

## **INQUIRY INTO THE MUSIC AND ARTS ECONOMY IN NEW SOUTH WALES**

**Organisation:** AMP Capital

**Date received:** 16 April 2018

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The Hon Paul Green MLC  
Chair  
Legislative Council Portfolio Committee – Planning and Environment  
Parliament House  
Macquarie Street  
SYDNEY NEW SOUTH WALES 2000

**BY EMAIL: [portfoliocommittee6@parliament.nsw.gov.au](mailto:portfoliocommittee6@parliament.nsw.gov.au)**

Dear Mr Green

**Submission – Inquiry into Music and Arts Economy in New South Wales**

Thank you for your letter of 29 March 2018 to Adam Tindall, inviting AMP Capital Investors Limited (**AMP Capital**) to make a submission to the *Inquiry into Music and Arts Economy in New South Wales*. Mr Tindall has asked that I respond to the Committee on his behalf.

AMP Capital welcomes this opportunity to make a submission. We believe it is important to clarify the circumstances leading to the forthcoming closure of the Basement, as well as to highlight our ongoing commitment to the music and arts economy – not only in New South Wales, but also throughout Australia.

**The Basement**

As you know, The Basement is Sydney's oldest live music venue – and one of its most iconic. While not its original home, The Basement has been a tenant of the building, 7 Macquarie Place, since 1992. It is well known that AMP Capital manages that building, and it is one of several real estate assets for which AMP Capital is the asset and property manager. Contrary to some media reports, we would like to clarify that 7 Macquarie Place is not owned by AMP Limited (**AMP**) and AMP does not have any legal or beneficial interest in the building. It is also worth noting that the business known as The Basement is not owned by AMP Capital or AMP but is a commercial enterprise owned and operated by an Australian proprietary limited company and private individuals. Neither AMP Capital nor AMP have any authority or financial control over the business.

AMP Capital has enjoyed a very good working relationship with The Basement for over 10 years. We have always been a strong supporter of the venue, their artists and their patrons. Indeed, having had such a close association with The Basement for so many years, we feel a part of their story – as they have grown into a state-of-the art music venue. Against this background, we at AMP Capital, like our partners at The Basement, are very sad to see them leave their current premises at 7 Macquarie Place, after a very successful period of working together. We therefore understand that Sydney's music lovers and frequenters of The Basement are very disappointed by the news of its impending closure.

It is for these reasons why, for more than six months, AMP Capital worked with the management of The Basement to support them and to ensure an appropriate transition could take place. Our support was acknowledged by The Basement in a statement they made on Facebook on 3 April 2018 (**Attachment A**). During this time, AMP Capital continued to work with The Basement to explore options for them to stay in the current premises, while they considered other possible alternative venues. We are proud to have worked with The Basement during this period, not as a tenant – but as a longstanding and valued partner.

Ultimately, this negotiation ended with AMP Capital and The Basement mutually agreeing to end the lease ahead of its April 2023 expiry. As outlined by The Basement in their public statement of 3 April, the current space at 7 Macquarie Place is no longer workable for the business in the long-term and they have indicated that they would prefer to find a permanent home and solution that better suits them. Like most commercial negotiations, the details of this negotiation are confidential and ‘without prejudice’. We are therefore unable to provide further detail on the terms on which the parties have mutually agreed to end the lease early, The Basement’s business operations or the precise reasons management of The Basement believe that an alternative venue will better suit The Basement’s future and needs.

At this time, we also believe it is important to clarify any misconceptions that the public may have about the future use of the premises that The Basement currently occupies at 7 Macquarie Place. Contrary to media speculation, AMP Capital has no intention to convert The Basement premises into office space. We are currently seeking expressions of interest for the premises from live music and food and beverage operators (**Attachment B**). AMP Capital has already commenced discussions with a number of live music operators.

### **How we support music and the arts**

For the benefit of the Committee, it is also important that I outline what AMP Capital and AMP are doing to support the music and arts economy more generally – not only in New South Wales, but also throughout Australia.

AMP Capital is committed to supporting a vibrant and rich music and arts culture in Sydney. AMP Capital are proud partners of the Museum of Contemporary Art, Sydney Living Museums and the Sydney Opera House and have been active supporters of these significant cultural institutions in Sydney for many years.

Through our interests in 33 Alfred Street, 50 Bridge Street, 255 George Street and Angel Place (123 Pitt Street), AMP Capital have shown ongoing support of Vivid Sydney and several City of Sydney programs.

AMP Capital have also supported the City Recital Hall since Angel Place was completed in 2001 and actively promote their program to building occupants.

Since 2014, AMP – through its Foundation – has been supporting Australian music and arts initiatives through its annual AMP Tomorrow Fund. This grants program provides \$1 million in grants to Australians who are pursuing goals that benefit the community – either through a special project or enterprise, or by inspiring others with their music, art or sporting achievements.

To date, AMP’s Tomorrow Fund has supported 187 individuals. Among them are 12 people involved in the music industry who have shared \$174,900 in grants in the first four years of the program. They



include eight young contemporary musicians, a pianist and an opera singer, as well as two women (in Geelong and Sydney) who each used their grant to invest in venues hosting live music.

In a Sydney context, we supported Alison Flett (stage name Alison Avron), a musician who is the founder and operator of The Newsagency – a small music venue. Originally based in Marrickville, Alison used her \$20,000 2016 AMP Tomorrow Fund grant to move into new premises at 74-76 Pyrmont Bridge Road, Annandale – premises with a 100-patron capacity (double that of the original site). Located above Wayward Brewery Co., The Newsagency is described as an ‘artist and community focused live performance venue’ that aims ‘to provide an intimate, comfortable environment for our patrons while ensuring an inclusive and supportive experience for the performers we present’.

AMP Capital and AMP remain committed to contributing to a sustainable music and arts economy. We thank you and the Committee for the opportunity to clarify the circumstances surrounding the closure of The Basement and welcome the opportunity to discuss any aspect of this submission.

Please contact me on \_\_\_\_\_ or \_\_\_\_\_ should you require further information.

Yours sincerely

Luke Briscoe

Managing Director, Office & Industrial, Real Estate AMP Capital



**The Basement Sydney**

3 April at 00:50 · 🌐

Last week the news went out that The Basement, located at 7 Macquarie Place, was likely to close in the coming week. As the management of The Basement we were touched by the outpouring of support from artists, patrons and the general public – we thank you.

We wanted to set the record straight around the reasons for this. There is no doubt that support for live music in Sydney has shifted over the years and we have worked with the property manager, AMP Capital for more than six months on a transition, mutually agreeing to end the lease ahead of its expiry. To be clear, the current premises no longer works for The Basement and AMP Capital has not kicked us out, but rather supported us during this change. AMP Capital has been a strong supporter of The Basement, our artists, patrons and live music in Sydney for over 10 years.

We appreciate the recent support from the public and the ongoing support from AMP Capital, who have continued to work with us over the past week to explore options for us to stay in the current space while we look at possible alternative venues for The Basement.

While we are thankful for that support, long-term it doesn't make sense for us to continue in the current space as we are looking to find a permanent home and long term solution that is better suited to us. We are looking at a number of options so watch this space as we look to move The Basement into a new era and continue as one of the longest running live music venues in Sydney. All ticket holders will be contacted by Moshtix in the next few days for refunds or information on moved shows.

In the meantime we'd like to thank all the amazing artists who graced our stage, the hardworking promoters and agents for utilising the venue and most of all the passionate patrons who frequented the performances. There are far too many special memories to list here, we look forward to making new ones with you in the near future.

Thank you again for all your support, farewell for now.



## 7 MACQUARIE PLACE, SYDNEY

### Unique Opportunity

Oxford Agency and Precinct Retail are excited about offering this truly unique opportunity at 7 Macquarie Place.

Having been home to The Basement for many years we are seeking interest from live music, restaurant and bar operators via an EOI campaign.

We see this as an amazing opportunity for an operator with a proven track record to secure this iconic space in such a thriving CBD location which will also benefit long-term from a huge amount of surrounding development including Quay Quarter Sydney, One Circular Quay and the future light rail.

To request an Information Memorandum please contact Steffan Ippolito on 0403 347 111 or Matt Yovitch on 0401 718 152

### DETAILS

#### Price

**Property ID** 1PS806

**Property Type** Retail

**Building Size** 743m<sup>2</sup>

### STEFFAN IPPOLITO

#### Partner

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Location

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### REGISTER YOUR INTEREST






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