

## Item 2.

### Grants and Sponsorship - 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 categories of the Business Support Grant Program in the annual Grants and Sponsorship Program for approval in 2021/22 and payment in 2022/23:

- 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, 27 eligible applications were received. This report recommends a total of 13 grants to a total value of \$236,452 in cash.

For the Business Support Grants - Night Time Diversification program, 21 eligible applications were received. This report recommends a total of five grants to a total value of \$117,000 in cash.

For the Business Support Grants - Place and Industry program, applicants can apply for up to three projects per application. Six eligible applications were received which included 15 projects. This report recommends a total of six grants, including all of the 15 projects submitted, to a total value of \$252,341 in cash.

On 22 February 2021, Council adopted a revised Grants and Sponsorship Policy. 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.

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 shown at 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 shown at Attachment B to the subject report;
- (C) Council approve the cash recommendations for the Business Support - Night Time Diversification Grant Program as shown at 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 shown at Attachment D to the subject report;
- (E) Council approve the cash and value-in-kind recommendations for the Business Support - Place and Industry Grant Program as shown at Attachment E to the subject report noting that all applications are recommended;
- (F) Council note that all grants amounts are exclusive of GST;
- (G) 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
- (H) authority be delegated to the Chief Executive Officer to correct minor errors to the matters set out in this report, noting that 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

<b>Attachment A.</b>	Recommended for Funding - Live Music and Performance Grant Program
<b>Attachment B.</b>	Not Recommended for Funding - Live Music and Performance Grant Program.
<b>Attachment C.</b>	Recommended for Funding - Night Time Diversification Grant Program
<b>Attachment D.</b>	Not Recommended for Funding - Night Time Diversification Grant Program
<b>Attachment E.</b>	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 22 February 2022, the City announced the grants program for approval in 2021/22 and payment in 2022/23 as being open for application on the City's website, with grant applications closing on 11 April 2022.
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 and eligibility criteria) was made available on the City's website. The City actively promoted the program through Facebook, Twitter, LinkedIn, Instagram, What's On, and ArtsHub. Supply Nation, Multicultural NSW, Digest, Sydney University and Haymarket Chamber of Commerce also promoted the program through their networks. The City Business team worked closely with industry stakeholders to promote these grants and delivered a dedicated virtual briefing for business intermediaries such as local chambers of commerce, industry organisations and Liquor Accord associations to promote these programs through their channels and networks. Email campaigns were 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 Live Music and Performance and Night Time Diversification categories are open to appropriately incorporated for-profit organisations and partnerships.
6. Twenty-four applications were received this round from for-profit organisations and sole traders through the Business Support Grant - Live Music and Performance category and the following 11 for-profit organisations and sole traders are recommended in this report:
  - (a) Bake House Independent Theatre;
  - (b) Chipplord Pty Ltd;
  - (c) Club 77 Holdings Pty Ltd;
  - (d) Hollywood Hotel and Bar Pty Ltd;
  - (e) Improv Theatre Sydney Pty Ltd;
  - (f) M87 Pty Ltd;
  - (g) Polygon Cogent Pty Ltd;
  - (h) Redfern Surf Club Pty Ltd;
  - (i) The Trustee for Always Sunny Trust;

- (j) Trevor Roger Brown; and
  - (k) Watson's EQ Pty Ltd.
7. Twenty applications were received this round from for-profit organisations and sole traders through the Business Support Grant - Night Time Diversification category and the following five for-profit organisations and sole traders are recommended in this report:
- (a) Burdekin Hotel Group Pty Ltd;
  - (b) Hollywood Hotel and Bar Pty Ltd;
  - (c) Mary's Underground Pty Ltd;
  - (d) The Trustee for Macquarie Hotel Unit Trust; and
  - (e) Waxman Jones Pty Ltd.
8. There were a total of 54 grant applications received across the three Business Support grant programs. Twenty-four are recommended for funding as detailed in this report.
9. It is expected that all successful applicants will work co-operatively with relevant City staff throughout the project for which they have received funding.
10. 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 State Planning Legislation and State Government health requirements. Approval must be sought from the City for any relevant development consents and temporary outdoor event activities.
11. 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 when requested.
12. 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.
13. In assessing the grant applications, the assessment panels included in their considerations and recommendations:
- (a) Community Recovery Plan 2020;
  - (b) Creative City Cultural Policy and Action Plan;
  - (c) Economic Development Strategy;
  - (d) Grants and Sponsorship Policy;

- (e) Live Music and Performance Action Plan;
  - (f) Economic Development and Business Sub-Committee 21 June 2021
  - (g) OPEN Sydney Strategy and Action Plan;
  - (h) Sustainable Sydney 2030; and
  - (i) alignment with other core City strategic policies and action plans.
14. 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.
15. 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**

16. The Live Music and Performance grant program 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.
17. The assessment panel for the Live Music and Performance grant program consisted of City staff from the Creative City, Social City, Strategy and Communications and Venue Management teams.
18. The applications recommended for the Live Music and Performance grant program are outlined in Attachment A to this report. The applications not recommended are listed in Attachment B to this report.
19. Additional funds for the Live Music and Performance grant program were made available due to an underspend in the other Grants and Sponsorship Economic programs, this includes the Business Support - Industry and Place and Business Support - Night Time Diversification grant programs.

20. The Business Support Grants - Live Music and Performance budget is set out below:

Total draft budget for payment in 2022/23	\$225,000
Less: Total cash committed to previously approved applications	(\$0)
Total cash available for Business Support Grants - Live Music and Performance program from Economic Programs underspend	\$11,452
Total cash available	\$236,452
Total number of eligible applications this allocation	27
Total cash value requested from applications	\$581,171
Total number of applications recommended for cash support	13
Total amount of cash funding recommended	\$236,452
Cash amount remaining for payment in 2022/23	\$0

#### **Business Support Grants - Night Time Diversification**

21. The Night Time Diversification grant program 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.
22. The assessment panel for the Night Time Diversification program consisted of City staff from the Strategy and Communications and Venue Management teams.
23. 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.

24. The Business Support Grants - Night Time Diversification grant program budget is set out below:

Total draft budget for payment in 2022/23	\$200,000
Less: Total cash committed to previously approved applications	(\$0)
Total cash available	\$200,000
Total number of eligible applications this allocation	21
Total cash value requested from applications	\$503,190
Total number of applications recommended for cash support	5
Total amount of cash funding recommended	\$117,000
Total cash underspend to be made available for other grant programs with recommended overspend currently being considered by Council (refer Financial Implications section).	\$83,000

#### **Business Support Grants - Place and Industry**

25. The Place and Industry grant program 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.
26. 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.
27. The assessment panel for the Place and Industry program consisted of City staff from the City Business and Safety, Strategy and Communications and Venue Management teams.
28. Applicants of the Place and Industry category were invited to meet with the assessment panel on 3 May 2022 to present their projects to the panel. Applicants were provided with 15 minutes to present the projects they had applied for, followed by 10 minutes of questions from the panel. All organisations applying for this grant program participated in this opportunity.
29. The applications recommended for the Place and Industry Program are outlined in Attachment E to this report, noting that some applications contained multiple projects.

30. The Business Support Grants - Place and Industry Program budget is set out below:

Total draft budget for payment in 2022/23	\$355,000
Less: Total cash committed to previously approved applications	(\$0)
Total cash available	\$355,000
Total number of eligible applications this allocation	6
Total cash value requested from applications	\$327,941
Total value-in-kind requested from applications	\$0
Total number of applications recommended for cash support	6
Total amount of cash funding recommended	\$252,341
Total amount of value-in-kind support recommended	\$0
Total cash underspend to be made available for other grant programs with recommended overspend currently being considered by Council (refer Financial Implications section).	\$102,659

## Key Implications

### Strategic Alignment - Sustainable Sydney 2030

31. 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 6 - Vibrant Local Communities and Economies - the recommended grant projects in this report contribute to fostering strong and sustainable local economies.
- (a) 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

32. 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.



**Economic**

33. The City's Grants and Sponsorship Program provides the City with a platform to support cultural, economic, environmental and social initiatives from the communities, and community organisations, within the local area.

**Financial Implications**

34. There are sufficient amounts allocated in the Grants and Sponsorship Economic program budget, included in the City's draft operating budget for 2022/23, to fund the recommended amounts. A combined total of \$605,793 in cash is recommended from the 2022/23 (draft) cash budget, as follows:
- (a) Business Support Grant - Live Music and Performance – \$236,452 is provided against the draft budget of \$225,000;
  - (b) Business Support Grant - Night Time Diversification – \$117,000 is provided against the draft budget of \$200,000; and
  - (c) Business Support Grant - Place and Industry – \$252,341 is provided against the draft budget of \$355,000.
  - (d) This report recommends a total of \$11,452 in savings from the Business Support - Night Time Diversification grant program be made available for the Business Support Grant - Live Music grant program.
35. The remaining \$239,207 in savings from the Grants and Sponsorship Economic program as a result of this report will be made available for the following grant programs currently being considered by Council. This includes the amount of \$65,000 which had been budgeted for ad hoc economic grants in 2022/23 but remains unspent.
- (a) Community Services Grant Program - \$48,985;
  - (b) Festivals and Events Sponsorships (Village and Community) - \$34,937; and
  - (c) Knowledge Exchange Sponsorship Program - \$155,285.

**Relevant Legislation**

36. 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.
37. 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) Business Support Grant – Place and Industry;

- (b) the details of the Business Support Grant programs were included in the Council's adopted operational plan for financial year 2021/22;
- (c) the program's proposed budgets do not exceed five per cent of Council's proposed income from ordinary rates; and
- (d) these programs apply to a significant group of persons within the local government area.

### **Critical Dates / Time Frames**

38. Funding for the Business Support Grants is approved in 2021/22 for activity taking place from 1 July 2022 to 30 June 2023. Contracts will be developed for all successful applications after Council approval to ensure their funding is released in time for projects starting in July.

### **Public Consultation**

39. During February and March 2022, three briefing sessions took place where stakeholders were notified about the grants and how to apply:
- (a) An in-person business collaboration session called Revitalising Sydney was held at Mary's Underground on 22 February 2022. A total of 38 participants, including creative producers, artists, business chambers and local businesses attended this session.
  - (b) An online grant briefing session specifically for Business Chambers was held on 2 March 2022. A total of 17 attendees participated in the session.
  - (c) An online briefing session for general grants enquires was held on 3 March 2022 for potential grant applicants. A total of 173 attendees participated in the session.

**EMMA RIGNEY**

Director City Life

Peter Keogh, Grants Officer