

**ITEM 2. GRANTS AND SPONSORSHIP – ROUND THREE 2017/18 – ENVIRONMENT GRANTS – ENVIRONMENTAL PERFORMANCE GRANTS – RATINGS AND ASSESSMENTS AND INNOVATION**

**FILE NO: S117676**

**SUMMARY**

The City of Sydney's Grants and Sponsorship Program supports initiatives and projects that build the social, cultural, environmental and economic life of the city. To achieve the objectives of *Sustainable Sydney 2030* requires genuine partnership between government, business and the community.

The provision of grants and sponsorships is a mechanism to further the aims identified in the City's social, economic and environmental policies. Applications are assessed against these policies and against broad City objectives and plans. In this way, the City and the community act collaboratively to bring to life *Sustainable Sydney 2030* and the City of Villages it envisions.

The City advertised the following three environmental grant programs in round three of the annual grants and sponsorship program for 2017/18:

- Environmental Performance - Building Operations: funding is available to help lower the costs of implementing building operations efficiency measures;
- Environmental Performance - Ratings and Assessments: funding is available to undertake building performance ratings and certifications, energy audits and assessments to enable a building or facility owner to understand their opportunities to improve environmental performance; and
- Environmental Performance – Innovation: funding is available to assess or demonstrate new technologies or processes that are currently not being implemented in the local market, but have the potential to achieve greenhouse gas emissions reductions and resource efficiencies that could be rolled out at scale within the local area.

For the Environmental Performance Grants, 14 eligible applications were received. This report recommends a total of 11 grants to a total value of \$95,300 for the 2017/18 financial year.

On 26 June 2017, Council adopted a revised Grants and Sponsorship Policy. All grants in this report were assessed against criteria and guidelines set out in this revised Policy with reference to *Sustainable Sydney 2030*, Environmental Action 2016-2021 Strategy and Action Plan, and Residential Apartments Sustainability Plan. Council again adopted a revised Grants and Sponsorship Policy on 11 December 2017, which is being implemented for applications received in 2018.

All grant recipients will be required to sign a contract, meet specific performance outcomes and acquit their grant.

**RECOMMENDATION**

It is resolved that:

- (A) Council approve the cash recommendations for 2017/18 under the Environmental Performance – Ratings and Assessment Grant Program as follows:

<b>Applicant</b>	<b>Project Name</b>	<b>Project Description</b>	<b>\$ Amount Recommended</b>	<b>Conditions</b>
Aldprop Pty Ltd	Energy audit - Ibis King Street Wharf, 22 Shelley Street Sydney	Energy audit on a 91-room hotel. Audit will assess current energy usage and provide recommendations on efficiency projects to reduce costs and improve environmental performance.	<b>\$12,000</b>	Applicant to provide revised evidence of commitment to implement.
Alliance Francaise De Sydney	Energy audit - Alliance Française de Sydney, 257 Clarence Street Sydney	Energy audit on a mixed-use commercial building to review current energy use and recommend capital and operational improvements to reduce cost and improve environmental performance.	<b>\$11,900</b>	Applicant to provide stakeholder engagement plan. Applicant to provide evidence of commitment to implement identified efficiency opportunities.
Atlassian Pty Ltd	Solar PV Grid Connection Feasibility - Atlassian Pty Ltd, 341 George Street	Engineering investigations into the feasibility of grid-connection for a solar PV system for a commercial office tenancy.	<b>\$3,200</b>	Funding only to be used for Ausgrid connection costs. Applicant to provide proof of owner's consent.
St. Vincent's Clinic	Energy audit on a hospital clinic to review current energy use and recommend capital and operational improvements to reduce cost and improve environmental performance	Energy audit on a hospital clinic to review current energy use and recommend capital and operational improvements to reduce cost and improve environmental performance.	<b>\$12,000</b>	Applicant to provide quote.
Strata Plan 55792	Energy and water assessment - residential apartments - Century Tower, 343-357 Pitt Street Sydney	Energy and water assessment of common areas in a 54-storey, 292-apartment residential building to identify efficiency opportunities and reduce resource consumption.	<b>\$10,000</b>	Nil

Applicant	Project Name	Project Description	\$ Amount Recommended	Conditions
Strata Plan 57623	Energy assessment and Solar PV investigation - residential apartments - 10 Lincoln Crescent Woolloomooloo	Energy assessment of common areas in a 2-storey, 34-apartment residential building to identify efficiency opportunities and reduce resource consumption, and investigation into the feasibility of installing solar PV.	<b>\$10,000</b>	Applicant to provide interim progress report following completion of the energy efficiency assessment.
Strata Plan 63860	Energy assessment, Solar PV investigation and lighting upgrade - residential apartments - 8 Cooper Street Surry Hills	Lighting upgrade and energy assessment of common areas in an 8-storey, 78-apartment residential building to identify efficiency opportunities and reduce energy consumption, and investigation into the feasibility of installing solar PV.	<b>\$8,400</b>	Applicant to provide interim progress report following completion of the energy efficiency assessment. Applicant to provide minuted resolution committing to operational improvements and taking recommendations for upgrades to a general meeting.
Strata Plan 71215	Energy assessment, Solar PV investigation and lighting upgrade - residential apartments - Spectrum, 147-161 McEvoy Street Alexandria	Lighting upgrade and energy assessment of common areas in a 6-storey, 44-apartment residential building to identify efficiency opportunities and reduce energy consumption, and investigation into the feasibility of installing solar PV.	<b>\$9,000</b>	Applicant to provide interim progress report following completion of the energy efficiency assessment.
The Owners Of Strata Plan 51673	Energy assessment and Solar PV investigation - residential apartments - The Pymont, 233 Harris Street Pymont	Energy assessment of common areas in a 15-storey, 154-apartment residential building to identify efficiency opportunities and reduce resource consumption, and investigation into the feasibility of installing solar PV.	<b>\$6,200</b>	Nil
The Owners Strata Plan 52720	Energy assessment and Solar PV investigation - residential apartments - Crown Gardens, 63 Crown Street Woolloomooloo	Energy assessment of common areas in a 12-storey, 144-apartment residential building to identify efficiency opportunities and reduce resource consumption, and investigation into the feasibility of installing solar PV.	<b>\$6,100</b>	Nil

Applicant	Project Name	Project Description	\$ Amount Recommended	Conditions
The Owners-- Strata Plan 89914	Energy assessment and lighting upgrade - residential apartments - Erko, 70 Macdonald Street Erskineville	Lighting upgrade and an energy assessment of common areas in an 8- storey, 260-apartment residential building to identify efficiency opportunities and reduce energy consumption.	<b>\$6,500</b>	Nil

- (B) Council note that all grant amounts are exclusive of GST; and
- (C) 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.

## ATTACHMENTS

**Attachment A:** Recommended 2017/18 Environmental Performance Grants

**Attachment B:** Not Recommended 2017/18 Environmental Performance Grants

**BACKGROUND**

1. The City of Sydney's Grants and Sponsorship Program supports residents, businesses and not-for-profit organisations to undertake initiatives and projects that build the social, cultural, environmental and economic life of the city.
2. On 23 October 2017, the City announced round three of the annual grants program for 2017/18 as being open for applications on the City's website, with grant applications closing on 20 November 2017.
3. The three environmental programs promoted were:
  - (a) Environmental Performance – Building Operations;
  - (b) Environmental Performance – Ratings and Assessments; and
  - (c) Environmental Performance – Innovation.
4. Information about these grant programs (such as application dates, guidelines, eligibility criteria and sample applications) was made available on the City's website. The City actively promoted the programs through radio live reads, Facebook, Twitter, Instagram, What's On and the Multicultural NSW mailing list, as well as the City's Green Villages and Creative City websites. Email campaigns were also utilised to target interested parties who have applied previously for grants at the City or who have expressed an interest in the City's programs. The Sustainability Programs and Strategy teams also promoted the grants to peak industry organisations, networks and stakeholders.
5. Following adoption of the revised Grants and Sponsorship Policy on 26 June 2017, the three Environmental Performance programs are open to appropriately incorporated for-profit organisations. Three applications were received this round from for-profit organisations. The following two for-profit organisations are recommended in this report:
  - (a) Aldprop Pty Ltd; and
  - (b) Atlassian Pty Ltd.
6. The three environmental performance grant programs aim to build capacity and address barriers to the implementation of environmental actions within key customer sectors.
7. The assessment panels for applications received under the Environmental Performance Grants Program comprised the City's Manager Waste Strategy, Sustainability Engagement Manager – Commercial Office, and Sustainability Engagement Coordinators for residential and non-office business teams.

**Environmental Performance - Building Operations Grant Program**

8. The Environmental Performance - Building Operations Grant Program aims to improve the environmental performance of buildings by lowering the costs and mitigating the barriers of implementing building efficiency measures, such as water monitoring in residential apartments.

9. No applications were received for the Environmental Performance - Building Operations Grant Program in round three of the annual grants and sponsorship program for 2017/18.

#### **Environmental Performance - Ratings and Assessments Grant Program**

10. The Environmental Performance - Ratings and Assessments Grant Program aims to address barriers to the uptake of building performance ratings and assessments across energy, water, waste and other sustainability aspects. Ratings and assessments enable a building owner or facility manager to understand their building's environmental performance and to identify efficiency opportunities. Applicants are required to implement efficiency measures based on the recommendations of the assessments.
11. Thirteen applications have been assessed and eleven are recommended for funding to a value of \$95,300.
12. Supported non-residential projects are three energy audits across commercial buildings and a hospital clinic, and two solar PV feasibility studies for commercial office tenancies across the local government area.
13. Supported residential projects consist of one energy and water assessment project, one energy assessment and lighting upgrade project, four energy assessment and solar PV investigation projects and one energy assessment, solar PV investigation and lighting upgrade project. These seven assessment projects will be undertaken on apartment buildings within the local government area.

#### **Environmental Performance – Innovation Grant Program**

14. The Environmental Performance – Innovation Grant Program supports the feasibility or demonstration of new technologies or processes that are currently not being implemented in the local market, but have the potential to achieve greenhouse gas emissions reductions and resource efficiencies that could be rolled out at scale within the City of Sydney local government area.
15. One application was assessed and is not recommended for funding.
16. University of Technology Sydney and Blockcycle sought support for a demonstration project for a reusable takeaway coffee-cup program involving embedded chip and blockchain technology supporting payments and tracking, based on the University of Technology Sydney campus.
17. Whilst the assessment panel acknowledged the project concept had some merit they determined it is too early in the innovation lifecycle to align with the purpose of the Program.

**Overview of 2017/18 Environmental Performance Grant Program**

Total budget for 2017/18	\$615,000
Total already committed in previous applications	\$404,563
Total currently recommended to March 2018 Council meeting in report: <i>Knowledge Exchange Sponsorship - WWF, A Deeper Dive into Disruptive Technologies</i>	\$33,520
Total amount available for 2017/18	\$176,917
Total number of eligible applications this allocation	14
Total cash value requested from applications	\$234,800
<b>Total number of applications recommended for cash</b>	<b>11</b>
<b>Total amount of cash funding recommended 2017/18</b>	<b>\$95,300</b>
Amount remaining for subsequent allocation of the program 2017/18	\$81,617

**KEY IMPLICATIONS****Strategic Alignment - Sustainable Sydney 2030 Vision**

18. *Sustainable Sydney 2030* is a vision for the sustainable development of the City to 2030 and beyond. It includes 10 strategic directions to guide the future of the City, as well as 10 targets against which to measure progress. This grant allocation is aligned with the following *Sustainable Sydney 2030* strategic direction and objectives:
- (a) Direction 2 provides a road map for the City to become 'A Leading Environmental Performer' - the grant projects recommended in this report will support the City's endeavours to work with our business and residential communities to reduce greenhouse emissions and potable water use, and encourage diversion of waste from landfill across the local government area.

**Organisational Impact**

19. The grants and sponsorships contract management process will involve staff in the City's grants and sustainability teams to set contract conditions and performance measures for each approved project and review project acquittals.

**Environmental**

20. The recommended environmental grants under the Ratings and Assessments Program will provide energy and water savings as a result of improved monitoring and applicants implementing efficiency measures as a condition of the grants.

**BUDGET IMPLICATIONS**

21. A total value of \$95,300 in cash is recommended in this report and is provided in the 2017/18 Environmental Performance Grants budget of \$615,000.

**RELEVANT LEGISLATION**

22. Section 356 of the *Local Government Act 1993* provides that a council may, in accordance with a resolution of the council, contribute money or otherwise grant financial assistance to persons for the purpose of exercising its functions.
23. Section 356(3) (a) to (d) is satisfied for the purpose of providing grant funding to for-profit organisations.

**CRITICAL DATES / TIME FRAMES**

24. The funding period for round three of the Grants and Sponsorship Program for 2017/18 is for activity taking place from 1 May 2018 to 30 April 2019. Contracts will be developed for all successful applications after Council approval to ensure their funding is released in time for projects starting in May.

**PUBLIC CONSULTATION**

25. For all programs open to application in round three of the annual grants and sponsorship program for 2017/18, one Q&A session was held in Town Hall House to assist potential applicants with their applications on Tuesday 7 December 2017.
26. Fifteen meetings were held as part of the Q&A session where prospective applicants sought advice from City staff about their project proposals and the application process.
27. Sixty per cent of these attendees advised they had not applied for a City of Sydney grant previously.

**ANN HOBAN**

Director City Life

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