
The Espy Campaign 1997-2003

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Cover image: The Esplanade Hotel. Photo: John Lamb/Fairfax

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The Espy Threat

The Esplanade Hotel (The Espy) has graced St Kilda's foreshore promenade since 1878. For almost a century, its stages have hosted the finest performers from Australia and the world, none more so than in the decades of the 1980s and 1990s. So, when yet another redeveloper bought the site for a tower dream, concerns over the hotel's physical and music future mobilised a determined opposition.

*The cultural response in the late 1990s to the proposed redevelopment of the Esplanade Hotel . . . was the biggest and most decisive in St Kilda's history. The threat to the Espy mobilised thousands of people across the many successive, but co-existent layers that make up the locality. The campaign was about more than property values and historic preservation. For some people, it was more than just the future of St Kilda. The alternative subculture of the hotel became a metaphor for cultural differences in the face of a market-driven planning process that sees in all urban localities only their potential for recapitalisation.**

Set against a political battle of wills between State and local government for control over planning, the campaign to save the Espy took numerous twists and turns. The six-year battle sustained considerable media interest, attracted wide public involvement, and broke submission records.

Most importantly, it introduced into the Port Phillip Planning Scheme, for the first time, an amendment to protect the 'cultural use' of a place.

Becton Corporation buys The Espy

The campaign to save St Kilda's Espy Hotel was sparked by a one-paragraph article – written by John Hurley and buried in the back pages of The Age of 28 August 1997: *Becton buys St Kilda hotel.*

The very next morning, a group of residents and Espy patrons met at a St Kilda café to discuss what the transfer of ownership would mean for the future of the much-loved hotel and live music venue at 11 The Esplanade, St Kilda.

It was not the first campaign to save the Espy. In mid 1980s, a consortium headed by songwriter Mike Brady had bought the pub to build an 18-storey hotel behind it. His vision was defeated when six-storey height limits were imposed on the site, after a very passionate public campaign led by those who considered the pub their 'lounge room' and its patrons their community. Brady sold the site to Carlton United Breweries (CUB) in 1995.

By the late 1990s, socially and culturally St Kilda was moving to gentrification, albeit slowly. Rents and house prices were going up, particularly those with bay views. The whiff of money was in the air.

The foreshore site Becton bought in 1997 faced the bay. It was dotted with low-scale buildings. In addition to the three-storey 19th century hotel, with three wings, and its adjoining more modern bottle shop, the site included a Spanish Mission block of flats called Baymor Court, old stables and various outhouses at the rear.

Becton bought the site for its development potential and made no commitment to keep any buildings on the site, not even the Espy Hotel.

* Kate Shaw, *Whose Image? Global restructuring and community politics in the inner-city*, unpublished Master's Thesis, RMIT University, Melbourne, 1999, page 168.



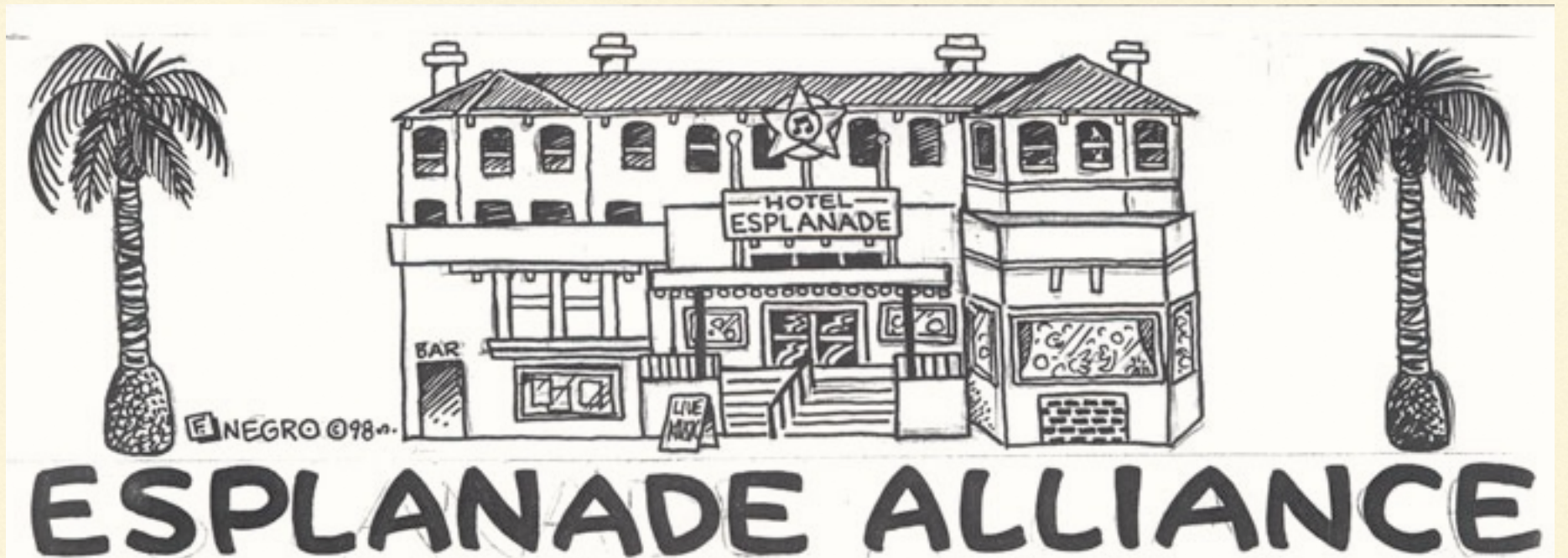
*Baymor Court, looking down Victoria Street to the sea.
Photo: EsplanadeAlliance*



*Baymor Court, looking down Pollington Street to the sea.
Photo: EsplanadeAlliance*



*Rear, Esplanade Hotel site.
Photo: EsplanadeAlliance*



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The Players

Developer

Becton Corporation was a heavyweight in the redevelopment arena. It was not in the business of running pubs or live music venues. Only two weeks earlier, on 13 August 1997, *The Age's* Jeanne-Marie Cillento had identified Becton amongst *The men who are shaping Melbourne*. Becton had seen the future and the future under the Liberal party state leadership belonged to high-rise towers and large developments.

State Government

In August 1997, the **Kennett State Government** was in its second term, privatising public utilities, selling public assets, reforming planning rules, restructuring local government. St Kilda was in its sights. Sale of landmarks on St Kilda's foreshore Crown Land – Luna Park, The Palais Theatre, Palace nightclub, and O'Donnell Gardens – was on the agenda.

The government's new **Victorian Planning Provisions** (VPPs) had dismantled prescriptive regulatory devices, such as height controls, in favour of 'performance based' criteria. All newly amalgamated local councils had been ordered to revise their planning schemes accordingly. Rather than acting as 'controls', proposed height limits were to act as 'preferred maximums' that could be exceeded at the discretion of the planning authority.

Local Government

Contrary to the intent of the VPPs, the **City of Port Phillip's** draft planning scheme revision (Neighbourhood **Amendment C5**) had retained St Kilda's mandatory controls, including a six-storey limit on the Esplanade Hotel site. This put Council in direct conflict with the Minister for Planning and Local Government, Rob Maclellan. The Minister's reputation for 'calling in' development applications was legendary and his growing dislike of the City of Port Phillip was on the public record. A battle between the State Government and the Council was brewing over who should drive/decide local planning outcomes. St Kilda's Espy was to become the battleground.

Citizens

The group who met on Friday 29 August 1997 at the Banff Café in Fitzroy Street, St Kilda, would become known as the **Esplanade Alliance**. They were long-term residents, who had already fought for more than a decade to preserve the suburb's social diversity, affordable housing and architectural character against the market forces of recapitalisation. They were mainly professionals, knowledgeable on matters of local government, planning law, design, and media relations. They understood fully that the unprecedented planning reforms being imposed by the State Government were driven by a pro-development agenda. And they understood the threat posed by a large property redeveloper like Becton Corporation. The group moved quickly to establish a public presence even whilst it debated a name for the group and clarified its objectives.

Media

By September 1997 **local and metropolitan media** were reporting the unfolding saga.

Denis Brown, writing for the Port Phillip Leader asked whether it was *Last orders at the Espy?* (1 September 1997).

Helen Westerman at the Emerald Hill Times reported: *Locals rally to save Espy* (3 September 1997).

The Age proclaimed: *Espy sails into heavy seas* and its journalist, Nicole Brady, wrote “*they fear the building will be converted into yet another apartment complex, thus destroying an important live music venue and historic facility in one fell swoop.*” (11 September 1997).

And by the end of the year, Channel 7's Today Tonight had run a feature on the campaign to save the Espy. TV and radio news joined in to report various stages of the six-year battle.



Design Competition winner, Becton Corporation

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The Issues

In the fading months of 1997, the protagonists in the Esplanade Hotel drama prepared their strategies.

Becton announced a Design Competition. The corporation invited five local firms and one international group to submit proposals to develop the quarter-acre Esplanade Hotel site. The competition brief did not specify height limits or the need to keep the hotel.

Port Phillip Council applied to Heritage Victoria for a Heritage Listing. Its bid was supported by the National Trust, Felton Bequest, Acland Street Residents, Fitzroy Street Residents, and Port Phillip Heritage Arts.

The Esplanade Alliance prepared a cultural history of the Esplanade Hotel – from the time it opened its doors in 1878 to the present – in order to highlight the pub's long history and its significance for the Australian music industry and the eclectic character of St Kilda. It hoped Heritage Victoria would take the Esplanade's cultural status into account when assessing its listing, and that the competing architects would do the same when preparing their design response. The Esplanade Alliance strategy was to become a part of the design process rather than to be called upon to react to a finished design. Above all, it wanted to empower the local council and wider community with a voice the State decision makers could not ignore.

Culture

Musicians, artists, and comedians rallied behind the Esplanade Alliance. They signed a letter to Max Beck, owner of the Becton Group of Companies, urging him to read the history of the hotel's culture and to respect its significance.

However, on the morning when the Esplanade Alliance was to present the document and letter to Becton and to the City of Port Phillip (9 December 1997), Becton locked the group and the Mayor out of the Esplanade Hotel.

Kate Shaw of the Esplanade Alliance told *The Age* that this was “the first time in the hotel's 120-year history that a group of St Kilda residents had been refused entry . . . I can assure Becton that this is not the last of the statement of cultural significance, nor is it the last of the

Esplanade Alliance's attempt, and I believe we will win the argument that the cultural significance of this site is something that simply can't be swept away." (*Hotel pulls the plug on protesters*, Louise Martin, The Age, 10 December 1997).

Undeterred, the Esplanade Alliance tried again. It launched its document, *The Esplanade Hotel 1878– An exploration of the Espy's cultural significance*, on 20 January 1998, to wide media interest.

The evening news on TEN, GTV 9 and the ABC reported the launch, as did morning radio and local and metropolitan newspapers.

The Age called it *A fight for the show to go on at the Esplanade* (Louise Martin, 21 January 1998).

The Emerald Hill Times reported: *Espy fans launch another rescue* (Helen Westerman, 21 January 1998).

And the Port Phillip Leader wrote: *Save Espy bid swells* (Denis Brown, 26 January 1998).

An opinion piece by Esplanade Alliance members Kate Shaw and John Spierings explained *Why the Espy must be saved* (The Age, 22 January 1998).

These media stories about the Espy's strong association with music throughout the many phases of its 120-year history and the affection and loyalty it inspired as a vital live music venue were juxtaposed with the growing rumours that Becton wanted a 25-storey apartment tower and a tarted up hotel development.

Just before Christmas, the property section of The Weekend Australian had reported that "*Developer Becton is preparing plans to build a 25-storey apartment tower behind St Kilda's famous 'Espy' hotel – Australia's best known grunge music pub*" (20–21 December 1997).

On the same weekend, Karen Lyon of the Sunday Age had explored the various development pressures on St Kilda, asking *The shore thing: are we ready for Gold Coast by the bay?* (21 December 1997).

In the new year, Age journalist, Steve Dow, summarised the proposals reshaping St Kilda, not the least being Becton's vision for the Espy site, and asked *Bohemia rules OK?* (5 January 1998).

A few days later, in the Sunday Life magazine, Michelle Griffin profiled a Sunday afternoon at the Espy, writing "*there's comedy in the backroom, music in the front bar and the best seats to watch the sunset in town*" (11 January 1998).

This was followed by *The Height Report* (The Age, 15 January 1998) in which journalist Royce Millar pointed to the State Government's policy to loosen prescriptive height controls as the catalyst for a swathe of high-rise proposals across Melbourne, including Becton's rumoured tower for St Kilda.

Design

On 18 February 1998, less than two weeks after Heritage Victoria recommended the Esplanade Hotel for the Victorian Heritage Register, inviting public comment, and just a week after denying any plans for a tower (*Becton denies tower project for the historic Espy*, Helen Westerman, Emerald Hill Times, 11 February 1998), Becton unveiled the winner of its design competition.

The design would keep the hotel 'as it stands' and build a residential tower of an unspecified height behind it. Heritage buildings, including Baymor Court, would be demolished.

Becton's booklet, *Questions and Answers about the Esplanade Hotel St Kilda*, outlined the corporation's vision for "*a slender, well-sculptured tower . . . that will exceed current height restrictions of 18 metres.*" It went on to say that "*as long as Becton receives the necessary approvals for its development, the Espy will remain as it is today*" – a veiled threat missed by the media in the following days.

Television news that night, on all four stations, reported the tower. The next day, The Age reported: *St Kilda's esplanade to keep its favourite pub* (Carolyn Webb, 19 February 1998) and the Herald Sun announced: *Tower for hotel site* (Kylie Hansen, 19 February 1998).

Michael Bachelard told readers of The Australian that the *Noisy old rocker has no plans to budge for elevated company* (19 February 1998).

The Australian Financial Review assured punters the *New plan allows Espy to maintain its grunge* (Michael Cave, 19 February 1998).

The Port Phillip Leader, on the other hand, predicted that a *New battle looms* (Denis Brown, 23 February 1998), given the likely demolition of Baymor Court.

Concerns that a 25-storey apartment tower would dwarf the Espy were re-ignited as Becton moved to seek exemption from the site’s six-storey controls and were further fuelled by speculation that the State Planning Minister, Rob Maclellan may have struck a secret deal with developers (*Talk of ‘deal’ on Espy tower*, Emerald Hill Times, 25 February 1998).

Heritage

In April 1998, at a two-day hearing, Becton opposed Heritage Victoria’s recommendation to give the Esplanade Hotel and adjoining Baymor Court state-level heritage protection. In a bitter blow, Heritage Victoria was swayed by Becton’s arguments. It refused to register the hotel as a building of State significance.

This decision put the onus on the Port Phillip Planning Scheme to protect the Esplanade Hotel at a time when the State Government was pushing to scrap City of Port Phillip height limits.

Though Council’s existing height controls had made it through the first round of VPPs reviews in November 1997, they only did so as ‘interim’ controls, to be phased out by 31 December 1998 in favour of site-by-site planning controls – without height limits. Soon Council would need to exhibit changes to its planning scheme – Amendment C5 – to reflect the State Government’s planning agenda, including changes to the Espy site’s six-storey height controls.

In the next few weeks Becton would move to take advantage of this critical moment of transition in the Victorian planning regulations.

Ahead of that move, in May 1998, Becton’s architectural adviser, University of Melbourne Professor Haig Beck, wrote to The Age to argue in favour of Becton’s foreshore tower vision (13 May 1998). His letter sparked a planning and architectural merit debate in the letter pages of The Age (14, 18, and 21 May 1998). Professor Kim Dovey, also from the University’s architectural fraternity, responded by lamenting a planning code that enabled “*mega-projects where the scale so brutalises the city that the design scarcely matters, except as marketing*” (The Age, 3 June 1998).

Key Dates

14 October 1997	Becton announces international design competition
14 November 1997	Council applies for heritage listing
9 December 1997	Esplanade Alliance attempts to launch its cultural history document (locked out)
20 January 1998	Esplanade Alliance launches its document
18 February 1998	Becton announces design competition winner
1 May 1998	Heritage Victoria rejects Council’s application to list the Espy



Artist's impression of the proposed 38-storey tower, Becton Corporation

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Godzilla

On 24 June 1998, Becton Corporation submitted a planning amendment application to the City of Port Phillip, seeking to remove the current six-storey height limit to allow a tower of up to 38 storeys on the site. It sought to demolish several 'A' grade heritage buildings including Baymor Court and parts of the Esplanade Hotel, and to rezone the site's uses to include retail. Becton claimed that without a high tower development, it would not be able to afford to refurbish the Espy.

"I want this to be a work of art. I want to have the same reaction as when you see a Gaudi building and say, 'No-one built that to make a buck'." Hamish MacDonald, Becton Corporation, Antipo Design, Winter 1998, page 2.

The Esplanade Alliance struck back, calling the proposal '**Godzilla**'. The press ran with it.

St Kilda quakes under Godzilla's shadow, said The Australian (Michael Bachelard, 26 June 1998).

Monster tower plan for the Espy, proclaimed the Herald Sun (Kylie Hansen, 26 June 1998).

Godzilla tag over Becton project, wrote the Port Phillip Leader (Denis Brown, 29 June 1998).

Becton reveals its Espy blockbuster, announced the Emerald Hill Times (Helen Westerman, 1 July 1998).

Radio station 3AW spoke with Esplanade Alliance's Kate Shaw and Becton's Hamish MacDonald. On radio, and in the press, Ms Shaw accused Becton of luring people into a Faustian contract, trading the Espy for "*your soul in the form of a tower.*" (*The Espy tower: will it go up, up or away?*, Sian Watkins, 26 June 1998).

And Age staff writer, John Elder, asked: *Is old St Kilda passé*, whilst summarising *The white shoe dance in St Kilda* (1 August 1998, page 6).

Council's Dilemma

Becton’s proposed amendment to planning controls for the Esplanade Hotel site was lodged as a submission to Amendment C5 and named L68/C11. Council then met on 19 August 1998 to consider whether it should place on public exhibition the proposed amendment.

Becton’s application had come at a transition time in the planning guidelines. There was little point in amending the current scheme, as it was about to be replaced. The new scheme was yet to be gazetted. There was no strategic basis on which to assess a general proposal for 38 storeys on the site.

At the same time there were the obvious risks that, if Council did not exhibit Becton’s audacious application, the powerful corporation could, and would, approach the Minister who might call it in. Port Phillip Council was well aware that the State Government could override its planning authority at any time and lock out the local community from further input.

As a first step Council sought a higher degree of clarity and detail and proposed a meeting with Becton to address outstanding issues, deferring the matter for one month.

The developer, emboldened by a favourable political climate and the pressure on the City of Port Phillip to dismantle its mandatory height controls in favour of performance-based criteria, refused to negotiate on height.

On 23 September 1998 Council voted to place the amendment on public exhibition. A formal Planning Scheme amendment process, it reasoned, would ensure, at the very least, the widest possible public consultation. Its decision was accompanied by a statement that outlined its concerns about the height of the proposed tower and the demolition of several historic buildings. It also pointed to the high level of community concern.

The developer’s move to use its design proposal to challenge height restrictions on the St Kilda foreshore ignited the brewing tug-of-war between the State Government and the City of Port Phillip. To the issue of which level of government should drive local planning outcomes, the tower proposal added debate about design and the desirability of skyscrapers on the beach front.

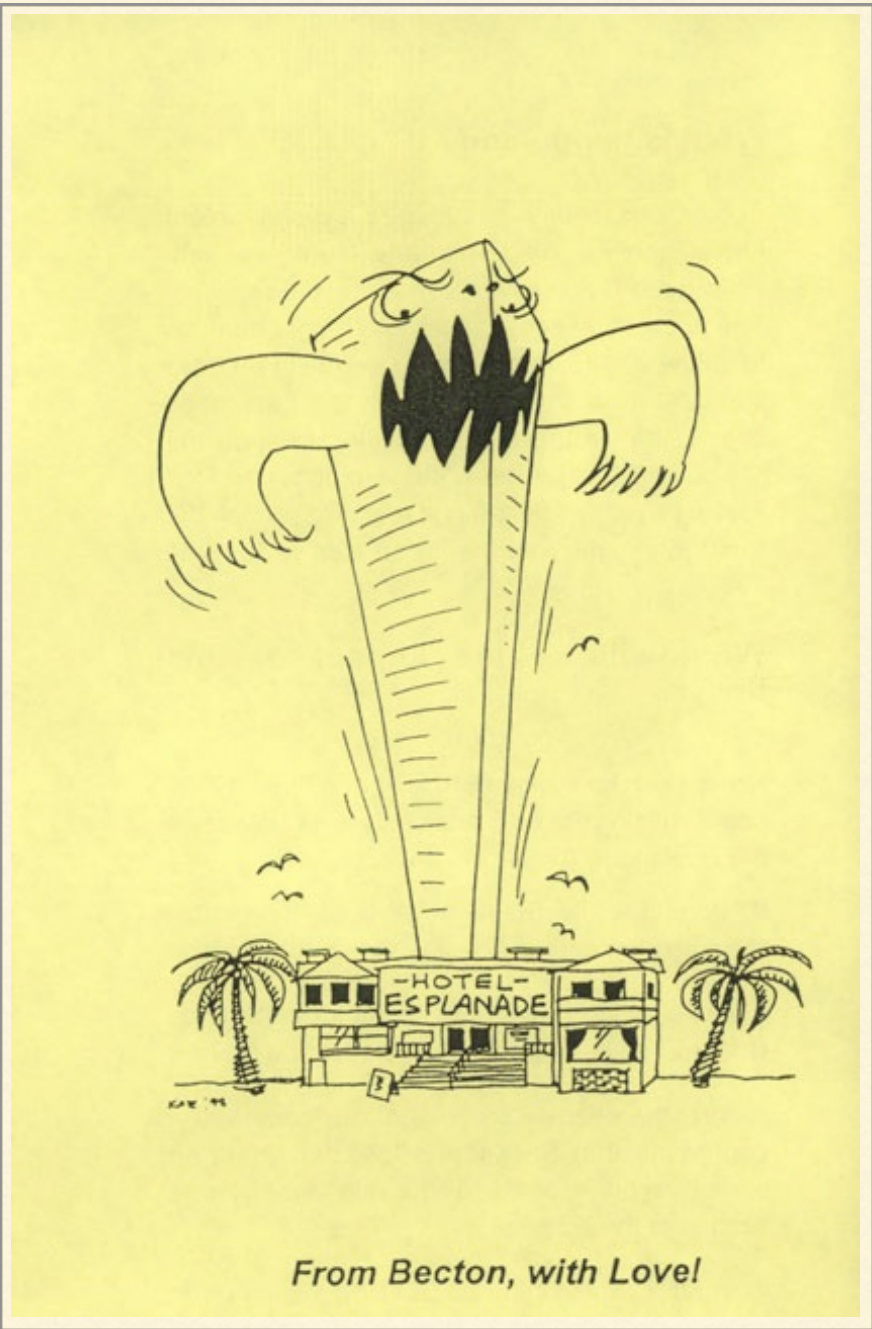
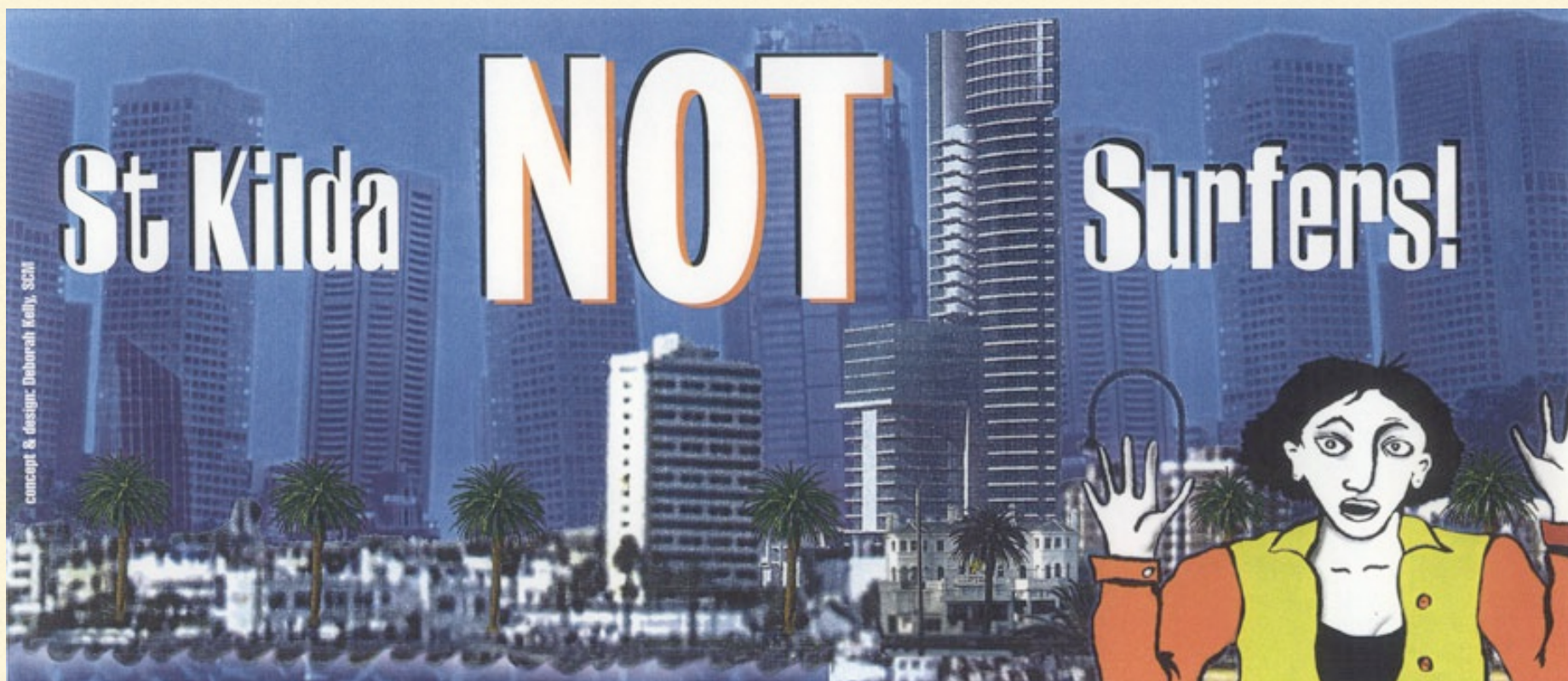


Image from Esplanade Alliance flyer, July 1998 by Kaz

Key Dates

24 June 1998 Becton lodges plans for 38-storey tower

23 September 1998 Council votes to exhibit Becton’s proposal as Amendment L68/C11



Poster, Esplanade Alliance

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St Kilda Fights Back

War had been declared. The battle lines were drawn. The public had six weeks, from 8 October to 20 November 1998 – the duration of the amendment’s exhibition period – to save the Espy.

Becton was not prepared to negotiate on height or bulk. *“The Espy Alliance calls it arrogance and (Councillor) Dick Gross calls it planning blackmail,”* Becton’s Hamish MacDonald told Mike McGeary at the Port Phillip Leader (*Tower Struggle*, 21 September 1998). *“But we think the Esplanade Hotel site is a strategically important landmark site in Melbourne and it would be diminished by compromised design.”*

Concurrently, the new Port Phillip Planning Scheme was gazetted on 29 October and went on exhibition from 2 November to 3 December 1998. Becton’s proposed ‘Godzilla’ amendment challenged several elements of this new Planning Scheme.

The Esplanade Alliance mobilised to:

- Increase awareness of Becton’s proposal to build a 38-storey tower immediately behind the Espy, starting where the Espy kitchen now stands.
- Motivate as many people as possible to write objections, in order to flood Port Phillip Council with an unprecedented number of letters and submissions.
- Attract media attention to take its message to a wider audience and generate public awareness across the State that would dissuade ministerial interference.

The group produced brochures, newsletters, flyers, leaflets, objection letters, and petitions. It set up street stalls and organised public meetings and rallies.

The first public meeting was held at the Prince of Wales Bandroom on 18 October 1998, with support from Paul Kelly, Mark Seymour and internationally renowned street performing troupe Strange Fruit. The bandroom was full. People lined up to sign petitions and letters of objection. They donated funds to support the campaign. They cheered at the sentiment expressed in the speeches.

As word spread, State politician John Thwaites (Deputy Leader of the Opposition) entered the debate (*Politicians slam Becton's Espy plans*, Port Phillip Leader, 2 November 1998).

"It's gone way beyond local residents saying 'not in my backyard'," Esplanade Alliance's Krystyna Kynst told The Emerald Hill Times (*Hundreds likely at last-ditch rally against Espy tower*, 11 November 1998). "It concerns all of Melbourne. We've got visitors to the area who say they might stop coming if this goes ahead."



Signing petitions, October 1998. Photo: Esplanade Alliance

A month later, the Esplanade Alliance organised its second public meeting – a rally outside the Espy – inviting political leaders to attend. John Brumby, leader of the Opposition and Lyn Allison, Democratic Senator, agreed to speak. The Premier, Jeff Kennett, declined. Monash Province Liberal MP Peter Katsambanis came to voice his concern.

The National Trust urged its supporters to attend the rally (*Trust power vs Espy tower*, Ian Munro, Sunday Age, 15 November 1998).

Speakers at the rally (15 November 1998) expressed their concern about the diminishing power of local government in Victoria. The question many were asking was what would happen if Port Phillip Council decided to respond to community outrage and reject Becton's proposal outright? Could it do so confident the Minister for Planning and Local Government, Rob Maclellan, would not call in the proposal and eventually give Becton what it wanted?

When the press reported the rally, it estimated some 1,000 protesters had gathered against Becton's tower proposal.

Residents to wage tough war over St Kilda tower, Sushi Das, The Age, 16 November 1998.

Fans keep on rocking to save the Espy, Katherine Towers, Iain Shedden, The Australian, 16 November 1998.

Developer sings praises of basement blues, Scott Thompson, Herald Sun, 16 November 1998.

Espy protest escalates, Julie Doyle, Port Phillip Leader, 16 November 1998.

Rowdy crowd demands end to tower plans, Nikki Protyniak, Emerald Hill Times, 18 November 1998.

United over Espy, Julie Doyle, Port Phillip Leader, 23 November 1998.

Becton contacted residents in its East Melbourne development, seeking signatures of support for its Espy proposal, whilst the Esplanade Alliance reached out to prominent leaders in Melbourne in business, cultural and other fields seeking signatures of its own.

The battle became more heated as the State Government's Minister for Small Business and Tourism, Louise Asher, lodged her objection to Becton's proposal with Port Phillip Council (*Tourism Minister joins Esplanade tower protest*, Sian Watkins, The Age, 21 November 1998).

The National Trust wrote to its members in the St Kilda area urging them to protest against the proposed development.

When submissions closed, Council had received some 5,368 signatures on the petition and 6,324 individual submissions. Of these, only 618 supported the Becton proposal. No application in the history of St Kilda, or in the history of Melbourne, for that matter, had generated such a response.



Rally at the Espy, November 1998. Photo: Robert Hudson

Key Dates

8 October 1998	Becton's 38-storey tower on public exhibit
18 October 1998	Esplanade Alliance rally at the Prince of Wales hotel, St Kilda
2 November 1998	Amendment C5 to the Port Phillip Planning Scheme exhibited
15 November 1998	Esplanade Alliance rally at the Espy
20 November 1998	38-storey tower exhibit ends. More than 10,000 submissions received
3 December 1998	Amendment C5 exhibit ends

“The fight to retain the Espy is symbolic of the overall fate of St Kilda. If the Espy goes under, then you’ve got to ask big questions about the future of the entire suburb.” John Spierings, former Mayor of St Kilda (*The only way is up?*, Jacqui O’Leary, The Big Issue, 23 February 1998, page 18).



Port Phillip Mayor, Dick Gross (centre) and Esplanade Alliance members Krystyna Kynst and David Brand with objections to Becton's tower.

Photo: Manuela Cifra/Newspix

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Council Slays Godzilla

Councillors met at 9:00 pm on Tuesday 15 December 1998 to consider Amendment L68/C11 to the Port Phillip Planning Scheme – Becton's proposed 38-storey tower for the Esplanade Hotel site.

They had three options: to accept it, to refer it to an independent Panel appointed by the Minister for Planning, or to abandon it.

Acceptance was ruled out. There were too many opposing submissions. To reject the amendment outright was a risk under the current Minister for Planning. Were he to override the decision and call in the proposal, the Council and the public would have no further input. Referring the amendment to a Panel would allow Council and opponents to continue to be involved. This seemed the safest option.

The Esplanade Alliance pushed for outright rejection. Nineteen prominent Melburnians urged Port Phillip Council to abandon the Becton plan. After all, it was a legally enshrined option. And if Council were not to use it now – now when it had an overwhelming number of objections – then when?

The planning tussle between, on the one side a powerful redeveloper and a pro-tower State Government and, on the other, a local council and a vocal community, captivated Melbourne and national media.

Radio news started to follow the story on **Monday 14 December**, alerting its listeners to the upcoming meeting and decision.

On the morning of **Tuesday 15 December**, both metropolitan papers published stories about the imminent decision.

St Kilda tower rethink, Ian Munro, The Age, 15 December 1998, page 6.

Old war, new breed of warrior, Denise Gadd, The Age, 15 December 1998, page 14.

11th hour bid to save hotel, Genevieve Lally, Herald Sun, 15 December 1998, page 22.

Radio news across major networks counted down to the Council meeting.

That evening, in front of a packed hall, Councillors voted unanimously to reject the proposal and called on the Planning Minister Rob Maclellan not to intervene in the decision – to a standing ovation.

To soften the blow of its courageous stance and to appease the Minister, Council offered to set up a Working Group by April 1999 to consider the parameters for an appropriate/acceptable development on the site. Becton would be invited to participate, as would community representatives. The Working Group would determine a draft Building Envelope Plan and design objectives. It would invite public submissions in response to the draft material, and incorporate the findings into the Amendment C5 process.

On **Wednesday 16 December** Melbourne awoke to half-hourly radio news reports across all major stations, starting at 5:30 am, about the Council's decision to dump Becton's tower.

There were more than 60 radio news mentions, with the last at 5:00pm. Interviews with Becton's Hamish MacDonald, Esplanade Alliance's Kate Shaw, City of Port Phillip Mayor, Dick Gross, and musician Mark Seymour dominated radio talk shows.

As they prepared for work, Melburnians read in their metropolitan press and in the national dailies that Council had saved the Espy.

The essence of each story was about victory for local democracy and the ability of councils to make independent decisions without fear or favour.

Beach hotel tower vetoed, Rick Wallace, Herald Sun, 16 December 1998, page 3.

Pub with no peer saved by council, Katherine Towers, Madeleine Coorey, The Australian, 16 December 1998, page 9.

Council rejects Esplanade tower, Ian Munro, The Age, 16 December 1998, page 6.

Record objections, Katrina Barrymore, The Australian Financial Review, 16 December 1998, page 30.

The evening television news also ran the story on each channel.

By **Thursday 17 December**, the focus had shifted to the likely response from the Minister for Planning. Becton condemned the decision, threatening to knock down the hotel, and calling the Working Group proposal a joke.

St Kilda tower up to minister, Katrina Barrymore, The Australian Financial Review, 17 December 1998, page 35.

Developer threatens to knock down Espy, Katherine Towers, Tim Pegler, The Australian, 17 December 1998, page 6.

Developer slams decision on hotel, Ian Munro, Kerry Taylor, The Age, 17 December 1998, page 3.

Fight goes on over pub tower, Scott Thompson, Herald Sun, 17 December 1998, page 15.

The Age editorial thought Port Phillip Council had made the right decision and concluded: "*The State Government should respect this decision and not seek to overrun it.*" (*The other tower*, The Age, 17 December 1998, page 14)

Surprisingly, Premier Jeff Kennett concurred. That morning he told 3AW's Ross Warneke he doubted that his Planning Minister would override Council's unanimous decision, should Becton ask him to do so.

"I will be very surprised given that the decision has been made even if the developer appeals against it, given that it was a unanimous decision, whether the Minister would actually call it in and try and attempt to reverse the council's decision . . . The developers are obviously upset but they've got to understand we live in a balanced society." (Premier Jeff Kennett, 3AW, 17 December 1998, 9:34am)

The Premier's words were reported the next day, **Friday 18 December**.

Kennett backs Espy ban, said the Herald Sun, 18 December 1998, page 13.

Kennett supports vote to save Espy, Michael Magazanik told readers of The Australian, 18 December 1998, page 12.

Esplanade tower stays off agenda, announced The Age, 18 December 1998, page 13.

By **Saturday 19 December** Becton had conceded defeat. The developer told the Weekend Australian it would not be seeking the Minister's intervention (*Becton bows out*, 19 December 1998, page 15). The Herald Sun's Real Estate feature, *Eye of the storm*, by Louise Hattam conceded the first round to Port Phillip Council.

On **Sunday 20 December** it was a wrap, with the Sunday Age's Ian Munro (*Becton bruised in losing fight over the 'Espy'*, page 11) recapping the events of the past couple of months and quoting Hamish MacDonald from Becton's promotional video: "*The Espy is an icon . . . any developer who interferes with it does so at their peril.*"

Council and community had won spectacularly the first round in the Esplanade Hotel redevelopment battle. But more was just around the corner. The approval of 18 storeys for the HMAS Lonsdale development in Port Melbourne, a few days before Christmas, signalled what was on the way. The Bookends.



A vision for the St Kilda precinct, from Gateway to the Bay, Department of Infrastructure

7

Gateway to the Bay

In March 1999 a new tower vision threatened the Espy. While the Port Phillip Neighbourhood Amendment C5 process continued, unencumbered by Becton's rejected 38-storey amendment, and the City of Port Phillip prepared for its second election since democracy had returned to local government, the Kennett State Government released, for public comment, a document entitled *Inner Melbourne Foreshore Urban Design Framework: Gateway to the Bay*.

Its vision proposed that St Kilda and Port Melbourne become unique waterfront high-rise urban centres – inspiring the quaint analogy of 'Bookends'. An artist's impression of this foreshore vision showed a high-rise tower on the Esplanade Hotel site. Having said in December 1998 that it would not intervene, the State Government returned with its own tower vision.

The Herald Sun forecast *War looms on bay plan* (Scott Thompson, 3 March 1999) and quoted Dr John Spierings from the Esplanade Alliance: "It's about who has planning rights in a local government area . . . is it the local community and its council or is it going to be taken over by the State Government and its planning policy?"

The State's tower bookends, proposed for the foreshore area that falls within the City of Port Phillip, clashed with the Council's vision as articulated in its Amendment C5, and with its decision, a few months previously, to reject Becton's tower proposal for St Kilda. Becton's Hamish MacDonald told Jon Faine (3LO, 4 March, 8:30am) he had not seen the document and insisted Becton did not have a new application afoot.

The City of Port Phillip condemned the State's proposal as an open invitation to developers to build big and build high and a blatant nod to tower development applications already in the pipeline. It claimed the State's document was a direct challenge to Council's planning authority over the foreshore and its extensive three-year consultations and reviews to prepare Amendment C5, which was due to come before a Panel review mid-year.

Gateway to the Bay was placed on exhibition in mid March. Port Phillip pushed for a Joint Working Group to be set up with representatives from both the Council and

the State Government's Department of Infrastructure to consider the relationship between the State's Gateway to the Bay vision and Council's Amendment C5.

At around the same time, on 20 March 1999 local council elections voted in an Esplanade Alliance candidate. David Brand, heritage architect and committed supporter of St Kilda's live music culture, would play an important role in determining the future of the Espy, not least the drafting of a site-specific planning scheme that would protect the pub's eclectic cultural use. But that would come later. In the early months of 1999 his challenge was to protect local planning rights from being taken over by State Government aspirations.

Gateway: Wrong Way

Incensed that Gateway to the Bay put Becton's rejected skyscraper proposal back on the agenda, the Esplanade Alliance swung into action, once again. This time, as part of a wider Port Phillip coalition, it joined forces with protesting Port Melbourne groups, under the banner Gateway: Wrong Way. At the St Kilda end, Esplanade Alliance produced and distributed information to raise awareness of Gateway to the Bay. It urged people to write to parliamentarians, attend Council information sessions in St Kilda and Port Melbourne, and submit objections to express their outrage. It set up street stalls in Fitzroy and Acland Streets, once again, to collect thousands of signatures.

The local press followed the campaign:

Espy battle goes back on the agenda, Port Phillip Leader, 19 April 1999, page 5.

Former mayor to lead fight against high rises, Shannon Davis, Port Phillip Leader, 19 April 1999, page 5.

Uniting to topple tower plans, Emerald Hill Times, 21 April 1999, page 17.

Wrong way, go back, Port Phillip Leader, 26 April 1999, page 6.

Protesters deliver verdict on high-rise hopes, Emerald Hill Times, 5 May 1999, page 13.

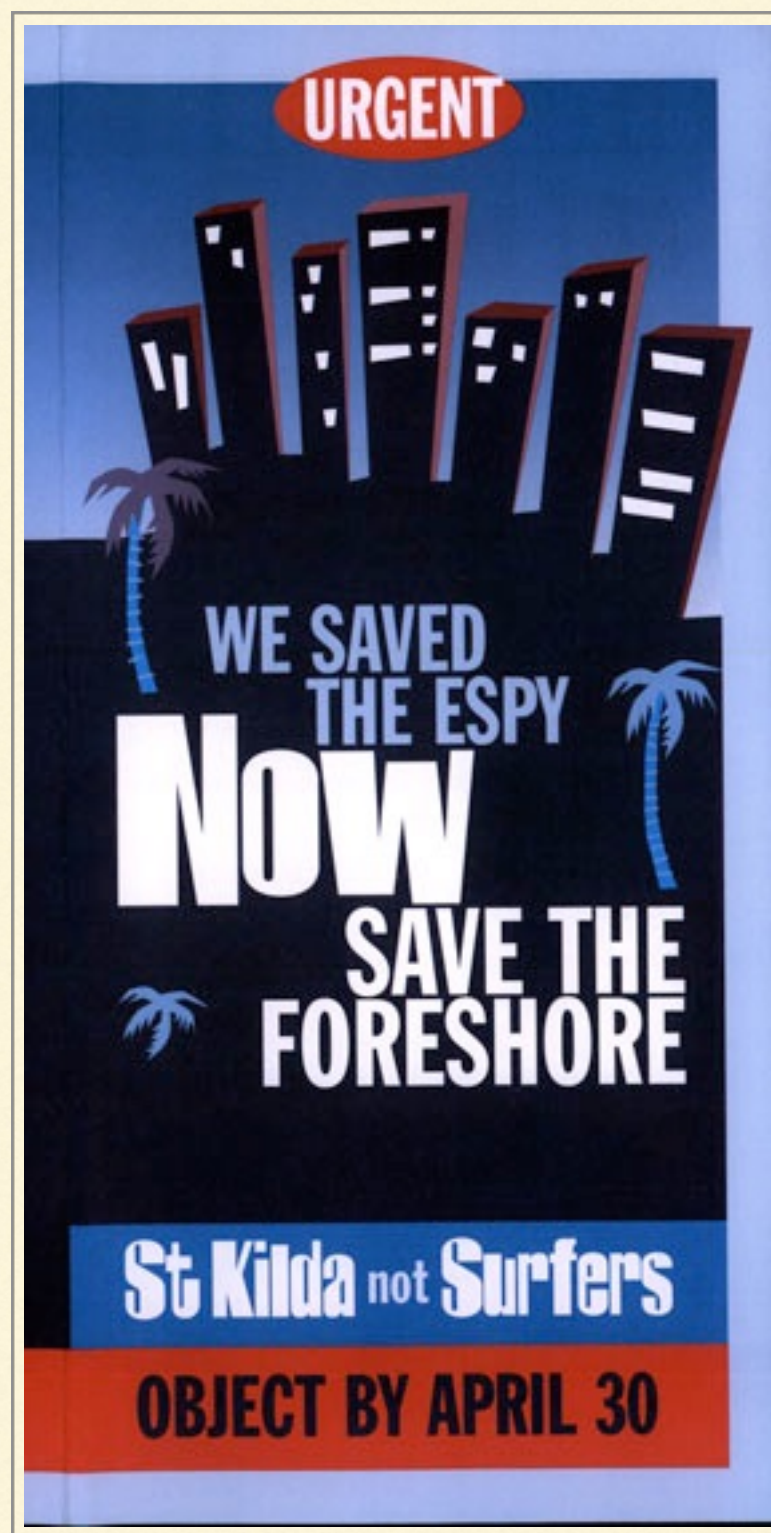
In the midst of the exhibition period, Becton Corporation wrote to Council, in an apparent change of heart, to say it would participate in the Council's Esplanade Hotel Working Group, which it had labelled a 'joke' when its 38-storey application was rejected in December 1998. Obviously keen to use as leverage the State's latest support for high-rise towers in St Kilda, Becton wrote: "*The release of the government's Gateway to the Bay urban design framework also means that wider regional issues will now have to be factored into the (Espy Working Group) process.*"

By the end of the six-week exhibition period, around 6,000 opposing submissions had been filed, including a submission from the Shadow Planning Minister, John Thwaites.

Gateway: No way

It was initially contemplated that submissions about Gateway to the Bay would be referred to an Advisory committee that would consider them in conjunction with submissions to Amendment C5.

However, the report of the Joint Working Group, released in June 1999, recommended abandoning Gateway to the Bay in favour of Council's Amendment C5 process, with the proviso that Council prepare 'urban design frameworks' for St Kilda and Port Melbourne. These frameworks would articulate clear design objectives that would provide a basis upon which a proposal to



exceed the existing height controls could be approved. And it would be this revised Amendment C5 that would go to a Panel. Gateway to the Bay would not be considered a separate document and would not be referred to an advisory committee.

Whilst the report sounded the death knell for Gateway to the Bay (*Gate closes on high rises*, Port Phillip Leader, 14 June 1999, page 5), future development parameters for the Espy were still in doubt. And with a weaker Amendment C5 going to the Panel, it seemed certain Becton’s high-rise dream would move a little closer to reality.

Make your objection heard

Fax or mail copies of your submission form /letter to your local Port Phillip MPs as well as the state government.

■ Ms. Leonie Burke

MLA for Prahran

258 Chapel Street

Prahran 3181

Fax: 9529 7694

Tel: 9529 1733

■ Ms. Louise Asher

MLC for Monash

224 Clarendon Street

South Melbourne 3205

Fax: 9576 1730

Tel: 9690 9569

■ Mr. Peter Katsambanis

MLC for Monash

398 High Street

Prahran 3181

Fax: 9529 8144

Tel: 9529 8334

■ Mr. John Thwaites

Deputy Opposition Leader/
Shadow Minister for Planning

MLA for Albert Park

281 Coventry St

South Melbourne 3205

Fax: 9696 4213

Tel: 9699 6755

Gateway is the Wrong Way.

Amendment C5

The revised version of Amendment C5 was put on public exhibition from 29 June to 16 July 1999. Those who had made submissions to the Gateway to the Bay, or to the initial Amendment C5, were invited to respond to the revised Amendment C5 instead.

The independent Panel, which had been appointed in May, met from 12 August to 14 September 1999. It received more than 180 submissions. Preferred height limits emerged as the key issue during the sixteen-day hearing.

Developers urged the Panel to loosen controls. (The Age reported from the hearing: “*In a show of unity, the developers with interests in the City of Port Phillip – Becton, TEAC, Sunshine Views, Mirvac and MAB – have employed planning specialist Chris Canavan, QC to represent them at the hearing.*” (The players in the planning puzzle, The Age Property, 12 September 1999, page 2)

The Espy site became the testing ground for how height might be set, interpreted, and assessed in the new planning schemes sought by the State Government.

How high?

Both Becton Corporation and the Esplanade Alliance used the Espy Hotel as an example of the type of design and structure that might be delivered by their differing approaches to planning.

Becton argued for the removal of any prescriptive maximum height limits in the revised Port Phillip Planning Scheme, stating that they were too restrictive and would compromise innovative design. It presented a 27-storey tower model for the development site.

Esplanade Alliance cautioned against confusing good design with height. It argued that at some point in a development, height, whether absent or prescriptive, would inevitably become an issue. Height, it said, was a concern that could not be legislated away. It argued for the Panel to retain the existing six-storey height controls and leave it to an Esplanade Hotel Working Group to find a shared vision for what might be appropriate on the site.

In an internal email to Esplanade Alliance members, Councillor David Brand wrote: “*the future development parameters for the Espy site should be left to a working group, properly constituted by Council, rather than being put to the Panel to decide.*”

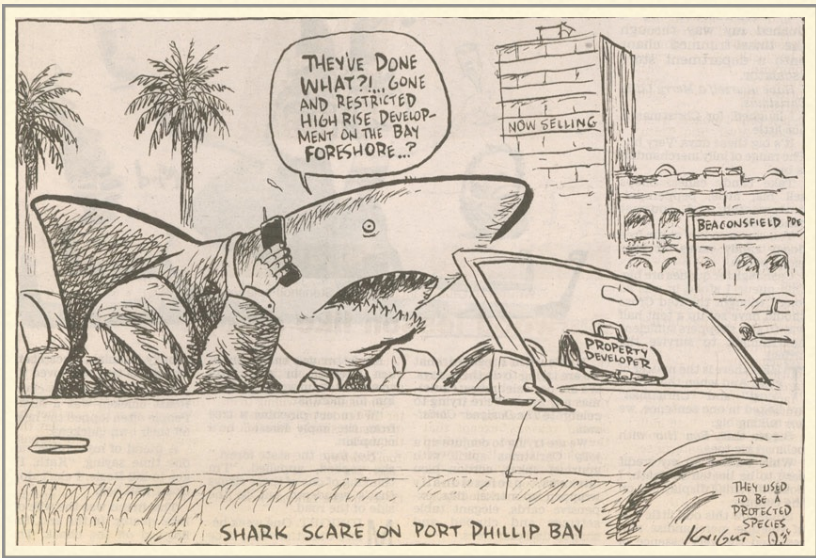
New Minister topples tower visions

Whilst the Panel was preparing its report, the September 1999 State election gave Labor a small margin over incumbent Jeff Kennett, putting the government on hold whilst alliances were negotiated to secure a Labor victory.

Four weeks later, on 20 October, a Labor government was sworn in. Within days, the new Planning Minister, St Kilda’s local member John Thwaites, indicated there would be a very different approach to planning.

On 14 December, Thwaites announced interim height controls on Melbourne’s foreshore and reinforced the six-storey limit on the Esplanade Hotel site, effectively killing Becton’s 27-storey tower proposal. The twelve-month reprieve would allow Council time to set up the Esplanade Hotel Working Group to consider the future of the Espy site – as proposed a year earlier when Council rejected Becton’s 38-storey dream on 15 December 1998.

Thwaites limits foreshore towers, wrote Ian Munro in The Age, 14 December 1999. At the Herald Sun, Scott Thompson announced *Limits put on bayside high-rise*, 14 December 1999, page 17. And over the page, cartoonist Mark Knight referenced the sighting of a six-metre white pointer shark about six kilometres off Williamstown (Herald Sun, 14 December 1999, page 19).



Mark Knight

Key Dates

2 March 1999	Release of <i>Gateway to the Bay</i> , Department of Infrastructure
20 March 1999	Council elections. David Brand, Esplanade Alliance, elected to St Kilda Ward
25 March 1999	Public meeting held at St Kilda Town Hall
30 March 1999	Public meeting held at Port Melbourne Town Hall
8 April 1999	Gateway: Wrong Way campaign
30 April 1999	Gateway to the Bay submissions close. More than 6,000 received
9 June 1999	Joint Working Group Report buries Gateway to the Bay; supports revised Amendment C5
29 June 1999	Revised Amendment C5 exhibited
16 July 1999	Revised Amendment C5 exhibit closes
20 July 1999	Directional Hearing – Planning Panel
12 August 1999	Panel Hearing starts
25 August 1999	Becton submits a 27-storey proposal to Panel
14 September 1999	Panel Hearing ends
18 September 1999	State election, change of Government
14 December 1999	Foreshore high-rise banned, six storeys retained on Espy site



Aerial view of the Esplanade Hotel site, including Baymor Court (right). Photo: Matthew Bouwmeester/Fairfax

8

The Esplanade Hotel Working Group

The idea to allow a developer, in this case the Becton Corporation, to have a say in the planning guidelines that would govern its development site, was a 1998 Council strategy to appease a hostile Planning Minister.

Minister Rob Maclellan had a penchant for overruling local planning decisions in favour of large development corporations, such as Becton. When Councillors took the bold step to refuse, outright, the developer's audacious 38-storey tower in December 1998, they proposed establishing a Working Group, to determine, in consultation, a draft Building Envelope Plan and design objectives for the site.

Esplanade Alliance had championed the idea at the Panel Hearing, which reviewed Council's Amendment C5 in August 1999, to ensure local decision-making prevailed against State interference and its tower vision expressed in Gateway to the Bay.

In 2000, under a new State Government, which limited ministerial intervention and gave planning control back to local councils, involving the developer in reviewing height controls and other planning guidelines on its development site seemed less desirable.

But the idea had taken root.

Becton wrote to Council shortly after the September State election, urging it "to pursue the proposal for a Working Group to be convened to consider the future development of the Esplanade Hotel site."

The Panel Report of December 1999 had recommended a working group be convened.

The first meeting of the Esplanade Hotel Working Group was on 25 May 2000.

Becton had three seats at the table, the Esplanade Alliance two. There were four Councillors, including David Brand, various council officers and a representative from the Department of Infrastructure. Former head of the Urban Land Authority, John Lawson, was chair.

At the last minute Becton nominated architect Dimity Reed, urban designer Stuart Niven, and planning strategist Chris Gallagher for its three seats at the table.

The Working Group's aim was to recommend appropriate design and development controls for the site, *"taking into account the impact of the future development and use on the Hotel's operational management and the Hotel's importance in Melbourne's musical and cultural life"*.

It was also asked to consider how these uses could be maintained and supported into the future. The Working Group's findings would form the basis of a planning amendment. It met fifteen times between May and October and its report was presented to Council on 2 November 2000. (Discussion notes from its meetings are available from Council via FOI request.)

Perhaps not surprisingly, the Working Group did not reach consensus on all key issues. It did agree, however, on key values, even though it did not agree on how they might be achieved.

The Working Group agreed the Esplanade Hotel was a cultural icon that should be sustained and protected.

It unanimously confirmed the Espy's heritage and cultural contribution to St Kilda's identity.

It expressed concern about the hotel's state of disrepair and urged urgent investment in the physical fabric of the building, acknowledging Becton's claim that this would require an element of cross subsidisation from any new development on the site. In an innovative move, the Working Group recognised other stakeholders might have a key role to play in ensuring the Espy's culture continued to flourish.

It canvassed a range of ownership and management options for the hotel proper, including a Community Trust to purchase or lease the hotel. This was a tremendous win for the Esplanade Alliance, who had brought the idea to the table.

The Working Group agreed an absolute height limit should apply to the Esplanade Hotel site.

Whilst the Working Group did not reach a consensus on what the height limit should be, it did agree to the concept of an overall, absolute agreed height limit.

At the time, a height control of six storeys applied to the site – confirmed in August 2000 when Council adopted Amendment C5 pending the outcome of the Working Group.

Becton's representatives argued for a 22-storey limit to accentuate the prominence of the site. The developer's high-rise vision had begun with a desire to create a 38-storey landmark in 1998, then a 27-storey bookend in 1999.

At the Working Group in 2000 Becton championed a 22-storey 'hinge' to emphasise the site's position on The Esplanade. To achieve such emphasis, Becton team argued, the new tower should be allowed to exceed, by 1.5 times, the height of the neighbouring 15-storey Arrandale apartments.

Becton based its high-rise rationale on the site's topography, using descriptions such as 'axial alignment with the pier', 'landform height' and 'position at a change of direction', and relied on the concept that only grand gestures are capable of exemplifying good design.

The Esplanade Alliance conceded a modest increase from six to eight storeys in order to secure, through a cross subsidy from the new development, the hotel's cultural longevity and the long-term physical viability of the hotel building itself. It reasoned that slightly higher controls had been applied successfully to Fitzroy Street without diminishing the human scale of St Kilda.

The group based its position on St Kilda's relationship to its streets. It argued that St Kilda's low-rise, human-scale housing stock, represented by a diverse collection of walk-up flats, converted mansions and working-class cottages, had created a densely populated locality and a community with close connections to the streets.

The streets had become the focus of public life, for leisure, for communication, for consumption, and for all sorts of activities, giving the area a gritty urban feel and pulse unrecognisable in any other part of Melbourne.

It argued that the debate over the scale of development on the Espy site was as much about shaping the future character of St Kilda as it was about the design of an individual building. They stressed that there is a point at which human scale would be lost in any high-rise development and with it the street life and character so ingrained in Melbourne's idea of St Kilda.

The Working Group was divided on heritage.

The hotel, especially the section fronting The Esplanade, and other elements of the site, including Baymor Court (as representative of the Spanish Mission style), were acknowledged to be of local heritage significance. All members supported the retention of the main hotel building, but not of Baymor Court and other buildings. It was argued that commercial reality meant some form of redevelopment would be needed on the site to provide an economic basis for refurbishing the Espy. And thus it would not be practical to continue to press for the retention of these structures.

The Working Group report singled out the work by Councillor David Brand as providing an adequate basis on which to settle design/height issues. Councillor Brand had proposed a preferred eight-storey height limit and an absolute height limit of ten storeys.

At its 27 November meeting, Council voted to accept the report and to prepare a draft Planning Scheme Amendment for the Esplanade Hotel site based on the group’s work.

The Working Group's findings led to the drafting of Amendment C25 to the Port Phillip Planning Scheme to protect the Espy's culture. It led, also, to the start of a community campaign to separate the hotel from the development potential of its backyard, in order to ensure the Espy's long-term viability and survival.

Key Dates

25 May 2000	First meeting of Esplanade Hotel Working Group
1 November 2000	Working Group report made public
13 November 2000	Council recommends adopting report
27 November 2000	Report adopted and directive given to draft Amendment C25
4 December 2000	Council outlines steps to Amendment C25



Photo by Robert Hudson

9

Espy Rescue

Successive developers had been more interested in the profits to be made from developing the Espy Hotel site than from running the pub, which sat at the front corner of the foreshore land. They had allowed the hotel to run down, channelling its income to interest payments rather than to maintenance. This was particularly evident under Becton's ownership. The hotel's neglect had been raised at the Esplanade Hotel Working Group meetings. To survive, the Esplanade Alliance reasoned, the pub's business had to be separated from its backyard development potential.

As Council moved to draft an amendment to its planning scheme that would recognise the cultural significance of the Espy and establish revised height controls for the whole site, the Esplanade Alliance moved to rescue the hotel. Its view was that the proposed planning guidelines, whilst most welcomed, would be insufficient, on their own, to protect the Espy and its eclectic cultural use. Nor was the developer the right entity to safeguard the pub and its culture.

The Espy's survival needed the input of a broader range of stakeholders, including customers, admirers, artists, and local and State government. Thus it pursued the idea of a Community Trust that could either lease or purchase the Espy Hotel, at market rates, ensuring it would never again be held hostage to the development ambitions for the rest of the site.

In December 2000, the Esplanade Alliance released a discussion paper, **The Esplanade Hotel Management Plan**, which was "*intended to stimulate thinking about the management models that would best assist the perpetuation of a place of urban cultural significance.*"

The Council, the Department of Infrastructure, and surprisingly Becton Corporation supported the idea of some sort of trust buying the Espy. Council agreed to provide \$10,000 for the Esplanade Alliance to scope possible models.

Separating a cultural icon from its backyard development potential

The Esplanade Alliance met with lawyers and business consultants to canvass a range of ownership options and explored fundraising vehicles for the necessary purchase funds. It also met with Becton. And its message to the community and to the media was that the Esplanade Alliance wanted to buy the hotel.

Urban affairs reporter for the Herald Sun, Rachael Hodder reported: *Local group digging deep to save the Espy*, 6 March 2001. The Emerald Hill Times' Jewel Topsfield announced: *Trust seeks cash to keep Espy alive*, 7 March 2001. Community radio station 3CR discussed the hotel's culture and history and the group's wish to buy the hotel on its morning shows on 6, 7, 13 and 14 March 2001.

By March 2001, the Esplanade Alliance had the outline of a cultural organisation that could seek charitable trust status and could raise funds to buy the Esplanade Hotel and run it in accordance with specified current and intended uses, such as the opening up of the upper levels for multiple community and artistic purposes. It was preparing a fundraising campaign and negotiating with sympathetic licensees to run the pub side of the new vision.

But when Becton announced on 7 May 2001 that it would sell the Espy, fundraising had barely begun, and the legal entity, The Esplanade Hotel Foundation, was not yet complete.

The Espy for sale

Becton announced it would sell the building on a 200-year leasehold arrangement. The pub would be sold in two lots – most of the pub areas on the ground floor as one parcel (with the exception of the kitchen wing) and the two upstairs levels as a second parcel. Becton would keep the rest of the site for redevelopment.

The Best Known Pub in Australia
THE ESPY

For Sale By Tender:
Expressions of Interest Close
8th June 2001

The Esplanade Hotel, St Kilda, Melbourne
Finally, the opportunity to turn Australia's best entertainment hotel into Australia's most profitable pub.

- Overlooking St Kilda Beach and the Bay
- Vacant Possession - Going Concern
- Two Lots:
 - Existing hotel trading areas
 - Upper floors, suitable for refurbishment

Contact:
Michael Hede
9604 4774
0418 670 499

03 9602 5722
360 Collins St Melbourne
www.propertylook.com.au

Knight Frank

Becton's Hamish MacDonald told the Herald Sun's Rachael Hodder that the Esplanade Alliance's interest in the site had prompted the sale (*Council opts for 10-storey Espy*, 9 May 2001, page 31).

The group welcomed Becton's announcement. "*The sale is precisely what we have advocated*," Kate Shaw told the media, and indicated the community group's interest in purchasing the hotel.

Locals in bid to buy Espy, wrote Andrea Carson, The Age, 8 May 2001.

Locals seek to buy back their pub with no peer, said the Melbourne Express, 8 May 2001, page 2.

Street Fights: in the thick of it they celebrate the saving of a community icon was the title of Andrea Carson's feature on the Espy Hotel in The Age, 13 May 2001, page 4.

Saving grace of an icon is how Mike Bruce reported it in MX-Melbourne, 16 May 2001, page 22.

However, the sale had come earlier than anticipated. Whilst working towards this very goal, the Esplanade Alliance did not, in early May, have the legal entity and funds in place to bid for the pub.

It had to review its strategy. The imperative was to see the pub bought by someone who understood its cultural significance and would support and nurture its live music and comedy culture.

To this end the Esplanade Alliance could be an influencer, building on its high media profile to publicise its vision for the pub as widely as possible. Or it could be a direct player, either as a buyer or as a broker to facilitate purchase by a sympathetic consortium or individual.

It decided to be a buyer. It was unlikely, it reasoned, that the two lease parcels would be bought separately, effectively splitting the building. Thus, anyone who bought the pub would inherit the long abandoned and uninhabitable upper floors of the hotel.

A partnership with Esplanade Alliance, whose reputation and vision could be leveraged to raise public and philanthropic funds for refurbishment, had to be beneficial to an astute operator. In exchange the Esplanade Alliance would seek joint decision-making power over the future direction of the Espy.

Once the decision to buy was made, the group moved quickly to finalise the legal status of the Esplanade Hotel Foundation, identify potential financial and cultural partners, select Foundation directors, seek letters of support, and write to selling agent, Knight Frank, requesting the tender documents.

The Esplanade Hotel Foundation

The Esplanade Hotel Foundation was positioned as an innovative, legally sound financial body established to secure the Esplanade Hotel's continuing evolution as an incubator of new, experimental and alternative cultural activities and, if necessary, to back this vision with funds raised from interested individuals and organisations.

On 8 June the Foundation lodged an Expression of Interest in the tender for the Espy. It outlined its intent to bid in conjunction with one or more commercial partners in a public/private joint venture.

It would delegate, by agreement, the management of the hotel to commercial operators whilst using its expertise, community support and cultural organisation status to bring a range of activities to the upper floors. And it would undertake to raise the capital necessary to achieve this.

Becton accepted the Expression of Interest and provided the Esplanade Hotel Foundation with further relevant data to enable it to move to a tender.

The Age reported the bid: *Alliance makes offer on Espy*, Patrick Donovan, 16 June 2001.



The following day, The Sunday Age editorialised about *Placing a value on places we love* (17 June 2001, page 16), using the fight to save St Helier's convent in Abbotsford and the Espy Hotel in St Kilda as examples of how “important is the public's need to assert its connection with a particular place and to honour the significance of this connection . . . Dollar values cannot always be placed on what we love most. When the market attempts to do so, it forces communities to define what it is they want and to work together to achieve it. In these struggles, the city is continually redefined – and rediscovered.”

The Esplanade Alliance appealed to Espy punters and performers, and to local and Melbourne-wide citizens to pledge funds towards its vision, whilst it negotiated with reputable commercial operators, community and cultural organisations and banks to pull together a valid, market-rate bid for both parcels.

On Sunday 24 June, five days before the tender was due, it held a rally at the Espy to raise support for a joint community and corporate ownership of the landmark pub, even suggesting it made sense for someone amongst the commercial bidders to consider a partnership with the Esplanade Alliance.

Esplanade Alliance member and Espy musician from Loin Groin, David O'Brien, told the rally: “this is a cultural institution we cannot afford to lose. It is an absolute icon of St Kilda, of Melbourne, and of Australia's music and comedy live performance culture . . . It is not the place for another boutique hotel, upmarket pub, glitzy disco complex, pokie palace or exclusive club.”

The message was clear. Any buyer who ignored the community's vision, should the Foundation bid fail, would face an uphill battle if it chose to change the pub and its culture dramatically.

The next morning, both dailies reported the group's proposed bid and the rally.

Espy fans to put own bid, wrote Michelle Rose, Herald Sun, 25 June 2001, page 13.

Help! It's Espy crowd's shout, said The Age's urban affairs reporter, Sally Finlay, 25 June 2001.

Radio station 3AW ran regular news items about the community bid and 3AK show hosts discussed the bid throughout the day, including interviews.

On Friday 29 June, the Esplanade Hotel Foundation, in partnership with experienced owners of popular pubs – Andrew Lewis (Lincoln Hotel) and Andy Comey (Spy Bar) – submitted its tender for the historic pub. The bid was commercially competitive, realistic and viable and met public expectations for the future of the hotel. It offered a novel public/private model for financing and operating its vision.

Whilst the \$24,000 raised in pledges was not included in the tender bid, it would be called in should the Esplanade Hotel Foundation win to form the financial and moral foundation of the next stage of the Espy's evolution.

The Esplanade Alliance urged Becton to expand its tender assessment criteria to consider what a prospective new owner would do with the hotel. If Becton was sympathetic to the hotel and its culture, as it had claimed in its publicity over the years, then its choice should not be made solely on the highest offer.

The future of the Espy now lay with the developer, at a time when St Kilda was at a gentrification cross road, with new projects springing up across key beachside areas. Some were more in keeping with the suburb's eclectic mix; others strove to reshape it.

The Knight Frank letter of 7 August 2001 was short and to the point. The Esplanade Hotel Foundation tender was not successful. It was the first of the bids to be rejected by Becton. New owners – Chevron nightclub managers Paul Adamo and Vince Sofo – were announced on 20 August 2001, just as the Amendment C25 public exhibition period drew to a close.

Key Dates

December 2000	Esplanade Alliance releases The Esplanade Hotel Management Plan
Jan-May 2001	Esplanade Alliance prepares to buy hotel via a Community Trust
7 May 2001	Becton announces sale of Espy Hotel
24 May 2001	Esplanade Hotel Foundation registered
8 June 2001	Esplanade Alliance lodges Expression of Interest
29 June 2001	Esplanade Alliance, as the Esplanade Hotel Foundation, lodges tender for Esplanade Hotel
7 August 2001	Esplanade Hotel Foundation bid rejected
20 August 2001	New owners of the Espy announced



Mark Seymour. Photo by Esplanade Alliance

10

Espy Culture

Amendment C25 to the Port Phillip Planning Scheme would be a ground-breaking document, for it would, for the first time, recognise cultural use as a valid consideration in the planning guidelines.

Work to prepare the site-specific Amendment C25 began in December 2000, shortly after the publication of the report from the Esplanade Hotel Working Group, when the developer and the community sat with Council to discuss the future of the Espy Hotel site.

In February 2001 Becton wrote to Council, challenging its planning scheme amendment process, arguing instead for an Advisory Committee. An Advisory Committee process would allow Becton to present its own ideas, to be assessed against Council's amendment proposal. And should the committee decide for Becton's ideas, contrary to the intent of Council's amendment, it could simply recommend abandoning that amendment. In effect, the Advisory Committee process would take the decision out of the hands of the Council and the community, and put it into the hands of a State-funded body.

Council opted to continue the standard amendment process, with its accompanying comprehensive community consultation.

Preparing Amendment C25 for public exhibition

By 7 May 2001 Council was ready to approve a draft Amendment C25 – which set height controls for the Espy Hotel site, embraced the Espy's cultural significance, and highlighted the heritage value of Baymor Court – and take it to public exhibition.

But on the morning of Council's vote, Becton announced its intention to sell the Espy.

The proposed sale had critical implications for Amendment C25. The separation of the hotel into two leases could threaten its cultural significance, if the upper levels were used for purposes not supportive of, and incompatible with, the core established hotel use at ground level. There was also the issue of access to adequate loading bays.

Council decided to delay the public exhibition of Amendment C25, while it worked on changes to address the issues raised by the sale, and tested the changes through 3-D modelling to ensure they would achieve the appropriate planning outcomes and the pub's survival under new lessees.

The revised draft was exhibited for public comment from 19 July 2001 until 20 August 2001, though submissions were accepted well into September 2001.

Amendment C25 was an innovative and bold attempt to protect, for the first time in a planning scheme, the cultural significance of a local venue. In summary it proposed to:

- Introduce several policies/objectives into the Port Phillip Municipal Strategic Statement that primarily related to sustaining the on-going cultural significance of the Esplanade Hotel, including the preparation of a management plan for the hotel.
- Introduce a site specific Design and Development Overlay – DDO12 – for the site that retained the front section of Baymor Court, set preferred and absolute maximum building heights across the site, and addressed reasonable access, operational and service needs of the Esplanade Hotel such that its cultural significance would not be compromised.
- Include a proviso that the use of the upper levels of the hotel be compatible with the traditional and evolving use and operation of the hotel, and any redevelopment of the upper levels and the rest of the site did not create an amenity conflict with the hotel.

Mayor of Port Phillip, Julian Hill said: *“The amendment . . . boosts the cultural significance of the Espy, now including a statement about the Espy as an entertainment venue par excellence from the jazz and big band era to the more recent decades of rock ‘n roll, country music, comedy and ‘non-mainstream’ cultural expression. No matter what gets built towards the rear of the site, it must reinforce the enduring cultural significance of this St Kilda landmark . . . Access, operational and service needs of the hotel will also need to be appropriately addressed. We don’t want the cultural integrity of the Espy compromised.”*

Council received eight submissions, including one each from Becton Corporation, the Esplanade Alliance and the National Trust. In response, Council made some changes to the amendment and, on 1 October 2001, voted to request that the Minister for Planning appoint a Panel to consider Amendment C25, all submissions and Council's endorsed changes.

The Panel hears Amendment C25

Becton was not happy with the direction the process had taken. It insisted in letters to Council of 24 October 2001 and 4 December 2001, and at the Panel directional hearing on 12 December 2001, that it be allowed to submit a building design to the hearing that would demonstrate, concretely, its proposed changes to Amendment C25, *“to assist the Panel in better understanding our submission on the ultimate form and content of the Amendment”*.

The Panel agreed to delay its hearing, scheduled for early 2002, to give Becton time to supply detailed plans for its proposed building, including an outline of how its design would differ from Council's draft Amendment C25. Council, at its 17 December 2001 meeting, reiterated its continued support for draft Amendment C25.

Thus, another battle between the community and the corporate developer was to be fought in a public forum.

Becton's design went on public exhibition from 27 March to 30 April 2002, 11 days after Council elections saw Esplanade Alliance member, David Brand, returned.

Becton's proposed variations to Amendment C25 pushed design envelopes to the limit, showing ten storeys across the whole site. Becton sought to delete from Amendment C25 the design objectives and provisions outlining the cultural significance of the Espy and to drop all references to Baymor Court.

Once again, Esplanade Alliance rallied the community to respond to Becton's proposal. It argued Becton was challenging the values and principles determined by the Esplanade Hotel Working Group process and going to great lengths to undermine Council efforts. It urged people to make a submission.

By the time Council met on 2 May 2002 to consider Becton's design and proposed changes to Amendment C25, it had received 41 submissions. It was at this 2 May 2002 meeting that the first cracks appeared in the thus far united position of Council and Esplanade Alliance.

Council voted to abandon its preferred maximum height of eight storeys in favour of the absolute maximum height of ten storeys reflected in Becton's design, on the proviso that the strategic intent of Amendment C25 was maintained, in particular the retention of local policies that highlighted the cultural significance of the Espy. Two Councillors moved that it also address reasonable access, operational and service needs of the Esplanade Hotel.

In making this concession, Council argued it was far better than the original 38-storey proposal Becton had brought to the table four years earlier.

Esplanade Alliance did not agree. It argued that the height limits of six storeys had applied to the site when Becton bought it. These had since been raised to eight storeys. By allowing ten storeys, it feared more concessions would be made to the developer as the debate moved to the Panel Hearing, scheduled for 13–22 May 2002.

Becton's presentation to the Panel included its submission, prepared by Owen Dixon Chambers' legal team of CJ Canavan QC and ML Quigley; evidence relating to urban design and planning, prepared by consultants urbis Pty Ltd; and a statement about heritage issues, plus supplementary information, from Peter Lovell, Director Allom Lovell & Associates Pty Ltd, Conservation Architects.

The City of Port Phillip's submission was prepared by Best Hooper solicitors' senior counsel I McP Pitt. Its urban design evidence came from Robert McGauran, director McGauran Soon Pty Ltd, Architects, Urban Planners and Interior Designers, as did the comparison of Council's preferred height limits with the absolute height limits proposed by Becton. Council's statement of evidence on planning issues was prepared by Matrix Planning Australia. Robert Foster Architect prepared, jointly for Becton and the City of Port Phillip, an analysis of overshadowing impacts. The Esplanade Alliance wrote its own submission.

The Panel received 65 submissions and undertook public hearings for five days.

The Panel's report for the site-specific Amendment C25 (the Espy) was received by Council on 21 June 2002 and publicly released on 9 July 2002.

The Panel agreed with ten storeys over a larger section of the site than had been proposed by Council; it doubted whether Baymor could be successfully incorporated into a new development; and, whilst supporting the inclusion of a statement about the Espy's historic, cultural and social significance, it did not give the same weight as Council to the Espy's cultural significance as a live music and comedy venue.

Council adopts Amendment C25

Council was not bound to accept the Panel's recommendations. On 22 July 2002, it voted to disagree with those recommendations that did not support the strategic intent of Amendment C25. Thus, Council ensured the final planning controls would recognise and support the Espy's role as cultural incubator and would require Becton to address reasonable access, operational and service needs of the Esplanade Hotel when designing a new residential development for the site, *"such that the cultural significance of the hotel is not compromised"*.

Council also sought to ensure the urban contribution of Baymor Court; but had to acknowledge that heritage issues could be addressed only when Becton submitted a specific design proposal.

In August 2002, Council adopted Amendment C25 and resolved to forward it to the Planning Minister for approval and inclusion in the Port Phillip Planning Scheme.

Concerns remained, not least from the new hotel lessees, about services access to the hotel from the development site. Their concerns were raised with Council, which pointed to key clauses in the planning scheme – MSS and DDO12 – that had been devised to protect cultural significance. Council was confident the clauses would hold.

However, this was not to be. Access to loading bays would become the developer's key bargaining tool as the campaign reached its zenith.

Key Dates

7 May 2001	Amendment C25 draft is ready for public exhibition
7 May 2001	Council delays exhibition to revise Amendment C25
19 July 2001	Revised Amendment C25 goes on exhibition
20 August 2001	Amendment C25 exhibition period ends
15 October 2001	Council refers Amendment C25 to Panel Hearing
12 December 2001	First Directional Hearing – Planning Panel
27 March 2002	Becton's design response to Amendment C25 exhibited
23 April 2002	Second Directional Hearing – Planning Panel
30 April 2002	Exhibition period ends
13 May 2002	Panel Hearing starts
22 May 2002	Panel Hearing ends
21 June 2002	Council receives Panel's report
9 July 2002	Panel Report released publicly
22 July 2002	Council accepts Panel's report, with modifications
29 July 2002	Council signs off on Amendment C25
1 November 2002	Amendment C25 gazetted



The Esplanade Apartments: Town Planning Application prepared for Becton Corporation by Fender Katsalidis Architects, November 2002

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Espy Strangled

Amendment C25 was gazetted on 1 November 2002. It introduced new policies that supported the cultural significance, use and operation of the Esplanade Hotel. The amendment was (and continues to be) ground-breaking in its effort to enshrine the Espy's continuing cultural use as one of the key values to be protected in any development approval.

The developer now had clear guidelines for what would be allowed on the site and the public's expectations about the Espy's continued operations. Less than a fortnight later, on 12 November 2002, Becton lodged its planning application. It did not respect those guidelines and expectations.

In accordance with the planning objectives, the new lessees had prepared a management plan, detailing the hotel's access, operational and service needs. It was clear Becton's application ignored those needs and would strangle the Espy as a live music venue.

The new building would seal off the hotel's internal loading areas and access to the main stage, compromising its operations as a pre-eminent live music and comedy venue.

Significantly, and contrary to the spirit and letter of Amendment C25, Becton's ten-storey apartments design proposed to demolish the beloved and (local) heritage-protected Baymor Court and any other buildings outside the lease-line, including two wings of the Espy Hotel.

The media reported Becton's application and resulting community concerns:

Long running Espy saga reaches new heights, Farah Tomazin, The Age, 14 November 2002, page 7.

Espy row soon to end, Kate Uebergang, Port Phillip Leader, 18 November 2002.

Residents dig in on Espy, Simon Kidd, Emerald Hill Times, 20 November 2002.

Council received 31 objections, including one from Esplanade Alliance and one from VicMusic, a not-for-profit organisation established to represent and promote the growth and development of original contemporary music in Victoria.

Once again media interest focused on Council's looming decision – just as it had back in December 1998 when Council was to decide on Becton's first application, its 38-storey tower.

Developer cops a blast over Esplanade proposal, reported Farrah Tomazin in The Age, 3 February 2003.

A week later, on 10 February 2003, she led with: *Another big night for The Espy, one some may wish to forget.*

Espy debate flares again, wrote Simon Kidd for the Emerald Hill Times, 5 February 2003.

Crunch time for the Espy, Kate Uebergang proclaimed in the Port Phillip Leader, 10 February 2003.

On the day of the Council meeting, 10 February 2003, news on radio stations 3AK, 3AW and 774 ABC reported the pending decision periodically throughout the day and announced the outcome that evening.

Esplanade Alliance member, Krystyna Kynst, explained the issues to radio 774 ABC presenter Virginia Trioli.

Council votes 'No'

Council voted to refuse the application because of the impact on the hotel's operation and the demolition of a heritage building. It argued the proposal compromised its planning guidelines.

Councillor David Brand spoke in favour of the refusal, saying *"It is extremely disappointing to me, in fact it's dumbfounding to me, that after all the discussions and negotiations and hearings and investigations and expert opinions and warnings, over all this time, that the application before us still falls so far away from satisfying the objectives of the planning controls."*

Port Phillip Mayor Darren Ray said the next day: *"Becton has failed to respond to the heritage controls, and their plans put the ongoing hotel use in jeopardy. From the time they submitted their plans last year up until the meeting last night, Becton have declined to make any revisions or improvements to their application. This clearly shows a lack of willingness to play ball. Indeed, what was even more telling is that they did not even bother to speak in support of their application at last night's meeting."*

Becton warned it would appeal, claiming the Victorian Civil and Administrative Tribunal (VCAT) would be better placed to make an independent and objective decision.

Council's decision and Becton's response featured on radio news across major Melbourne stations – FOX FM, Triple M, 774 ABC, 3AW, GOLD FM, KIIS. Radio station 3AK ran an interview with VicMusic's James Nagy. Channel 10 reported the decision on its 5:00pm news.

The Emerald Hill Times reported: *Espy plans sent packing*, Simon Kidd, 12 February 2003, and ran an accompanying news feature: *A pub for the people*, also by Simon Kidd, page 9.

The Port Phillip Leader pronounced: *Espy fight to continue*, Kate Uebergang, 17 February 2003.



Artist's impression of the proposed 10-storey development

Key Dates

12 November 2002	Becton lodges application for 10 storeys. 1448/2002
10 February 2003	Council refuses Becton's application
18 February 2003	Becton applies to VCAT
29 April 2003	Directional Hearing at VCAT



Esplanade Alliance website logo

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Keep the Espy Live

On 18 February 2003 Becton lodged an appeal against Council's decision to refuse its planning application. The VCAT hearing was set to start on 4 August 2003.

The Esplanade Alliance lodged its statement of grounds. It claimed the proposal was not consistent with several clauses of the Port Phillip Planning Scheme and did not satisfy a majority of the design objectives of the Design and Development Overlay (DDO 12). Nor did it provide sufficient loading bays to service adequately the pub's live music and comedy activities.

Then, the Esplanade Alliance started yet another public campaign. This was its last chance to save the Espy's culture, maintain the heritage of its surrounds, and ensure a new building would be sufficiently sensitive to its location so as to not overwhelm and diminish the famous pub and venue.

In this last round, Becton would bring together the best legal, design, heritage and planning team money could buy.

The Esplanade Alliance organised the Keep the Espy Live benefit at the Prince of Wales Hotel to raise funds for its Espy defence team. It produced flyers to mobilise support. It printed leaflets and posters and stickers. It took out full-page ads in Beat Magazine.

It made T-Shirts, designed, printed and sewn by web mistress and core supporter Cyndy Kitt Vogelsand, who sat each week in the Espy foyer selling them and taking orders.

Meanwhile, across town, a packed meeting organised by a new group, Fair Go 4 Live Music, was putting pressure on the State Government to find ways to protect the viability of live music venues across Melbourne. Amongst the measures it called for was legislation requiring soundproofing in new developments next to existing music venues.

Planning Minister, Mary Delahunty responded by establishing a Live Music Taskforce to review the impact of existing regulations on the city's live music scene and to look

at legislative models used in other states. Its report, due in October 2003, would come too late for the Espy, but there was hope the mere existence of the taskforce could influence the looming VCAT case.

In early July 2003, Fair Go 4 Live Music and VicMusic took up the Espy cause. As the focus fell on music, heritage and design concerns took second place.

Unwittingly, this played into Becton's hands and strengthened the developer's bargaining position.

From its inception in 1997, the Esplanade Alliance had seen the battle over the Espy as a package – a package that not only saved the pub, but also the essence of St Kilda.

Its early publicity claimed that: any redevelopment plans should be within the parameters defined by three major aspects of the site: Heritage, Cultural and Urban Context.

And it had had the support of the Council. In the agenda for its 24 July 2003 meeting, Council acknowledged that three key themes underpinned its refusal of Becton's application earlier that year. *"These three themes are best summarized as architectural quality, heritage significance particularly of the Baymor building and the ongoing cultural significance of the hotel operation as a live comedy and music venue."*

But when Becton threatened to kill the music, Council negotiated to kill heritage, instead.



*Esplanade Alliance member Cyndy Kitt Vogelsand and a team of volunteers sell her hand-printed T-shirts at the Espy.
Photos: Esplanade Alliance*





Baymor Court c2000. Photo by Esplanade Alliance

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Heritage Sacrificed

Amidst the focus on live music, Becton made its most insidious move to date. It threatened to shut down the Espy by forcing the hoteliers to withdraw behind the 2001 lease-line, immediately. This would mean losing the Espy Kitchen, the bottle shop and the cold storage facilities before they could be relocated – via extensive renovations – into the lease area. But worse, it also meant losing service access and loading bays, located on the development site.

As is often the case, the devil had been lurking in the detail of the lease sold back in 2001. The area of that lease did not provide loading bays within its boundaries. At the time these services were accessed via the rest of the site. No one had predicted Becton would cut off that access, in effect strangling the hotel, even though the new owners had raised such concerns at the time Amendment C25 was adopted in August 2002. Council believed the provisions of the amendment would secure the hotel's future.

Some within the Esplanade Alliance argued that such a bold move would work against Becton publicly, and at the forthcoming VCAT hearing, by swelling public protest and interest. They argued it was better to hold firm and test Becton's threat, given its prior public commitment to the hotel and given the hearing was only a few weeks away.

However, Council would not/could not allow the hotel to close while it waited for validation of its planning guidelines. In eleventh-hour negotiations with Becton, Council traded heritage to secure culture. It did so behind closed doors, keeping the agenda and minutes of that meeting confidential. The deal saw Council agree to not oppose the demolition of Baymor Court, not even to retain its façade, as moved unsuccessfully in a last-bid attempt by Cr David Brand.

In return Becton agreed to:

- include acoustic treatment of new apartments
- provide expanded loading areas for the Espy within the new development

- undertake works within the remaining parts of the hotel to ensure it would accommodate three stages and a kitchen.

A new heads of agreement was drawn up between Becton and Espy Hotel lessees. And thus, in secret, in response to developer threats, the Spanish Mission Baymor Court was sacrificed, contrary to the City of Port Phillip planning scheme guidelines.

The Esplanade Alliance blasted the trade-off, claiming the Espy was being held hostage in order to undermine Planning Scheme Amendment C25, which had been prepared in a painstakingly collaborative process with Becton over two years.

At the public forum on 29 July 2003, the Esplanade Alliance vowed that, at VCAT, it would take “one final shot at a decision with integrity” to preserve Baymor Court and other heritage buildings, whilst James Milne from Fair Go 4 Live Music supported the Council’s action.

Council claimed the deal was about securing the Espy’s future. “Without this agreement, the hotel could be forced to close its doors as soon as next week due to unfavourable lease conditions,” Cr Johnstone told the packed meeting at St Kilda Town Hall.

The National Trust reacted angrily to Council’s last minute about-turn/betrayal (*Trust angry at being left in the dark on Espy deal*, Simon Kidd, Emerald Hill Times, 6 August 2003). It had counted on Council to defend the heritage Baymor Court at VCAT and, thus, had not retained its own experts to argue for the “rare surviving example in Melbourne of a block of Spanish Mission-style flats planned around a U-shaped garden courtyard.” Now it was too late to do so.

Within days of the agreement, Becton applied to amend the description of the land subject to the application to exclude the main hotel building as defined in the lease. Esplanade Alliance countered that this was an attempt to achieve sub-division by stealth, as there is no need in a planning application to separate the area to be developed from the area that remains the same. It argued that such a separation carried implications for heritage and for responsibility of any impact on the hotel.

The fight for the Espy's future moved to the Victorian Civil and Administrative Tribunal (VCAT).

Key Dates

24 July 2003	Confidential negotiations
28 July 2003	Baymor Court sacrificed in trade-off
29 July 2003	Public Meeting held at St Kilda Town Hall



KEEP THE ESPY LIVE

www.esplanade-alliance.mainpage.net

Esplanade Alliance promotional sticker

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VCAT Decides

Becton came to VCAT with an impressive team. Led by CJ Canavan QC, the team produced favourable evidence from architects Fender Katsalidis and Peckvonhartel; heritage consultants Allom Lovell and Associates as well as Goddan, Mackay Logan; urban designers urbis; traffic engineers Grogan Richards; town planners Contour Consultants; and music industry witnesses Bruce Milne, record producer and Catherine Haridy, talent scout and music promoter.

The Esplanade Alliance entered the VCAT hearing as a dissenting party. It had architect Norman Day, conservation consultant John Briggs and former manager of the Espy, Bruce Weibye presenting evidence.

The hearing ran for four days. On the morning of 19 August, the tribunal decided for Becton. It granted a permit that would allow:

Demolition of buildings, construction of a building of up to 10-storeys plus basements to contain 97 dwellings and associated parking, a food and drink premises, a convenience shop and service areas for the Esplanade Hotel, use of part of the building for a food and drink premises and convenience shop, the provision and sale of liquor for consumption on and off the premises in the convenience shop and food and drink premises, the construction of minor buildings and works exceeding the Planning Scheme's setback requirements and a reduction of the Planning Scheme's parking restrictions.

The permit came with conditions, including that:

- Becton had to make available an area at ground level, accessed from Pollington Street, to enable the continuation of the culturally significant live music venue at the hotel, particularly loading and unloading of live music equipment.
- Becton had to undertake noise attenuation works, particularly in the bedrooms, to avoid sleep disturbance to potential residents from the noise emanating from the Esplanade Hotel (operating as a culturally significant live music venue).

- Becton had to hire a qualified heritage architect to complete architectural records of the buildings to be demolished, scale drawings and photographs for Council and State Library archives and erect a commemorative plaque on the site.

VCAT decision 1066 (VCAT Reference Number: P424/2003) was published on 29 August 2003, six years to the day when residents and Espy patrons had met at a St Kilda café to discuss what the transfer of ownership would mean for the much-loved hotel.

The decision would allow the Espy to continue to support live music, albeit under the shadow of a ten-storey building.

Esplanade Alliance member Krystyna Kynst told The Age's Misha Ketchell that the future of the Espy hotel as a live-music venue was now in the hands of Becton, the hotel operators and Port Phillip Council (*Beat goes on as the curtain falls on Espy saga*, 20 August 2003). *“It will be their collective responsibility to ensure that the terms of the deal, that is, the lease agreement that they've reached with the hotel operator, guarantees the continuation of the Espy as a live-music venue.”*

Key Dates

11 August 2003	VCAT hearing starts
19 August 2003	VCAT decides
28 August 2003	VCAT decision published



On the steps at the Espy: Kate Shaw, Esplanade Alliance, Rex McLean, musician

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Was It Worth It?

There is the St Kilda of sunsets, bars and live music venues and then there is the St Kilda of perennial planning disputes. St Kilda residents concerned about what they consider to be insensitive development in their suburb have been signing petitions for years: to save the Mandalay apartments and the Esplanade Hotel ... Along the way they have helped Melburnians appreciate that the way their city is now – with its imperfections, its mix of cultures and even its seediness – is worth preserving; that when a commercial investment wipes away the grittiness of the city's texture it also diminishes the experience of city life ... For years the battle in St Kilda has been about more than preserving the look of the suburb. It has also been about honouring its spirit. And where is the planning regulation that governs that? (The Age editorial, 17 July 2004)

Becton launched its Esplanade apartments in the early months of 2004, at about the same time that Kate Shaw's academic analysis *Planning for the Espy: policies, politics, deals* was published in the Planning News, February 2004.

On 29 April 2004, The Age's Helen Westerman reported the developer's claim that its 'off the plan sales' were strong (*Developer reaps the spoils of Espy fight*, page 7). "The 98 apartments range from \$500,000 to \$6 million for the penthouse," Ms Westerman wrote.

A few weeks later, the real estate sections of both metropolitan dailies wrote features about the proposed apartments.

The Herald Sun called its story *Heartbreak Hotel*, Mike Bruce, 22 May 2004.

The Age called it *The battle of St Kilda*, Tracey Kift, 23 May 2004.

The Espy's Gershwin Room (the only rear wing of the grand hotel to survive the demolition that would make way for the ten-storey apartment block) reopened on 21 July 2004. Revamped, yet its character maintained, the Gershwin Room became the home of the new live music and trivia quiz show, *Rockwiz*, broadcast on SBS.

The Espy Kitchen and bottle shop were relocated to the front part of the hotel when their respective wings/buildings were demolished. These areas, together with a refurbished basement, opened on 13 July 2005, just in time to celebrate 100 years of

music at the Espy. On 20 August 2005, both Channel 9 and Channel 7 evening news reported the Espy's 100th, claiming that up to 175 musicians could play there in one week and 30 bands could play there on one night.

The following year, The Age EG Music Awards voted the Espy best venue (*Gongs strike the right note with local music aficionados*, Patrick Donovan, 23 October 2006).

Over the next decade, the Espy stages continued to host live music every night, even as St Kilda continued to gentrify around it.

In early 2014, the Espy Hotel was put on the market, but withdrawn some months later when the owners failed to get their asking price.

Then, on Sunday 17 May 2015, with very little warning, the Espy closed its doors, cancelling performers booked for the weeks ahead.

The Age reported: *Grungy St Kilda music venue, the Esplanade Hotel, to close for makeover*, Aisha Dow and Allison Warrall, 4 May 2015.

The Herald Sun said: *St Kilda's Esplanade Hotel to close for renovations*, William Vallely, 4 May 2015.

The major renovations would create new food and beverage spaces including an outdoor terrace on the first floor. However, no planning application had been lodged with Council when the doors shut.

When an application was lodged in August it attracted 28 objections and led The Age's Aisha Dow to speculate that *Bar fight could see doors of St Kilda's Esplanade Hotel barred for good*, 13 November 2015.

The City of Port Phillip gave the proposed renovations the go-ahead on 9 December 2015. The outcome remains to be seen.

In private hands, the Espy is subject to the vagaries of business profits - a fact that was not lost on the Esplanade Alliance during its negotiations with private operators to buy, jointly, the hotel in 2001. Included in its debate at the time were the questions:

What if some unforeseen future events see the hotel not make a profit from its live music incubator role?

What if its ongoing incubator role is only possible at a loss or with further injections of funds?

What then?



A 'Keep The Espy Live' sticker from 2003 survives the times on a lamppost at the corner of Acland and Robe Streets, St Kilda. Photo by Krystyna Kynst 2016



The Esplanade Hotel. Photo: John Lamb/Fairfax

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About This Book

The story of the Espy Campaign has been compiled from public records and private collections with the help of Esplanade Alliance members, staff at the City of Port Phillip archives, and financial assistance from the Public Record Office Victoria (PROV) Local History Grants Program 2013–2014, under the auspices of the St Kilda Historical Society.

The project was researched, collated, indexed and written by Krystyna Kynst, Esplanade Alliance founding member and the campaign's communication manager.

The archive, which contains 774 items, including press clippings, TV and radio tapes, publicity documents, minutes of Council meetings, correspondence and submissions, was digitised by AMS Imaging in South Melbourne.

The story with links to the extensive archive can be found at:

<http://www.stkildahistory.org.au/campaigns/espy-hotel>