

Item 4.

Grants and Sponsorship - Ad Hoc Grant - City of Sydney Basketball Association Limited - Capital Works Funding Request

File No: X092336

Summary

City of Sydney Basketball Association Limited (the Association) is a not-for-profit organisation that operates from Alexandria Basketball Stadium (the Stadium) at 53-57 Maddox Street, Alexandria NSW. The Stadium, built in 1968, is owned by Association community members and sits on Crown land.

The Association offers a range of low and no cost programs for the benefit of community including priority populations, with all revenue directly reinvested back into community basketball activities.

The Association provides an important conduit for players to progress to state and national level competition, and has a membership base of approximately 4,000 people, with over 5,000 people visiting the Stadium each week.

The entire Stadium roof is in urgent need of replacement due to severe structural damage that causes substantial leaks during heavy rain.

In early July 2024, the Association made a special request to the City of Sydney to consider funding support of \$100,000 for the project.

This report recommends a grant of \$100,000 to support the Association to realise the project and help protect and enhance this critical public asset in the City of Sydney Local Government Area in line with sport and recreation infrastructure targets outlined in the City's Open Space, Sports and Recreation Needs Study 2016.

Council funding would be conditional on the Association demonstrating to the City that all required funding for the project has been secured.

Recommendation

It is resolved that:

- (A) Council approve a cash grant of \$100,000 (excluding GST) to be sourced from the 2024/25 General Contingency Fund to City of Sydney Basketball Association Limited towards replacement of the stadium roof of the Alexandria Basketball Stadium at 53-57 Maddox Street, Alexandria NSW;
- (B) Council note that payment of the \$100,000 (excluding GST) cash grant will only be paid following Sydney Basketball Association Limited demonstrating that funding in full has been secured for the project; and
- (C) authority be delegated to the Chief Executive Officer to negotiate, execute and administer the grant agreement with Sydney Basketball Association Limited.

Attachments

Nil.

Background

1. City of Sydney Basketball Association Limited (the Association) is a not-for-profit organisation that operates from Alexandria Basketball Stadium (the Stadium) at 53-57 Maddox Street, Alexandria NSW. It serves residents of the City of Sydney, Randwick, Waverley and Woollahra local government areas. All revenue is directly reinvested back into community basketball activities.
2. The Association is focused on developing the game of basketball for the benefit of community and attracts significant numbers of competitive and recreational basketballers. The Association has a growing membership base of approximately 4,000 people, with over 5,000 people visiting the Stadium each week.
3. Association program participants come from a wide range of backgrounds and include people from priority populations including Aboriginal and Torres Strait Islander People, culturally and linguistically diverse people, with people of 110 nationalities represented, people of diverse sexualities and genders, young people, people on low incomes and people living in affordable or social housing.
4. The Association offers a range of low and no cost programs from the Stadium. Programs range from "Kids Come N Try" days, female only programs, learn to play programs for ages five to 12, holiday camps and school basketball programs through to high level competitions. Most recently, a school holiday NAIDOC Week tournament for young people saw over 300 Aboriginal and Torres Strait Islander players compete.
5. The Association provides an important conduit for local basketball players to progress from casual play to competing in local competitions and even games at state and national representation levels.
6. The Stadium was built in 1968. It sits on Crown land and the Association is the leaseholder.
7. The Stadium consists of two basketball courts, with seating capacity on the main court for over 600 people along with a weights room, administrative spaces and changing and bathroom facilities.
8. The Stadium was the home of the city's first professional basketball team, the Sydney Supersonics. It is now the home of the Sydney Comets representative and junior representative programs.
9. The Comets representative programs provide a platform for the ongoing development of players, coaches and officials in a safe and supportive environment for all members of the community. The Comets take part in competitions run by Basketball NSW and Basketball Australia, the governing bodies for basketball Australia.
10. The entire Stadium roof is in urgent need of replacement due to severe and unrepairable structural issues that cause substantial leaks during rain. These significant and critical infrastructure issues mean that the Association is frequently forced to turn away participants, cancel fixtures and reschedule games.
11. The Stadium roof issues and leaks are significantly adversely impacting members and visitors to the Stadium. It is also having a detrimental impact on the Association's ability to build up funds to address the essential repairs.

12. Three quotations obtained by the Association indicate that the total forecast capital works cost for the project is approximately \$250,000.
13. Essential front of building upgrade works carried out in 2023/24 to the Stadium to ensure accessibility and upgraded changing and bathroom facilities have severely depleted the Association's cash reserves and they are not now in a position to solely finance the cost of the project. The Board are, however, undertaking a review of cashflow prediction and the Association plans to contribute substantial funding to the project.
14. The Association has approached partners, other councils and has applied for State and Federal grant funding, including the most recent round of infrastructure grants for sport and recreation offered by the NSW Office of Responsible Gaming. This grant round closed on 22 July 2024. The Association has not yet been able to raise funds through these channels.
15. The Association is also pursuing corporate sponsorship opportunities, including stadium naming rights and have letters of support from community members, Councillors and Members of Parliament to testify to the importance of the facility for the local community.
16. A recently launched community funding campaign has yielded \$20,000 in contributions from Association members to date.
17. In early July 2024, the Association made a special request to the City of Sydney to consider funding support of \$100,000 for its capital works project as the lack of available funding is threatening the ongoing viability of the courts. This request has been assessed in line with the City's Grants and Sponsorship Policy.
18. Council funding would be conditional on the Association demonstrating to the City that all required funding for the project has been secured.

Key Implications

Strategic Alignment - Sustainable Sydney 2030-2050 Continuing the Vision

19. Sustainable Sydney 2030-2050 Continuing the Vision renews the communities' vision for the sustainable development of the city to 2050. 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 3 - Public places for all - The Alexandria Basketball Stadium is an important public sport and recreation facility serving residents from the City of Sydney, Randwick, Waverley and Woollahra local government areas. It provides an important conduit for players and prospective players in these areas to meet the requirements of the Basketball Association of NSW and Basketball Australia and progress to competition at state and national representation levels.
 - (b) Direction 6 - An equitable and inclusive city - The Association is a not-for-profit organisation providing access to basketball programs and competition for a wide range of community members, ensuring healthy, active living and promoting social cohesion in the City of Sydney.

- (c) Direction 7 - Resilient and diverse communities - The Association's programs are open to a wide range of community members, including people living in social and affordable housing, young people and Aboriginal and Torres Strait Islander People. The programs ensure that players from all walks of life have opportunities to play basketball at competition level, including the ability to represent their region or state.

Risks

20. Sydney Basketball Association Limited has not yet secured all funds required to complete the project. Conditions of the grant agreement will be that the Association demonstrate all funding payable and that they have been able to secure all required funding to deliver the project before the grant is paid.
21. Should the repairs not be carried out, the Stadium and, as a result the Association, may cease to be viable.

Social / Cultural / Community

22. As outlined in the City's 2016 Open space, sports and recreation needs study, provision of sport and recreation facilities is essential to support increased density and encourage healthy lifestyles. The repairs to the Stadium will enable access to increase individual physical and mental health and fitness and enhance social cohesion and community wellbeing.
23. Completion of the critical repairs will enable the Association to provide ongoing sport and recreation programs for community in a safer and more welcoming environment.

Economic

24. The repairs to the Stadium will ensure increased utilisation, which will enable the Association to build funds and increase the financial stability of the organisation, visitation to, and use of the facility.

Financial Implications

25. The required funding of \$100,000 will be sourced from the 2024/25 General Contingency Fund.

Relevant Legislation

26. 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 sponsorship is not required because the funds are being paid to a not-for-profit organisation that is not operating for private gain.
27. This grant is permitted under Regulation 393B of the Local Government (General) Regulation 2021. Under the regulation, in the four weeks prior to the election, which commences on 16 August 2024, Council must not enter into contracts of an amount above \$150,000 or one per cent of rate revenue for the preceding year (whichever is the larger). For the City of Sydney, the relevant amount is \$3,283,300 which is greater than this grant.

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