

Item 7.

Grants and Sponsorship - Round Two 2020/21 - 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 and assist in the recovery from the Covid-19 pandemic. To achieve the objectives of the Community Recovery Plan and Sustainable Sydney 2030, genuine partnership between government, business and the community is required.

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 achieve the goals of the Community Recovery Plan and Sustainable Sydney 2030.

The City advertised the following three grant programs in Round Two of the annual Grants and Sponsorship Program for 2020/21:

- Business Support Grant - Live Music and Performance;
- Business Support Grant - Night Time Diversification; and
- CBD Activation Matching Grant.

For the Business Support Grants - Live Music and Performance program, 21 eligible applications were received. This report recommends a total of 11 grants to a total value of \$139,697 in cash for the 2020/21 financial year.

For the Business Support Grants - Night Time Diversification program, 35 eligible applications were received. This report recommends a total of 18 grants to a total value of \$123,587 in cash for the 2020/21 financial year.

For the CBD Activation Matching Grant program, 16 eligible applications were received. This report recommends a total of 14 grants, to a total value of \$129,207 in cash for the 2020/21 financial year.

On 11 December 2017, Council adopted a revised Grants and Sponsorship Policy. In response to the Covid-19 pandemic, the Grants and Sponsorship Guidelines that support the Policy were revised to include priority areas of support informed by the Community Recovery Plan. All grants in this report were assessed in accordance with the Grants and Sponsorship Policy, the Grants and Sponsorship Guidelines, the priorities set out in the Community Recovery Plan and various other relevant City strategies and action plans.

The CBD Matching Grant Program was released in July 2020 as an inaugural and stand-alone program in addition to the customary Matching Grant offering. The CBD Matching Grant focussed on the outcomes for local business contained in the program and targeted small scale activations in inner Sydney by encouraging business located in the CBD and in the arts and culture, entertainment, tourism and accommodation, retail and hospitality sectors to activate their venues or an appropriate public open space located near their venue, to inspire visitors to safely return and revitalise the economy.

All grant recipients will be required to sign a contract, meet specific performance outcomes and acquit their grant. All figures in this report exclude GST.

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 note the applicants who were not successful in obtaining a cash grant for the Business Support Live Music and Performance Grant Program as per Attachment B to the subject report;
- (C) Council approve the cash recommendations for the Business Support Night Time Diversification Grant Program as per Attachment C to the subject report;
- (D) Council note the applicants who were not successful in obtaining a cash grant for the Business Support Night Time Diversification Grant Program as per Attachment D to the subject report;
- (E) Council approve the cash recommendations for the CBD Activation Matching Grant Program as per Attachment E to the subject report;
- (F) Council note the applicants who were not successful in obtaining a cash grant for the CBD Activation Matching Grant Program as per Attachment F to the subject report;
- (G) Council note that expenditure for the Business Support Grant (Live Music and Night Time Diversification) and CBD Activation Matching Grant approved in this report exceeds the nominated budgets for the 20/21 financial year outlined in the Operational Plan, however any overspend will be offset in full by savings in the overall Grants and Sponsorship Program budget, so the total amount of expenditure under the overall Grants and Sponsorship Program budget will not be exceeded;
- (H) Council note all grants amounts are exclusive of GST;

- (I) 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; and
- (J) authority be delegated to the Chief Executive Officer to correct minor errors to the matters set out in this report, noting the identity of the recipient will not change, and a CEO Update will be provided to Council advising of any changes made in accordance with this resolution.

Attachments

- Attachment A.** Recommended for Funding – Round Two 2020/21 - Live Music and Performance Grant Program
- Attachment B.** Not Recommended for Funding – Round Two 2020/21 - Live Music and Performance Grant Program
- Attachment C.** Recommended for Funding – Round Two 2020/21 - Night Time Diversification Grant Program
- Attachment D.** Not Recommended for Funding – Round Two 2020/21 - Night Time Diversification Grant Program
- Attachment E.** Recommended for Funding – Round Two 2020/21 - CBD Activation Matching Grant Program
- Attachment F.** Not Recommended for Funding – Round Two 2020/21 - CBD Activation Matching 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 29 July 2020, the City announced Round Two of the annual grants program for 2020/21 as being open for application on the City's website, with grant applications closing on 31 August 2020.
3. The three economic programs promoted were:
 - Live Music and Performance;
 - Night Time Diversification; and
 - CBD Activation Matching Grants.
4. In June 2020, the Council adopted the Community Recovery Plan, a strategic plan for economic, cultural and social recovery from the Covid-19 pandemic. The City Business team developed the pilot CBD Activation Matching Grants program in response to this plan, to support collaborations between artists, performers, creative enterprises with businesses in the Haymarket and CBD area. This grant uses funds approved in the operational plan for the CBD Activation Matching grant program and encourages businesses and creatives to work together to activate their shops or venues (or an appropriate public open space located near their venues), to inspire visitors to safely return and revitalise the economy.
5. All grants approved for funding in this report that contribute to the Al Fresco City recovery program, as adopted by Council in October 2020, will be considered and engaged as part of this program of work.
6. 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.
7. 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.
8. Nineteen applications were received this round from for-profit organisations through the Business Support Grant - Live Music and Performance category and the following nine for-profit organisations are recommended in this report:
 - (a) 3 By 3 Studios Pty Ltd;
 - (b) ABV & Co Pty Ltd;
 - (c) Brazen Lot Pty Ltd;
 - (d) EMG Partners Pty Ltd;

- (e) L Coy & C Staff & The Trustee for Dickson McLoughlin Family Trust & C Whelan;
 - (f) The Experience Entertainment Group Pty Ltd;
 - (g) The Trustee for Barrel Barons Unit Trust;
 - (h) The Trustee for Filiki Eteria Unit Trust; and
 - (i) Yesdac Pty Ltd.
9. Thirty-two 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 13 for-profit organisations are recommended in this report:
- (a) Ace People Pty Ltd;
 - (b) Avenue on George Pty Ltd;
 - (c) Bar Whispers Pty Ltd;
 - (d) Cork and Canvas (South Melbourne) Pty Ltd;
 - (e) Mary's Group Australia Pty Ltd;
 - (f) Rolling Thunder 1 Pty Ltd;
 - (g) Six Hunt Pty Ltd;
 - (h) T.r Hesper & T.e Kennedy;
 - (i) The Trustee for Cook Purton Trust;
 - (j) Thom Global Pty Ltd;
 - (k) Viral Ventures (Australia) Pty Ltd;
 - (l) Wanyoo Pty Ltd; and
 - (m) Wild Escapes (Oceania) Pty Ltd.
10. Fourteen applications were received this round from for-profit organisations, partnerships, trusts and sole traders through the CBD Activation Matching Grants category and the following 11 for-profit organisations are recommended in this report:
- (a) ABV & Co Pty Ltd;
 - (b) Art Pharmacy Pty Ltd;
 - (c) Bancho Group Pty Ltd;
 - (d) Choy Lee Fut Sydney Pty Ltd;
 - (e) E Jigalin & L.G Nightingale;
 - (f) Ispt Pty Ltd;

- (g) Opera Mondo Pty Ltd;
 - (h) Shesaw Pty Ltd;
 - (i) The Trustee for A-list Entertainment;
 - (j) The Trustee for Ume Burger; and
 - (k) Vicinity Centres PM Pty Ltd.
11. The CBD Activation Matching grant was promoted through the delivery of an online briefing session targeting the activation of the CBD by businesses and creatives on Thursday 13 August, 12pm to 1:30pm, which 80 people attended. The session included presentations on the Night Time Diversification Grant, Live Music and Performance Grant and the CBD Activation Matching Grant; a Q&A session; Breakout sessions with City staff to brainstorm ideas on what's possible, and for small businesses to connect with creatives.
 12. There were a total of 72 grant applications received for economic grants. Forty-three are recommended for funding as detailed in this report.
 13. 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.
 14. All grants and sponsorships are recommended on the condition that any required approvals, permits and development consents are obtained by the applicant. In the current environment this includes but is not limited to, requirements associated with the service of alcohol or food services, consent from the respective landowner(s), and NSW Planning Legislation and NSW Government health requirements. The City approves Development Approvals and outdoor temporary event activities.
 15. 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.
 16. 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.
 17. In assessing the grant applications, the assessment panels included in their considerations and recommendations:
 - (a) Community Recovery Plan 2020;
 - (b) Sustainable Sydney 2030;
 - (c) Grants and Sponsorship Policy;
 - (d) Creative City Cultural Policy and Action Plan;

- (e) Economic Development Strategy;
 - (f) OPEN Sydney Strategy and Action Plan; and
 - (g) Live Music and Performance Action Plan.
18. 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.
19. 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 \$20,000 for capital works and expenditure on project management, infrastructure and equipment)

20. 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 venues, rehearsal and recording studios and spaces for creative production and participation. 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.
21. The assessment panel for the Live Music and Performance Program consisted of members from the City's City Business and Safety, Venue Management, Culture and Creativity and Cultural Venues and Programs teams, as well as a representative from Music NSW (the state's peak industry body for the contemporary music sector).
22. Three applications were received from existing Accommodation Grants tenants requesting cash to support activation fit outs to maximise their tenancies at City owned properties – The Eternity Playhouse in Darlinghurst, Paddington Town Hall in Paddington and Joynton Avenue Creative Centre in Green Square. Fit outs are the responsibility of tenants and the assessment panel has recommended all three applications, noting they strongly meet the outcomes of the program and the works will improve the capacity of the venues to deliver quality live music and performance programming.
23. The applications recommended for the Live Music and Performance Program are outlined in Attachment A to this report. The applications not recommended are listed in Attachment B to this report.

24. The Business Support Grants Live Music and Performance Budget is set out below:

Total cash budget for 2020/21	\$250,000
Total cash committed to previously approved applications	\$121,921
Total cash available for 2020/21 Round 2	\$128,079
Total number of eligible applications this allocation	21
Total cash value requested from applications	\$330,751
Total number of applications recommended for cash support	11
Total amount of cash funding recommended	\$139,697
Total cash overspend to be absorbed in the overall Grants and Sponsorship Program budget (see below for source of funds for overrun)	\$-11,618

Business Support Grants - Night Time Diversification (grants of up to \$10,000 for up to 12 months funding)

25. 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) as well as creative producers who wish to work with businesses in their area to curate a program of events or night-time activities.
26. The assessment panel for the Night Time Diversification program consisted of members from the City's City Business and Safety, Strategy, Urban Analytics and Communications, Culture and Creativity, Social Policy and Programs, Community Development and Indigenous Leadership and Engagement teams.
27. The applications recommended for the Night Time Diversification Program are outlined in Attachment C to this report. The applications not recommended are listed in Attachment D to this report.

28. The Business Support Grants Night Time Diversification Program budget is set out below:

Total cash budget for 2020/21	\$200,000
Total cash committed to previously approved applications	\$100,413
Total cash available for 2020/21 Round 2	\$99,587
Total number of eligible applications this allocation	35
Total cash value requested from applications	\$342,450
Total number of applications recommended for cash support	18
Total amount of cash funding recommended	\$123,587
Total cash overspend to be absorbed in the overall Grants and Sponsorship Program budget (see below for source of funds for overrun)	\$-24,000

CBD Activation Matching Grants (up to \$10,000 for up to 12 months funding)

29. The CBD Activation Matching Grant program provided matched funding of up to \$10,000 for CBD/Haymarket businesses and creative and cultural practitioners to activate shopfronts or nearby spaces to encourage visitors to return safely to the inner city.
30. To be eligible for funding, applications to the CBD activation Matching Grant program had to demonstrate a matched cash contribution or value-in-kind contribution to the project at least equal to the amount requested from the City.
31. The program was only available to CBD based businesses from the arts and culture, entertainment, tourism and accommodation, retail and hospitality sectors; or cultural operators based in the City of Sydney local government area.
32. The assessment panel for the CBD Activation Matching Grant program consisted of members from City Business and Safety, Culture and Creativity, Grants and Venue Management teams.
33. The applications recommended for the CBD Activation Matching Grant Program are outlined in Attachment E to this report. The applications not recommended are listed in Attachment F to this report.

34. The CBD Activation Matching grant budget is set out below:

Total cash budget for 2020/21	\$360,000
Total cash already committed to previously approved applications	\$135,367
Total cash amount available for 2020/21	\$224,633
Total number of eligible applications this allocation	16
Total cash value requested from applications	\$148,238
Total number of applications recommended for cash support	14
Total amount of cash funding recommended	\$129,207
Total amount of cash recommended through the customary Matching Grants Program currently being considered by Council	\$227,179
Total cash overspend to be absorbed within the overall Grants and Sponsorship Program budget (see below for source of funds for overrun)	\$-131,753

Key Implications

Strategic Alignment - Sustainable Sydney 2030

35. 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 report 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

36. 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

37. 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.
38. 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

39. 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 and increased collaboration within local precincts;
 - (d) sustainability of existing live performance venues and the establishment of new live performance venues;
 - (e) increased awareness of precinct offerings and experiences as well as footfall and measurable patronage and spend in local retail precincts;
 - (f) improved access to industry/sector specific information, upskilling and networking opportunities for local businesses; and
 - (g) strengthened advocacy by local chambers of commerce and precinct associations on behalf of their members.
40. These outcomes will have a positive impact on local businesses, business and entertainment precincts and the city's economy.

Financial Implications

41. A combined total of \$392,491 is recommended in this report which exceeds the 2020/21 Economic Grants program budgets, as noted in the financial tables above.
42. All expenditure that exceeds the nominated budgets for the 2020/21 financial year outlined in the Operational Plan will be offset in full by savings in the overall Grants and Sponsorship Program's budget. These savings have occurred as a result of general savings in the Cultural and Creative Grants and Sponsorship Program and the Environmental Performance Grants Program as well as some Grantees returning funds to the City, as a result of the Covid-19 pandemic through major contracts for the Commercial Creative and Business Events Sponsorship Program, some out of policy grants and the Covid-19 Relief Programs.

Relevant Legislation

43. 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.
44. Section 356(3)(a) to (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 – Live Music and Performance;
 - (ii) Business Support Grant – Night Time Diversification; and
 - (iii) CBD Activation Matching Grant;
 - (b) the details of the Business Support Grant programs have been included in Council's draft operation plan for financial year 2020/21;
 - (c) the program's proposed budgets do not exceed five per cent of Council's proposed income from ordinary rates for financial year 2020/21; and
 - (d) these programs apply to a significant group of persons within the local government area.

Critical Dates / Time Frames

45. The funding period for the CBD Activation Matching Grants Program for 2020/21 is for activity taking place from 1 December 2020 to 31 December 2021. Contracts will be developed for all successful applications after Council approval to ensure their funding is released in time for projects starting in December.
46. The funding period for Round Two of the Business Support Grants for 2020/21 is for activity taking place from 1 January 2021 to 31 December 2021. Contracts will be developed for all successful applications after Council approval to ensure their funding is released in time for projects starting in January.

Public Consultation

47. For all programs open to application in Round Two of the annual Grants and Sponsorship Program for 2020/21, two question and answer sessions were held over Zoom to assist potential applicants with their applications on Tuesday 11 August 2020, 3pm to 6pm, and Wednesday 19 August 2020, 3pm to 6pm.
- (a) Sixty-seven individual meetings were held during the question and answer sessions where prospective applicants sought advice from City staff about their project proposals and the application process.
 - (b) Seventy-five per cent of these attendees advised they had not applied for a City of Sydney grant previously.
 - (c) Thirteen per cent of these attendees requested a member of the Indigenous Engagement team to be present during their meeting.
48. An additional briefing session targeting the activation of the CBD by businesses and creatives was held over zoom on Thursday 13 August, 12pm to 1:30pm, which 80 people attended.

EMMA RIGNEY

Director City Life

Peter Keogh, Grants Officer