

ITEM 6. REPORT OF THE CORPORATE, FINANCE, PROPERTIES AND TENDERS COMMITTEE - 12 FEBRUARY 2018**ITEM 6.1****DISCLOSURES OF INTEREST**

The Lord Mayor, Councillor Clover Moore, disclosed a less than significant, non-pecuniary interest in Item 6.10 of the Corporate, Finance, Properties and Tenders Committee (Grants and Sponsorships – Round One 2017/18 – Economic Grants – Business Support Grants – Live Music And Performance and Night Time Diversification) as two of the recipients, Freda's and Golden Age, hosted a Clover Moore Independent Team campaign function leading up to the 2016 election. The Lord Mayor stated that she does not have a relationship with the two recipients and they have not contacted her about this item.

Councillor Robert Kok disclosed a less than significant, non-pecuniary interest in Item 6.10 of the Corporate, Finance, Properties and Tenders Committee (Grants and Sponsorships – Round One 2017/18 – Economic Grants – Business Support Grants – Live Music And Performance and Night Time Diversification) as two of the recipients, Freda's and Golden Age, hosted a Clover Moore Independent Team campaign function leading up to the 2016 election. Councillor Kok stated that he does not have a relationship with the two recipients and they have not contacted him about this item.

Councillor Jess Scully disclosed a less than significant, non-pecuniary interest in Item 6.10 of the Corporate, Finance, Properties and Tenders Committee (Grants and Sponsorships – Round One 2017/18 – Economic Grants – Business Support Grants – Live Music And Performance and Night Time Diversification) as two of the recipients, Freda's and Golden Age, hosted a Clover Moore Independent Team campaign function leading up to the 2016 election. Councillor Scully stated that she does not have a relationship with the two recipients and they have not contacted her about this item.

Councillor Philip Thalys disclosed a less than significant, non-pecuniary interest in Item 6.10 of the Corporate, Finance, Properties and Tenders Committee (Grants and Sponsorships – Round One 2017/18 – Economic Grants – Business Support Grants – Live Music And Performance and Night Time Diversification) as two of the recipients, Freda's and Golden Age, hosted a Clover Moore Independent Team campaign function leading up to the 2016 election. Councillor Thalys stated that he does not have a relationship with the two recipients and they have not contacted him about this item.

Councillor Linda Scott disclosed a significant, pecuniary interest in Item 6.5, External Memberships. Councillor Scott stated that she is the President of Local Government NSW, which is one of the external member organisations under discussion, and would step outside for this item.

No other Councillors disclosed any pecuniary or non-pecuniary interests in any matter on the agenda for this meeting of the Corporate, Finance, Properties and Tenders Committee.

The Committee recommends the following:-

ITEM 6.2

2017/18 QUARTER 2 REVIEW - DELIVERY PROGRAM 2017-2021 (S096187)

It is resolved that Council:

- (A) note the financial performance of Council for the first quarter, ending 31 December 2017, including the Quarter 2 Net Surplus of \$86.4M and the full year Net Surplus forecast of \$50.4M, as outlined in the subject report and summarised in Attachment A to the subject report;
- (B) note the Quarter 2 Capital Works expenditure of \$83.2M and a revised full year forecast of \$276.4M, and approve the proposed adjustments to the adopted budget, including bringing forward of \$12.7M in funds into 2017/18 capital budget, as detailed in Attachment B to the subject report;
- (C) note the Information Services capital expenditure of \$2.6M, net of disposals, and a full year forecast of \$7.6M;
- (D) note the Quarter 2 Plant and Assets expenditure of \$4.2M, net of disposals, and the full year forecast of \$16.8M;
- (E) note the Quarter 2 Property Divestment proceeds of \$28.0M, and the full year forecast net divestment of \$31.2M;
- (F) note the operational performance indicators and Quarter 2 achievements against the Operational Plan 2017/18 objectives, as detailed in Attachment C to the subject report;
- (G) note the supplementary reports, including contracts issued over \$50,000, major legal issues and the Quick Response, Banner Pole and Reduced Rate Grant Programs in Quarter 2, as detailed in Attachment D to the subject report; and
- (H) note the Environmental Sustainability Progress Report, as shown at Attachment E to the subject report.

(Note - At the meeting of the Corporate, Finance, Properties and Tenders Committee, this recommendation was moved by Councillor Kok, seconded by the Chair (the Lord Mayor), and carried unanimously.)

The Committee recommends the following:-

ITEM 6.3

INVESTMENTS HELD AS AT 31 DECEMBER 2017 (X011299)

It is resolved that the Investment Report as at 31 December 2017 be received and noted.

(Note - At the meeting of the Corporate, Finance, Properties and Tenders Committee, this recommendation was moved by Councillor Kok, seconded by Thalys, and carried unanimously.)

The Committee recommends the following:-

ITEM 6.4

INVESTMENTS HELD AS AT 31 JANUARY 2018 (X011299)

It is resolved that the Investment Report as at January 2018 be received and noted.

(Note - At the meeting of the Corporate, Finance, Properties and Tenders Committee, this recommendation was moved by Councillor Kok, seconded by the Chair (the Lord Mayor), and carried unanimously.)

The Committee recommends the following:-

ITEM 6.5

EXTERNAL MEMBERSHIPS – 2017 - 2018 (S050647)

It is resolved that Council receive and note the City's membership of the Associations outlined in Attachment A to the subject report.

(Note - At the meeting of the Corporate, Finance, Properties and Tenders Committee, this recommendation was moved by Councillor Kok, seconded by Councillor Scully, and carried unanimously.)

ITEM 6.6**PROPERTY DISPOSAL OF SURPLUS OPERATIONAL LAND – FORMER DEPOT AT FIG AND WATTLE STREETS (S111009)**

The Corporate, Finance, Properties and Tenders Committee decided that consideration of this matter be deferred to the meeting of Council on 19 February 2018.

Officer's Recommendation

The officer's recommendation to the Corporate, Finance, Properties and Tenders Committee was as follows –

It is resolved that:

- (A) in respect of the former Fig and Wattle Street Depot located at 14-26 Wattle Street, Council:
 - (i) note the Wattle Street Depot became surplus when operations at this depot were decommissioned in 1990 and consolidated to the City's Bay Street complex;
 - (ii) note the efforts made by the City to finalise negotiations with the Department of Education and Communities to acquire the Wattle Street Depot and their decision to redevelop the site of the current school; and
 - (iii) endorse the disposal of the surplus property at 14-26 Wattle Street (former Fig and Wattle Depot site), with a requirement that the purchaser build an 80-place childcare centre and a multi-use two-court indoor recreational centre on the site and transfer stratum ownership of these facilities back to the City;
- (B) Council endorse the proceeds from the sale being allocated to the funding of the City's 10 year capital works program; and
- (C) authority be delegated to the Chief Executive Officer to develop due diligence material for the sale, including, but not limited to, a disposal plan, including implementing opportunities to leverage value, determining the optimum method of sale, negotiating with interested parties as required, and entering into all necessary documentation to effect the sale and further stratum transfer back to the City at a price to be supported by an independent valuation.

Officer's Report

The officer's report on this matter can be found at Item 6 of the agenda paper for the meeting of the Corporate, Finance, Properties and Tenders Committee on 12 February 2018 – Volume 1.

(Note – this matter was dealt with by the Corporate, Finance, Properties and Tenders Committee as follows –

Moved by Councillor Kok, seconded by Councillor Scully –

That the recommendation contained in the officers' report to the Corporate, Finance, Properties and Tenders Committee be adopted.

Following discussion, the motion was withdrawn, and the Corporate, Finance, Properties and Tenders Committee decided that consideration of this matter be deferred to the meeting of Council on 19 February 2018.)

Speakers

Ms Elizabeth Elenius, Ms Mary Mortimer, Mr Bill d'Anthes and Mr Saul Deane addressed the meeting of the Corporate, Finance, Properties and Tenders Committee on Item 6.6.

The Committee recommends the following:-

ITEM 6.7

LAND TRANSFER - STRATUM LOT ABOVE CRANE LANE – CIRCULAR QUAY TO LEND LEASE (X000578)

It is resolved that:

- (A) Council endorse the transfer of Lot 1 in Deposited Plan 880891 being a stratum limited in height and depth containing the footbridge spanning Crane Lane to Lend Lease; and
- (B) authority be delegated to the Chief Executive Officer to enter into all necessary documentation as may be required to facilitate the transfer of Lot 1 in Deposited Plan 880891 being City-owned, operational classified land to Lend Lease.

(Note - At the meeting of the Corporate, Finance, Properties and Tenders Committee, this recommendation was moved by Councillor Kok, seconded by the Chair (the Lord Mayor), and carried unanimously.)

The Committee recommends the following:-

ITEM 6.8

TENDER - TREE MAINTENANCE SERVICES (X007081)

It is resolved that:

- (A) Council accept the tender offer of Tenderer A for Tree Maintenance in the Northern Service Area for a period of five years, with the option of an extension of one year if appropriate;
- (B) Council reject and negotiate the tender offers for Tree Maintenance in the Southern Service Area;
- (C) Council not invite fresh tenders on the basis that it is unlikely a more satisfactory result would be achieved;
- (D) authority be delegated to the Chief Executive Officer to negotiate, execute and administer the contract relating to the tenders, including to exercise the option to extend the contract term and negotiate the price to extend the contracts accordingly; and
- (E) Council be informed of the successful tenderer in the Southern Service Area by CEO update prior to executing and administering the contracts relating to this tender.

(Note - At the meeting of the Corporate, Finance, Properties and Tenders Committee, this recommendation was moved by Councillor Kok, seconded by Councillor Scully, and carried unanimously.)

The Economic Development and Business Sub-Committee recommends the following:-

ITEM 6.9

KNOWLEDGE EXCHANGE SPONSORSHIP - GLOBAL SUMMIT OF WOMEN 2018 (X013353)

It is resolved that:

- (A) Council approve a cash sponsorship of \$20,000 (excluding GST); and
- (B) authority be delegated to the Chief Executive Officer to negotiate and enter into a sponsorship agreement with Salvation Communications Pty Ltd in respect of the City's sponsorship of Global Summit of Women 2018 described in clause (A) above.

Speakers

Ms Lee Kelly addressed the meeting of the Corporate, Finance, Properties and Tenders Committee (Economic Development and Business Sub-Committee) on Item 6.9.

(Note - At the meeting of the Corporate, Finance, Properties and Tenders Committee, this recommendation was moved by Councillor Vithoukas, seconded by the Chair (the Lord Mayor), and carried unanimously.)

The Economic Development and Business Sub-Committee recommends the following:-

ITEM 6.10

GRANTS AND SPONSORSHIP – ROUND ONE 2017/18 – ECONOMIC GRANTS – BUSINESS SUPPORT GRANTS – LIVE MUSIC AND PERFORMANCE AND NIGHT TIME DIVERSIFICATION (\$117676)

It is resolved that:

- (A) Council approve the cash grant recommendations for 2017/18 under the Business Support Grants - Live Music and Performance Program listed as follows:

Applicant	Project Name	Project Description	\$ Amount Recommended	Conditions
Brand X Productions Incorporated	Live performance infrastructure upgrade, East Sydney Community and Arts Centre, Darlinghurst.	The installation of a semi-permanent floor, portable staging and a theatre lighting system to permit the Centre to function as both a rehearsal space and a small-scale performance venue allowing Sydney's independent performing artists to develop and present new work.	\$30,000	Nil
Esperance Hotel Group Pty Ltd	Hudson Ballroom venue upgrade, Hudson Ballroom, Sydney	Upgrades to in-house musical instruments and audio equipment to improve artist and audience experience and increase the frequency and diversity of live music programming.	\$30,000	Applicant to work with Live Music Strategy Advisor on refining the scope of the project Applicant to provide supplier quotes
Plain Vanilla Beverages Pty. Ltd.	Acoustic Management and Live Recording at Knox Street Bar, Chippendale.	The installation of acoustic treatments to improve internal acoustics and sound transfer from the venue, replacement of a small amount of audio equipment, and the introduction of live recording at this small bar and performance venue.	\$5,650	Applicant to confirm their current appropriate DA approval

Applicant	Project Name	Project Description	\$ Amount Recommended	Conditions
Staved Pty Ltd	Acoustics and Air Conditioning Upgrade, Staves Brewery, Glebe.	The installation of a new PA system, professional stage curtains, acoustic window treatments and air-conditioning to increase and improve live music and comedy events.	\$12,800	Applicant to submit supplier quotes
The Roosevelt Pty Ltd	Return of live music to The Roosevelt, Kings Cross	The installation of stage and audio equipment to facilitate a return of small scale jazz, acoustic and other musical acts to this historically significant venue.	\$30,000	Subject to DA approval
The trustee for Oxford Underground Unit Trust	Sound Production Upgrade to Oxford Art Factory Main Stage, Oxford Street, Darlinghurst.	Equipment upgrade for the PA system and fold-back speakers to improve artist and audience experience in this live music venue in the Darlinghurst Entertainment Precinct.	\$7,900	Applicant to provide suppliers quotes Applicant to work with Live Music Strategy Advisor on verifying what the investment will be spent on.
The World Bar Pty Limited	Project Phoenix, The World Bar, Kings Cross.	Equipment upgrade to international standard PA and mixing equipment for live performers and DJs to improve the venue's suitability for a wider range of local and touring acts, audio control and audience experience.	\$27,450	Applicant to provide supplier quotes Applicant to work with Live Music Strategy Advisor on reviewing the list of equipment to be purchased.
Three Silent Partners Pty Ltd	Acoustics upgrade for Freda's, Chippendale	Upgrade of acoustic treatments and audio equipment in both the bar and basement theatres to improve internal acoustics, increase frequency and diversity of programming and reduce potential sound transfer.	\$30,000	Applicant to provide more detailed quotes Applicant to submit a revised budget

- (B) Council approve the cash grant recommendations for 2017/18 under the Business Support Grants - Night Time Diversification Program listed as follows:

Applicant	Project Name	Project Description	\$ Amount Recommended	Conditions
City Recital Hall Limited	Open House + 2by20, City Recital Hall, Angel Place, Sydney	A monthly program of music trivia, slam poetry, emerging songwriters and 'In-Conversations', followed by two 20 minute sets of music with artists across cabaret, jazz, folk, RnB and musical theatre in the Recital Hall's underutilised ground floor foyer and partnering with eateries in Angel Place.	\$21,000	Funding to go towards artists fees
Darlinghurst Theatre Limited	Up Close & Intimate, Eternity Playhouse, Darlinghurst	A program of stripped-back cabaret style performances featuring local artists playing songs that have shaped their lives and careers, held between seasons of plays at the theatre to increase activity and build new audiences.	\$28,000	Applicant to work with Night Time City
Golden Age Cinema & Bar Pty Ltd	Live on the Golden Stage, Golden Age Cinema, Surry Hills	A regular program of live music events to attract new audiences and provide artists the opportunity to experiment, such as through the performance of live film scores, in a unique and intimate venue.	Year 1 only - \$25,000	Funding to go towards artists fees Funding to be granted upon receipt of a Live Music Programming Plan. Applicant to work with the Cultural Strategy team on developing their Live Music Programming Plan.

Applicant	Project Name	Project Description	\$ Amount Recommended	Conditions
LPR Promotions Pty Ltd	Late Night Lounge at Foundry 616, Harris Street, Ultimo.	An after-midnight live music and dining program for jazz and other diverse music genres catering to music lovers through an entertainment experience in a safe late night environment.	\$7,500	Funding to be granted upon receipt of a Live Music Programming Plan. Applicant to work with the Cultural Strategy team on developing their Live Music Programming Plan.
Naomi Taplin trading as Studio Enti	Studio Enti Dinner Series, Foley Street, Darlinghurst	A program of themed dinners collaborating with guest chefs and artists exploring the connection between food, ceramics, art, music and sustainability hosted within the ceramics studio in Darlinghurst.	\$19,750	Applicant to submit revised budget Applicant to work with Health and Building Team
The Feather Tribe Pty Ltd	Friday Night Fun At The Tribe, Foley Street, Darlinghurst	A fortnightly event, transforming a creative retail store into an artistic hub and community cinema with a mixture of 'Paint and Sip' evenings and 'Beanbag and Popcorn Arthouse Movie Nights'.	\$12,100	Nil
The trustee for IM Operating Unit Trust	Live Music, Imperial Hotel, Erskineville	A regular program of live music and performance with a focus on local artists to relaunch the iconic hotel after renovations building a safe and engaging night-time culture in the Erskineville precinct.	\$25,000	Funding to go towards artists' fees Funding to be granted upon receipt of a Live Music Programming Plan. Applicant to work with the Cultural Strategy team on developing their Live Music Programming Plan.

Applicant	Project Name	Project Description	\$ Amount Recommended	Conditions
The trustee for Oxford Underground Unit Trust	OAF After Midnight, Oxford Arts Factory, Oxford Street, Darlinghurst	A curated fortnightly program of live music held after midnight on the main stage after earlier shows have ended, to increase performance opportunities for artists and connect with a broader audience.	\$10,000	Funding to go towards local artists fees Funding to be granted upon receipt of a Live Music Programming Plan. Applicant to work with the Cultural Strategy team on developing their Live Music Programming Plan.
The Trustee for The KX Operations Trust	KX Presents, Kings Cross Hotel, Potts Point	A regular program of live music, providing increased performance opportunities for local artists and positive participation in late night social experiences for broad audiences.	Year 1 only - \$25,000	Funding to go towards artists fees Funding to be granted upon receipt of a Live Music Programming Plan. Applicant to work with the Cultural Strategy team on developing their Live Music Programming Plan.
Viewbray Pty. Limited	Ariel Evening Events Program, Ariel Bookshop, Darlinghurst.	A fortnightly 'In Conversation' evening with local book authors, hosted by journalist Jayne Anderson, to build and extend the author series into an annual niche writer's festival, promoting the local area and the arts.	\$15,000	Applicant to submit revised budget

- (C) Council note that all grant amounts are exclusive of GST and all value-in-kind offered is subject to availability; and

- (D) authority be delegated to the Chief Executive Officer to negotiate, execute and administer agreements with any organisation approved for a grant or sponsorship under terms consistent with this resolution and the Grants and Sponsorship Policy.

(Note - At the meeting of the Corporate, Finance, Properties and Tenders Committee, this recommendation was moved by Councillor Vithoukias, seconded by Councillor Scott, and carried unanimously.)