

SE Extra  
HD **Tussle ensures the show goes on for historic Palace**

BY Aisha Dow, City reporter With Jen Jewel Brown

WC 903 words

PD 7 December 2014

SN Sunday Age

SC SAGE

ED First

PG 27

LA English

CY (c) 2014 Copyright John Fairfax Holdings Limited.

LP

The Palace Theatre at the top end of Bourke Street - or what remains of it - has been entertaining Victorian audiences for more than 100 years.

Now it's at the heart of a grand stoush about planning, heritage and rock'n'roll.

TD

On one side of the tussle is developer Jinshan Investment **Group**, which paid \$11.2 million for the **property** in 2012. They dreamt of a 30-level tower, filled with **hotel** rooms and apartments. Priced at \$180 million, it was to be Melbourne's first five-star **W Hotel**.

But surprise resistance from former planning minister Matthew Guy (usually a fan of skyscrapers) quashed that vision. Within 18 months the sparkling silver tower had been whittled down to a modest seven-storey boutique **hotel**.

Fighting the developer all the way has been a **group** of music lovers and heritage activists who believe the century-old theatre should be preserved. They had adored the slightly shabby old building in all its recent incarnations, including as the Metro Nightclub, opened in 1987 with great fanfare by Molly Meldrum.

Of course the story of this building began well before that epic party.

You have to wind back the clock to the 1850s, when Victoria's gold rush had kick-started the city and the top of Bourke Street was the heart of Melbourne's theatre district.

Around 1854, "stump orator" Thomas Mooney built the forerunners of the Palace and the Princess Theatre, around the corner in Spring Street. The **site** at 20-30 Bourke Street was home to a **hotel** but when it was burnt down in 1911 a new theatre was built that would become known as the Palace.

Today from the outside the Palace looks almost drab compared with the ornate Princess Theatre. But inside it's a different story. Some of its lavish interiors date from 1916 when then owner Benjamin Fuller commissioned theatre architect Henry Eli White to remodel the inside with two gallery levels, a marble staircase and Louis XIV-style plaster decor.

In their battle to preserve this physical and cultural history, the Save the Palace Theatre **group** and its supporters have had some significant wins. There was recent advice from a heritage consultant that the former cinema and amphitheatre had social, historical and architectural significance for Melbourne. But that did not stop construction workers ripping off many of the building's decorative ornamentations last month, in a move interpreted by some as an attempt to reduce its heritage value.

Meanwhile, the state government has seemingly ignored a request for interim heritage protection. The matter is now destined for the place all ugly planning matters go - the Victorian Civil and Administrative Tribunal.

"We're in a mess ... no one is enjoying this," Melbourne City Council's Stephen Mayne said. He said the state government should write a cheque for the **property**, allowing Jinshan Investments to "get out with their shirt".

Although the extent of state government involvement is unknown, Fairfax Media understands there is a buyer serious about purchasing the **site**, in a deal that would save the theatre from bulldozers.

Former Palace operator Greg Young is representing the **company**, a British music venue and events operator. Young said if their bid to **buy** 20-30 Bourke Street was successful, the venue could host live television events.

Music Victoria believes the Palace could also be an ideal location for a \$10 million recording and performing hub promised by the then Labor opposition in the lead-up to the recent state election.

The "Music Market" would include an Australian Rock and Roll Hall of Fame and Music Victoria said the new initiative should be based in a "a central position with good public transport".

In 2012, CBRE's Mark Wizel **sold** the **property** to Jinshan Investments. He says any potential new buyer would have to pay about \$20 million - an 80 per cent increase in a little more than two years.

However, despite being approached by several parties interested in restoring the Palace, he said it was unlikely his client would part with the **site**.

"As with many **Chinese** buyers they're not traders of assets, they're holders of assets. I would be very surprised if he did decide to [sell]," Wizel says.

This week Melbourne councillors will vote on whether to oppose the Palace demolition and go all guns blazing into VCAT. Council staff seem to have advised just that, with heritage experts concluding that demolishing the theatre is "unacceptable".

However Melbourne lord mayor Robert Doyle previously criticised a move by the former planning minister to introduce new mandatory height limits in the precinct that is home to the Palace.

Cr Doyle said it was wrong to "change the goalposts" on the developer when they had already submitted an application.

The National Trust's Paul Roser believes the current dramas could have been prevented if Melbourne City Council had acted on a July recommendation by the Heritage Council that the former Metro nightclub had local significance. But the council took until October to get the ball rolling. Soon after, the construction workers at the Palace destroyed key features.

The next few weeks - with a new state government and a new planning minister - could be crucial in deciding whether the Palace's stellar run finally ends.

**NS** gcat : Political/General News

**RE** austr : Australia | melb : Melbourne | victor : Victoria (Australia) | apacz : Asia Pacific | ausnz : Australia/Oceania

**PUB** Fairfax Media Management Pty Limited

**AN** Document SAGE000020141207eac70001z