

Item 14.

Grants and Sponsorship - Round One 2019/20 - Economic Grants

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, cultural, 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 categories of the Business Support Grant Program as part of Round One of the annual Grants and Sponsorship Program for 2019/20:

- Business Support Grant - Live Music and Performance;
- Business Support Grant - Night Time Diversification; and
- Business Support Grant - Place and Industry.

For the Business Support Grants - Live Music and Performance program, 10 eligible applications were received. This report recommends a total of three grants to a total value of \$70,000 in cash for the 2019/20 financial year.

For the Business Support Grants - Night Time Diversification program, 17 eligible applications were received. This report recommends a total of seven grants to a total value of \$140,700 in cash for the 2019/20 financial year.

For the Business Support Grants - Place and Industry program, applicants can apply for up to three projects per application. Eleven eligible applications were received which included 25 projects. This report recommends a total of 11 grants, including 23 of the 25 projects submitted, to a total value of \$325,000 in cash for the 2019/20 financial year.

All figures in this report exclude GST.

On 11 December 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, the Creative City Cultural Policy and Action Plan 2014 - 2024, the OPEN Sydney Strategy and Action Plan, the Economic Development Strategy and the Live Music and Performance Action Plan 2014.

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 the Business Support Live Music and Performance Grant Program as per Attachment A to the subject report;
- (B) Council approve the cash recommendations for the Business Support - Night Time Diversification Grant Program as per Attachment C to the subject report;
- (C) Council approve the cash recommendations for the Business Support - Place and Industry Grant Program as per Attachment E to the subject report;
- (D) Council note that all grants amounts are exclusive of GST; and
- (E) 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 Grants and Sponsorship Policy.

Attachments

- Attachment A.** Round One 2019/20 - Recommended for Funding - Live Music and Performance Grant Program
- Attachment B.** Round One 2019/20 - Not Recommended for Funding - Live Music and Performance Grant Program
- Attachment C.** Round One 2019/20 - Recommended for Funding - Night Time Diversification Grant Program
- Attachment D.** Round One 2019/20 - Not Recommended for Funding - Night Time Diversification Grant Program
- Attachment E.** Round One 2019/20 - Recommended for Funding - Place and Industry Grant Program

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 6 February 2019, the city announced Round One of the annual grants program for 2019/20 as being open for application on the City's website, with grant applications closing on 11 March 2019.
3. The three categories of the Business Support Grant promoted were:
 - (a) Live Music and Performance;
 - (b) Night Time Diversification; and
 - (c) Place and Industry.
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 Facebook, Twitter, What's On and an Arts Hub publication with a native content piece and affiliated website and Facebook promotion. 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.
5. Following adoption of the revised Grants and Sponsorship Policy on 11 December 2017, the Business Support Grant categories are open to appropriately incorporated for-profit organisations and partnerships.
6. Eleven applications were received this round from for-profit organisations through the Business Support Grant - Live Music and Performance category and the following three for-profit organisations are recommended in this report:
 - (a) Commune Newtown Tradings Pty Ltd;
 - (b) Red Line Productions Limited; and
 - (c) Waxman Jones Pty Ltd.
7. Seventeen applications were received this round from for-profit organisations, partnerships, trusts and sole traders through the Business Support Grant – Night Time Diversification category and the following seven for-profit organisations are recommended in this report:
 - (a) Amalgamated Hotels Pty Ltd;
 - (b) Mary's Underground Pty Ltd;
 - (c) Metalab Creative Pty Ltd;
 - (d) Parliament On King Pty Ltd;
 - (e) Railway & Transport Health Fund Ltd;
 - (f) The Trustee for Dove and Olive Hotel Unit Trust; and

- (g) The Trustee for Yulli's Brews Unit Trust.
8. The Night Time Diversification grant was promoted through one-on-one engagement with businesses along South King Street (Newtown), Crown Street, Redfern Street, Devonshire Street, Kensington Street (Chippendale), Glebe Point Road and parts of Cleveland Street. A total of 110 businesses were visited to discuss the benefits that trading later can offer, including increased customer interaction, promotional opportunities and leveraging event audiences. A further 17 face to face meetings were held with interested businesses to discuss potential activities and ideas proposed. The City also presented on the Night Time Diversification Grant opportunities at the Liquor Accord meetings.
 9. This was supplemented by a digital campaign through the City's social media channels and dissemination through Business Chambers, Liquor Accords and Nightlife and Creative Sector Advisory Panel member channels.
 10. Applicants of the Place and Industry category were also invited to meet with the assessment panel on 4 April 2019 to present their projects to the assessment panel. Applicants were provided with 15 minutes to present the projects they had applied for, followed by 15 minutes of questions from the assessment panel. Nine out of the eleven applying organisations took up this opportunity.
 11. There were a total of 38 grant applications received under the Business Support Grants. Twenty-one are recommended for funding as detailed in this report.
 12. It is expected that all successful applicants will work co-operatively with relevant City staff throughout the project for which they have received funding. Some applicants will be required to meet with City staff and further define the strategic outcomes of their project prior to receiving the grant and commencing their project.
 13. All grants and sponsorships are recommended on the condition that any required approvals, permits and development consents are obtained by the applicant.
 14. The City's Grants and Sponsorship Program is highly competitive. Applications that are not recommended have either not scored as highly against the assessment criteria as the recommended applications, or have incomplete or insufficient information. The City's Grants and Sponsorship team provides feedback to unsuccessful applicants.
 15. The assessment process includes advice and recommendations from a suitably qualified assessment panel. The applications are scored against defined criteria for each grant program as well as the integrity of the proposed budget, project plan, partnerships, contributions and connection to the local community and industry sectors. Once recommended applications are approved by Council, a contract is developed, which includes conditions that must be adhered to, and acquitted against.
 16. In assessing the grant applications, the assessment panels included in their considerations and recommendations:
 - (a) Sustainable Sydney 2030;
 - (b) Grants and Sponsorship Policy;
 - (c) Creative City Cultural Policy and Action Plan;
 - (d) Economic Development Strategy;

- (e) OPEN Sydney Strategy and Action Plan; and
 - (f) Live Music and Performance Action Plan.
17. Assessors consider the cash and in-kind contribution from the applicant and other sources in reviewing applications. Applicants are asked to demonstrate a capacity to match the grant investment with other sources of funding or contribute their own cash resources to the project.
 18. Applicants are requested to list their project's community partners, confirmed funding sources and the contribution the organisation is making to the project (cash or in-kind) to demonstrate their contribution.

Business Support Grants - Live Music and Performance (grants of up to \$30,000 for capital works and expenditure on project management, infrastructure and equipment)

19. The Live Music and Performance category aims to support local businesses, venues and licensed premises to undertake capital works or equipment upgrades to either introduce live entertainment to a business's offerings or to improve existing live music and performance facilities. These projects might include:
 - (a) acoustic improvements to help manage sound transfer from venues to surrounding properties;
 - (b) investment in equipment or in-venue acoustics which improve audience experience;
 - (c) works that facilitate the introduction of live music or performance programming, or significantly improve/expand existing programming; or
 - (d) works that improve the health and safety of audiences, performers and venue staff.
20. The assessment panel for the Live Music and Performance Program comprised the Manager Economic Strategy and Manager Night Time City and Project Manager Night Time Economy for the City of Sydney, representatives from Music NSW (the state's peak industry body for the contemporary music sector), and two peers from the live performance sector (producers of performing arts programs and live events and festivals).
21. The applications recommended for the Live Music and Performance Program are outlined in Attachment A to this report. The applications that are not recommended are listed in Attachment B to this report.

22. The 2019/20 Business Support Grants - Live Music and Performance Budget is summarised as follows:

Total draft budget for 2019/20	\$200,000
Total already committed to previously approved applications	\$0
Total amount available for 2019/20	\$200,000
Total number of eligible applications this allocation	10
Total cash value requested from applications	\$226,998
Total value-in-kind support requested from applications	\$0
Total number of applications recommended for cash and/or value-in-kind support	3
Total amount of funding recommended	\$70,000
Total amount of value-in-kind support recommended	\$0
Amount remaining for subsequent allocation of the program 2019/20	\$130,000

Business Support Grants - Night Time Diversification (grants of up to \$30,000 a year for up to two years' funding)

23. The Night Time Diversification category aims to support projects that increase the variety of business offerings and activities in commercial precincts after 6pm. The grants assist businesses to trade later through creative programming and initiatives, and in doing so, attract new customers and create lively, safe and engaging city precincts after dark, contributing to the night time economy and the cultural and economic character of the city. The grant also supports live entertainment venues to extend or expand their programming of live music and performance (such as comedy, cabaret, theatre and poetry programs).
24. The assessment panel for the Night Time Diversification program comprised the Night Time City Manager, Economic Strategy Advisor - Retail and Tourism Sectors; and Cultural Strategy Advisor - Live Music and Performance.
25. The applications recommended for the Night Time Diversification Program are outlined in Attachment C to this report. The applications that are not recommended are listed in Attachment D to this report.

26. The 2019/20 Business Support Grants - Night Time Diversification Program budget is summarised as follows:

Total draft budget for 2019/20	\$250,000
Total already committed to previously approved applications	\$0
Total amount available for 2019/20	\$250,000
Total number of eligible applications this allocation	17
Total cash value requested from applications	\$466,180
Total value-in-kind support requested from applications	\$0
Total number of applications recommended for cash and/or value-in-kind support	7
Total amount of funding recommended	\$140,100
Total amount of value-in-kind support recommended	\$0
Amount remaining for subsequent allocation of the program 2019/20	\$109,900

Business Support Grants - Place and Industry (grants are negotiated upon consultation for up to two years funding)

27. The Place and Industry category aims to support projects that promote local economies for the benefit of businesses, connect business to opportunities, grow business skills and capacity, and advocate on key issues on behalf of local business. The grants assist local businesses to increase awareness of local business offerings and experiences; increase footfall, patrons and spending in local retail precincts; improve access to industry information, upskilling and networking opportunities for local businesses; and strengthen advocacy by local chambers of commerce and precinct associations.
28. The program is only available to not-for-profit, members-based organisations with an economic focus, such as a chamber of commerce or industry association.
29. The assessment panel for the Place and Industry program comprised the City Business Manager, Night Time City Manager, Manager Economic Strategy for the City of Sydney, and representatives from Jobs for NSW and NSW Department of Industry.
30. The applications recommended for the Place and Industry Program are outlined in Attachment E to this report, noting that some applications contained multiple projects, with some of the projects not recommended for funding.

31. The 2019/20 Business Support Grants - Place and Industry Program budget is summarised as follows:

Total draft budget for 2019/20	\$355,000
Total already committed to previously approved applications	\$30,000
Total amount available for 2019/20	\$325,000
Total number of eligible applications this allocation	11
Total cash value requested from applications	\$444,280
Total value-in-kind support requested from applications	\$0
Total number of applications recommended for cash and/or value-in-kind support	11
Total amount of funding recommended	\$325,000
Total amount of value-in-kind support recommended	\$0
Amount remaining for subsequent allocation of the program 2019/20	\$0

Key Implications

Strategic Alignment - Sustainable Sydney 2030 Vision

32. 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 program of recommended grants is aligned with the following strategic directions and objectives:
- (a) Direction 6 - Vibrant Local Communities and Economies - the recommended grant projects in this report contribute to fostering strong and sustainable local economies.
 - (b) Direction 7 - A Cultural and Creative City - the recommended grant projects in this report contribute to a city where opportunities for individual creative expression and participation in all its forms are visible, valued, and accessible and where business and creative opportunities for local artists, creative workers and cultural organisations are supported.

Organisational Impact

33. The grants and sponsorships contract management process will involve key staff across the City of Sydney. Identified staff set contract conditions and performance measures for each approved project, and review project acquittals, which include both narrative and financial reports. Staff from the Night Time City, Cultural Strategy and City Business teams will be the contract managers for the recommended grant recipients.

Social / Cultural / Community

34. The anticipated outcomes of this grant program include:
- (a) greater diversity of business offerings at night;
 - (b) safer, more vibrant and engaging commercial precincts after dark;
 - (c) a greater range of cultural activity offered in unexpected ways in new venues and spaces; and
 - (d) an increased quantity and quality of live music and performance venues and programming.
35. These outcomes will have positive impacts upon local creative industries and artists, the live music scene of Sydney, the global reputation of Sydney, and the cultural, social and creative experience of living, working or visiting in Sydney.

Economic

36. The anticipated outcomes of this grant program include:
- (a) an increase in later trading businesses capturing after-office-hours foot-traffic and increasing customer base;
 - (b) local businesses extending their product and service offerings, diversifying revenue streams;
 - (c) mutually beneficial partnerships between the creative, cultural and retail sectors;
 - (d) increased collaboration between businesses in local precincts;
 - (e) sustainability of existing live performance venues and the establishment of new live performance venues;
 - (f) increased awareness of unique local precinct offerings and experiences;
 - (g) increased footfall and measurable patronage and spend in local retail precincts;
 - (h) improved access to industry/sector specific information, upskilling and networking opportunities for local businesses; and
 - (i) strengthened advocacy by local chambers of commerce and precinct associations on behalf of their members.
37. These outcomes will have a positive impact on local businesses, business and entertainment precincts and the city's economy.

Budget Implications

38. A total of \$535,100 in cash from the proposed 2019/20 draft budget, as follows:
- (a) Business Support Grant – Live Music and Performance– \$70,000 is provided in the draft budget of \$200,000;
 - (b) Business Support Grant - Night Time Diversification– \$140,100 is provided in the draft budget of \$250,000; and
 - (c) Business Support Grant - Place and Industry – \$325,000 is provided in the draft budget of \$355,000.

Relevant Legislation

39. Section 356 of the Local Government Act 1993. 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.
40. Section 356(3)(a) - (d) is satisfied for the purpose of providing grant funding to for-profit organisations because:
- (a) the funding is part of the following programs:
 - (i) Business Support Grant;
 - a. Live Music and Performance
 - b. Night Time Diversification
 - c. Place and Industry
 - (b) the details of these programs have been included in Council's draft operation plan for financial year 2019/20;
 - (c) the program's proposed budgets do not exceed 5 per cent of Council's proposed income from ordinary rates for financial year 2019/20; and
 - (d) these programs apply to a significant group of persons within the local government area.

Critical Dates / Time Frames

41. Projects funded through this round of Business Support Grants will commence after 1 August and are expected to be completed within 12 months of the receipt of grant funds. Contracts will be developed for all successful applications after Council approval to ensure their funding is released in time for projects starting in August.

Public Consultation

42. For all programs open to application in Round One of the annual grants and sponsorship program for 2019/20, two question and answer sessions were held in Town Hall House to assist potential applicants with their applications on the following dates:
 - (a) Wednesday 20 February 2019 from 4pm to 7pm; and
 - (b) Monday 25 February 2019 from 4pm to 7pm.
43. Seventy-seven meetings were held across the two question and answer sessions where prospective applicants sought advice from City staff about their project proposals and the application process.
44. Eighty-seven per cent of these attendees advised they had not applied for a City of Sydney grant previously.

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