

Future Melbourne Committee

Agenda item 7.1

15 June 2021

Notice of Motion, Cr Jamal Hakim: Discretionary Fund Allocation

Motion

1. That the Future Melbourne Committee allocates a one-off grant of \$40,000 from the discretionary fund to the Nicholas Building Association subject to:
 - 1.1 An invoice being raised by the Association and funds being transferred by the City of Melbourne by 30 June 2021.
 - 1.2 An agreement being entered into between the Nicholas Building Association and the City of Melbourne inclusive of the following conditions:
 - 1.2.1 Grant monies must be spent on the creation of a business case by an independent party to inform the economic modelling components of the strategic plan referred to in part 1.2.2 below.
 - 1.2.2 A strategic plan must be developed for the Nicholas Building creative industries hub, the scope of which should: set out the history and context of the creative hub; consider case studies and funding and financial models for relevant examples of creative hubs; assess and present options for future coordination, management, strategic partnerships and programs; and provide preliminary economic modelling on the value and feasibility of those options.
 - 1.2.3 Remaining grant monies must be spent on branding and marketing for the Nicholas Building Association and its tenants.
 - 1.2.4 Grant monies are to be expended by December 2021 and acquitted.
 - 1.2.5 Reports supported or developed as a result of the grant monies must be provided to the City of Melbourne upon completion.

Background

The Nicholas Building is one of Victoria's most significant creative hubs; a privately owned, vertical creative hub consisting of 100 small to medium enterprises and sole trader tenants. The Nicholas Building Association is a member association of the tenants of the building.

A request for assistance has been received from the Nicholas Building Association for \$50,000 for the creation of a strategic plan and business case to assist in exploring future sustainable management and coordination options, and for general support funding for branding and marketing in this period of central city economic revitalisation. The request is attached.

The request is consistent with City of Melbourne policy:

- The Draft Council Plan 2021-25 has as a four year priority "Melbourne's creative, entertainment and education sectors are supported and nurtured," and seeks an increase in the "value of the creative sector to the local economy" and "the number of creative spaces in the municipality."
- The Draft Economic Development Strategy 2031 includes as one of eight key priorities for "A creative resurgence, designing a new value proposition for the city," and an action to "support Melbourne's creative industries through adaptive reuse and activation of precincts and vacant spaces throughout the city."
- The Melbourne Arts Infrastructure Framework includes as Priority 2 "Increase provision of creative spaces," noting that the city's role is to "develop new models for management and operation of new spaces."

\$142,000 remains in the discretionary fund for 2020-21. \$102,000 would remain if the motion is agreed to.

Mover: Cr Jamal Hakim

Seconder: Cr Rohan Leppert

Councillor Jamal Hakim
Portfolio Lead
Creative Melbourne
City of Melbourne
120 Swanston Street
Melbourne VIC 3000

Attachment 1
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RE: Nicholas Building Association - Request for Discretionary Funding for the Preparation of a Strategic Plan and Preliminary Business Case

Dear Councillor Hakim

As you are aware the Nicholas Building community is facing both a crisis and an opportunity. Throughout 2020-2021 the Nicholas Building Association (NBA) worked closely with the building Agent and owner group to develop and implement a COVID retention strategy. As a result the Nicholas Building has retained over 70% of businesses that otherwise would not have survived the hit to their bottom line. Beyond and post COVID, the community is struggling to retain tenancy due to market forces. If we lose our community Melbourne will lose all of the Artist-Run Galleries (ARIs) in the CBD, one of the last affordable homes for artists, crafts-people and independent organisations in the CBD and the heart of the larger ecosystem of arts and culture in the CBD. If we lose these things, we lose one of Australia's oldest and most diverse creative communities and an important contributor to the culture, liveability, and economy of Melbourne.

Although the independent arts sector is known for innovation and its ability to reinvent itself within a constantly changing context, many artists, cultural organisations and projects have moved away from the city due to increased rent pressures or have closed their doors for good. The Nicholas Building community now fills an increasing gap in the city's cultural offering, facilitating a broad range of experiences and opportunities for artists and creatives, as well as multiple occasions for audiences to come together and participate in contemporary art and culture.

The Nicholas Building community of over 100 tenants is represented by the NBA, who formed in 2017 to protect and nurture the unique culture that the Nicholas Building has become known for. We are a tenant driven, incorporated association that provides advocacy and support to our community through various channels including events, marketing and partnerships. Our aim is to ensure that Melbourne does not lose this unique cultural treasure.

COVID has had a profound and lasting impact on Melbourne however through this crisis various possibilities have presented themselves, and at this critical juncture we see there is an opportunity to preserve our community. Over the last 12 months we have seen various reclamation and regeneration projects rolled out across the globe in order to get people back into cities and we see this as key to any post-COVID vision for Melbourne. At this point there is an opportunity for our community to come together to become a fully-fledged, self-sustaining social enterprise, intentional creative precinct and interconnected cultural hub. This has the potential to significantly contribute to Melbourne's cultural life and economy as we breathe new life into our wonderful city.

Fundamental to being able to realise this opportunity will be the preparation of a Strategic Plan and Preliminary Business Case. This will enable us to engage with key stakeholders, partners and related organisations in order to transition through this step change. As a voluntary association still emerging out COVID we urgently require the assistance of the City of Melbourne to fund this initiative. As such we are requesting \$50,000 of discretionary funding to realise this first critical step.

We know that cultural investment contributes both direct and flow-on value to the economy, through attracting visitors, creating jobs, developing skills, as well as wider economic benefits such as contributing to the liveability of cities, fostering knowledge and skills transfer and destination branding. Local residents are also impacted positively through increased access to learning opportunities, improved civic participation, encouraging the sharing of resources, supporting research opportunities and facilitating the interweaving of cultural groups. By exposing people of all ages to arts and cultural facilities, the improved access to information, technical services and programmes has education and social benefits through being more connected to culture, ideas and each other.

The creative community of the Nicholas building is a diverse and precious element of our wonderful city - organic, self-formed, innovative and inspiring. With a Strategic Plan and Preliminary Business Case in place, we will be able to build on this 30 years of momentum, and significantly raise the impact that our vertical creative precinct has on the culture and economy of Melbourne and Victoria. A self-sustaining interconnected cultural hub will provide a resilient structure to ensure our 100+ SME's and sole traders are able to remain in the city and contribute to its economy. With this key preliminary document we will be able to build on the relationships we have with organisations across the creative spectrum to host a program of events of scale throughout the year, bringing both visitors and locals into the city to delight, inspire and surprise.

We thank you for your consideration of this application for discretionary funding for a genuinely worthy cause.

Kind regards

Dario Vacirca, Andrew Milward-Bason and Lucie McIntosh

Executive Directors
Nicholas Building Association

Preliminary Strategic Business Case

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Attachment 2
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Nicholas Building Arts *a vertical creative precinct*

Vision

A thriving, multi-platform hub for arts and culture, fostering creativity, cultural diversity and local economies in Melbourne's CBD.

Mission

- 01** Become a fully fledged, self-sustaining social enterprise, intentional [vertical] creative precinct and interconnected cultural hub.
- 02** Present a curated annual program of contemporary art, residencies, performances, forums and events within the building.
- 03** Provide sustainable and affordable spaces for independent arts and culture in Melbourne's CBD.
- 04** Design and build a multi-purpose social space for the community to gather and use, including a restaurant/bar, common space and hireable venues.

Cover Image: Aaron Christopher Rees, *Horizon*, 09:23 min, Three-channel, stereo.
Installation View of *HORIZON* at Caves Gallery for PHOTO 2021
Courtesy of Artist and Caves Gallery