

minutes

Joondalup Performing Arts and Cultural Facility Steering Committee

MEETING HELD ON **THURSDAY, 12 MARCH 2015**

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CITY OF JOONDALUP

MINUTES OF THE JOONDALUP PERFORMING ARTS AND CULTURAL FACILITY STEERING COMMITTEE MEETING HELD IN CONFERENCE ROOM 1, JOONDALUP CIVIC CENTRE, BOAS AVENUE, JOONDALUP ON THURSDAY, 12 MARCH 2015.

ATTENDANCE

Committee Members

Cr Kerry Hollywood	North Ward	<i>Presiding Member</i>	
Cr Liam Gobbert	Central Ward		
Cr Tom McLean, JP	North Ward	<i>Deputy Presiding Member</i>	<i>from 6.11pm</i>
Cr Sam Thomas	North-Central Ward		
Cr John Chester	South-East Ward		
Cr Mike Norman	South-West Ward		<i>from 6.11pm</i>
Cr Teresa Ritchie, JP	South Ward	<i>(Deputising for Cr Russ Fishwick)</i>	
Mr Garry Hunt	Chief Executive Officer, City of Joondalup		
Mr Brian Yearwood	Director Facilities and Services, Edith Cowan University		
Ms Christine Evans	President, Endeavour Theatre Company		
Mr Russell Coad	General Manager Training and Business Services, West Coast Institute		

Officers

Mr Blignault Olivier	Manager City Projects		
Mr Brad Sillence	Manager Governance		<i>Absent from 6.11pm to 6.22pm</i>
Mr Scott Collins	Senior Projects Officer		
Mr John Byrne	Governance Coordinator		
Mrs Deborah Gouges	Governance Officer		

Guests

Mr Peter Bickle	Project Architects, ARM Architecture	<i>from 6.07pm</i>
Mr Andrew Lilleyman	Project Architects, ARM Architecture	<i>from 6.07pm</i>
Mr Rod Mollett	Project Architectural Advisor	<i>from 6.07pm</i>
Ms Jenny Watson	Project Architects, ARM Architecture	<i>from 6.07pm</i>

DECLARATION OF OPENING

The Presiding Member declared the meeting open at 6.03pm.

DECLARATIONS OF INTEREST

Nil.

APOLOGIES/LEAVE OF ABSENCE

Apologies:

Cr Russ Fishwick, JP	South Ward
Mr Alastair Bryant	Expert Specialist
Superintendent Alan Morton	Principal, WA Police Academy
Mr Jan Norberger	MLA - Member for Joondalup
Ms Sharon Joseph	President, Joondalup Encore Theatre Society
Mr William Robinson	Chairman, Joondalup Community Arts Association/ Joondalup Gallery

Leave of Absence previously approved:

Cr Liam Gobbert	14 March to 22 March 2015 inclusive;
Cr Mike Norman	21 March to 28 March 2015 inclusive;
Cr Geoff Amphlett, JP	2 May to 10 May 2015 inclusive;
Cr Brian Corr	26 May to 26 June 2015 inclusive.

CONFIRMATION OF MINUTES

MINUTES OF THE JOONDALUP PERFORMING ARTS AND CULTURAL FACILITY STEERING COMMITTEE HELD 9 APRIL 2015

MOVED Cr Thomas, SECONDED Cr Gobbert that the minutes of the meeting of the Joondalup Performing Arts and Cultural Facility Steering Committee held on 9 April 2015 be confirmed as a true and correct record.

The Motion was Put and

CARRIED (9/0)

In favour of the Motion: Crs Hollywood, Chester, Gobbert, Ritchie and Thomas, Mr Coad, Ms Evans, Mr Hunt and Mr Yearwood.

ANNOUNCEMENTS BY THE PRESIDING MEMBER WITHOUT DISCUSSION

Nil.

IDENTIFICATION OF MATTERS FOR WHICH THE MEETING MAY BE CLOSED TO THE PUBLIC

In accordance with Clause 5.2 of the *City's Meeting Procedures Local Law 2013*, this meeting was not open to the public.

PETITIONS AND DEPUTATIONS

Nil.

REPORTS

Mr Peter Bickle, Mr Andrew Lilleyman, Mr Rod Mollett and Ms Jenny Watson entered the meeting at 6.07pm.

ITEM 1 JOONDALUP PERFORMING ARTS AND CULTURAL FACILITY – PROGRESS REPORT

WARD	North
RESPONSIBLE DIRECTOR	Mr Garry Hunt Office of the CEO
FILE NUMBER	75577, 101515
ATTACHMENTS	Attachment 1 Indicative Project Program
AUTHORITY / DISCRETION	Executive - The substantial direction setting and oversight role of Council, such as adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.

PURPOSE

To update Council on the progress of the Joondalup Performing Arts and Cultural Facility project, including details of conceptual design review, outcomes and investigations into management structures, event programming models and funding strategies for the facility.

EXECUTIVE SUMMARY

Following endorsement of the Joondalup Performing Arts and Cultural Facility (JPACF) conceptual design the City has undertaken a comprehensive review of the JPACF project. The City undertook an internal review of operating costs to ascertain the likely operating subsidy required to run the facility and engaged consultants to undertake a review of the 2012 Pracsys JPACF Market Analysis and Feasibility Study and to provide comment on the JPACF conceptual design.

A Design Working Group (DWG) was formed to facilitate a detailed design review of the conceptual design. The DWG review has included investigations into alternative design options and work continues to be undertaken to address design issues, including integration of the Jinan Chinese Cultural Garden and traffic management solutions for the facility.

The City continues to explore options for capital funding for the facility. The Federal Government's National Stronger Regions Fund (NSRF) has been identified as a potential source of funding.

The project will continue to progress in accordance with the project program.

It is therefore recommended that Council:

- 1 *NOTES the progress of the Joondalup Performing Arts and Cultural Facility Project as detailed in this Report;*
- 2 *NOTES the Chief Executive Officer will submit a grant application to the Federal Government's National Stronger Regions Fund;*
- 3 *SUPPORTS progressing the Joondalup Performing Arts and Cultural Facility Project in accordance with the indicative project program as detailed in Attachment 1 to this Report;*
- 4 *REQUESTS the Chief Executive Officer to provide a further report on the design options for the facility including costings.*

BACKGROUND

At its meeting held on 20 February 2013 the JPACF Steering Committee recommended that Council notes the JPACF Market Analysis and Feasibility Study and supports the progression of the JPACF project.

It was identified that one of the key stages of the JPACF project was the progression of a concept design for the facility based on the "Art Box" model as outlined in the JPACF Market Analysis and Feasibility Study.

At its meeting held on 19 March 2013 (CJ040-03/13 refers) it was agreed in part that Council:

- "1 *APPROVES the "Art Box" as the preferred model for the basis of an architectural design competition for the development of a refined conceptual design for the Joondalup Performing Arts and Cultural Facility;*
- 2 *AUTHORISES the Chief Executive Officer to initiate an architectural design competition for the development of a refined conceptual design for the Joondalup Performing Arts and Cultural Facility;"*

The City commenced a two stage architectural design competition through an Expression of Interest process in April 2013.

At its meeting held on 15 April 2014 (CJ060-04/14 and CJ061-04/14 refer) Council considered two reports relating to the JPACF project progress and the Architectural Design Competition and resolved the following:

"That Council:

- 1 *NOTES the conceptual design by Ashton Raggatt McDougall Pty Ltd T/A ARM Architecture as the Peoples' Choice;*
- 2 *SUPPORTS progressing the Joondalup Performing Arts and Cultural Facility Project in accordance with the project program as detailed in Attachment 2 to Report CJ060-04/14, including the undertaking of a social impact assessment of the Joondalup Performing Arts and Cultural Facility;*

- 3 *BY AN ABSOLUTE MAJORITY APPOINTS Mr Jan Norberger MLA, Member for Joondalup, as a member to the Joondalup Performing Arts and Cultural Facility Steering Committee;*
- 4 *NOTES the Chief Executive Officer will establish a Design Working Group and appoint members to the group to assist the City with the development of the conceptual design for the Joondalup Performing Arts and Cultural Facility;*
- 5 *NOTES that the schedule forming Attachment 2 to Report CJ060-04/14 is the project program for the Expression of Interest stage of the project.”*

And:

“That Council:

- 1 *ENDORSES Ashton Raggatt McDougall Pty Ltd T/A ARM Architecture as the winner of the Joondalup Performing Arts and Cultural Facility Architectural Design Competition;*
- 2 *AUTHORISES the Chief Executive Officer to enter into negotiations with Ashton Raggatt McDougall Pty Ltd T/A ARM Architecture to determine the architectural fees and project program to get to a modified conceptual design as required to enable the project to progress;*
- 3 *REQUESTS the Chief Executive Officer to prepare a further report to Council on the project program and timelines once the negotiations with Ashton Raggatt McDougall Pty Ltd T/A ARM Architecture in relation to the modified designs have been agreed to;*
- 4 *REQUESTS the Chief Executive Officer to provide a further report to Council on a new project program timetable in view of Part 2 above.”*

DETAILS

Following the endorsement of the preferred conceptual design by Council, to ensure the project continues to meet the project vision and responds to the project development parameters, the City has made the following progress on the project:

Concept Design and Feasibility Study Review

The City has undertaken a comprehensive review of the JPACF concept design and the 2012 Pracsys JPACF Market Analysis and Feasibility Study (MAFS) since the endorsement of the concept design by Council at its meeting held on 15 April 2014 (CJ061-04/14 refers).

Operational Costs review

The review process commenced with a review of the facility’s operational costs, undertaken by City officers. This review involved analysis of operational costs for the facility, based on the adopted JPACF concept design and applying a potential management model from the four alternative models presented in the MAFS. The alternative management models are discussed later in this Report.

The review study also undertook detailed analysis of operating costs for benchmark facilities across Australia. The study indicated that average annual operating costs for these facilities were in excess of \$1 million. Although this study provided the City with further clarity in regard to likely on-going operating requirements, it is considered that further investigations into specific design elements, management options and programming would be required to determine accurate operational costs. As previously noted by Council the MAFS estimated that the City would need to make a first year contribution of \$496,000 towards the operation of the facility. From the analysis undertaken by the City it is likely that the first year and subsequent yearly operating costs will be substantially higher than the figure of \$496,000.

To assist with the review of the design and the MAFS for the JPACF, the City engaged consultants Guy Boyce and AEG Ogden.

Mr Boyce has managed the award winning Mandurah Performing Arts Centre for over four years, is currently Chair of CircuitWest and has years of experience managing theatres and theatre groups. Mr Boyce has previously provided the City with invaluable advice and assistance during the planning and scoping phases of the project.

AEG Ogden has extensive experience and knowledge of the performing arts entertainment and hospitality markets in Western Australia and has managed the following facilities:

- His Majesties Theatre
- Perth Concert Hall
- State Theatre Centre of Western Australia
- Subiaco Arts Centre
- Albany Arts Centre
- Perth Arena.

Both Mr Boyce and AEG Ogden provided the City with reports providing comment and recommendations on design, management options and programming for the facility, which are outlined below.

In addition to the abovementioned review reports and in accordance with Council's resolution at its meeting held on 15 April 2014 (CJ060-04/14 refers), a Design Working Group (DWG) was formed to facilitate the design review:

Design Working Group

The DWG consists of various members of the City's Project Team, the Project Architects - ARM Architecture and the Project Architectural Advisor – Mr Rod Mollett. ARM Architecture and Rod Mollett's roles are to present their interpretation of design issues and present alternative options to address these issues. External members of the JPACF Steering Committee were advised of the initial meeting of the DWG and invited to participate in the meetings.

The DWG has met on several occasions to consider the following issues:

- Design issues raised by various stakeholders at the last JPACF Steering Committee meeting.
- Key comments and recommendations raised in the MAFS review reports by Guy Boyce and AEG Ogden, including the following:

- location of the art gallery within the facility
- visual impact of the eastern facade of the facility on the adjoining West Coast Institute (WCI) building
- location and integration of the Jinan Chinese Cultural Garden to the north of the facility
- JPACF master planning, including traffic and pedestrian links with adjoining land uses
- size/capacity/configuration of the main auditorium
- weather protection covering at the entrance to the facility
- design solutions for the existing services building in Central Park near the north west corner of the JPACF
- traffic impact assessment
- requirement for a commercial kitchen, catering requirements and a potential link to the WCI hospitality wing.

Facility Management Structure, Organisational Model and Event Program

The MAFS provided details of four different management models that could be applied to the JPACF:

- Independent/‘Arm’s Length’ relationship model - This is where the City would provide a fixed subsidy to a board responsible for the management of the facility as a commercial operation. This is the model adopted by the Mandurah Performing Arts Centre.
- Outsourced management model - This is where a third party organisation manages the facility on behalf of the City. This is the model adopted by the State Government’s Perth Theatre Trust for its venues where AEG Ogden managed the facilities.
- JPACF run as a department of the City - This is where the facility is managed as a department of the City with the full-time staff being officers of the City. This model is adopted by the Frankston Performing Arts Centre in Victoria which is run as a department of Frankston City Council.
- City’s entire cultural program run through the facility by the City’s management - This model is similar to the model mentioned above where the facility is integrated with a department of the City and contains the City’s entire cultural program. This model is adopted by the Port Macquarie Council to run their Glasshouse Theatre.

Also provided in the MAFS was a set of proposed assessment criteria for assessing each management model. The criteria measure the extent to which the particular management model:

- promotes culturally significant activity
- engages the community
- exposes the City to risk
- provides flexibility regarding staffing, investment and other management issues
- limits responsiveness by management.

Capital Funding Opportunities

The City’s *20 Year Strategic Financial Plan 2013-2014 to 2032-2033* indicates that the City will fund the capital costs of the facility using reserve funds and loans however, it is considered prudent for the City to further explore opportunities for external funding. The City has explored various funding options for the project at both state and federal government level and through philanthropic avenues.

In December 2014 members of the JPACF Project Team met with the Director of the Department of Culture and the Arts – Mr Duncan Ord to provide a briefing on the project. The City has also undertaken investigations into government funding opportunities and identified the Federal Government's NSRF as a potential source.

The NSRF is a federal government program providing funding of \$1 billion. Funding will be allocated over five years to fund priority infrastructure that promotes ongoing economic development, supports disadvantaged regions or areas of disadvantage within a region and are sustainable into the future.

Facilitated by Regional Development Australia, grants of up to \$10 million are available for projects. Round One of the NSRF closed in November 2014. Round Two will open on 1 May 2015 and closes 31 July 2015. For the purpose of the grant application the City will be required to provide a business case, project management plan, asset management plan and procurement management plan, in addition to providing details regarding the ability of the City to deliver the project.

Performing Arts Associations Memberships

In the interest of raising the profile of the JPACF project and to create opportunities for essential industry exposure and networking, it has been suggested that the City apply for corporate membership of The Chamber of Culture and the Arts WA and the Australian Performing Arts Centres Association.

The Chamber of Culture and the Arts WA is the peak policy and advocacy body for the arts and cultural sector in the State. The Chamber's operations focus on establishing (with Government) a long term plan for cultural development and increased investment in arts and culture by the private sector and public funding organisations in Western Australia. The Australian Performing Arts Centres Association is the national peak body servicing the needs and interests of performing arts centres and presenters in regional and metropolitan Australia.

Business Case

Preparation of a business case has commenced. This is an on-going task influenced by further investigations into design options, programming and management models. To ensure the development of a robust and accurate business case, an advanced conceptual design with accurate costings and a preferred management model are required. The business case will also include the results of a social impact analysis that will measure the ongoing social and economic benefits that may be derived from the JPACF.

Project Program

The indicative project program (Attachment 1 refers) has been developed in consultation with the Project Architects - ARM Architecture and the Project Architectural Advisor – Mr Rod Mollett. The indicative program provides a timeline of the key actions required to develop the design and business case through to construction.

The timing of these key actions are dependent on future decisions relating to finalisation of a conceptual design and indicative costs, management structure, event programming and results of a social impact analysis to inform the JPACF business case. Furthermore the indicative program relies on the assumption that development of the facility will be sufficiently funded.

Issues and options considered

Not applicable.

Legislation / Strategic Community Plan / policy implications

Legislation The City is governed by the requirements of the *Local Government Act 1995* in relation to dealings involving commercial undertakings and land development.

Strategic Community Plan

Key theme Community Wellbeing.

Objective Cultural development.

Strategic initiative Establish a significant cultural facility with the capacity to attract a world-class visual and performing arts events.

Policy Not applicable.

Risk management considerations

A comprehensive Risk Management Assessment Report outlining the risks apparent to the project will be prepared and updated as the project progresses.

Financial / budget implications

Current financial year impact

Account no.	1-210-C1002.
Budget Item	Joondalup Performing Arts and Cultural Facility.
Budget amount	\$ 905,485.
Amount spent to date	\$ 42,152.
Proposed cost	Not applicable.
Balance	\$ 863,333.

The budget allocated for 2014-15 is for the engagement of consultants and other costs to assist with site assessment, feasibility plans, design development, social impact assessment and commencement of a business case.

Future financial year impact

The development of a JPACF will require a significant financial contribution towards the capital cost and a significant ongoing subsidy for the facility's operations. Future financial year impacts will be the subject of further investigations into the design and management structure of the facility.

The figure quoted below is taken from the current *20 Year Strategic Financial Plan 2013-2014 to 2032-2033*. The capital cost of \$94 million is derived from the cost estimate for the current conceptual design for the facility, the estimated cost to develop the Jinan Gardens, sundry development costs including traffic modifications and integration of the JPACF and Jinan Gardens with Central Park.

A review of the *20 Year Strategic Financial Plan 2013-2014 to 2032-2033* is currently in progress. The review will incorporate the latest costings based on the refined conceptual design for the facility.

20 Year Strategic Financial Plan impact	\$94 million.
Impact year	2018-19

All amounts quoted in this Report are exclusive of GST.

Regional significance

The construction of the Joondalup Performing Arts and Cultural Facility will enhance the City Centre as the major commercial, educational, recreational and arts and culture centre for the northern corridor of the Perth metropolitan area.

Sustainability implications

It is anticipated that detailed environmental sustainability implications will be considered during concept design development and during the preparation of a detailed design for the facility.

The engagement of the general community and bodies representing the arts community in the design and development stage of the project will cultivate a sense of ownership over the facility. This sense of ownership will provide the impetus for the ongoing sustainability of the facility by ensuring maximum use by a wide variety of individuals and groups.

Consultation

During the architectural design competition, ratepayers, residents and the broader community were given the opportunity to view the four conceptual design submissions and vote on their favourite design. More recently the City has consulted with performing arts facility managers and state government officers and it is expected that further community consultation will be undertaken through a social impact assessment as the project progresses.

COMMENT

The JPACF project has been thoroughly reviewed since Council endorsement of the JPACF conceptual design. Expert opinion has been gained on design issues, management options, event programming and operational costs for the facility and avenues for co-funding and gaining exposure to the project further explored. The project team will continue to explore these issues and advise Council as the project progresses.

It is proposed that representatives from ARM Architecture will attend the meeting of the Committee to outline the changes that have been made to the design following the last meeting of the steering committee, and to respond to any questions members may have.

VOTING REQUIREMENTS

Simple Majority.

Cr Tom McLean, JP and Cr Mike Norman entered the meeting at 6.11pm.

The Manager Governance left the meeting at 6.11pm and returned at 6.22pm.

OFFICER'S RECOMMENDATION

That the Joondalup Performing Arts and Cultural Facility Steering Committee:

- 1 NOTES the progress of the Joondalup Performing Arts and Cultural Facility Project as detailed in this Report;
- 2 NOTES the Chief Executive Officer will submit a grant application to the Federal Government's National Stronger Regions Fund;
- 3 SUPPORTS progressing the Joondalup Performing Arts and Cultural Facility Project in accordance with the indicative project program as detailed in Attachment 1 to this Report;
- 4 REQUESTS the Chief Executive Officer to provide a further report on the design options for the facility including costings.

MOVED Cr Ritchie, SECONDED Cr Chester that the Joondalup Performing Arts and Cultural Facility Steering Committee:

- 1 **NOTES the progress of the Joondalup Performing Arts and Cultural Facility Project as detailed in this Report;**
- 2 **NOTES the presentation made by ARM Architecture;**
- 3 **REQUESTS the Chief Executive Officer provide a further report on the following:**
 - 3.1 **Traffic treatments and modelling around the facility;**
 - 3.2 **Designated use and location of the art gallery;**
 - 3.3 **Seating capacity of the main auditorium;**
 - 3.4 **Treatment and considerations of the external plant and infrastructure adjoining the facility;**
 - 3.5 **Treatment and visual presence of the eastern facade adjacent to West Coast Institute.**

The Motion was Put and

CARRIED (11/0)

In favour of the Motion: Crs Hollywood, Chester, Gobbert, Ritchie and Thomas, Mr Coad, Ms Evans, Mr Hunt and Mr Yearwood.

Appendix 1 refers

To access this attachment on electronic document, click here: [Attach1agnipacf120315.pdf](#)

URGENT BUSINESS

Nil.

MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil.

REQUESTS FOR REPORTS FOR FUTURE CONSIDERATION

Nil.

CLOSURE

There being no further business, the Presiding Member declared the meeting closed at 7.50pm; the following Committee Members being present at that time:

Cr Kerry Hollywood
Cr Liam Gobbert
Cr Tom McLean, JP
Cr Sam Thomas
Cr John Chester
Cr Michael Norman
Cr Teresa Ritchie, JP
Mr Garry Hunt
Mr Brian Yearwood
Ms Christine Evans
Mr Russell Coad