

Kelvin Tori CEO Melton City Council KelvinT@melton.vic.gov.au



## **Essendon Football Club**

275 Melrose Drive Melbourne Airport Victoria, 3045 PO Box 17, Essendon 3040 ABN 22 004 286 373

1 September 2020

Dear Kelvin,

## Lease to Essendon Football Club - Melton Country Club

Thank you for your letter of April 3 2020 responding to our request for rental relief for the above premises as a result of the COVID-19 pandemic.

EFC asks Council to reconsider its position based on the State Government guidelines that have since been established in relation to rental relief in Victoria.

As you may be aware, the Melton Country Club venue remains closed and all venue staff remain on stand down. In addition, EFC will be undergoing a significant organisational restructure at its Melbourne Airport administration base over the coming weeks, reducing our permanent workforce by in excess of 30%. It is paramount that EFC maintains firm focus on reducing operating costs where possible to ensure the club maintains viable through this period.

EFC is currently accessing the JobKeeper program with our year on year revenue since April decreasing by almost 70% (\$16.3m) in these 4 months alone. We will report an operating loss in excess of \$6m for this financial year (to 31 October 2020).

The Melton Country Club has been one of the most severely impacted parts of EFC's business, having been forced to almost completely shut down since the end of March and therefore losing substantially all of its revenue (in excess of \$500k per month) across this period. The current circumstances related to COVID-19 in Victoria mean the business will continue to be significantly affected for some time.

In light of these difficult circumstances for our business, and in line with the government guidelines, EFC asks Council to consider providing EFC with rental relief that is proportionate to EFC's loss of turnover in relation to the premises, in the form of a 50 per cent reduction and 50 per cent deferral on the rent payable for the period 29 March to 31 December 2020.

Thank you for your consideration of this request and we look forward to your response.

Yours sincerely,

Xavier Campbell Chief Executive Officer FUJITSU AIR CONDITIONING Amart Furniture

MAJOR PARTNERS