

Relevant Information for Council

FILE: X112445 **DATE:** 13 December 2024

TO: Lord Mayor and Councillors

FROM: Emma Rigney, Executive Director City Life

THROUGH: Monica Barone PSM, Chief Executive Officer

SUBJECT: Information Relevant To Item 8.3 – Grants and Sponsorship - Ad Hoc Grant - The Nest

Alternative Recommendation

It is resolved that Council:

- (A) endorse the proposed resolution for public notification: "It is resolved to contribute ~~\$50,000~~ **\$100,000** (excluding GST) to I Made This Pty Ltd (ABN 94 165 857 483) in accordance with section 356 of the Local Government Act 1993 to contribute towards the costs of relocating and setting-up the Nest at 24 and 24a Bourke Rd Alexandria";
- (B) note that the contribution will be paid from the 2024/25 General Contingency Fund or savings from the City Life 2024/25 operating budget; and
- (C) note that a further report to Council, to inform the outcomes of public notification and with a recommendation on the proposed contribution will follow the notification period.

Purpose

An Alternative Recommendation is proposed to provide a higher level of support for the relocation and fit out of the Nest, to address an increase in projected costs.

Background

On 9 December 2024, the Cultural, Creative and Nightlife Committee unanimously recommended the public notification of a proposed grant of \$50,000 (excluding GST) to I Made This Pty Ltd, the company operating The Nest Creative Space in Alexandria.

The grant is to support relocation of the Nest to a new building on Bourke Road in Alexandria, which includes setting-up new studio spaces for 90 artists.

The Nest provided a proposal for support to the City in September 2024, noting a cost of \$250,000 for the relocation and set-up costs. Since this time, further costs of relocation have become apparent, and some unforeseen challenges have emerged. These include:

1. Relocation Costs: The scale of the relocation has exceeded original estimates, particularly regarding the need for professional removalist, specialist equipment and associated costs.
2. Fit-Out for 90 Artists: The works required to accommodate up to 90 artists in the new Nest have resulted in a more extensive fit-out than anticipated.
3. Unforeseen Needs: Additional capital expenses, including air conditioning and utilities upgrades and addressing safety and compliance requirements have incurred unanticipated costs.

The new proposed cost for the relocation is now \$400,000.

An additional investment of a further \$50,000 will ensure the successful relocation and establishment of new studios.

A request will be made to the NSW Government to match the \$100,000 grant.

I Made This Pty Ltd will match the funding.

Memo from Emma Rigney, Executive Director City Life

Prepared by: Lex Davidson, Strategy Advisor Culture

Approved

P. M. Barone

MONICA BARONE PSM
Chief Executive Officer