

Item 3.

Grants and Sponsorship - Creative 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. To achieve the objectives of the Sustainable Sydney 2030-2050 Continuing the Vision, 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 Sustainable Sydney 2030-2050 Continuing the Vision.

On 16 December 2024, Council resolved to endorse the public exhibition of the award of \$100,000 as an Ad Hoc grant to 'I Made This Pty Ltd' (ABN 94 165 857 483) to contribute towards the costs of relocating and setting-up the Nest at 24 and 24a Bourke Road Alexandria. The exhibition results are detailed in this report, and this grant remains recommended to be approved by Council.

In addition, in late 2024, City staff were made aware of the need to amend 3 active grants to account for requested changes of recipient and auspice organisations:

- The Aurora Group - A Ruby Foundation (an organisation originally awarded \$20,000 through the 2024/25 Festival and Events Sponsorship Program) has requested a change of grant recipient to Rainbow Giving Australia Limited.
- Dyan Tai (an individual originally awarded \$30,000 through the 2024/25 Festival and Events Sponsorship Program) has requested that the auspice organisation be changed from 'The Beautiful Mess of It All' to 'The Red Rattler Theatre Incorporated'.
- Katherine Haines, (an individual originally awarded \$30,000 through the 2021/22 Cultural and Creative Grants and Sponsorship Program) has requested a change of auspice organisation from '107 Projects Incorporated' to 'Tribal Warrior Aboriginal Corporation'.

For all 3 of these projects the criteria for its recommendation for funding remains the same. Council is requested to approve the changes outlined above to the grants.

Recommendation

It is resolved that Council:

- (A) note the matters raised in response to the public notification of the Ad Hoc grant to 'I Made This Pty Ltd' (ABN 94 165 857 483) to contribute towards the costs of relocating and setting-up the Nest at 24 and 24a Bourke Road Alexandria;
- (B) approve the award of the Ad Hoc grant to 'I Made This Pty Ltd' to contribute towards the costs of relocating and setting-up the Nest at 24 and 24a Bourke Road Alexandria;
- (C) approve the change of recipient for the 2024/25 Festivals and Events Sponsorship Program grant (ref: FET1 WR 202425115) from 'The Aurora Group – A Ruby Foundation' to 'Rainbow Giving Australia Limited';
- (D) approve the change of auspice recipient for the 2024/25 Festivals and Events Sponsorship Program grant recipient, Dyan Tai (ref: FET1 WR 202425032) from 'The Beautiful Mess of It All' to 'The Red Rattler Theatre Incorporated'; and
- (E) approve the change of auspice recipient for the 2021/22 Cultural and Creative Grants and Sponsorship Program grant recipient, Katherine Haines (ref: CCGS 202122087) from '107 Projects Incorporated' to 'Tribal Warrior Aboriginal Corporation'.

Attachments

Nil.

Background

Ad Hoc Grant - The Nest

1. On 16 December 2024, Council resolved to endorse the public exhibition of an Ad Hoc Grant recommended to be awarded to 'I Made This Pty Ltd' (ABN 94 165 857 483) to contribute towards the costs of relocating and setting-up the Nest at 24 and 24a Bourke Road Alexandria.
2. The Nest is a warehouse site at 76 Botany Road, Alexandria, housing a community of 90 artists in 72 studio spaces. The site has been leased and operated by I Made This Pty. Ltd. for 11 years.
3. A total of 90 artists work at the Nest under affordable sub-tenancies including painters, ceramicists, illustrators, sculptors, musicians, writers, photographers, graphic designers, costume creators, set designers, performers, dancers, sign writers, hobbyists, and start-ups, making the Nest one of the most productive and important creative spaces operating in the City of Sydney local area.
4. The site at 76 Botany Road, Alexandria, has been sold and the Nest need to relocate.
5. The Nest have explored multiple available options to relocate and have negotiated a lease with City West Housing Pty Limited for a suitable warehouse space at 24 and 24a Bourke Road, Alexandria. They can relocate to the new space in February 2025.
6. Costs associated with relocation and fit-out of the new Nest space are estimated to be in excess of \$200,000. The new Nest space will continue to raise revenue through sub-tenancies, cultural programs and an event space, and the business model will sustain the commercial rent at the new location. There are, however, limited reserves to fund relocation and set-up costs in a new space.
7. Funding support for relocation and set-up costs will allow I Made This Pty. Ltd. to maintain affordable rents for the Nest's subtenants.
8. The City's Cultural Strategy 2025-2035 documents the dramatic reduction of creative space in the City of Sydney local area. 172,000sqm of cultural infrastructure has been lost since 2012, including 14,300sqm of artist studio spaces like the Nest. The Cultural Strategy identifies a strategic priority to urgently act to retain the City's creative spaces.
9. In June 2024, via a Lord Mayoral Minute, Council resolved that the City establish a Memorandum of Understanding (MOU) with the NSW Government through Create NSW to work together to retain and increase the supply of creative space in the City of Sydney local area. The MOU has been actioned and inter-agency cooperation has commenced.
10. Create NSW is considering a proposal to match a grant from the City of Sydney to support the relocation and set-up costs for the Nest.

Change of grant recipient

11. The Aurora Group – A Ruby Foundation Limited (ABN 14 397 969 239) was originally awarded \$20,000 to support the Aurora Ball, an event at Sydney Town Hall to support programs for marginalised LGBTQIA+ communities, including mental health, Aboriginal and Torres Strait Islander people, queer youth and elders, as well as CALD, trans and gender diverse communities.
12. Since the award of this grant, the recipient has informed the City that they have merged with another closely aligned organisation (GiveOUT Limited - ABN 37 613 812 203) to form a new organisation named Rainbow Giving Australia Limited (ABN 37 613 812 203).
13. In light of this, Rainbow Giving Australia, has requested that Council approve a change of recipient for the City of Sydney grant to support the Aurora Ball. Rainbow Giving Australia has confirmed its capacity and ability to undertake this project and confirms its intention to use the grant funding for exactly the same purpose as original approved by Council.

Change of auspice recipients

14. In late 2024, staff were made aware that a not-for-profit organisation originally assigned as an auspice for an individual who was awarded a grant through the 2024/25 Festivals and Events Sponsorship Program is no longer able to act in that capacity. The grant of \$30,000 was originally awarded to Dyan Tai to support Club Worship, a series of free, multi-arts monthly events at The Imperial Erskineville, celebrating the creative programming and community engagement of the city's vibrant LGBTQIA+/Asian identity diaspora.
15. The Beautiful Mess Of It All (ABN 49 351 893 388) informed the grant recipient, Dyan Tai, that it was not likely to secure the requisite Public Liability Insurance or be registered for GST until mid-2025 and therefore could no longer act as the grant auspice.
16. The recipient has identified an alternative organisation, The Red Rattler Theatre Incorporated (ABN 96 631 055 024) to act in this capacity moving forward. The Red Rattler Theatre has confirmed its support for the funded project as well as its willingness to act as auspice for the recipient. City staff can confirm that The Red Rattler Theatre possess the appropriate level of public liability insurance to undertake the role of auspice.
17. Following its move into receivership in late 2024, '107 Projects Incorporated' are no longer able to act as an auspice organisation for a recipient of a grant awarded through the 2021/2022 Cultural and Creative Grants and Sponsorship Program.
18. Katherine Haines, recipient of a \$30,000 grant for her project 'The Rugby Girls: 100 years of Women's Rugby League History in Redfern' (through which a mural of local Women's Rugby League players - past and present - will be depicted by local artists) has requested that 'Tribal Warrior Aboriginal Corporation' (ABN 30 804 052 940) a not-for-profit corporation be added as a replacement auspice organisation. Tribal Warrior has confirmed its willingness to act in this capacity and the Grants unit confirms that it possesses the appropriate level of public liability insurance to undertake the role of auspice.

19. City staff have reviewed all requests and are satisfied that the grants will be paid for the same purpose as approved by Council and have conducted the standard eligibility checks for the incoming entities.

Key Implications

Strategic Alignment - Sustainable Sydney 2030-2050 Continuing the Vision

20. 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 8 - A thriving cultural and creative life - Cultural Infrastructure is one of the four pillars of the City's Cultural Strategy. The City provides, protects, advocates and plans for the infrastructure needed to support our creative industries and a thriving cultural life.
 - (b) Funding to support the retention of the Nest Creative Space will help protect one of the City's most productive and important creative workspaces.

Risks

21. Any identified risks arising from the delivery of the recommended Ad Hoc grant are within the City's risk appetite, which states:
 - We make decisions that align with our corporate objectives, policies and strategies and are committed to conducting our activities in full compliance with applicable laws, regulations and relevant industry standards.
 - We foster a culture of ethics, integrity and responsible behaviour across our organisation. By creating a strong ethical foundation, we aim to minimise the likelihood of reputation-damaging incidents and enhance our ability to respond effectively when challenges arise.
 - The City has a responsibility to ensure that it has sufficient resources in the short, medium and long term to provide the levels of service that are both affordable and considered appropriate by the community.
22. Specific to The Nest relocation, the new site on Bourke Road is slated for redevelopment, and there is a risk the tenancy in the new location might only last 3 years. However, given there is no other suitable and affordable opportunity to relocate all studios to another location, this investment will at least retain these creative workers in the City of Sydney local area in the short term. Strategic initiatives being undertaken by the City of Sydney, such as the establishment of a Creative Land Trust, may provide longer term solutions in due course.
23. The grant will be conditioned on a successful relocation of the majority of the Nest's subtenants and repayable if the move to the new location is not made.

Financial Implications

24. Funds are available from 2024/25 General Contingency Fund or can be achieved through savings from the City Life 2024/25 operating budget for a total expenditure of \$100,000 (excluding GST) to I Made This Pty Ltd towards the costs of relocating and setting-up the Nest at 24 and 24a Bourke Road Alexandria
25. In implementing the Cultural Strategy 2025-2035 the City will introduce a Creative spaces grant. This project may be eligible to apply for such a grant, however this new program will not be established until 2025/26 financial year and would be payable too late to assist with this urgent relocation.
26. There are no financial implications arising from the change of recipient in the three requests for recipient or auspice outlined in the recommendations.

Relevant Legislation

27. 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.
28. 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 Festivals and Events Sponsorship program;
 - (b) the details of the program have been included in the Council's draft operational plan for financial year 2024/25;
 - (c) the program's proposed budgets do not exceed 5% of Council's proposed income from ordinary rates for financial year 2024/25; and
 - (d) these programs apply to a significant group of persons within the local government area.

Public Consultation

29. Following the Resolution of Council on 16 December 2024, details of the Ad Hoc grant were publicly exhibited online between 18 December 2024 to 20 January 2025.
30. Four responses were received to the public exhibition. All responses were in support of the recommended grant to The Nest. All respondents noted the important contribution the Nest makes to local creative workers, the creative industries community and to Sydney's cultural life. Three responses detailed the career benefits they have personally experienced through working with the Nest. No responses were received opposing the recommendation.

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