, in much the same way as planners and consultants did in the 1970s.

The debate has generated huge local St Kilda interest because it is about whether a new private, self-contained and insulated domain, allowing private needs to overshadow others, will be embraced. The debate has created wide public interest because it is a superb case study about whether governments, their advisers and planners will allow speculative endeavours to distort planning processes in local communities.

## **The Espy Hotel**

Whilst the Working Group failed to reach consensus on height over the Espy Site it did agree unanimously that as a place, the Espy Hotel was important:

- as an evocation of a resort, being a place distanced from the metropolis yet paradoxically located within it (by the sea and close to the city)
- as an emblem of a nineteenth century grandeur and presence that also actively contributes to the sense of local neighbourhood
- as a treasured place in the contested terrain about St Kilda's identity, culture and commercial potential

###Insert here how the hotel needs to maintain a pre-eminent place on the site, not overwhelmed by new development, etc visible from all angles, (as is stated in various reports)

## **The Espy Culture**

The Hotel, in the way it operates, in its physical presence, in its role in recent planning policy - itself exemplifies these issues. The Working Group unanimously agreed that the *"hotel is a democratic and widely accessible space, especially for people on low incomes. Its furnishings, door policy, physical intimacy, lack of pretension, sense of decay (? faded glory might be better) and promotion and support of artists and musicians on the commercial fringe, are key ingredients of its on-going contemporary appeal. This culture, which is commercially successful and which has been continually renewed by the hotel, its artists and patrons, should be supported and encouraged"*

The Working Group agreed the Hotel was not a venture suffocating in aspic; it has a dynamic culture that has both followed and set the pace in the St Kilda music and arts scene, not just recently but through most of the last century. This quality needs to be recognised and valued. It cannot be taken-for-granted or dismissed as peripheral to the planning and development process for the site. Again the Working Group was unanimous that innovative, commercially-informed techniques to safeguard the role of the Espy as a culturally important site and venue into the future must be intimately tied into how the site as a whole is developed and managed.

The Working Group unanimously agreed the Espy makes an essential contribution to St Kilda:

- as a crucible of affordable leading edge music, comedy and art
- in its constancy as a vehicle for on-going cultural evolution and metamorphosis
- as a producer of substantial community benefits, especially in terms of building St Kilda's reputation in the performing arts and difference to the city
- as an outcast or rebel resistant to the siren call of a chic, glamorised, monocultural, corporate ethos.

The existing Espy uses should be articulated and supported in the Planning Scheme (eg. a zone is required which supports the existing hotel/entertainment/cultural uses of the existing hotel). The zone should adopt the following key principles for the site, which were broadly agreed in the Working Group:

- Maintain and support the Espy Hotel in its established role as an incubator of independent local music and comedy talent
- Maintain and support the Espy Hotel as a venue accessible to a broad, diverse and non-mainstream public
- Maintain and support the Espy Hotel as one of the key publicly-accessible facilities in the context of the St Kilda foreshore recreation and entertainment precinct
- Maintain the Espy Hotel as a key icon of St Kilda's cultural identity

### **Safeguarding the Espy Culture -- management plan**

Recognising and valuing the Espy's culture and contribution to both St Kilda and the broader metropolis should not just be the responsibility of the building's owners. Certainly they have a key role to play, but so do others including the local and state governments and perhaps even a broader range of stakeholders like the Espy's customers, admirers and artists. Each of the key stakeholders should participate in steps to ensure that the right environment is created to enable the Espy's culture to flourish.



The ownership of the hotel itself could be distinguished from the ownership of the balance of the site. Property developers, builders and construction companies often lack the expertise or long-term interest in managing and operating hotel and arts facilities. A range of ownership and management options is possible and has been canvassed by the Working Group.

One option might be the development of a Unit Trust which would combine the best features of a commercial property trust where risk is shared and capital is efficiently managed, and a property heritage trust, where responsibility for long-term cultural and public interest uses is safeguarded. These options need to be further investigated by the present owners, Council and other parties. Council should a preferred option or model in conjunction with its consideration of a development application (see above).

A key performance test applied to any development application should be how the applicant proposes to maintain and support the purposes of the zone. Specifically, a written report justifying the proposal in terms of the above principles in terms of both a Council-approved operation and management plan and a set of undertakings of how these responsibilities must be provided and endorsed by Council as a prerequisite for consideration of further planning approval. A Planning and Environment Act Section 173 Agreement should also be negotiated between Council and the development party.

### **Safeguarding the Espy Hotel -- refurbishment plan**

For the past 15 years the physical fabric of the Espy has been allowed to deteriorate by successive owners. Enticed by the prospect of over-developing the balance of the site, they have paid prices that were over the odds in the market. As a result, the hotel's earnings have been predominantly ploughed into servicing inflated loans rather than into maintaining the Espy's physical well-being.

All parties agree that a re-investment in the physical fabric of the hotel is urgently required. The Working Group, based on estimates originally provided to Becton in 1998, agreed that a modest refurbishment, chiefly to meet fire and safety standards and to enable the upper storeys to be used for associated cultural purposes, would cost in the order of \$3-3.2 million. The principal sources of capital are likely to come from a combination of the hotel's earnings, perhaps some limited grant funding from Heritage Victoria for renovation works, and income derived from new development on the remainder of the site.

The Working Group agreed that independent yield studies should be commissioned to determine more precisely the level of cross-subsidisation between the new development and the needed refurbishment of the Espy and how this may impact on the scale of the new development.



**Our view is that any resultant recommendation for an alteration of the height limit must be demonstrated to be directly related to subsidising the costs involved in a modest refurbishment of the Hotel that will bring the hotel to a safe and sustainable level, whilst not interfering with its established cultural role and use.**

The Esplanade Alliance is open to considering the demolition of the Espy kitchen, part demolition of the Baymor (retaining the main section fronting Victoria Street) and a central building taller than the 18 metre height limit, IF these actions are demonstrated as being absolutely necessary to ensure a modest refurbishment of the Hotel.

**### Insert a paragraph along the lines that these compromises would not apply if the refurbishment was of a type that would change the purpose and potential clientele, become exclusive, elite etc. . . .**

Appendix 1

**FROM: *Planning for the Future. Labor's Policy for Planning, 1999 State election***

*Labor will protect the foreshore through:*

- Stopping high-rise development on the foreshore of Port Phillip Bay
- Introducing clear prescribed height controls that are certain and not mere recommendations
- Promoting new development around the Bay which does not damage its existing amenity and heritage
- Good urban planning and design will not be traded off against good architecture; height controls do not have to be abolished in order to get good architectural outcomes. Any major strategies and development proposals for the Port Phillip Bay foreshore will be required to protect the environmental, heritage and recreational aspects of the area and not be merely market driven.

**FROM: John Thwaites, MLA, responding to an Esplanade Alliance candidates survey for the seat of Albert Park, 9 September 1999:**

*Do you support Council's design and development control overlay for the St Kilda foreshore, including heritage controls and preferred maximum heights?*

Yes, although I believe the controls should be tighter (his emphasis) than proposed. In particular height controls should be prescribed as they used to be, not merely preferred. This will be Labor policy.

*Do you support a preferred maximum height of 18 metres for the Esplanade Hotel site, and other sites along the Esplanade?*

Yes.

*It is possible that the Ministerial Panel currently reviewing Council's design and development controls may not recommend preferred maximum heights for the foreshore, or will suggest altering those heights, what will you do if they do?*

Labor will implement maximum height limits on the foreshore.