

Item 2.**Grants and Sponsorship – Ad Hoc Grant - Support for Qtopia LGBTIQA+ Museum****File No: S051491****Summary**

On 11 April 2022, Council endorsed a proposal from Qtopia Sydney Ltd (Qtopia) for a permanent LGBTIQA+ museum at the site of the former Darlinghurst Police Station, preceded by an interim museum in the Oxford Street precinct during Sydney WorldPride 2023.

City staff have met with Qtopia and reviewed the business case, interim plans and other supporting documents. The business case identifies a need to raise start-up costs to prepare the initial collection, engage key staff and commence operating the museum for a period of at least one year, including a presence during Sydney WorldPride 2023.

Qtopia have reported significant interest from private investors and have begun seeking support from the NSW Government. Qtopia propose that support from the City of Sydney will provide a financial foundation and a necessary endorsement for them to convert private sector interest into investment.

It is recommended that the City of Sydney provide an ad hoc grant to Qtopia Sydney Ltd for \$283,500, to cover a portion of the start-up costs identified in their business plan. It is recommended the grant be paid in instalments, partly contingent on further investment in the LGBTIQA+ museum and either a permanent or an interim location for the museum being secured.

Recommendation

It is resolved that:

- (A) Council approve a \$283,500 (excluding GST) cash grant to Qtopia Sydney Limited to be paid as set out in the payment schedule in Confidential Attachment B to the subject report;
- (B) Council note that \$100,000 will be sourced from the 2021/22 General Contingency Fund;
- (C) Council note that the remaining \$183,500 has been included in the draft 2022/23 Operating Budget; and
- (D) authority be delegated to the Chief Executive Officer to negotiate, execute and administer a grant agreement with Qtopia Sydney Limited on appropriate terms and conditions in relation to acquittal of grant funds and pre-conditions to payment of grant tranches, including as outlined in Confidential Attachment B to the subject report.

Attachments

Attachment A. Qtopia Business Case (Confidential)

Attachment B. Terms and Conditions for Ad-Hoc Grant to Qtopia (Confidential)

Background

1. On 17 March 2014, Council resolved: "... should the GLBTI community develop a viable proposal for a permanent museum, the City of Sydney will support the community in its efforts to achieve this objective, noting that such a museum could only be established and sustained with strong community, State and Federal government financial support."
2. On 11 April 2022, Council resolved to: "...support Qtopia Sydney's proposal for a permanent LGBTIQA+ museum in the former Darlinghurst Police Station, preceded by an interim museum in the Oxford Street precinct during Sydney WorldPride 2023 and beyond..." and requested the Chief Executive Office "examine the business case provided by Qtopia Sydney with the aim of providing a report to the next meeting of Council with recommendations of options for the City to assist it."
3. Qtopia have provided a proposal for an LGBTIQA+ museum with strong evidence of community support. The proposal has been assessed by City staff and is considered a viable proposal.
4. Qtopia Sydney's proposed LGBTIQA+ museum is intended to provide a safe and inclusive space that will celebrate, remember, educate and increase awareness of the rich history of Sydney's LGBTIQA+ community.
5. Qtopia is guided by a Board of five members, assisted by an Advisory Panel comprised of people with expertise in publishing, marketing, public relations and crisis communication, LGBTIQA+ history and culture, HIV and AIDS education, museum curation, strategic engagement, trans and First Nations issues. Its Patrons are the former High Court Justice, The Hon Michael Kirby AC CMG and publisher and broadcaster, Ita Buttrose AC OBE.
6. Qtopia is seeking to establish the LGBTIQA+ museum in a permanent location in the Oxford Street precinct. The old Darlinghurst Police Station on Taylor Square has been identified as the preferred location. The building is owned by the NSW Government. Council support this proposed location and will advocate to the NSW Government that they consider the Qtopia proposal for the site.
7. Qtopia has developed an initial concept and design for the museum and a business case to commence operations in either a permanent location, or an interim location in the Oxford Street precinct during Sydney WorldPride 2023, with a view to establishing a permanent presence within the precinct.
8. Sydney WorldPride will take place in February and March 2023. Many festival activities will be focused in and around Oxford Street. An LGBTIQA+ Museum in operation in the area at this time will provide additional opportunities for visitors and residents to engage with Sydney's history as a significant city in the global LGBT rights movement, HIV/AIDS response and as a contemporary beacon for pride, diversity and celebration of the LGBTIQA+ community.
9. The City has recently consulted with the community regarding opportunities for Oxford Street's future and is currently exhibiting an LGBTIQA+ Social and Cultural Place Strategy. Community feedback has expressed a strong interest in the establishment of an LGBTIQA+ Museum or cultural centre in Sydney and in the Oxford Street precinct.

10. Investment in the establishment of an LGBTIQ+ museum now will provide a compelling cultural and community space and resource during Sydney WorldPride 2023 and beyond. Establishing an LGBTIQ+ museum at this time will maximise the opportunity for immediate success and long-term viability.
11. Investing in the establishment of the LGBTIQ+ museum in the Oxford Street precinct will make a positive contribution to maintaining and celebrating the LGBTIQ+ character of the Oxford Street precinct.

Key Implications

Strategic Alignment - Sustainable Sydney 2030

12. 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 is aligned with the following strategic directions and objectives:
 - (a) Direction 1 - A Globally Competitive and Innovative City – a LGBTIQ+ Museum will contribute to Sydney's reputation as an inclusive city with a vibrant and diverse cultural life, contributing to innovation and talent attraction.
 - (b) Direction 6 - Vibrant Local Communities and Economies – a LGBTIQ+ museum will drive visitation to the Oxford Street creative precinct and contribute to the day and night time character of the local area.
 - (c) Direction 7 - A Cultural and Creative City – a LGBTIQ+ museum will make a significant contribution to the cultural life of Sydney and provide an important archive and celebration of the history and contemporary experience of the city and its communities.

Organisational Impact

13. The City will enter into a grant agreement with Qtopia Ltd. The grant will be overseen by the Strategy and Communications team who will ensure that appropriate grant conditions are developed and met and provide additional support to help maximise success of the project. These responsibilities can be managed in current staff resources and work plans.

Risks

14. There is a risk that Qtopia may not secure a location for the proposed LGBTIQ+ museum. For this reason, grant funds will be payable in instalments and contingent upon securing a location and further investment, as set out in Confidential Attachment B.
15. An initial payment of \$100,000 is recommended to support the organisation in their efforts to secure a location and commence collating the LGBTIQ+ museum collection. Should a location for the LGBTIQ+ museum not be secured within six months, the remainder of the grant will not be payable and the City will work with Qtopia to find a suitable avenue to exhibit the collection during WorldPride 2023 as a stand-alone event.

Social / Cultural / Community

16. Community engagement related to the Oxford Street Creative Precinct Planning Controls registered strong interest in the delivery of a LGBTIQ+ Museum or cultural centre within the Oxford Street precinct. Support for Qtopia will help deliver this community aspiration and will provide a meaningful site of reflection and connection for LGBTIQ+ community and visitors to city, and additional cultural facilities and experiences.

Environmental

17. The establishment of the LGBTIQ+ museum will be subject to any required Development Consent and associated conditions for the management of environmental impacts.

Financial Implications

18. Cash funds of \$100,000 will be drawn from the 2021/22 General Contingency Fund that has been included in the Long-Term Financial Plan that forms part of the City's Resourcing Strategy (2021). Additionally, this report includes forward commitments of \$183,500 in cash funds which have been included in the draft 2022/23 Operating Budget.

Relevant Legislation

19. 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. Public exhibition of this grant is not required because the funds are being paid to a not-for-profit organisation.
20. Public exhibition of this sponsorship is not required because the funds are being paid to a not-for-profit organisation that is not operating for private gain.
21. Local Government Act 1993 - Section 10A provides that a council may close to the public so much of its meeting as comprises the discussion of information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business..
22. Attachments A and B to the subject report contain confidential commercial information which, if disclosed would:
 - (a) confer a commercial advantage on a person with whom Council is conducting (or proposes to conduct) business; and
 - (b) prejudice the commercial position of the person who supplied it.
23. Discussion of the matter in an open meeting would, on balance, be contrary to the public interest because it would compromise Council's ability to negotiate fairly and commercially to achieve the best outcome for its ratepayers.

Critical Dates / Time Frames

24. A Payment Schedule and conditions is outlined in Confidential Attachment B.

Options

25. The City could refrain from funding the current Qtopia proposal until adequate additional funds have been raised from other government and private sources. This is not recommended as it will impact the goal of achieving an interim museum prior to WorldPride 2023. Guaranteed funding from the City may expedite other funding sources.
26. The City could choose to fund the whole of the set-up costs as set out in the Qtopia business plan in Confidential Attachment A. This is not recommended as Qtopia there is a risk the project will become dependent on the City exclusively, without developing necessary partnerships with other government agencies and private supporters. Qtopia have assured the City they are confident they will secure additional avenues of support.

Public Consultation

27. Extensive consultation has been undertaken in the development and exhibition of planning controls for the Oxford Street Creative Precinct. This consultation revealed a strong sentiment that the City of Sydney should actively work to maintain the LGBTIQ+ culture and character of the Oxford Street precinct. In response, the City has drafted an LGBTIQ+ Social and Cultural Place Strategy for Oxford Street, currently on public exhibition. Community consultation has registered strong support for an LGBTIQ+ museum.
28. Qtopia's proposal is supported by:
- Alex Greenwich, MP
 - Sydney Gay & Lesbian Mardi Gras
 - ACON
 - St Vincent's Hospital
 - Bobby Goldsmith Foundation
 - BLAQ Aboriginal Corporation
 - University of New South Wales – Kirby Institute

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