



Media Release

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Hotel sale the way to secure survival of Espy culture

Through an innovative trust structure, the Esplanade Alliance is paving the way for a community purchase of the famous Esplanade Hotel.

Concerned about the state of disrepair that the hotel has been allowed to degenerate into, Ms Kate Shaw, spokesperson for the Esplanade Alliance, said that it is time to focus on the operation of the hotel and its pivotal role in Australian music and comedy.

“For too long the hotel’s owner, Becton Corporation, has neglected the hotel, except for a brief period of time when it used the Espy as a bargaining chip for its 38-storey development proposal in the hotel’s backyard,” she said.

“We are looking for a way to return the hotel to its primary function -- an entertainment venue for new music and comedy talent,” Ms Shaw said.

With the support of Port Phillip Council and State Government, the Esplanade Alliance is working with lawyers and business consultants to establish a cultural trust that will raise the necessary purchase funds and secure the hotel as a vehicle for on-going cultural evolution, independent of any development at the back of the site.

The process began mid -2000 when Port Phillip Council established a Working Group to review the design and planning guidelines for the Espy site.

The Working Group recognised the critical cultural and heritage role of the Espy and agreed that it should be maintained as “an incubator of independent local music and comedy talent and as a venue accessible to a broad, diverse and non-mainstream public.”

It canvassed a range of ownership and management options for the hotel and recommended that \$10,000 be set aside to develop an appropriate model.

The three key elements of the model are:

- a financial vehicle , most likely to be a cultural trust which will secure tax deductibility for donations;
- a management structure that reflects the principal interest groups in the community, such as musicians and other artists, community radio, Fringe Festival, Port Phillip Council; and
- an operational agreement with a potential licensee, who has the vision to reinvigorate a Melbourne icon.

“Unless investment in the physical fabric of the hotel is undertaken, we will lose the Espy. Someone needs to buy the Espy and separate it from the rest of the site to ensure that operational profits are re-invested in the ongoing success of the hotel, ” Ms Shaw said.

“This is an opportunity for Becton to rationalise the site, so it can concentrate on the parts that it wants to develop, “she said.

“We have already discussed the model with several art organisations, musicians and past and present Esplanade patrons and feel confident that the community buy-out will be successful,” said Ms Shaw

“Becton always insisted that it would sell the hotel if it did not get a high-rise in the backyard. We are preparing ourselves for this opportunity,” she said.

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