



CITY OF JOONDALUP

**JOONDALUP PERFORMING ARTS AND
CULTURAL FACILITY**

MARKET ANALYSIS AND FEASIBILITY STUDY

NOVEMBER 2012

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EXECUTIVE SUMMARY

The City of Joondalup has commissioned Pracsys to conduct a feasibility study for the proposed Joondalup Performing Arts and Cultural Facility (JPACF). While the JPACF will represent a significant ongoing cost to the City if it is built, it will significantly bolster the City's cultural life and urban development. The research undertaken for this study has shown that there is currently a significant under-provision of performing arts and cultural facilities in the northern corridor.

In undertaking this study, Pracsys did extensive demand modelling, based on ABS surveys of culture and arts participation and attendance, and population projections. These analytical tools were used to develop an estimate of the level of cultural activity that could be expected of a Western Australian population of the size and demographic profile of the primary catchment area (defined as the City of Joondalup and City of Wanneroo). This modelled level of formal cultural activity was significantly less than has been found to take place at the moment, meaning that local residents are either travelling outside of the primary catchment area for their cultural pursuits (meaning that the cultural life of the City of Joondalup is being subsidised by other councils), or else this activity is not happening at all.

In addition to the demographic modelling, Pracsys conducted extensive consultation during the course of this study. This included Western Australian cultural organisations and arts producers, local cultural organisations in the City of Joondalup, the three existing school-based performing arts centres in the area and existing conference or function venues (Joondalup Resort, Joondalup Reception Centre and Arena Joondalup), as well as the Perth Convention Bureau.

This consultation reinforced the observation that there is lack of suitable facilities in the City of Joondalup. There was evidence of local dance schools in particular having to travel to the Swan Park Theatre, Midvale, the Rixon Theatre, Penrhos College, in Como, and even down to the Mandurah Performing Arts Centre to stage their performances. Almost all of those consulted (producers, existing facilities, cultural groups) supported the idea of building a purpose-built performing arts centre, with a primary performance space of around 800 seats. The evidence of demand for conference facilities (an option considered by the JPACF Project Philosophy and Parameters) was limited, however, with existing function venues reporting that they still have excess capacity. Despite limited current demand, conference space has been included in the proposed design, as demand can be expected to increase as the primary catchment area grows and the Joondalup economy matures.

Based on the above research, a model program of events was developed to connect the market analysis with a facility design. It should be noted that it is not being suggested that this is "the" program that the JPACF will run. Rather, it is typical of the program of events that are put on by existing facilities similar to what is envisaged the JPACF will be. A detailed design description was also developed, informed by the model program and the market analysis. The design description allows for considerable community cultural activity and activation, rather than following a traditional performing arts centre design. This design has been dubbed the "Art Box".

The capital cost of the “Art Box” design (as estimated by a Quantity Surveyor, Ralph Beattie Bosworth) was \$78 million. Obviously, the City cannot be expected to fund a project of this scale without significant assistance, presumably largely from the Western Australian Government.

The study also identified four potential management models for the JPACF once it has been built, with varying levels of autonomy from the City’s regular hierarchy. These four models are:

- An independent, arm’s length relationship to the City of Joondalup
- Management being contracted out to a third party, such as the State Theatre Trust
- The JPACF run as a division or department of the City of Joondalup
- The City’s entire cultural program being run through the JPACF. This is similar to what is done at “The Glasshouse”, in Port Macquarie, NSW

For the purposes of the financial feasibility, the third option - JPACF as a division of the City of Joondalup - was used, as this was considered an obvious default option.

In addition to the capital cost, it has been estimated that the JPACF will require an ongoing operating contribution from the City of Joondalup. Cultural and arts facilities simply do not cover their costs and require financial support. It has also been assumed that there would be financing costs associated with the City’s contribution to constructing the JPACF. These costs are estimated at \$4.5 million per annum (and increasing with CPI).

In considering whether to proceed with the project, it should be borne in mind that, while this is an additional cost to the City, it affords the City the opportunity of providing a comprehensive cultural and artistic program to ratepayers. Currently, the City’s cultural life is being subsidised by other local governments – as mentioned above. In addition to this, there is no way to measure the cultural and arts activity that residents of the City are not enjoying, due to the lack of suitable facilities.

1 INTRODUCTION

1.1 BACKGROUND AND PURPOSE OF THE STUDY

The City of Joondalup has commissioned Pracsys to undertake a feasibility study of the proposed new Joondalup Performing Arts and Cultural Facility. As part of the brief, it was agreed that Pracsys would deliver several interim briefing notes to inform the City of the progress of the study and so that feedback could be provided throughout the process.

These briefing notes covered the following:

Briefing Note 1: Demand and supply analysis with gap analysis (latent and unmet demand for activities and facilities)

Briefing Note 2: Accommodation schedule and detailed development concept description

Briefing Note 3: Operations management and description of the facility

Briefing Note 4: Document business analysis framework and financial analysis

These four briefing notes have been delivered as described, and this report is an amalgamation of them, with an additional social impact assessment.

1.2 APPROACH

The initial stages of the study focus on determining the demand for the facility. There are two sides to demand for a performing arts facility – demand from audiences and community participants for cultural events and demand from producers for the use of facilities (although this is ultimately a function of audience demand).

A range of potential users of the space have already been identified and consulted by the City. Pracsys has validated this consultation, surveying a range of performing arts producers, local cultural organisations, existing performing arts facilities and conference venues and organisers.

Running parallel to this consultation, Pracsys has conducted an analysis of the population and demographic make-up of the primary catchment area of the facility (City of Joondalup and City of Wanneroo). This demographic analysis is based on ABS surveys of attendance and participation in culture and the arts (see Figure 3, in Chapter 3).

Pracsys has estimated demand for a range of arts and cultural activities in the primary catchment area, using the demographic analysis, informed by the consultation done to date.

Pracsys has also consulted with existing performing arts and conference facilities in the area, to gauge their level of utilisation and the limits of the facilities available.

Following this, Pracsys developed a model program for the JPACF and accommodation schedule.

2 BACKGROUND

The City of Joondalup was named the World's Most Liveable City of 2011 at the UN-endorsed annual International Awards for Liveable Communities. The LivCom Awards is a worldwide competition focusing on International Best Practice regarding the management of the local environment with the further objective of improving the quality of life of individual citizens through the creation of 'liveable communities'.

The City now faces the challenge of living up to this designation. This performing arts and cultural facility is a key component of the Cultural Development Plan to promote the development of cultural identity and social harmony through "contemporary multicultural arts practice".¹

The cultural development context for the performing arts and cultural facility encompasses a range of considerations,² including:

Reach - to enable the north-west metropolitan community to experience a wide cultural experience

Quality - to encourage high standards of creativity, innovation and excellence in cultural activity

Impact – to support a range of cultural experiences that have the potential to entertain and transform the community and the way they view the world through their participation in artistic experience

Capacity - to enhance communities of cultural practice through building stronger creative networks involving artists, educational institutions, museum, galleries with public and private funding and support

Infrastructure - to develop the infrastructure that will sustain and develop these communities of practice over time

The Joondalup Performing Arts and Cultural Facility (JPACF) will represent a special milestone for the City of Joondalup as an indicator of a City that has come of age. Since its inception as the northern regional centre of Perth, Joondalup has witnessed the construction of significant infrastructure including the Joondalup Health Campus, the Arena, Council Chambers and Library and Edith Cowan University. The JPACF will add a new dimension to the City Centre.

The facility will support Joondalup's role as a Strategic Metropolitan Centre³, and be a piece of key enabling infrastructure, as the City matures into a principle centre of activity within Perth's urban network. It will help to activate the surrounding area, giving people an extra reason to visit and stay in the City Centre.

The need for a performing arts and cultural facility was identified in the Joondalup Cultural Development Plan, developed in 1992. Several studies were undertaken between 1992 and 2010, identifying the need for a performing arts and cultural facility within the City. The development of the JPACF was included in the City's 2008-2011 Strategic Plan.⁴

1 City of Joondalup Cultural Development Plan, Community Development Strategy 2006-11
2 Pracsys Public Value of Cultural Value – Assessment Framework, 2011

3 State Planning Policy 4.2: Activity Centres for Perth and Peel (2010)

4 City of Joondalup, JPACF project brief, 2012.

Understanding the role the JPACF will fulfil, and ensuring that it can cater for the disparate demands particular to the Joondalup region will be the key to creating a sustainable and vibrant cultural environment at the City. The JPACF's activities may need to extend beyond the traditional theatre, music and dance offer, and should be designed to cater for the requirements of conferences, exhibitions and education functions. Capturing as much of this diverse market as possible will ensure that events stay in Joondalup, rather than leaking towards other centres. Furthermore, the JPACF should be of a quality that attracts events to it as a preferred venue.

2.1 POLICY AND STRATEGY REVIEW

2.1.1 Strategic Plan 2008-2011

The City of Joondalup Strategic Plan articulates the highest level of direction for the City for the four years that it covers. It is an overarching framework that aims to achieve better leadership and decision making with greater community participation. The success of the goals set out in the strategic plan are measured through: annual customer satisfaction surveys, the State of the Environment Report, delivery of projects on time and on budget, and statistical data comparisons. The results are presented in the City's Annual Report.

The key focus areas of the Strategic Plan are:

- Leadership and governance
- The natural environment
- Economic prosperity and growth
- The built environment
- Community wellbeing

Each of these focus areas has a number of specific objectives, referring to a range of other City policies and processes. In addition to these, the concept of sustainability in the City "permeates all of the City's decision-making and planning processes." The JPACF comes under the fourth of these focus areas, the built environment. Specifically, Objective 4.2: To progress a range of innovative and high quality urban development projects within the City - Strategy 4.2.2: Develop a concept for a Cultural Centre at Lot 1001 Kendrew Crescent, Joondalup.

While these principles will not be considered explicitly in this study, the JPACF will address each one of them, and it is expected that they will influence how the City plans and delivers the project.

2.1.2 Asset Management Plan

The objective of the City of Joondalup's Asset Management Plan is: "To ensure the organisation undertakes a structured and coordinated approach to asset management that will promote sustainable infrastructure for the City of Joondalup." The City spends more than \$15 million annually (at the time the plan was written) on asset management services, and so it is important that the City adopts best practice management skills and practices.

The City's vision in implementing this objective is "To provide the desired level of service in the most cost-effective manner for present and future customers."

The policy was issued in October 2007, and is scheduled to be reviewed every two years.

2.1.3 City of Joondalup Cultural Development Plan, Community Development Strategy 2006-11

The Cultural Development Plan is part of the City's vision for Joondalup as a community that is recognised as innovative, unique and diverse. The Cultural Plan was adopted in 1992. In 2003, the Council resolved to develop a new Cultural Plan. This plan was developed after extensive community consultation.

The City pursues community cultural development for a range of reasons:⁵

- To promote the development of cultural identity and social harmony through contemporary multicultural arts activities
- To enable the Joondalup community and visitors to Joondalup to experience wide cultural experience
- To encourage the highest standards of creativity and excellence in all aspects of cultural activities
- To foster partnerships with organisations throughout the City which are involved in working within, or supporting, cultural activities, such as higher and further educational establishments, museums and galleries, and the commercial and private sectors
- To develop lively and sustainable cultural industries, among which should be those evolving with the emergence of new technologies

- To develop and support the infrastructure which will sustain and develop Joondalup's cultural industries and activities
- To recognise and promote the importance of culture for children and young people
- To ensure that the cultural diversity within our communities is advocated for and continues to contribute to and inform Australia's national identity.

As the Plan notes, the community of the City of Joondalup have high expectations of the cultural services that will be made available.

The Plan also outlines key performance indicators for the following issues as they relate to the City's cultural development: strategic partnerships, securing sustainability, cultural diversity, cultural heritage and the built environment and leadership.

5 City of Joondalup Cultural Development Plan, Community Development Strategy 2006-11, page 27.

3 DEMAND AND SUPPLY OF CULTURE AND ARTS ACTIVITY

It is important upfront to distinguish between demand for activities and demand for facilities. The users generate demand for entertainment, cultural and arts activities, and then producers demand facilities.

3.1 ACTIVITY MODELLING

In order to assess the demand for the JPACF, it is necessary to define the potential activities that may be accommodated within the future facility. According to the Joondalup Regional Cultural Facility – Project Philosophy and Parameters⁶, the facility aspires to:

Provide a world class, state of the art facility; incorporating innovative and sustainable design, symbiotic with the existing natural and built environment that is a place for the pursuit of activities such as performing arts, visual arts and crafts, film and media and cultural events for the community of Perth's northern corridor.

In the context of this vision, Figure 1 outlines the scope of activities that are analysed in this study.

Figure 1: Activity Types

Category	Production	Consumption
Performing Arts	Singing or playing a musical instrument	Attending a music concert or recital
	Performing in a drama, comedy, opera or musical, including rehearsals	Attending a drama, comedy, opera
	Dancing	Attending a dance performance or recital
Visual Art	Sculpting, painting, drawing or cartooning, including digital pieces	Attending screenings, galleries, exhibitions and installations
	Printmaking, screen printing or etching	
	Photography, film-making or editing,	
Craft	Textile crafts, jewellery making, paper crafts or wood crafts	Attending galleries, exhibitions, installations and fairs
	Glass crafts, pottery, ceramics or mosaics	
Literature	Writing song lyrics, or mixing or composing music, including digital composition	Attending readings, listening to music
	Writing any fiction or non-fiction, such as stories, poetry or scripts	Visiting libraries

Source: Pracsys (2012)

6 Minutes of Strategic Financial Management Committee – 27.04.2010, City of Joondalup, page 15.

3.1.1 Activity Classification

Activity can be further broken down into categories based on artistic quality, reach and impact. The categories are applied within each activity stream and as such do not attempt to make distinctions between the types of activity, or imply that one is a higher cultural art form than another, but rather recognises the differences that exist within each stream. Quality is a measure of the creative process and product and includes the distinctive, innovative and significant elements of the cultural experience. Reach is a measure of the access to and participation in arts and cultural activities. It measures the breadth and depth of engagement, through attendance and participation data alongside audience and public satisfaction with their level of engagement. Impact is a measure of the social, cultural and economic value of arts and cultural activities, and includes the transforming impact through engagement.

Figure 2 outlines an example of how the categories can be applied to dance performance events.

Figure 2: Activity Classification Example

Category	Event (Example)	Description
Premium	The Imperial Russian Ballet Touring Sleeping Beauty	Frequency – Very infrequent Profile – Exclusive event that is recognised globally Quality - World quality standard. Venues – Performed in limited, high level venues in capital cities
Popular	WA Ballet at the Quarry	Frequency – Annually Profile – Part of the PIAF and recognised at a state level Quality - National Quality Standard Venues - Elements tour to other venues
Community	Local Ballet School Recital	Frequency – Semi-annually Profile – Unlikely to be recognised outside of the family and friends of the community of practice Quality - Non-professional and dozens of similar events take place across the Metro area Venues – performed in many lower level venues servicing a localised catchment

Source: Pracsys (2012)

Understanding the different categories of activities is important in assisting to identify gaps in the current supply of activity within the catchment and in turn the gaps in facilities, as different categories will have different requirements in terms of the infrastructure necessary to facilitate their delivery.

3.1.2 Methodology

To estimate the current and future demand for the JPACF, a revealed preference model has been developed to examine the two factors affecting the demand for a facility:

- Demand (by attendees in a community of interest)
- Supply (by participants in a community of practice)

Revealed preference is an economic theory of consumption behaviour, which asserts that the best way to measure consumer preferences is to observe their behaviour. In the case of culture and arts this behaviour includes:

- Activity type and category
- Attendance/participation rate

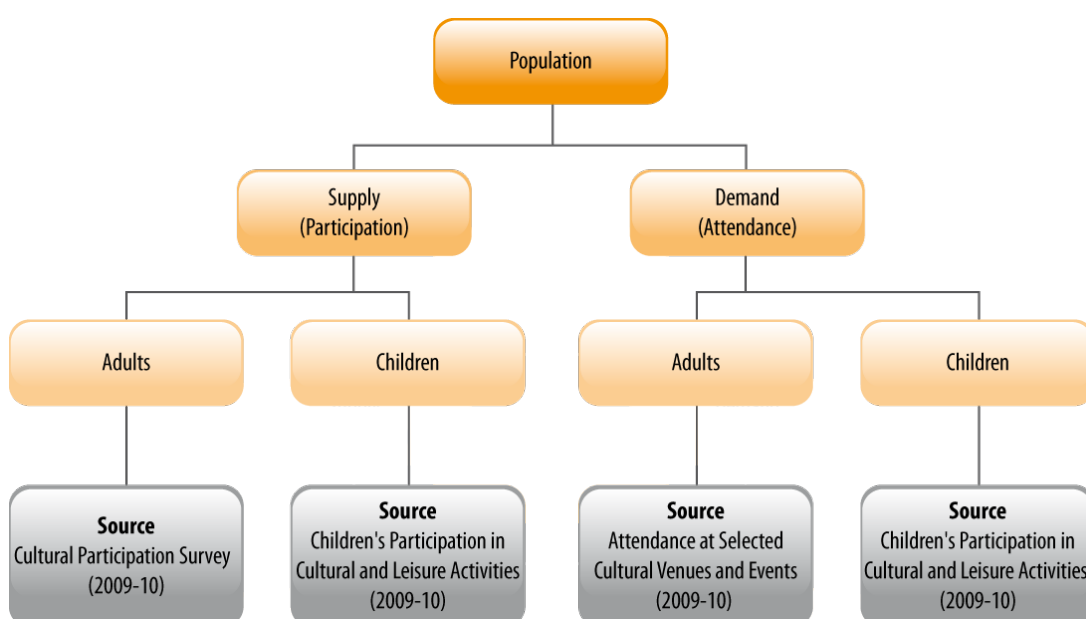
- Frequency and duration of attendance/participation

There are a number of reliable data sources on the revealed preferences of the Australian public for the consumption and production of culture and the arts (see Figure 3).

The level of demand and supply within the catchment area can be estimated by applying these attendance and participation rates, together with the frequency of engagement, to the catchment population.

A similar approach is to measure the revealed preferences of the catchment by surveying existing cultural and arts organisations servicing the catchment area. Beyond the surveying challenges that this methodology presents, this approach fails to capture the latent demand.

Figure 3: Method and Data Sources for Revealed Preferences



Source: Pracsys (2012)

Figure 4: Calculating Latent Demand



Source: Pracsys (2012)

Latent demand is the potential demand for a product. It describes the phenomenon whereby, after the supply of a product is increased, more of a product is consumed. There are many producers of entertainment, cultural and arts products who for many reasons, including the lack of suitable facilities, are unable to supply within the primary catchment, or in some cases within the Perth Metropolitan Area.

Developing the JPACF would allow those suppliers currently excluded from the market to enter, addressing the currently unmet needs of catchment residents.

The current level of latent demand for the catchment can be defined as the gap between the demand estimate from the revealed preferences analysis and the activities of existing culture and arts organisations servicing the catchment area (see Figure 4). This assumes that the level of demand for culture and the arts is currently being met at a national level⁷.

From here, the future level of demand can be estimated. This is based on a number of assumptions regarding how the catchment will grow and how the preferences of the catchment will evolve over time.

⁷ Recent data suggests that the Australian arts sector is grossly 'oversupplied'. This is evidenced by increasing levels of creative arts practice and declining relative incomes of professional artists. As such it is likely that at a national level demand for culture and the arts is being met. See Craik, J (2007) Re-visioning Arts and Cultural Policy: Current Impasses and Future Directions

Once the demand for entertainment, cultural and arts activities is estimated, it can be translated into the types and quantities of facilities necessary to accommodate it. In this study, cultural activity is expressed in terms of events, which can be expressed in terms of event days and the number of attendees. Based on benchmarking of similar catchments nationally, the facilities and infrastructure required to accommodate current and future demand can be estimated. This then informs the accommodation schedule for the JPACF.

3.2 CATCHMENT

3.2.1 Catchment Area

For the purposes of this analysis, the primary catchment for the Joondalup Performing Arts and Cultural Facility (where the majority of audience members for community events or touring performances are drawn from) covers the cities of Joondalup and Wanneroo. A secondary catchment takes in most of the northern metropolitan area, stretching south to the City of Stirling and east to the City of Swan.

A further area of influence stretches out north into the Wheatbelt, including towns on the way north from Perth, such as Cervantes, Jurien, Dongara, and as far as Geraldton. People living in towns in the northern Wheatbelt already travel to Joondalup for major shopping trips. Popular shows that do not tour north of Perth could be expected to draw some audience members from these areas. This has been

facilitated by the completion of the Indian Ocean Drive, allowing easy access to Joondalup for communities to the north of the metro area, who would previously have had to use Brand Highway and then cut across to Wanneroo Road.

See Figure 5 for an illustration of the identified catchment area.

The primary catchment area had a population of 304,483 people at the time of the 2011 Census. Rapid population growth is expected to occur in this area, predominantly in the City of Wanneroo. However, a comparison of the results of the 2011 census with the State Government's population projections reveals that the north-west corridor is growing slightly slower than anticipated, falling short of the 308,700 – 349,100 range. This was due to lower than anticipated population growth within the City of Joondalup. The population is forecast to increase to over 400,000 by 2026⁸.

3.2.2 Demographics of the Primary Catchment

The north-west corridor of Perth has several demographic characteristics that make it distinct from the rest of Western Australia.

The most notable feature of the City of Joondalup is the very high proportion of migrants living in the area, particularly from the UK and other English-speaking countries. In the City of Joondalup, 15.4% of residents were born in England, as compared with a state average of 8.9%, and a national average of only 4.2%.

The proportion of people born in England decreases with age, and drops off quite sharply below 40 years of age. The primary catchment also has a high proportion of people living in family households, particularly couples with dependent children. This suggests a large number of migrant families, who settled in the area and many of whose children were born in Australia.

As well as the large number of English families in the area, there are also relatively high numbers of people born in other English-speaking countries, primarily New Zealand, South Africa and Scotland. People born in what the ABS defines as the Main English-speaking Countries (MESCs)⁹ have the highest level of attendance at cultural activities, including being higher than those born in Australia.

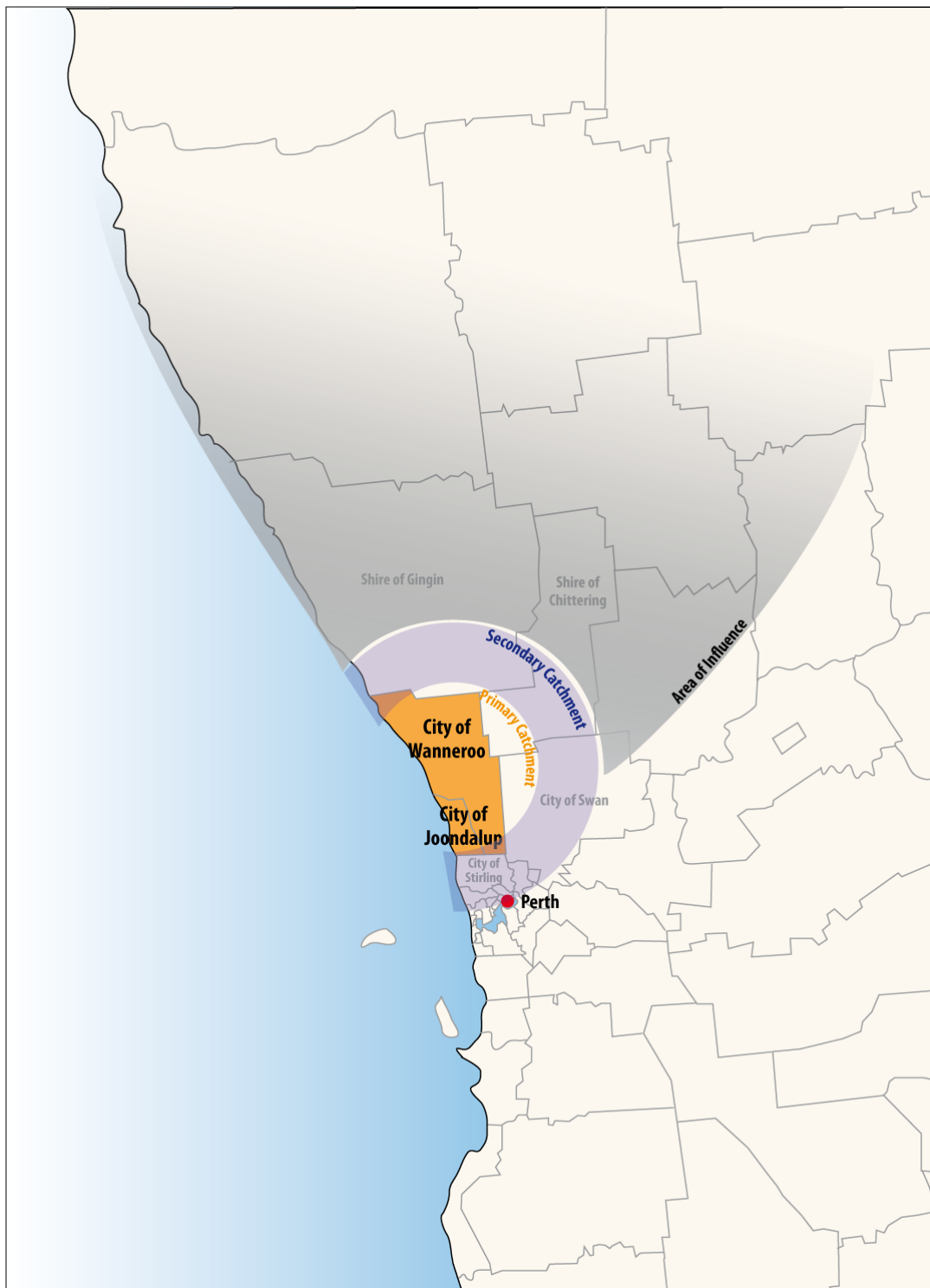
Residents of the City of Joondalup tend to be more highly qualified than the state average, with a higher proportion of people with a bachelor degree or higher. This is reflected in the occupations of the people there, with a slightly higher than average number of professionals than the state average. There are also higher proportions of technicians and trades people, and clerical and administrative workers. Reflecting this higher level of qualification, average incomes in the City of Joondalup are much higher than the state average.

Figure 6 summarises some of the key demographic characteristics of the City of Joondalup, relative to the state average.

⁸ Based on population projections from WA Tomorrow, Band A (Western Australian Planning Commission, 2012).

⁹ The United Kingdom, United States, the Republic of Ireland, New Zealand, Canada or South Africa.

Figure 5: Joondalup Performing Arts and Cultural Facility catchment area



Source: Pracsys (2012)

Figure 6: Catchment Area Demographic Profile

	Joondalup	Wanneroo	Western Australia	Australia
Median Age	38	32	36	37
Under 15	19%	24%	20%	19%
15-65	70%	67%	68%	67%
65+	11%	9%	12%	14%
Ethnicity	Many migrants from England and other English-speaking countries, and their families.			
Australian born	58.60%	54.90%	62.90%	69.80%
England	15.40%	14.30%	8.90%	4.20%
New Zealand	3.00%	3.60%	3.20%	2.20%
South Africa	3.40%	2.80%	1.60%	0.70%
Scotland	2.20%	1.90%	1.20%	0.30%
	But, the proportion of Australian-born is higher among the young – pointing to migrants settling in the area and starting families.			
Households	Higher proportion of families, especially couples with dependent children.			
Education	More degrees and diplomas			
Occupation	More likely to be a professional, tradesman or clerical or administrative worker.			
Average Income (weekly)				
Individual	718	656	662	577
Family	2036	1722	1722	1481
Household	1780	1415	1415	1234

Source: ABS Census of Population and Housing (2006 and 2011)

3.3 DEMAND DRIVERS

3.3.1 Demographics

Relative to current demographic patterns, in the future the primary catchment:

- Will likely be older
- Will be less likely to be living with dependent children
- May be more likely to be born in Australia, although still with a relatively high proportion of people born in England or other English-speaking countries
- May be slightly more highly qualified
- Will probably be wealthier.

The ageing of the catchment population can be expected to increase demand for classical music concerts, as this is most popular with the oldest age category – 65 years and older. If the average level of educational attainment

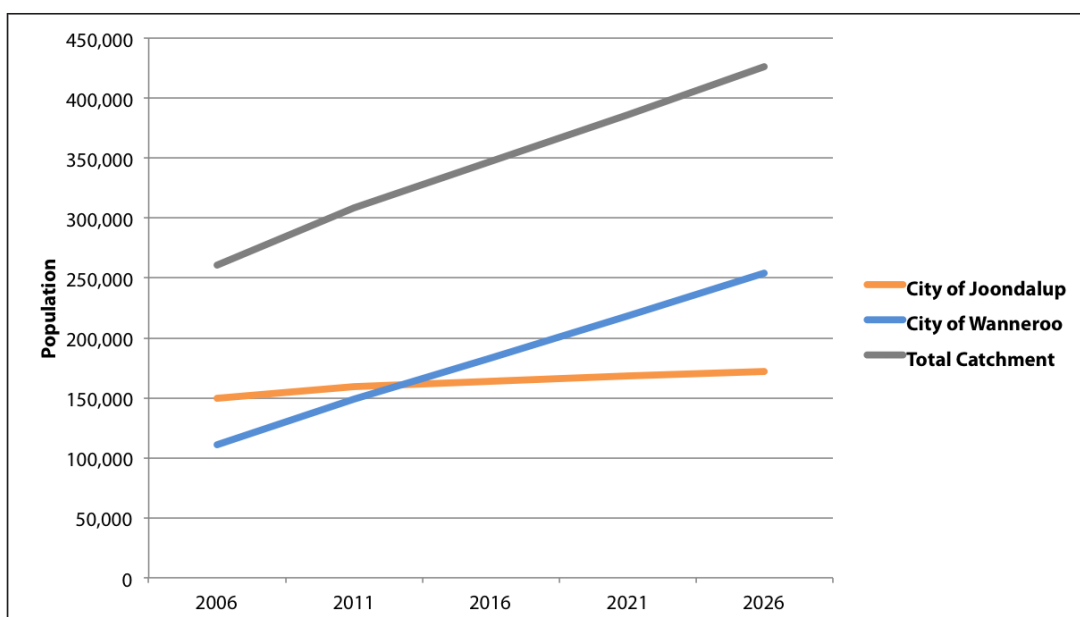
increases in the catchment, then demand for all art forms will increase, as there is a strong correlation between educational attainment and attendance at cultural events. Increasing wealth also suggests increased attendance rates.

If the relatively high proportion of people born in one of the English-speaking countries is replaced with a more Australian-born population, then this can be expected to moderate demand for musicals and operas and theatre, as people born in the English-speaking countries have a higher rate of attendance at these art forms.

3.3.2 Population Growth

The most significant factor for future demand for cultural activities, however, will be population growth. As mentioned above, the population of the primary catchment area is forecast to grow from 304,483, people in 2011,

Figure 7: Projected Population Growth Primary Catchment



Source: WA Tomorrow, Band A (Western Australian Planning Commission, 2012)

to over 400,000 by 2026 – over 30% growth. This in itself will lead to strong growth in demand. Growth in regional centres north of Perth will also promote increased demand for performing arts in Joondalup, if a facility exists there to attract them.

3.4 ABS-BASED DEMAND AND SUPPLY MODELLING

3.4.1 Demand for Culture and the Arts (Attendance)

Adults

Attendance at Selected Cultural Venues and Events, Australia, 2009-10 is an ABS publication based on results from the 2009-10 Multipurpose Household Survey on the attendance of people aged 15 years and over at selected cultural venues and events. It contains details on the frequency of visits and characteristics of people who attend a range of cultural venues and events including libraries, archives, museums, various categories of music and performing

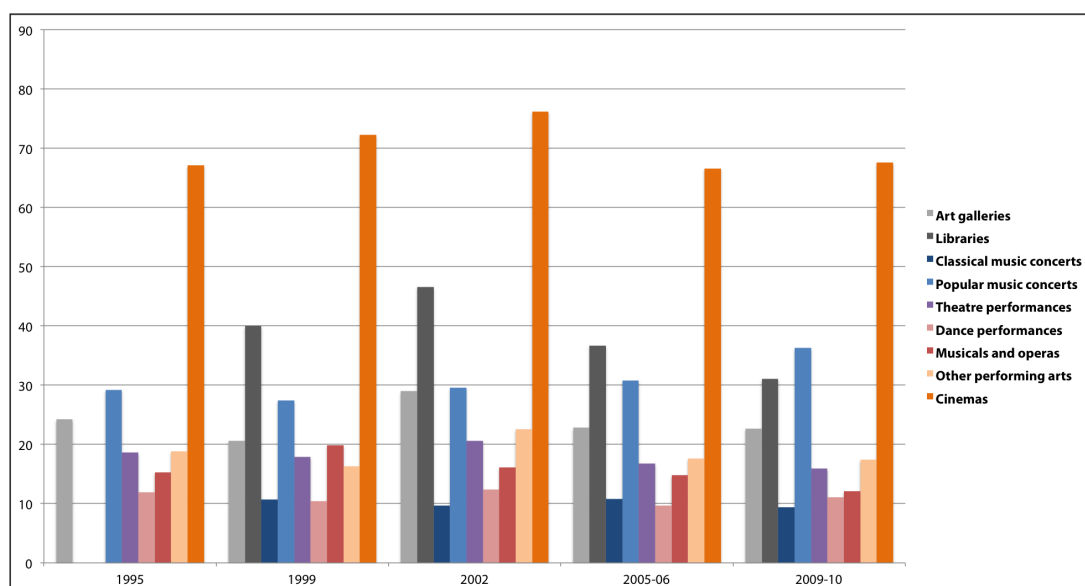
arts performances, cinemas, botanic gardens, zoological parks and aquariums.

The results of the survey indicate a steady decline in the cultural attendance of Western Australian adults from 2002 to 2010, although the state attendance rates remain above the national level.

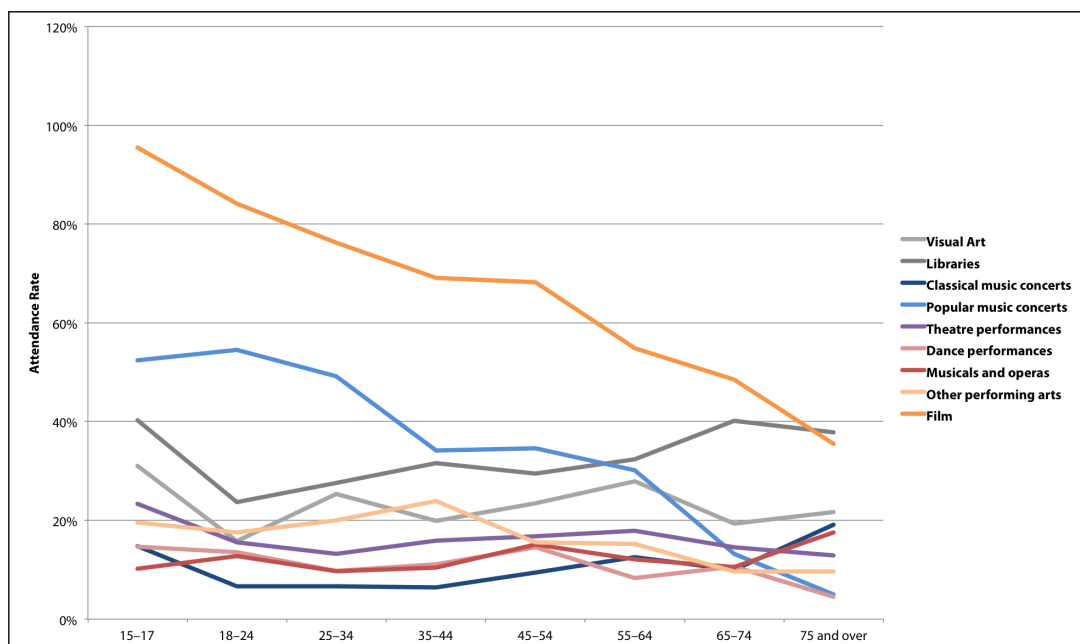
Figure 8 summarises how the attendance of adults in Western Australia has changed over time. Whilst attendance at most activities has fluctuated in line with the broader trends in culture and the arts, a notable exception is the significant increase in the attendance at popular music concerts.

Adult attendance is strongly linked to children's participation, particularly for dance. The 1995 release of the Attendance at Selected Cultural Venues and Events, Australia, made the distinction between attendance at dance events and attendance at children's dance events. In Western Australia, of the 11.9% attendance rate for dance in 1995, 3.0% was

Figure 8: Primary Catchment Adult Attendance Demand Over Time



Source: ABS Cat. 4114.0

Figure 9: Adults Cultural Attendance Rates by Age

Source: ABS Cat. 4114.0

for children's dance. This will be accounted for in the analysis of participation, to avoid double counting.

Figure 9 summarises how the attendance by adults changes with age. The attendance generally declines with age before trending upward at age 65.

The attendance patterns at each cultural venue and event also differ, with the average frequency of attendance at films (3.30 times per annum) being as much as twice that for visual and performing arts.

Current attendance rates

In 2011, there were 237,900 adults living in the primary catchment. Applying the state attendance rates and frequency of attendance to this population, indicates demand for over

1,100,000 attendances per annum (see Figure 10).

Figure 10: Primary Catchment Current Adult Attendance Demand

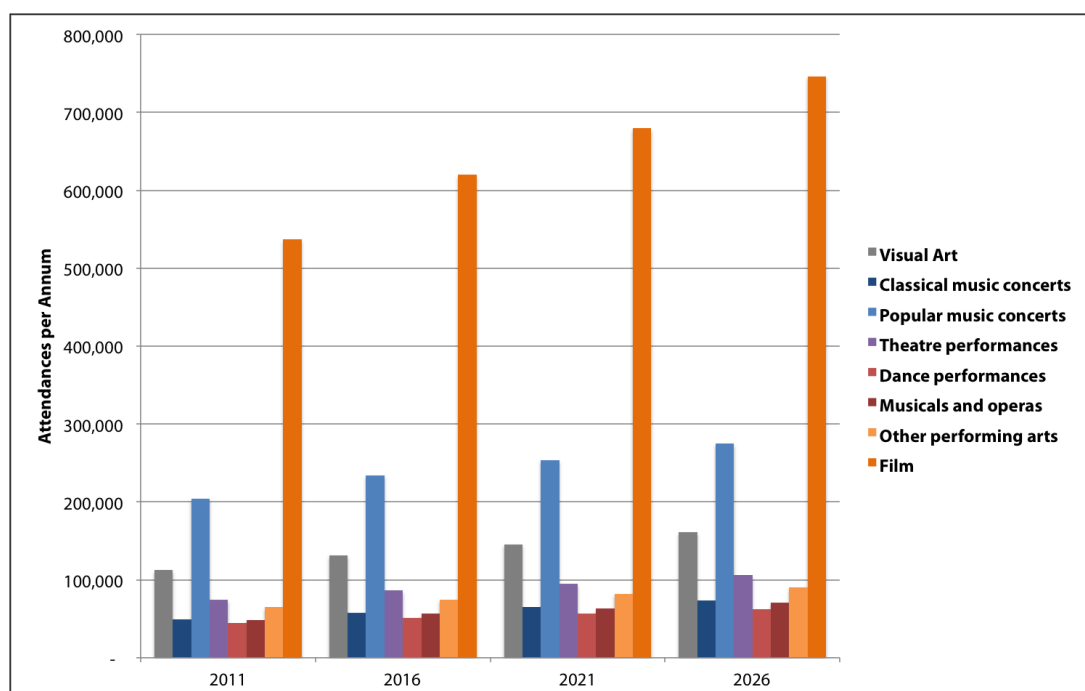
Activity Type	Potential Attendances Per Annum
Visual Art	112,545
Classical music concerts	49,346
Popular music concerts	204,295
Theatre performances	74,532
Dance performances	44,619
Musicals and operas	48,569
Other performing arts	64,788
Film	537,325
Total	1,136,018

Source: Pracsys (2012), based on ABS Cat. 4114.0 and ABS Census of Population and Housing (2011)

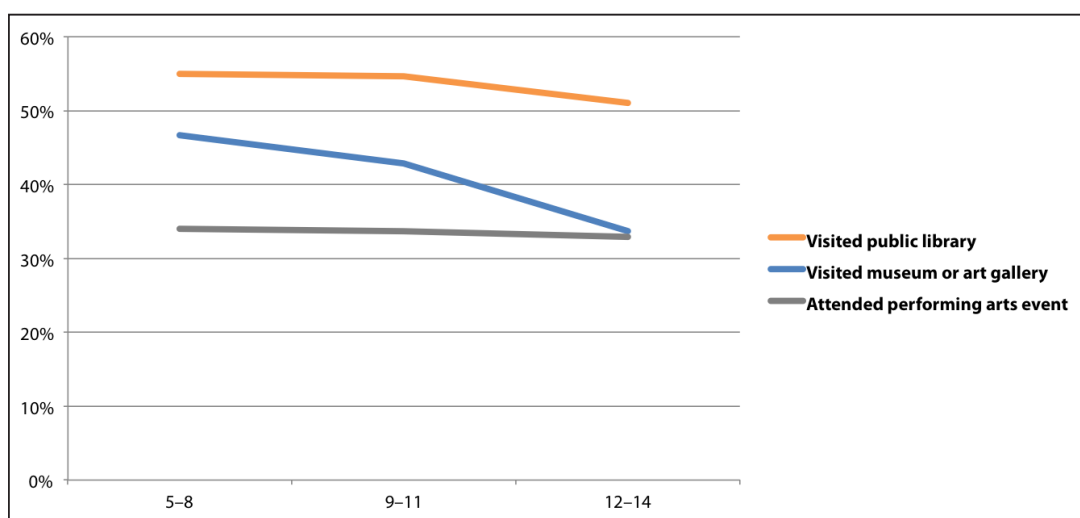
Future attendance rates

By 2026, the adult population in the primary catchment is expected to grow by 44%, to 342,800. This population growth alone will increase expected demand to nearly 1,600,000 attendances per annum (see Figure 11). This assumes that there is no further decline in the rates of participation in culture and the arts.

Figure 11: Primary Catchment Future Adult Attendance Demand



Source: Pracsys (2012), based on ABS Cat. 4114.0 and ABS Census of Population and Housing (2011)

Figure 12: Children's Cultural Attendance Rates by Age

Source: ABS Cat. 4901.0

Children

Every three years the ABS releases data on the participation of children and young people in cultural and leisure activities. The scope of the 2009 survey included Australian children aged 5 to 14 years, and focused on organised activities conducted outside of school. The survey includes data on the attendance of children at selected cultural events and venues.

Figure 12 summarises how the attendance of children in Australia changes with age.

According to the survey, attendance by children generally declines with age across all activities. The attendance patterns at each cultural venue and event also differ, with the average frequency of attendance to libraries (8.18 times per annum) being three times greater than that for visiting museum, arts galleries and performing arts.

Current attendance rates

In 2011 there were 44,500 children living in the primary catchment. Applying the state attendance rates to this population indicates demand of 336,000 attendances per annum.

Figure 13: Primary Catchment Current Children's Attendance Demand

Total Attendance	5-8	9-11	12-14	Total
Visited public library	78,392	77,964	72,691	229,047
Visited museum or art gallery	22,464	20,636	16,211	59,310
Attended performing arts event	16,174	16,032	15,651	47,857
Total	117,030	114,632	104,552	336,214

Source: Pracsys (2012), based on ABS Cat. 4114.0 and ABS Census of Population and Housing (2011)

Future attendance rates

By 2026, the population of children aged 5 to 14 in the primary catchment is expected to grow by over 25%, to at least 55,500. This population growth alone will cause potential demand to increase to over 432,000 attendances per annum (Figure 14). This assumes that Australian children's attendance rates remain unchanged.

3.4.2 Participation in Culture and Arts Production

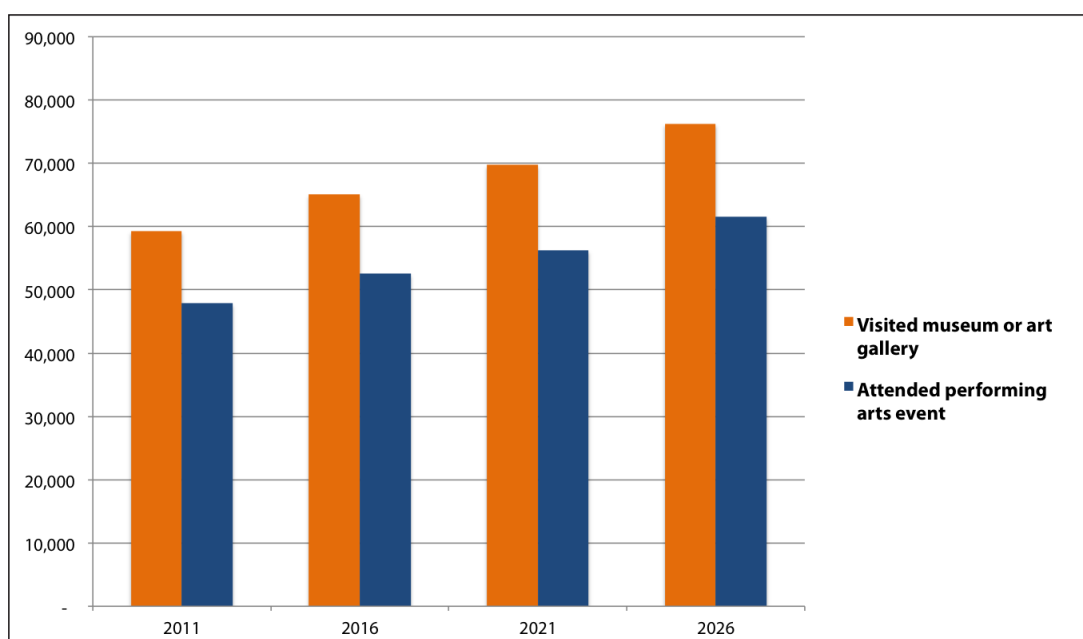
This is the demand from communities of practice to participate in the supply of culture and arts activities. This is expressed in terms of a level of participation per annum for each activity type, which can be further aggregated into a number of events.

Adult

The Cultural Participation Survey is a newly developed survey collected for the first time in 2010-11. The survey collects information about Australian's participation in selected arts and cultural activities.

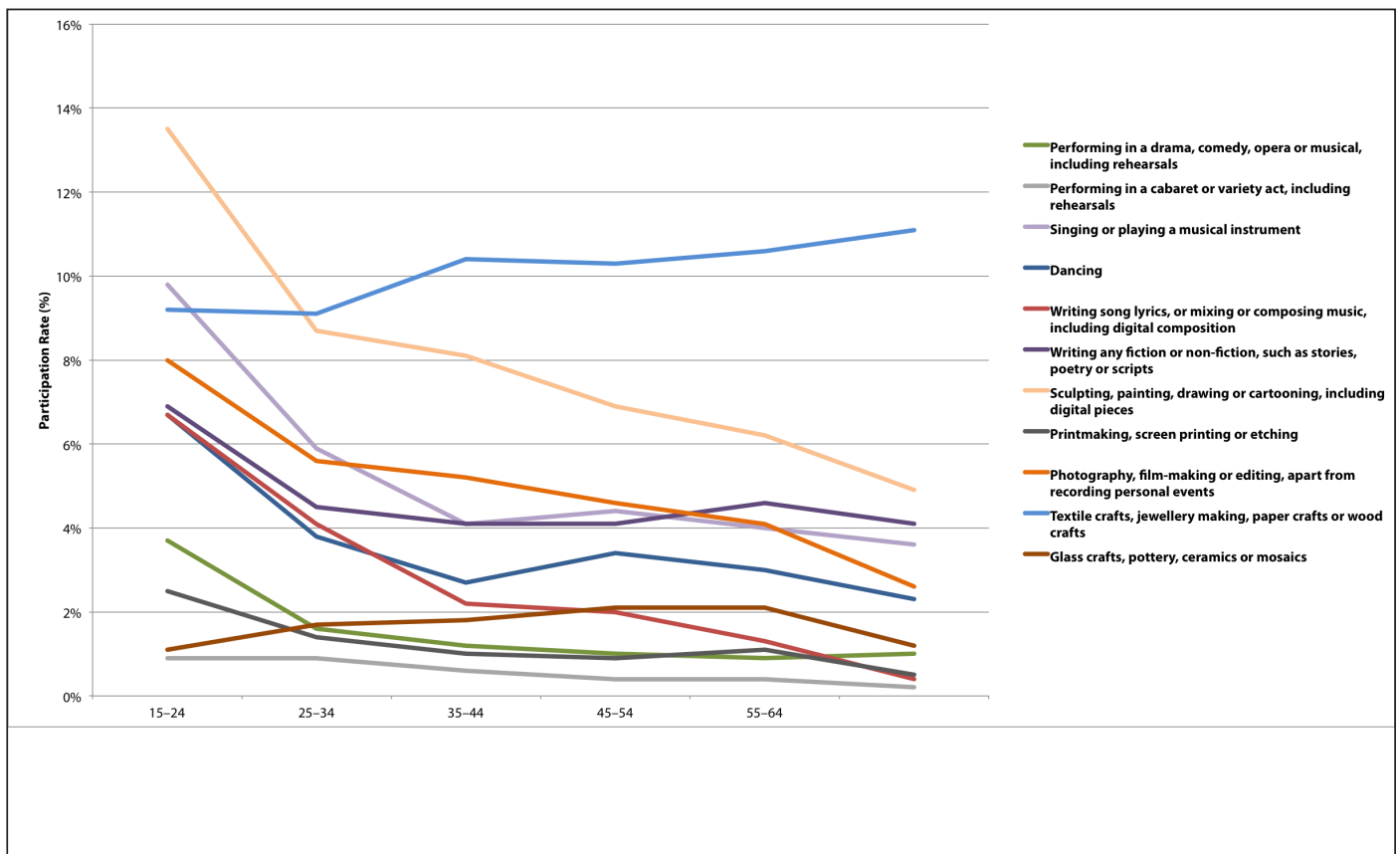
Figure 15 summarises how the participation of adults in Australia changes with age. People aged 15 to 24 years reported the highest participation rate in cultural activities in the 12 months before interview in 2010-11 (34%). Participation rates tended to decrease with age. In contrast to children's participation, adult participation in culture and the arts occurs across all categories, from community to premium.

Figure 14: Primary Catchment Future Children's Attendance Demand



Source: Pracsys (2012), based on ABS Cat. 4901.0

Figure 15: Adult Cultural Participation Rates by Age

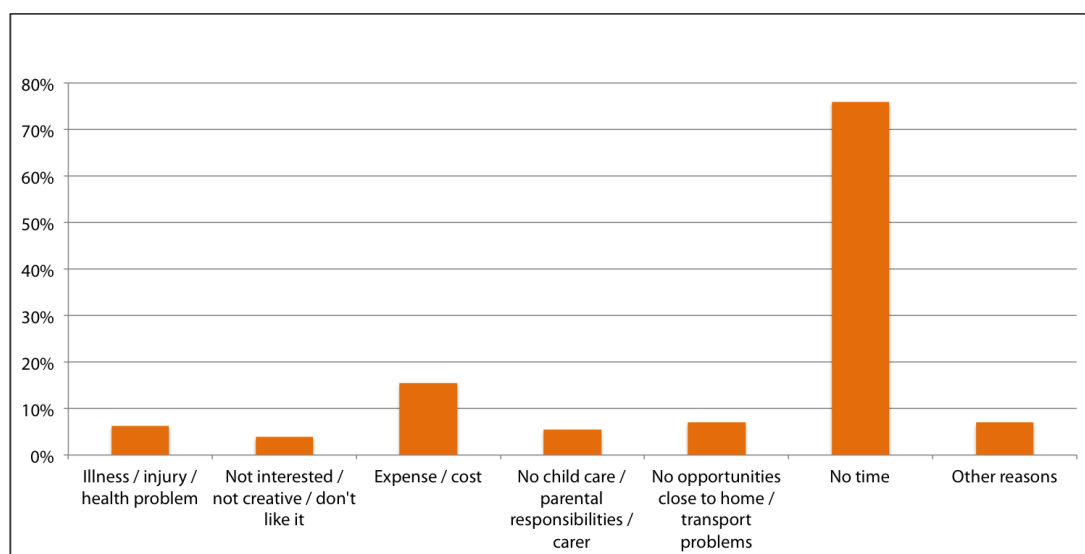


Source: ABS Cat. 4921.0

The survey provides insights into the motivators and barriers to participation by adults in culture and the arts. Exploring the factors that prevent people participating in cultural activities can help inform estimates of latent demand, and how that latent demand may be met.

Figure 16 summarises the barriers to participation for those survey respondents who stated that they would like to engage in more cultural activities (12.9% of total respondents). Overwhelmingly, the most common barrier to increased participation was a lack of time, followed by expense/cost.

No opportunities close to home / transport problems, was cited by 0.9% of total respondents (7% of those respondents who would like to engage in more cultural activities) as a barrier to increased participation. This indicates that improved access to opportunities will likely induce some additional demand for participation. However with a cultural strategy to overcome the other barriers, it will only induce demand from less than 1% of the population.

Figure 16: Barriers to Participation

Source: Pracsys (2012), based on ABS Cat 4921.0

Current participation rates

Applying national attendance rates to the current adult population in the primary catchment indicates that as many as 124,000 adults living in the primary catchment could be expected to participate in culture and arts activities.

According to the 2006 Census, there are approximately 446 residents in the primary catchment employed in culture and the arts, whereas there are approximately 284 jobs in these industries.¹⁰ This suggests a relatively low level of employment self-sufficiency for arts in the primary catchment, and consequently those local residents working in cultural industries are required to commute outside the primary catchment to access employment.

The rest of the participants are engaging in unpaid participation. Typically the unpaid participation of adults has three distinct components

- Informal practice
- Lessons, classes, clubs and interest groups
- Performance and exhibition

Adults participate in a high level of informal practice, with a high proportion of participants not engaging in organised activity such as lessons, classes, clubs or interest groups. Lessons occur regularly, typically on a weekly or monthly basis. Generally this occurs in small, private, local facilities and attracts a minimal audience. Performances and exhibitions occur less frequently, typically at one or two events per annum. Generally this will occur in larger, public or commercially available facilities, and will attract a large audience.

This analysis will focus on the formal participation of adults in the primary catchment. Figure 17 summarises the estimated current total demand for formal participation by adults in the primary catchment.

¹⁰ Note that Census 2011 employment data has not yet been released.

Figure 17: Current Adult Formal Participation in Culture and the Arts

Activity Type	Formal Participants
Performing in a drama, comedy, opera or musical, including rehearsals	1,454
Performing in a cabaret or variety act, including rehearsals	424
Singing or playing a musical instrument	4,246
Dancing	5,836
Writing song lyrics, or mixing or composing music, including digital composition	769
Writing any fiction or non-fiction, such as stories, poetry or scripts	1,359
Sculpting, painting, drawing or cartooning, including digital pieces	3,028
Printmaking, screen printing or etching	539
Photography, film-making or editing, apart from recording personal events	1,706
Textile crafts, jewellery making, paper crafts or wood crafts	3,518
Glass crafts, pottery, ceramics or mosaics	968
Total	23,846

Source: Pracsys (2012), based on ABS Cat. 4921.0

The relationship between participation and performance and exhibition events for adults is less clear than for children. It is assumed that all participants in performing and visual arts will engage in some form of performance or exhibition throughout the year.

Future participation rates

By 2026, the population of adults in the primary catchment is expected to grow to at least 342,800. Based on current participation rates, this will see formal participation increase to over 33,000 participants from the current level of 23,800.

Children

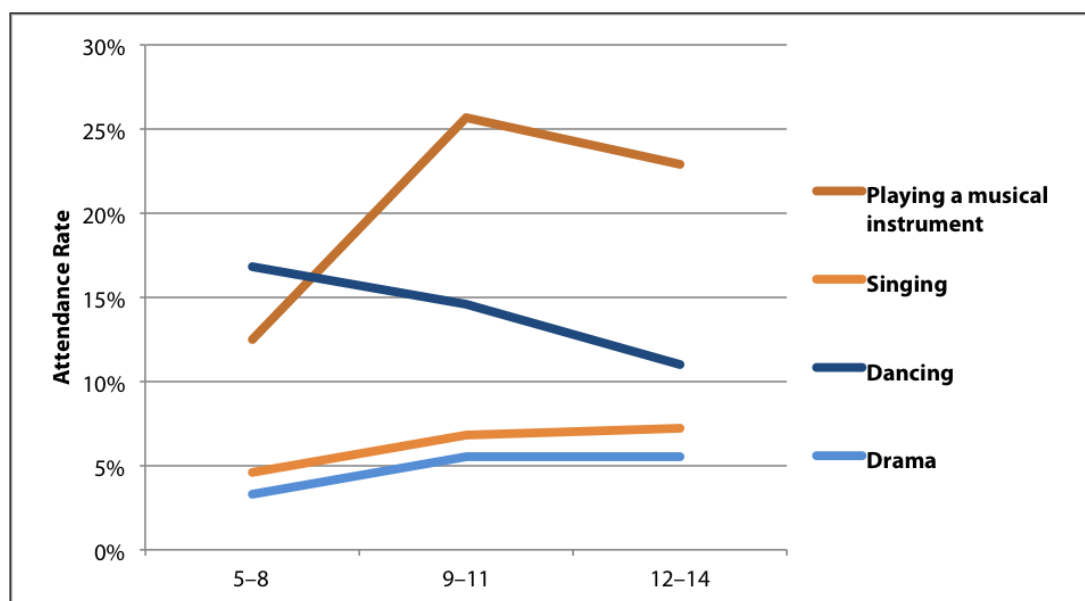
Every three years the ABS releases data on the participation of children and young people in cultural and leisure activities. The scope of the 2009 survey included Australian children aged 5 to 14 years and, focused on organised activities conducted outside of school. The results of the survey indicate a steady rise in cultural engagement by Australian children, with an increase in the participation rate for organised cultural activities (30% of children participated in 2003, and 34% in 2009).¹¹

Figure 18 summarises how the participation of children in Australia changes with age.

According to the survey, participation across all activities, with the exception of dance, generally peaks between the ages of 9 and 11. Participation rates for playing a musical instrument, singing and drama did not differ significantly between states, while participation in dancing varied greatly from 9% of surveyed children in Tasmania to 16% in Western Australia. With a few exceptions, children's participation in culture and the arts occurs exclusively at the community level.

Frequency of participation varies according to activity type. Of those children who played a musical instrument, 37% did so more than 52 times during the year. By comparison, 27% of children involved in dancing, 8% of those involved in singing and 5% of those involved in drama did so more than 52 times during the year.

11 ABS Cat. 4901.0, 2009

Figure 18: Current Children's Formal Participation in Culture and the Arts, by Age

Source: Pracsys analysis of ABS. 4901.0 (2009)

Current participation rates

In 2011 there were 44,500 children between the ages of 5 and 14 living in the primary catchment. Applying the national attendance rates to this, indicates that as many as 20,000 children living in the primary catchment currently participate in organised culture and arts activities.

Typically the organised participation of children has two distinct components:

- Lessons
- Performance and exhibition

Lessons occur regularly, typically on a weekly basis during school terms. Generally this occurs in small, private, local facilities and attracts a minimal audience. Performance and exhibition occur less frequently, typically at one or two events per annum. Generally this will occur in larger, public or commercially available facilities, and will attract a large audience.

This analysis will focus on children's participation in performance and exhibition. That is not to say the JPACF should not accommodate children's lessons, just that this type of activity may be better accommodated in a dispersed network of local facilities as opposed to a large regional facility. Stakeholder consultation has confirmed this, with cultural groups conducting their classes in smaller community facilities.

Based on consultation with local organisations, it is assumed that each child participating would perform or exhibit at least once a year.

The number of participants per performance or exhibition varies depending on the activity type, with dance typically accommodating the largest number of participants and drama the smallest. The audience size is directly related to the number of children participating, and it is assumed that there are two audience members per participant.

Figure 19 summarises the estimated current demands for participation by children in the primary catchment. The analysis shows there is currently demand for an estimated 143 children's performance and exhibition events per annum.

Figure 19: Current Children's Participation in Culture and the Arts

	Participants	Events Per Annum	Audience Per Annum
Playing a musical instrument	8,726	44	17,453
Singing	2,694	9	5,387
Dancing	6,366	21	12,732
Drama	2,060	69	4,120
Total	19,846	143	39,692

Source: Pracsys (2012)

Future participation rates

By 2026, the population of children aged 5-14 in the primary catchment is expected to grow by over 25%, to at least 55,500. This will see demand for children's performance and exhibition events increase to 180 per annum.

3.5 STAKEHOLDER CONSULTATION BASED DEMAND MODELLING

Pracsys contacted both community cultural groups within the City of Joondalup and professional arts organisations operating in Western Australia, to gauge the demand for performing arts facilities in the north-west corridor. This was in addition to initial investigations made by the City of Joondalup.

3.5.1 Summary of City of Joondalup Consultation

The City of Joondalup conducted a range of consultation and research prior to this feasibility study, which produced some information on the demand for JPACF facilities from various internal and large institutional stakeholders. The research undertaken by the City was critically examined and verified by Pracsys during the consultation process. This consultation is summarised in Figure 20.

Figure 20: City of Joondalup Stakeholder Consultation Summary

Area	Type	General Findings
Entertainment, Culture and the Arts	Visual Art	The City supports an extensive visual arts program as well as being a patron of the arts. The City has an extensive contemporary art collection, however, the collection is currently too extensive to hang and much of the work remains in storage. It would be desirable for a permanent facility to be provided for the display and storage of the City's art collection. In addition to the City's permanent art collection, three visual art events are also hosted by the City. These are currently limited by a range of venue constraints and the provision of more suitable venue would provide an opportunity for expanding the events and increasing support and acclaim.
	Classical music concerts	There is a shortage of classical music venues and the capacity of existing venues constrains audience numbers. If larger venues were available, it is suggested that audience numbers would increase by 2-3 fold.
	Popular music concerts	The major popular music events are Supafest and Rockit, both of which are both hosted at the Joondalup Arena. These represent the only premium activities currently offered in the primary catchment. At the community level the City hosts a number of events including the Joondalup Rock Eisteddfod. More intimate music venues and practice areas would be desirable for this popular event.
	Theatre performances	Local performing arts groups are currently using general purpose community centres or sports facilities which lack the specialist facilities. Joondalup Entertainers Theatre School would consider moving to alternative facilities depending on cost.
	Dance performances	While dance has strong community of practice in the primary catchment, the number of events that occur within the city even at the community level is low with many local dance schools using external venues for performance and examination.
	Musicals and operas	WAAPA is continually seeking new venues for rehearsals and performances. Their current program is limited by a lack of affordable venues and there is potential for WAAPA to partner with the City in the use of the JPACF.
	Film	Film activity is considered to be well supplied and catered for within the primary catchment through a range of both private and community suppliers. The PIAF film season at the Pines, is the largest popular event in the primary catchment.
Education	Graduation/ Awards Night	Schools and ECU currently access venues outside the primary catchment for large events such as graduations.
	Examination	ECU currently uses external facilities to accommodate large format examinations. They would consider using the JPACF should the facilities be suitable however it is important to note that ECU's Strategic Master Plan includes a conceptual design for a Great Hall and it is the University's intention to accommodate their needs within this facility in the future.
Other	Conference/ Banquet	<p>The Joondalup Health Campus accommodates between 2500 – 2800 staff and hosts a number of seminars and conferences during the course of the year and these functions are always held off the Campus. They would consider using the JPACF should the facilities be suitable.</p> <p>ECU hosts a number of conferences every year and they would consider using the JPACF should the facilities be suitable.</p> <p>The WA Police Academy currently experiences a shortage of lecture and conferencing space.</p> <p>West Coast Institute of Training requires for lecture space and banquet venues for a maximum of 300 people. In addition to this requirement, there is the opportunity for West Coast Institute of Training (WCIT) to utilise the facilities provided within the JPACF as training and workplace experience venues for their students.</p> <p>The potential exists for the Joondalup Resort to utilise the JPACF if the facilities suit their requirements. It's important to note that the resort is embarking on an expansion program in the near future which will increase their capacity to 420 seats (banquet style).</p>
	Workshop	The City's libraries host a number of programs designed to engage various sectors of the community. The programs comprise popular seminars, workshops and activities aimed at adults, youth and children. A number of the more popular events are restricted by venue capacity. Given that the programs are library based, it is desirable for these events and activities to be hosted at local libraries however indications are that the more popular events could be hosted at a larger venue such as the JPACF.

Source: City of Joondalup and Pracsys Interviews (2012)

Visual Arts Services

The City has an extensive visual art collection (in excess of 200 two-dimensional and three-dimensional works), but has limited suitable places to exhibit it. Much of the collection is not currently being displayed at all. The arts storage facilities being used are not fit for purpose. User clients within the City advised that it would be desirable for a permanent facility to be provided for the display and storage of the collection.

The City's visual arts program hosts two main events per year – the Invitation Art Awards and the Community Art Exhibitions. Both of these events are currently held in the Lakeside Shopping Centre. The City Officers responsible for these events indicate that this venue is inadequate, due to a lack of security, limited opening times and exhibiting constraints.

Performing Arts Services

The City's performing arts program hosts a number of events throughout the year, which are currently limited by the lack of a suitable venue. These events are:

- Sunday Serenades: this is a performance of chamber or fine music, held monthly, from April through to December. It is held at the Council Chambers to an audience of 150. It is believed that with a larger venue, the audience could increase to 200 to 300 people.
- Joondalup Eisteddfod: there are four weeks of auditions and heats, with winning performances chosen at the end. A variety of venues are used, and this year it is being held at Sacred Heart College.

- Summer Concerts: outdoor concerts held three times per year. These are held in venues such as Mawson Park, Hillarys, to audiences of up to 7,000 people.
- Valentine's Day Concert: this is the premier event on the City's music calendar, and currently takes place at Joondalup Resort. Audience size can be as many as 8,000 people.

In addition, it was reported that performance companies such as Spare Parts Puppet Theatre; WASO; Yirrikillen & Barking Gecko would be able to make use of the JPACF. It is believed that they would need a 400 to 500 seat auditorium, for one or two night runs. It is also believed that dance companies would use the facility. They would need 300 to 400 seats, for one to two nights at a time, for a total of eight to sixteen nights a year.

Other major events include NAIDOC Week, the Little Feet Festival, Sunset Markets and Joondalup Festival. These are primarily outdoor events, and would not require the JPACF to take place.

Aged and Seniors Community Services

To adequately provide for the needs of seniors, sufficient disabled parking bays within short walking distances of destinations, and preferably without level changes are required. Bus parking without level changes is also a requirement, with seats for waiting.

In terms of facility design, there should be wide aisles and wheelchair bays, and there should be ramps rather than stairs. Passages and toilet cubicles should be sufficiently roomy to accommodate a wheelchair turning circle and operator.

There are a range of adult education programs that might potentially use the JPACF. These include the University of the Third Age, English as a second language classes, and exhibition and community development forums. In addition, there is a major event, the Art of Aging. It occurs four times a year, and would require a 400 seat lecture-style auditorium theatre. It currently occurs at Padbury Hall.

Library Services

The City's Library Services program provides a range of events. Some of these are limited by the size of the available venues and might potentially make use of the JPACF. These include:

- Kids Christmas Activities (currently 70+ children)
- Meet the Authors (these have been between 30 and 360 seat events)
- Children's Book Week – a range of events, including 150 to 200 seat book launches, 30 to 120 seat workshops and lectures, and 150 to 200 seat group performances and lectures
- Computer literacy programs – these are classes of 30 to 40 people, but are unable to accommodate large numbers due to a lack of computers and facilities.

Youth Services

The City offers a range of music and dance programs that could potentially make use of a recording studio at the JPACF. Pracsys consultation has revealed no evidence of demand for recording studios so far, and there are already numerous studios in the northern suburbs. Pracsys has therefore not investigated this in depth.

The major events hosted by the City's Youth Services program include:

- Battle of the Bands – this event plays to a 300 to 400 seat auditorium theatre. There are two days of heats and then one day for the final.
- Youth Forums – this event also requires a 300 to 400 seat auditorium venue, and occurs over one or two days, once a year.

Community groups

There are a range of community groups, who may be interested in using the JPACF for rehearsals or performances. These groups currently conduct their activities at various community centres throughout the City. The community groups were:

- Wanjoo Singers
- Women's Health Works Choir
- Bloco do Norte
- Challenge Brass Band
- Joondalup Eisteddfod
- Joondalup Music Centre
- North Metro Pipe Band Inc.
- Swaggies Linedancing
- The Phyl-Harmonics Inc.
- Wanneroo Folk Music Club Inc.
- Endeavour Theatre Company (successfully consulted with by Pracsys)
- Joondalup Encore Theatre Society
- Limelight Theatre (group)

There have been no specific issues identified regarding shortages of suitable venues, or these groups' venue requirements more generally.

Motor Industry Training Association (MITA)

MITA holds one major function a year, the Apprentice of the Year, which typically hosts 200 people at a sit-down dinner. MITA also has a staff Christmas function for 30 people.

In terms of facilities, MITA has a boardroom with a capacity for 30 people, and a classroom that can seat 16.

WA Police Academy

The WA Police Academy has an auditorium that can seat 100 people and classrooms. Their requirements are for teaching spaces for no more than 30 people, and exam spaces, for no more than 180 people. Presumably the Academy's classroom requirements are being met internally, as this was not raised as an issue. It is not clear where exams are being held at the moment.

The Police Academy holds conferences for one to two days, every alternate year. For this they would need a 200 seat, lecture-style theatre. For lectures they would potentially require a 450 seat theatre. These lectures would be for two hours, three times a year.

There are also training forums and seminars, both requiring lecture-style seating. The forums would occur over one to two days a year, and would require 60 to 70 seats, and the seminars would require between 60 and 150 seats, for one day, four times a year. The seminars would also require breakout rooms with 30 to 40 seats.

The Police Academy would also use a 200 seat banqueting space, one to three times per year.

West Coast Institute of Training (WCIT)

WCIT have several spaces used for teaching. These are four classrooms, for 25 to 30 people each, a lecture room for 60 people and an open plan classroom for 120 people. They currently use lecture theatres at McClarty House.

Edith Cowan University (ECU)

ECU has a conceptual design for a Great Hall, as part of their Strategic Master Plan. If and when this hall is built, then their current requirement for functions and graduations will be accommodated within this building.

ECU's most significant events are its graduation ceremonies. These require raked, auditorium-style seating for 2,500 people. The ceremonies occur over four hours, two to three times per day, four to six days of the year. The stage needs to be tiered, to accommodate seating for 60 to 80 dignitaries. They also require six interpretation booths, thirteen photo booths in the foyer, a VIP robing area for 80 people, and a minimum of 25 seats for the disabled. A cocktail area for 2,500 people is also needed for after the ceremony. Graduations are currently held at the Perth Convention and Exhibition Centre (PCEC), in the Riverside Theatre. According to PCEC's website, Riverside is the largest tiered seating theatre in Perth, and can accommodate 2,500 people.

An examination hall is required, that can hold 800 seats with desks. This would be used for four to eight hours a day, for ten days, twice a year.

ECU also holds occasional conferences, on average three times per year. These conferences are for no more than 200 to 300 people. They require a conference space to accommodate these numbers, a breakout area with 50 lecture theatre-style seats and a pause area, with 20 lounge-style seats.

Lectures have so far been able to be accommodated on campus. Pracsys consultation has found that ECU's current lecture theatre has 372 seats.

Joondalup Health Campus

The Joondalup Health Campus has between 2,500 and 2,800 staff, and holds a number of seminars and conferences throughout the year. These are always held off-campus. They have stated that they would consider using the JPACF if the facilities were suitable.

The Joondalup Health Campus's functions and their requirements are:

- Internal summits: 50 to 60 seats, theatre style; one to two days, four times per year
- GP conferences: 30 to 60 seats, theatre style; breakaway areas, 20 seats, banquet style; half to a full day, six times per year
- Clinical conferences: 60 to 100 seats, theatre style; breakaway areas, 30 seats, banquet style; one to two days, four times per year

In addition, Joondalup Health Campus holds the following banquets:

- Loyalty awards: 100 seats, banquet style; four hours, once a year
- Annual Christmas Dinner: 600 seats, banquet style; four hours, once a year

School theatres

The City of Joondalup also visited Prendiville Catholic College and Sacred Heart College, to investigate the facilities at these two schools' performing arts centres. These facilities are discussed in Chapter 4.

Schools

The City consulted with 73 local schools, to investigate their needs for an external venue, either for graduations, exhibitions or performances. Of the 73 schools consulted, 19 required an external venue. Nine of these required a venue with a capacity of less than 300 people, five required a space for between 300 and 800 people, two required a space for between 800 and 1,200 people, and three required a space for more than 1,200 people.

3.5.2 Professional Arts Producers

To expand upon the existing consultation work conducted by the City, Pracsys consulted with a number of professional arts producers to understand:

- Who was currently excluded from the market and why
- How a new facility would impact on supplier behaviour

Eighteen suppliers were approached and of these nine participated in the research. Only one of the respondents is currently supplying in the primary catchment. Respondents who were not currently supplying in the catchment were asked to rate a range of factors on their importance in explaining why they were not currently supplying. The results are summarised in Figure 21. Of all the factors, the lack of

a suitable facility was the most significant determinant of current supplier behaviour. This was closely followed by the lack of an affordable facility and lack of incentives.

Figure 21: Factors Influencing Supplier Behaviour

Dimensions	Importance (1= Low 5 = High)
Lack of suitable facility	4.00
Lack of affordable facility	3.43
Lack of incentives	3.00
Lack of available local accommodation and other suppliers	1.86
Lack of demand	1.86
Unfavourable regulatory environment	1.86

Source: Pracsys Survey (2012)

The facility requirements varied greatly between respondents, from between 300 to 900 seats in the primary theatre and between 90 to 200 seats in the secondary theatre. The majority of respondents indicated a requirement for rehearsal, dance and workshop space, particularly if it could be also used as a performance space. These responses highlight the need for maximum flexibility, multiple spaces (both indoor and outdoor) and various sizes.

All nine respondents indicated that if the new JPACF anchored by a 600 to 800 seat theatre, 200 to 250 square metre flexible studio and workshop rehearsal space was built, they would consider using it. Half indicated they would use it for popular activities and half for community activities. Unprompted, five respondents expressed concern regarding the fees for using such a facility, indicating they believed they would be unable to afford to

use the JPACF without the support of the City. Further consultation is required to understand the sensitivity of producers to the price of facilities.

Although small in its sample size, the survey results support the conclusion that there is strong latent demand, particularly for popular products, in the primary catchment area.

Considered together, the existing community facility base and the new popular and premium facility (the JPACF) cover the full range of venue requirements for arts and cultural activity in the north-west corridor of Perth.

3.5.3 Cultural Organisations in the City of Joondalup

Pracsys contacted 95 local cultural organisations from the 115 identified by the City of Joondalup. Of these, 16 agreed to be interviewed. The organisations that were successfully consulted with were:

- Turning Pointe Dance Academy
- W.A. Stage School
- Wanneroo Civic Choir
- Joondalup School of Music
- Kingsley Church of Christ Craft Group (and Weight Watchers)
- Kindy Dance Time
- Joondalup Community Arts Association
- All That Jazz Dance Studio
- Endeavour Theatre Company
- Cake Decorators' Association
- Afrah Belly Dance Bliss

- Helen O’Grady Drama Academy
- Rise Performing Arts
- Desiree Dance Academy
- Embroiders Guild of WA - Greenwood Group
- Holland Lee Drama and Speech (no longer operating)

One third of these travel outside the north-west corridor to stage performances, with two of them reporting that they travel 40 minutes to the Swan Park Theatre, Midvale. Both noted that there were 20 dance schools in the area, and that they struggled to find a suitable venue. Pracsys was unable to confirm this with Swan Park Theatre, and get an estimate of exactly how many groups travel from the north-west corridor to use their facilities.

Turning Pointe Dance Academy also travels to the Rixon Theatre at Penrhos College, Como, to perform and has travelled to the Mandurah Performing Arts Centre, and spent the night in Mandurah in the process. They stated that other dance schools have done the same. From discussion with the manager of the Lady Wardle Theatre, at St Mary’s, the Rixon Theatre is the benchmark facility for school theatres. It can seat 750 people, and one recurring theme from the consultation was that there were many dance schools that would like a larger venue for their performances or are likely to in the future. This helps to explain why these organisations will travel so far. Turning Pointe Dance Academy reported that dance schools currently have no choice but to go to Penrhos, Midvale, or Mandurah, as local stages are too small or seating is inadequate. They also reported that a large performing arts facility would attract many dance schools that are

travelling large distances to facilities that are still not ideal, and suggested 900 seats as an appropriate size.

Six of the organisations contacted said that they had trouble booking into existing facilities. This was supported by interviews with the existing performing arts facilities (see Chapter 4).

Almost all of those organisations interviewed said that the JPACF is a good idea, although some expressed reservations about the potential for high usage fees. Five of the organisations raised concerns about price, either of existing facilities or the potential cost of using the JPACF. Based on these interviews, Pracsys is of the opinion that community groups are likely to make only a minor contribution to the financial viability of the JPACF.

Other notable comments from the consultation include:

- Wanneroo Civic Choir have visited the Mandurah Performing Arts Facility and liked it. As mentioned above, Turning Pointe Dance Academy has performed there, and “made a weekend of it”, spending the night in Mandurah. They stated that other dance schools have done the same.
- Joondalup Community Arts Association said that arts activities should be in close proximity to each other, that the JPACF should have an area that can be used for exhibitions, and that it is a good idea to have a number of different art forms in one location.
- Turning Pointe Dance Academy stated that if the City built a large performing arts centre in Joondalup, of about 900

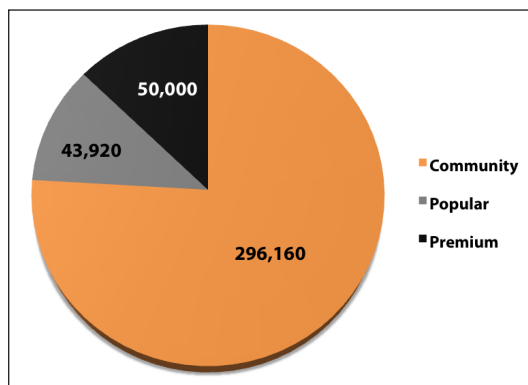
seats, then dance schools would be able to provide a significant amount of business for the centre.

- The size of the change rooms were an issue raised by several of the dance schools.

3.5.4 Summary

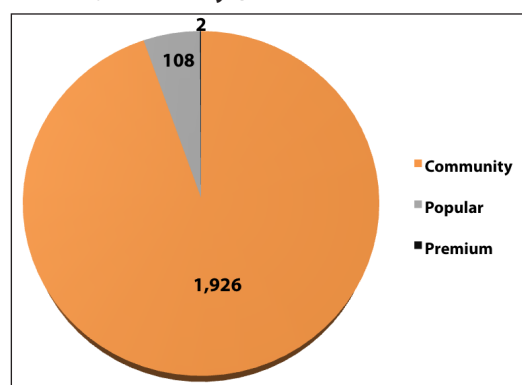
Based on the stakeholder consultation, Figure 22 and Figure 23 summarise the current activity profile of the primary catchment both in terms of event days and attendances.

Figure 22: Activity Profile Attendance Numbers (Attendance per Annum)



Source: City of Joondalup and Pracsys (2012)

Figure 23: Activity Profile (Attendance per Annum, Event Days)



Source: City of Joondalup and Pracsys (2012)

This includes activities currently being undertaken in the City by external suppliers – for example PIAF Film Season at the Pines – and activities by local communities of practice being undertaken outside of the catchment. The current activity profile in terms of events is dominated by community level activity.

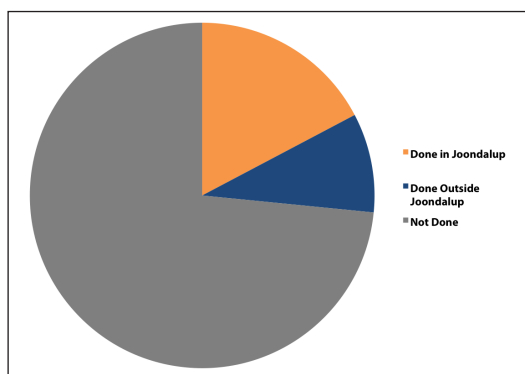
Popular and premium activity has stronger representation in term of attendances. This is due to the three major events, SupaFest, Rock It and the Perth International Arts Festival Film Season at the Pines. The current absence of popular and premium events is due in part to the lack of necessary infrastructure to facilitate the delivery.

Over all, total attendance estimates based on stakeholder consultation were for a total of 390,080 attendances per annum. However, this number is likely to be significantly under estimated, as audience estimates were not available for many events.

3.6 ACTIVITY DEMAND

The demand estimates from the stakeholder consultation represents only 37% of the total demand for attendance anticipated by the demographic demand modelling. This excludes film, which it is understood is predominantly being met through existing commercial facilities as well as demand for conferences, etc., identified in the stakeholder consultation, which were not captured in the modelling (Figure 24).

Figure 24: Demand Gap Summary



Source: City of Joondalup and Pracsys (2012)

The difference between the estimates reflects the demand, particularly for popular and premium activities that is either:

- Being met elsewhere in facilities outside of the primary catchment
- Not being met at all

There are many social, economic and cultural consequences of having the arts and cultural life of residents occurring outside the catchment, including:

- Loss of expenditure to local businesses

- Decreased propensity of community members to participate in culture and the arts
- Loss of cultural capital

The consequences will be exacerbated as demand for entertainment, culture and the arts in the catchment is growing and will continue to grow as a result of strong population growth and growing affluence. While the development of the JPACF should assist to reduce the leakage of activity outside the catchment, the real demand for the facility will come from latent demand.

To avoid double counting, the activity summary only considers demand for attendance, not participation. While these estimates of participation will not be directly used in estimating the number of events, they will inform the development of the JPACF program of community events.

3.7 BENCHMARKING

To inform the link between activity demand and facility demand, benchmarks for the primary catchment need to be identified. Once the benchmark catchments are determined, the supply of facilities that service them can be examined to understand the infrastructure necessary to accommodate demand and supply of culture and the arts.

Thirteen different locations were analysed and their appropriateness as benchmarks was assessed on the following three criteria:

- Proximity to nearest capital city
- Current catchment population
- Current catchment demographics (including age and income)

The assessment found three catchments to be appropriate benchmarks, Penrith, NSW, Ipswich, Qld and Frankston, Vic. Detailed results of the assessment, and a list of the venues considered are included in Appendix 1.

3.7.1 Penrith

Penrith is a locality in Greater Western Sydney, in the state of New South Wales. It is located approximately 50km west of Sydney CBD. The catchment for the primary culture and arts facility, the Joan Sutherland Performing Arts Centre, encompasses the City of Penrith, as well as the neighbouring Blue Mountains and Hawkesbury.

Figure 25 compares the Penrith Catchment with the primary catchment for the JPACF.

Figure 25: Penrith Catchment

	Penrith	JPACF Primary Catchment Area
Population	316,762	304,500
Median Age	36	35
Median Household Income	1,360	1,630

Source: ABS Census of Population and Housing (2011) and Pracsys (2012)

The population of this catchment is comparable both in size and median age. Like the JPACF primary catchment, the Penrith catchment is forecast to grow to approximately 372,700 residents by 2031.^{12,13} While the median income is somewhat lower, this is consistent with the income and cost disparities between Western Australia and New South Wales, so it is likely

12 Forecast i.d. Population projections for Penrith and Blue and Mountains
13 Draft Hawkesbury Futures: Infrastructure Requirements 2006-2036

that both catchments will have similar levels of disposable income.

3.7.2 Frankston

Frankston is a locality in the south east of Melbourne in the State of Victoria. It is located approximately 40km south east of the Melbourne CBD. The catchment for the primary culture and arts facility, the Frankston Arts Centre, encompasses the City of Frankston, as well as the neighbouring Mornington Peninsula.

Figure 26 compares the Frankston Catchment with the primary catchment for the JPACF.

Figure 26: Frankston Catchment

	Frankston	JPACF Primary Catchment Area
Population	271,066	304,500
Median Age	40	35
Median Household Income	1,087	1,630

Source: ABS Census of Population and Housing (2011) and Pracsys (2012)

The population of this catchment is comparable both in size and location, however the demographic characteristic do differ somewhat from the current profile of the JPACF catchment. Like the JPACF primary catchment, the Frankston catchment is forecast to grow significantly to approximately 332,300 residents by 2031.¹⁴ This will be driven mainly by growth in the Mornington Peninsula.

14 Forecast i.d. Population projections for Frankston and Mornington Peninsula

3.7.3 Ipswich

Ipswich is a locality in the south west of Brisbane, in the state of Queensland. It is located approximately 40km south west of the Brisbane CBD. A culture and arts facility for Ipswich is still in the planning stages, and is 10 to 20 years from construction. Figure 27 compares the Ipswich catchment with the primary catchment for the JPACF.

Figure 27: Ipswich Catchment

	Ipswich	JPACF Primary Catchment Area
Population	166,904	304,500
Median Age	32	35
Median Household Income	1,233	1,630

Source: ABS Census of Population and Housing (2011) and Pracsys (2012)

While the current population of the catchment is significantly less than that of Joondalup, the Ipswich catchment is forecast to grow to approximately 462,000 residents by 2031,¹⁵ making it an appropriate benchmark for the JPACF. Similarly, while the current demographics of the Ipswich catchment differ from that of the JPACF, as Ipswich matures its demographics can be expected to become more consistent with that of the future JPACF catchment, particularly the City of Wanneroo.

15 Queensland Government population projections to 2031 (2011 Edition)

4 SUPPLY AND GAP ANALYSIS

4.1 MEETING DEMAND

Demand for culture and the arts from the catchment area can manifest in one of the following ways:

1. It can be met locally, with activities occurring at existing local facilities.
2. It can be met outside of the catchment area (i.e. local residents travelling outside the catchment area to attend or participate in cultural activities). This is known as leakage.
3. Not being met at all – activity does not occur, due to the lack of a facility. This is latent demand.

Demand being met locally is relatively easy to measure, especially as there are currently few facilities in the northern suburbs. Using City of Joondalup research and further consultation, Pracsys has developed estimates of demand that is being met locally, as described above in Chapter 3.

Pracsys has also found anecdotal evidence of local cultural groups travelling as far as the Swan Park Theatre, Midvale, and Penrhos College, Como, and even to the Mandurah Performing Arts Centre to stage their performances. Thoroughly measuring leakage would be a major undertaking, and would involve surveying large numbers of residents and cultural organisations in the catchment area.

Latent demand cannot be measured, as it isn't possible to measure something that isn't occurring. To estimate latent demand, Pracsys has used a revealed preference model, also described in Chapter 3.

4.2 EXISTING FACILITIES IN THE CATCHMENT AREA

Building on previous consultation performed by the City of Joondalup, Pracsys interviewed the managers of the performing arts centres at Prendiville Catholic College, Sacred Heart College and St Mary's Anglican Girls School. Interviews were also conducted with ECU, Joondalup Resort, Arena Joondalup, the Joondalup Convention Centre and the Perth Convention Bureau.

Pracsys also attempted to contact the Swan Park Theatre in Midvale, and the Rixon Theatre at Penrhos College, as consultation with cultural organisations in the City of Joondalup revealed that some were travelling to these venues to perform, but was unsuccessful in contacting them.

Previous work undertaken by the City of Joondalup has identified significant performing arts facility - related gaps within the primary catchment area.¹⁶ These gaps have been substantially verified by Pracsys' research. To understand the impact of these gaps an analytical hierarchy of entertainment and performing arts facilities has been developed (Figure 28). This hierarchy is based on the idea that culture and arts facilities should be located to facilitate the most efficient supply of services to the community. In doing so, it is necessary to make the distinction between different facilities built for the same activity/activities in terms of the function, technical capability, profile and catchment.

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Feasibility Study for the Establishment of a Regional Performing Arts Centre @ Joondalup, APP Projects, 2001.

Figure 28: Performing Arts and Cultural Facility Hierarchy

Level	Function	Technical Capability and Design Sophistication	Profile	Catchment	Examples
1	Multi-purpose, culture and arts specific facility incorporating a range of spaces. Accommodates one or more resident companies.	Incorporates specialist facilities and equipment. Specifically designed and built for purpose. Maintained to a high standard	High	Sub-Regional or Metropolitan	Mandurah Performing Arts Centre, State Theatre Centre
2	Multi-purpose, culture and arts specific facility incorporating a limited range of spaces. May accommodate a resident company.	Specifically designed and built for purpose. Maintained to a reasonable standard. May incorporate some specialist facilities and equipment.	Medium	Local	Secondary Schools, Limelight Theatre
3	General purpose, joint use facility.	Lacks specialist facilities and equipment. Generally built and maintained to a basic level.	Low	Neighbourhood	Primary Schools, Community and Youth Centres, Public Open Space

Source: Pracsys (2012)

The current supply of facilities within the primary catchment area is exclusively level two and three. The only purpose built performing arts venue in the primary catchment is the Wanneroo Repertory Company's Limelight Theatre. While the theatre is attractive and well utilised it is unsophisticated in its technical capability and design. There are also performing arts centres at Prendiville Catholic College and Sacred Heart College, as well as St Mary's Anglican Girls' School, in Karrinyup. External users do have to work around the demands of the host schools, however. Beyond this, facilities are limited to general purpose community centres or sports facilities which lack the specialist facilities and equipment to accommodate popular and premium events or large community audiences.

4.2.1 School-based Performing Arts Facilities

Pracsys consulted with the theatre managers at Prendiville Catholic College, Sacred Heart and St Mary's Anglican Girls' School. Prendiville Catholic College has a 300 seat raked auditorium, with a 60m² stage, and limited fly system, due to the lack of void above the stage. St Mary's has 509 seats, with a very steep rake (which affects the acoustics) and a 15m by 16m stage. It does not have a fly tower, but does have a walkway overhead for fitting lights. Sacred Heart has a 545 seat auditorium, a 100m² hydraulic stage and an orchestra pit.

The three facilities are all quite heavily utilised, and have limited free capacity, especially during the busy periods on weekends, and at the end of the year, when there are a range of end of year productions by local schools and dance schools. There is more free capacity early in the year, as local schools and dance and drama schools typically stage their productions mid-

year or at the end of the year. All three facilities reported dance schools as being a significant source of bookings, as well as frequent use for drama and music performances. St Mary's reported that drama bookings are not as common, as they generally need to book a facility for a large block of time. The facilities also host conferences and functions.

The managers of all three facilities supported the development of the JPACF, and wanted to see a larger facility than currently exists in the north-west corridor. The feedback received was that the facility should be quite large, with between 750 and 1,000 seats. The manager of Prendiville stated that a facility similar to His Majesty's Theatre or The Regal Theatre would be ideal. A large stage and change rooms are also important considerations.

Facilities managers agreed that there was unmet demand in the north-west corridor, and the manager of Prendiville stated that dance schools have been growing out of the venue. Dance schools are travelling to the Swan Park Theatre in Midvale to stage their productions. This is 40 minutes' drive from Joondalup and the facility is not really suitable, so this is a bit of a problem.

The managers of St Mary's and Sacred Heart both reported that a lot of schools are either building or planning to build performing arts centres. Churchlands Senior High School is due to open one soon, with 450-500 seats.

The manager of Sacred Heart made the point that management is the most important factor in the success of a facility. A successful manager needs a range of skills, not only technical skills, but HR skills, the ability to deal with artistic people and business sense.

4.3 DEMAND BEING MET OUTSIDE THE CATCHMENT AREA

There are two facets to the demand that is leaking out of the catchment area: (i) residents travelling outside of the area to attend events, and (ii) local cultural or arts organisations that are travelling outside of the area to conduct their activities (classes, rehearsals, performances, etc.). Reliably estimating the number of residents travelling elsewhere to attend cultural events would require extensive surveying of local residents.

As mentioned in Chapter 3, Pracsys contacted 115 local cultural organisations, although was only able to successfully consult with a small fraction of these. However, even this small sample revealed evidence of demand leaking out of the primary catchment, with local dance schools in particular travelling as far as Midvale, Como and Mandurah to stage performances, as mentioned above.

4.4 IDENTIFIED GAPS IN FACILITIES

Currently the largest theatre in the catchment area is at Sacred Heart College, at 600 seats. The next two largest facilities are also located at schools (Prendiville and St Mary's). Aside from issues of theatre capacity, school-based performing arts centre are going to have the two problems of being required to meet the needs of the school to which they are attached, and that there will be limits to the types of productions that can be staged at a school-based facility. Productions that are considered to have inappropriately adult content, or to be in some other way controversial might not be

allowed into these facilities, particularly as they are based at schools with religious affiliations. The only other performing arts facility in the catchment area is the Limelight Theatre, which has only 177 seats.

Pracsys consultation has revealed evidence of the inadequacy of the existing provision of facilities in the catchment area. The three main findings were:

1. The school performing arts facilities are heavily booked, and cultural organisations have reported difficulty gaining access to them. This is despite reports from cultural organisations that seating was inadequate.
2. The managers of all three of the school-based performing arts centres felt that building a large performing arts and cultural facility in Joondalup would be a good idea. The managers of the Prendiville Performing Arts Centre, Lady Wardle Theatre, St Mary's, and Sacred Heart Performing Arts Centre suggested a theatre of 750, 900 and 1,000 seats, respectively. Comments from local cultural organisations support this (see Chapter 3 for more detail).
3. Local dance schools have reported travelling some distance to make use of larger facilities – as mentioned, to the Swan Park Theatre, Midvale (600 seats), to the Rixon Theatre, Penrhos College, Como (750 seats), and even to the Mandurah Performing Arts Centre (800 seats).

4.5 LATENT DEMAND – BENCHMARK FACILITIES

In addition to the unmet demand in the City of Joondalup that is leaking out to other areas, there is also a quantity of demand for attendance or participation in cultural activities that is not taking place at all, due to the lack of facilities. This would include activities that residents of the catchment area might not even think to do, as there is no example of it happening anywhere near them.

As this activity is not taking place, it cannot be measured. It must therefore be extrapolated, based on estimates of the level of demand that can be expected of the catchment population. Pracsys is employing two methods to achieve this:

1. Examining the demographic profile of the catchment, and estimating cultural attendance and participation based on state averages. These averages are sourced from various ABS surveys. This analysis is detailed in Chapter 3.
2. Benchmarking – comparing the catchment area with demographically and geographically similar areas served by a performing arts facility. The three facilities that have been used as benchmarks for this study are:
 - Joan Sutherland Performing Arts Centre, Penrith, NSW
 - Frankston Arts Centre, Vic
 - Ipswich Civic Centre, Qld

These facilities have been chosen based on their catchment area's demographic similarity to the City of Joondalup.

4.5.1 Joan Sutherland Performing Arts Centre

The Joan Sutherland Performing Arts Centre is located in Penrith, NSW, 50 km west of the Sydney CBD. According to the centre's website, its facilities are: a 660 seat concert hall, 380 seat drama theatre, 90 seat performance studio and 27 meeting rooms. The largest of these rooms can accommodate 80 people, theatre style or 35, boardroom style. The centre is located in central Penrith.

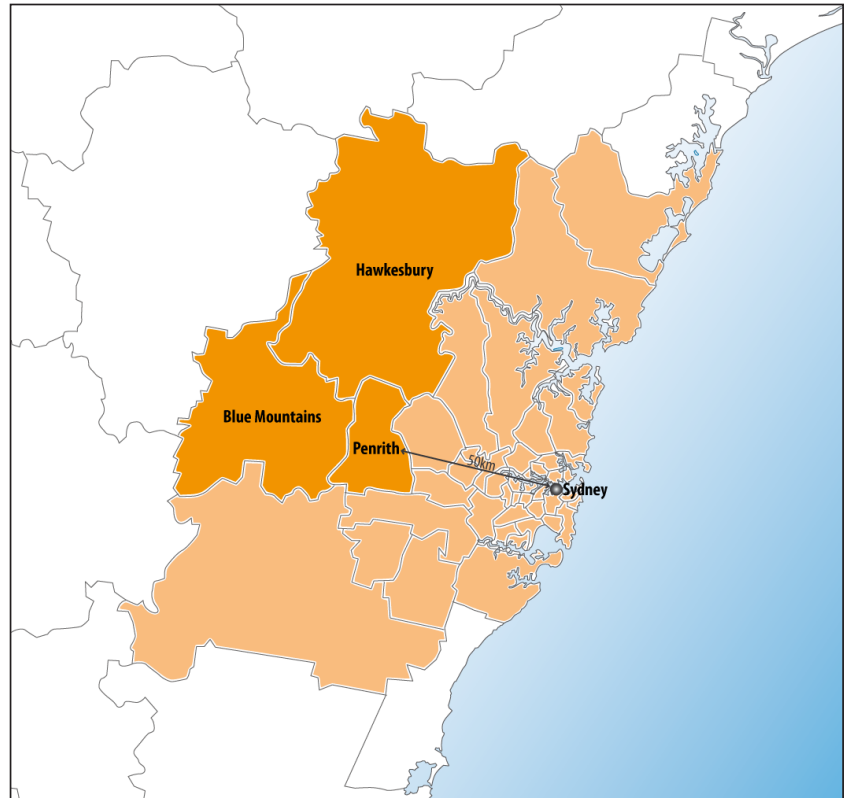
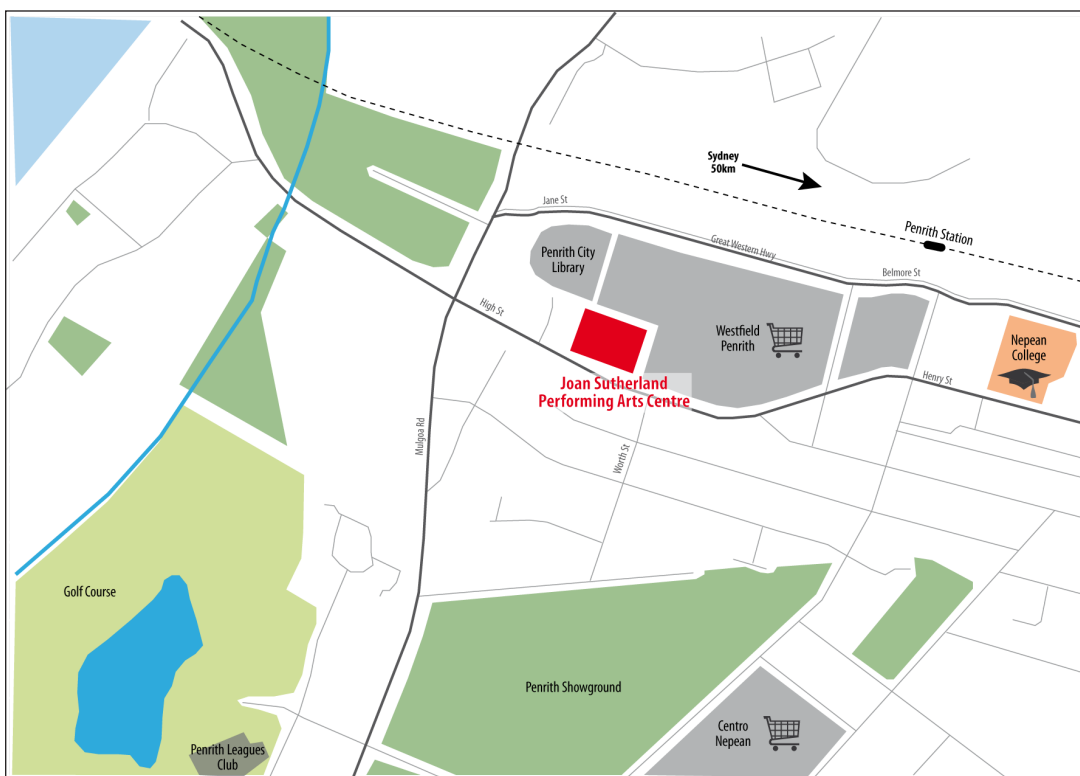


Figure 29: Local Context of Joan Sutherland Performing Arts Centre



Source: Pracsys (2012)



4.5.2 Frankston Arts Centre

The Frankston Arts Centre is located in central Frankston, Victoria, 40 km south-east of Melbourne CBD. The main theatre is a proscenium arch theatre with seating for 800 people. According to the website, it has the second largest stage in Victoria. The second performance venue is Cube 37, which has seating for 194. Cube 37 can be set with tiered seating or configured for dance or cabaret events or exhibitions. There is also a function centre, which can seat up to 500 theatre style or up to 300 cabaret style.

Figure 30: Local Context of Frankston Arts Centre



Source: Pracsys (2012)

4.5.3 Ipswich Civic Centre

Ipswich is located approximately 40 km west of Brisbane CBD. The Ipswich Civic Centre has a range of rooms that can be used as theatres or for functions. The largest of these, the George Hogg Auditorium is the largest theatre and formal dining room in Ipswich. It can seat 741 in theatre style or 270 banquet style. The next largest room is the Cunningham Room, which can seat 160 theatre style or 130 banquet style. The Civic Centre also has the smaller Lockyer and Logan rooms, which can be used for functions and meetings.

The City of Ipswich is also planning a new performing arts facility, and consultants have prepared a business plan, design model concept and funding model. These studies were funded with Federal Government assistance. The City is now waiting to receive funding assistance from the Federal and Queensland governments to begin construction. The City has advised Pracsys that this is not expected to happen for another ten or twenty years, as mentioned above.

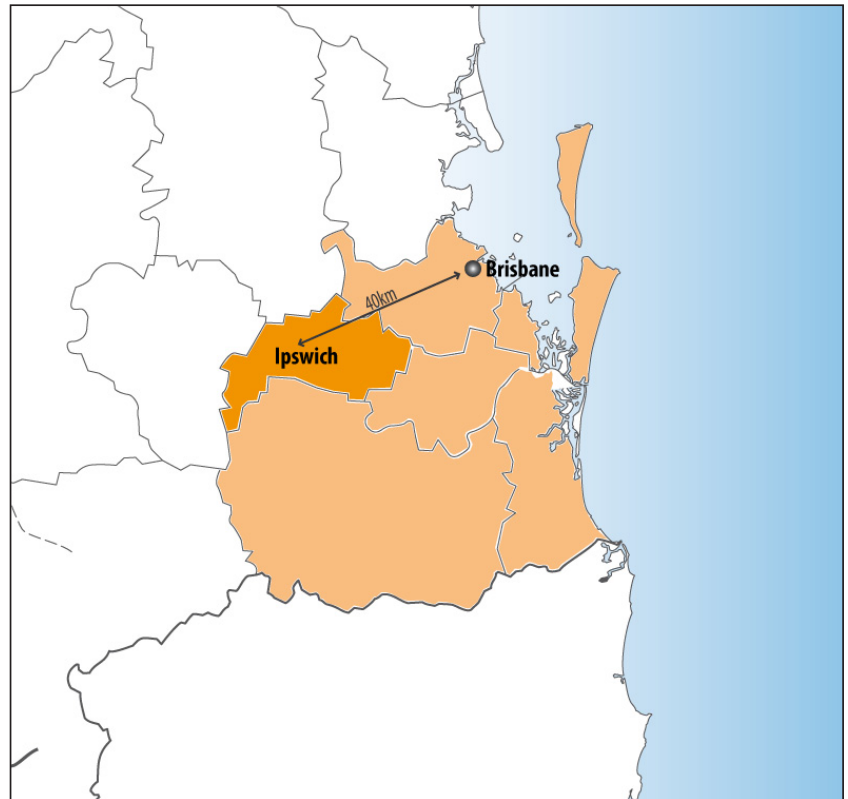


Figure 31: Local Context of Ipswich Civic Centre



Source: Pracsys (2012)

4.6 CONFERENCES AND FUNCTIONS

4.6.1 Existing Facilities in the Catchment Area

There are three major conference and function facilities in the catchment area: the Joondalup Reception Centre, Joondalup Arena and Joondalup Resort. There is also a conference room and lecture theatre at ECU, but it has limited availability for external hires.

There is currently still quite a bit of free capacity at the existing function spaces within the City. Rather than there being evidence of a lack of function capacity, respondents reported that lack of parking and accommodation are bigger issues in terms of their business.

Joondalup Reception Centre

Joondalup Reception Centre has two main conference rooms, that can be combined together. When combined, they can seat 400-500 people, theatre style, or 250, banquet style. In addition, the centre's Glass House room can seat up to 40 in theatre style, and the foyer area can seat 50, banquet style. The reception centre currently has around 300 different customers, and hires include weddings, parties, government department functions and community groups. Functions are typically for between 10 and 300 people.

There is quite a bit of free capacity at the Joondalup Reception Centre, although it varies during the course of the year, and the centre is quite quiet in January. Generally the single rooms are more heavily used (as opposed to the combined conference rooms). Overall, the centre is only about 50% utilised, and would like to be busier.

The Reception Centre has lost quite a bit of business due to the lack of free parking nearby. They reported that prospective customers have explicitly told them that they have gone elsewhere for this reason. Due to the current lack of business, the Reception Centre would view additional function space at the JPACF as unnecessary, and a concern. They expected that if the City was managing the facility, then spaces would probably be offered at a low cost, and the Reception Centre could not compete. Theatre facilities would be good, however. They also see Joondalup Arena as a competitor and the library, which has several rooms.

Joondalup Arena

Joondalup Arena has a range of function spaces, in addition to its main indoor stadium. Not including the indoor stadium, the spaces can accommodate between 50 and 300 people theatre-style, between 90 and 350 in cocktail format, or between 60 and 200 people at a sit-down banquet. These spaces can also act as classrooms for between 45 and 120 people. The indoor stadium has retractable seats, and can seat 2,250 theatre-style (i.e. normal stadium format), or a banquet or cocktail function for 1,000 people.

Arena reported that they are not typically seen as a function venue, but this perception is changing. The facility is mainly used by corporate groups during weekdays, while on weekends it is used more for commercial functions and dinners, for up to 250 people. Free capacity is variable during the year and over the course of the week. On Sundays there is not much activity, and Friday night is also not particularly busy. On Saturdays there is a lot of activity. In general, there is quite a bit of free capacity, although it is expected that Arena will get busier in the future. The Sports

Bar (capacity 180) acts as a public bar on Mondays and Thursdays, and is heavily used on Saturdays. During the week it is used for internal purposes, as it is generally free. The stadium is mainly used for community sports events.

Arena does not see any particular merit in building the JPACF, but would not consider it a competitor. They commented that a lot of people in the area want theatre-style seating, and that there is particular demand from drama and dance groups.

Joondalup Resort

Joondalup Resort hosts government department functions, weddings, engagements and small meetings. Weddings are typically for 80 to 160 people, and the majority of conferences are for between 5 and 220 people. Meetings of 30 to 40 people with overnight accommodation included are quite common as well. Joondalup Resort has 70 rooms for accommodation. Joondalup Resort is also about to begin construction on a new function venue, capable of holding between 400 and 450 people. The new venue is expected to be completed by the end of 2013.

Utilisation varies throughout the year. This year, the period from October to December is fairly full, but April to July were quite quiet. A lot of clients book at the last minute and can still be accommodated. Business dropped off during the GFC, but is beginning to pick up again. The distance from central Perth is also a factor limiting the amount of business the Resort receives.

Resort does not see any particular need for further function spaces at the JPACF. For Resort,

the bigger issue is a lack of accommodation in the area.

Edith Cowan University (ECU)

ECU's conference room is located in Building 1, the Chancellery building. It is currently only used internally, but is available for commercial hire. This requires permission from the Chancellery, however. The conference room is available for \$40 an hour, plus a further equipment charge (if needed) of \$100 for four hours. The room can accommodate up to 60 people.

The lecture theatre space can accommodate up to 372 people, seated. This is the main lecture theatre on the campus and is heavily used during class times - 8am to 6pm - during semester. ECU estimated it as being in use 80% of the time. Outside of class times, the theatre is not heavily used. It is available for \$100 per hour (without the use of the foyer), or from 9am to 5pm for \$600.

ECU's new Building 34 is currently under construction, and will likely have a small conference or meeting space. It is due to open in early 2015. This building is expected to cost \$72 million.

4.6.2 Future Demand

While there is currently quite a bit of free capacity in existing conference facilities, rapid population growth and Joondalup's economic development will increase demand over time. Reduced capacity in central Perth will also generate demand for conference space in suburban locations. Population growth will increase demand for community-based functions, such as weddings as well.

According to the Perth Convention Bureau (PCB), Perth CBD conference venues are quite full, so organisers are looking further afield for venues. People will travel 30-40 minutes for a suitable function venue, so there is the potential for increased demand in Joondalup for the types of functions that are currently taking place in central Perth. The lack of accommodation is an issue (see below), however, but if national and international conferences are absorbing a lot of the function capacity in the CBD, then state-based conferences could be held in Joondalup (among other suburban locations).

4.6.3 Shortfalls in Parking and Accommodation

As mentioned above, parking and accommodation were raised as issues by existing facilities in the area, and the Joondalup Reception Centre reported losing business due to the lack of free parking.

Joondalup Resort often hosts conferences of one to two days, with delegates staying the night. They are limited to only 70 rooms of accommodation, however. PCB reported that the typical conference size in Perth is around 300 people, with many of the delegates coming from outside Perth, but that Joondalup Resort was more or less all of the quality accommodation that was on offer in the area. National and inter-national delegates would want to remain reasonably close to the event, so nearby accommodation is important if Joondalup wishes to attract these events. Mandurah was given as a good example of a conference facility being integrated with quality accommodation and into the surrounding urban fabric.

4.6.4 Summary

Based on the above analysis, the case for further conference or function facilities is marginal at the present. In the current market, additional conference facilities at the JPACF would probably be redundant. However, rapid population growth is expected in the catchment area, which will increase demand. Also, as Joondalup matures as an economic centre (a related but distinct concept from the local population-driven economy getting bigger), there will likely be growth in business activity (and so demand for conferences and functions) in excess of population growth.

The feedback from Pracsys consultation is that the greater issue at this stage is parking and accommodation issues, and how facilities are integrated into the surrounding urban fabric. These shortfalls will only become more acute as the market for facilities develops.

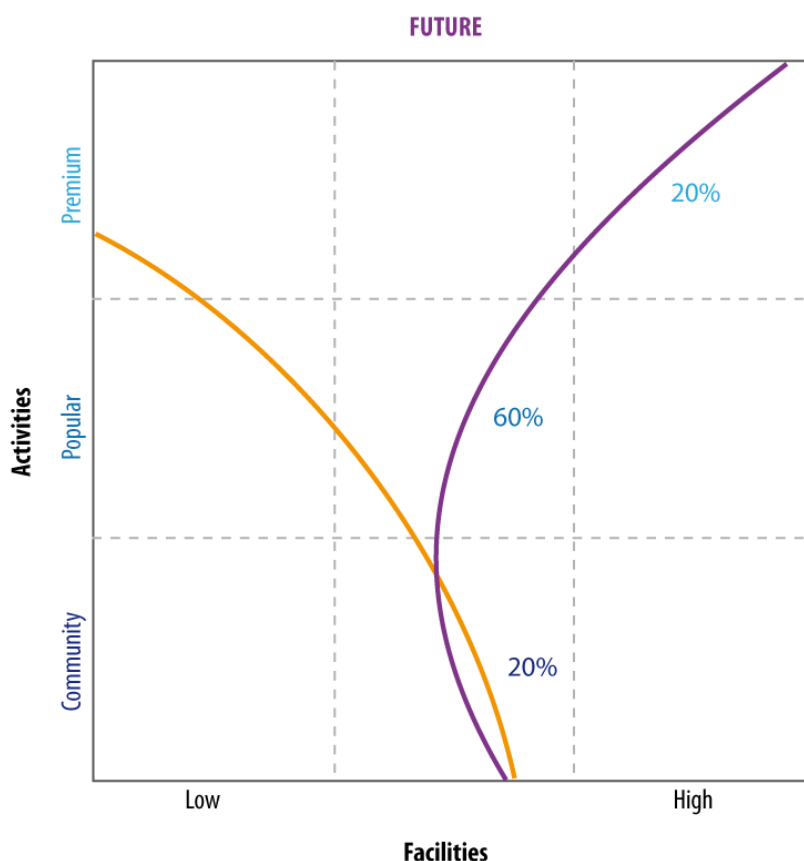
5 SUMMARY - KEY FINDINGS OF MARKET DEMAND ANALYSIS

Key findings from the analysis and consultation are:

- Attendance and participation in culture and the arts in the primary catchment is expected to increase rapidly, due to strong population growth.
- Adult attendance is strongly influenced by children's participation (as parents go to watch their children perform). This is particularly so for children's dance.
- Attendance and participation decreases with age.
- Professional arts producers generally reported that they would use a new facility along the lines of what is being considered for the JPACF, and many stated that they do not produce in the north-west corridor because of the lack of a suitable facility. This suggests that there is considerable latent demand in the primary catchment.
- Many local cultural organisations (especially dance schools) have reported a lack of suitable facilities in the primary catchment, and some are travelling to Midvale, Como and even Mandurah to perform.
- Existing conference and function venues are currently under-utilised, although demand is likely to increase significantly, as the population grows and Joondalup's economy matures. Instead of a lack of function spaces, problems were identified with a lack of quality accommodation and (free) parking.

Based on these findings a proposed future positioning for the JPACF is illustrated in Figure 32. It is anticipated that the programming of the JPACF will comprise 20% community activity, 60% popular activity and 20% premium activity.

Figure 32: Future Activity and Facility Positioning



Source: Pracsys (2012)

6 MODEL PROGRAM

6.1 METHODOLOGY

The model program has been developed based on the existing programs of performing arts and cultural facilities, the consultation conducted during the market analysis of this study and the expert opinion of experienced managers of performing and visual arts programs. It is important to note that this is just one possible program, based on the type of events that are likely to occur at the JPACF, and has been developed for analytical purposes. There is a wide range of potential programming options that could be pursued, at the discretion of management. The purpose of this model program is to link the demand for arts and cultural events to a facility specification, so that further aspects of the feasibility analysis can be completed.

Examining the programming of existing facilities is particularly important for understanding the full range and variety of events that are likely to be hosted by the JPACF. The facilities examined include all Perth Theatre Trust venues (His Majesty's Theatre, Subiaco Arts Centre, Albany Entertainment Centre and the State Theatre Centre of WA), most major Circuit West venues in Western Australia (Mandurah Performing Arts Centre, Bunbury Regional Entertainment Centre, Queens Park Theatre, Goldfields Arts Centre), commercial venues (like the Astor Theatre) and significant national performing arts centres and cultural facilities. Particular attention has been focused on the current programs of Ipswich Civic Centre, the Joan Sutherland Performing Arts Centre, Penrith, and Frankston Arts Centre, as these facilities serviced communities and catchment areas that have a high degree of similarity to the primary catchment of the proposed JPACF.

There was a great deal of consistency between the programs offered by these facilities, in terms of the commercial touring events that were playing.

The art forms and other uses that have been included in the model program are: film, comedy, theatre, dance, music, school uses and visual arts.

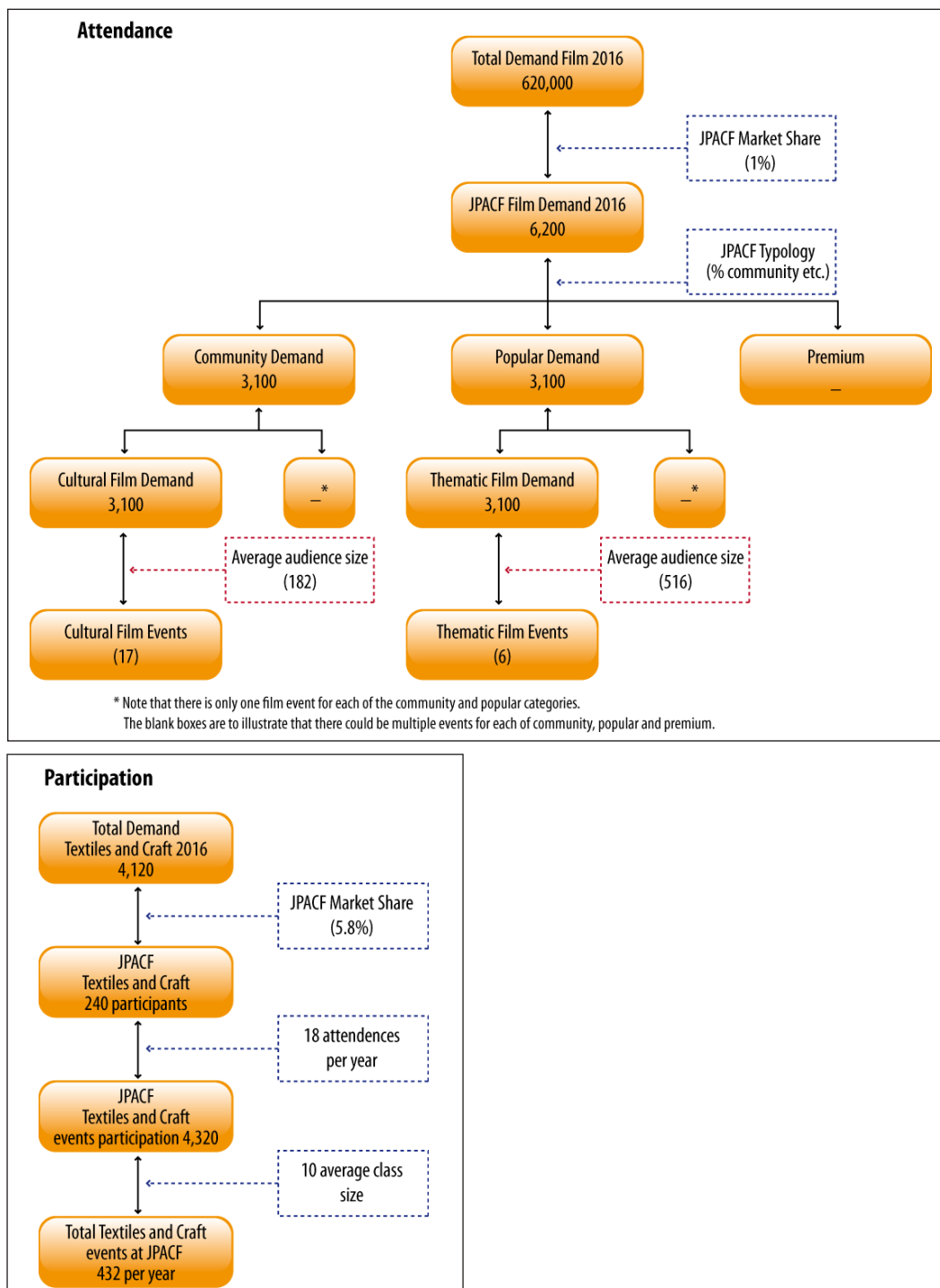
Figure 33 outlines the methodology used to estimate attendance event numbers for the first five arts forms. The methodology uses benchmarking and consultation to estimate a number of events and number of attendees. It also splits activities into premium, popular and community events for each art form, as well as a market share for the JPACF based on 2016 demand forecasts.

In practice, this split will be determined by the City's cultural policy and management discretion. Community events are unlikely to contribute much to the financial viability of the facility, and the City will have to decide what level of subsidised activity to allow in the JPACF, in line with the requirement of the project philosophies and parameters, which state that the facility should be able to "host a mixture of commercial and community activities that supports the viability and attraction of the venue".¹⁷

The programs for the remaining three activity types were derived directly from stakeholder consultation.

17 Minutes of Strategic Financial Management Committee – 27.04.2010; Item 2: Joondalup Regional Cultural Facility – Project Philosophies and Parameters, City of Joondalup (2010).

Figure 33: Methodology used to Estimate Attendance and Participation Numbers



Source: Pracsys (2012)

Figure 33 also outlines the methodology used to estimate participation event numbers, using textile crafts as an example.

The model programs will later be calibrated to the accommodation schedule outlined in Chapter 7. To convert events to facility demand, Pracsys has conservatively assumed a one to one relationship between each event and the space required. In reality, there is often one to many relationships, which will allow management greater flexibility to maximise the utilisation of all spaces. A summary of the data used in the model program can be found in Appendix 2.

6.2 FILM ATTENDANCE

Film is potentially the most popular of the cultural and arts activities. By 2016, the primary catchment will generate an estimated 620,000 film attendances per annum. The majority of this demand will continue to be absorbed by the network of commercial cinemas and the existing Perth International Arts Festival's Lotterywest Film Season; however there is scope to develop a niche film program at the JPACF. The film program for the JPACF is assumed to be focused equally on the community and popular segments. The proposed film program implies the capture of 1% film demand in 2016.

Premium (Art House Cinema)

As mentioned above, while no premium film content has been included in the model program, there is the possibility of niche film programming being run at the JPACF.

The Film in the Pines as part of the Perth International Arts Festival has proved to

be a successful and enduring event, and demonstrates the viability of art house and European films in the northern corridor. A similar program could be considered for the Art Box, and could be run in a secondary space. This can be extended to weekly or monthly programs like the French Film Festival currently run at Luna Essex and Cinema Paradiso, if attendances warranted it.

Popular

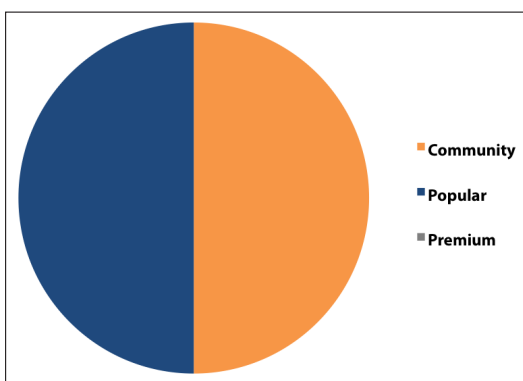
The popular component of the film program is assumed to be delivered in the form of "thematic film events". Examples of these events include anniversary screenings of cult films, and popular film premiers. These events would occur regularly, averaging 17 events per annum and would best be accommodated within a secondary space.

Community

The community component of the program is assumed to be comprised entirely of "film cultural events". Examples of these include Tropfest Australia and touring festivals such as "In the Bin". There is clearly scope for Joondalup to organise its own film festival.

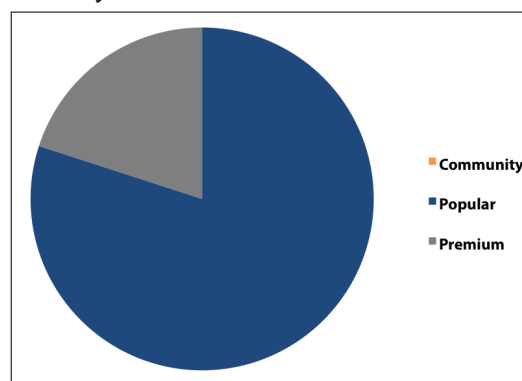
Film cultural events typically occur less frequently, approximately six times per annum; however they are on average larger than the regular popular film program and as such can be accommodated in a diverse range of spaces, including the primary space but also outdoor spaces incorporated on the site.

Figure 34: Model Program – Attendance at Film



Source: Pracsys (2012)

Figure 35: Model Program – Attendance at Comedy



Source: Pracsys (2012)

Summary

The proposed film program for JPACF will attract 6,200 attendees per annum, to around 23 events.

6.3 COMEDY ATTENDANCE

By 2016, adults in the primary catchment are estimated to generate an estimated 75,000 comedy and other performance attendances per annum. The JPACF program implies the capture of 20% of total comedy and other performing arts demand in 2016.

Figure 35 summarises the composition of the theatre program for the JPACF. The program has been weighted toward the popular segment, however with a small premium component which will allow the catchment better access to all levels of the art form. No community comedy activity has been included as it was assumed that this would be better accommodated through the existing network of venues, including pubs and nightclubs.

Premium

The premium segment is planned to accommodate 20% of total comedy and other performing arts attendance at the JPACF, composed of shows for comedy festivals such as the Perth Comedy Festival and the Melbourne Comedy Festival. The program plans for six event days per annum of premium comedy to be accommodated in both the primary and secondary spaces.

Popular

The popular segment is planned to accommodate 80% of total comedy attendance at the JPACF and to be composed of shows primarily from Australian comedians such as Akmal Saleh, Jimeoin and the Umbilical Brothers. The program would also include visiting international comedians on national touring circuits. The program plans for 25 event days per annum of popular comedy to be accommodated in both primary and secondary spaces.

Summary

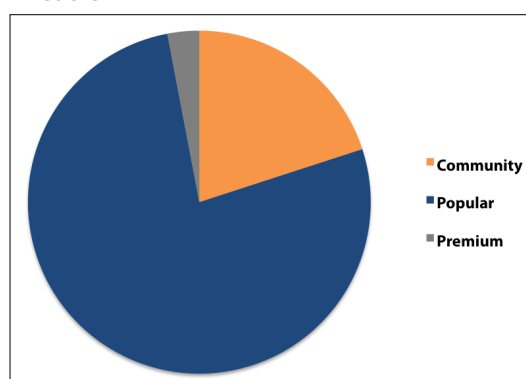
The proposed comedy program for the JPACF is estimated to attract 15,000 attendees per annum, to around 32 events.

6.4 THEATRE ATTENDANCE

By 2016, adults in the primary catchment will generate an estimated 51,500 theatre performance attendances per annum. In addition to this, there will be a large cohort of child attendees. The JPACF program implies the capture of 25% of total theatre performance demand in 2016.

Figure 36 summarises the composition of the theatre program for the JPACF. The program has been weighted toward the popular segment, however with a small premium component which will allow the catchment better access to all levels of theatre, and the presence of which may in turn drive demand for participation and attendance.

Figure 36: Model Program – Attendance at Theatre



Source: Pracsys (2012)

Premium

The premium segment is planned to accommodate 3% of total theatre attendance at the JPACF and to be comprised of contemporary performance from PICA and PIAF, as well as other periodic touring content. The program plans for 11 event days per annum of premium theatre to be accommodated in a secondary space of the JPACF.

Popular

The popular segment is planned to accommodate 77% of total theatre attendance at the JPACF and to be comprised of:

- Touring shows – subsidised (15% of attendance)
- Touring shows – commercial (40% of attendance)
- Local shows – (30% of attendance)
- Contemporary performance (15% of attendance)

Subsidised touring shows include performances such as those presented by Hit Productions and Bell Shakespeare. The program plans for 10 event days per annum to be accommodated in the primary space.

Examples of commercial touring shows include, Certified Male, Busting Out and Mum's the Word. The program plans for 12 event days per annum to be accommodated in the primary space.

Local shows include performance by local companies such as Black Swan Theatre Company and Deckchair Theatre Company. The program plans for 12 event days per annum to

be accommodated in the primary space.

Contemporary Fringe may include shows as part of Fringe World. The program plans for 18 event days per annum to be accommodated in a secondary space.

Community

The community segment is estimated to accommodate 20% of total theatre attendance at the JPACF. The focus of the community theatre program should be on performances by existing local amateur theatre companies such as Endeavour Theatre Group, as well as new theatre groups that may emerge in the future.

The program plans for 27 event days per annum of community theatre to all be accommodated in the primary space.

Summary

The proposed theatre programme for JPACF will attract 21,500 attendees per annum, to around 90 events.

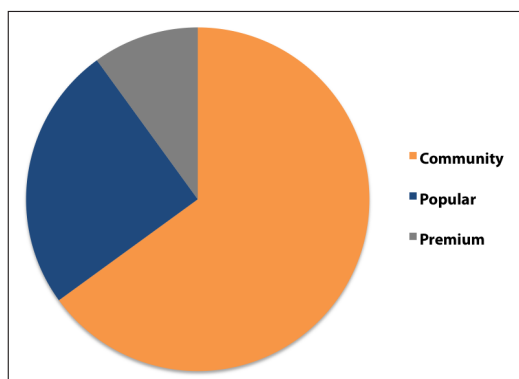
6.5 DANCE ATTENDANCE

By 2016, adults in the primary catchment will generate an estimated 51,500 dance performance attendances per annum. In addition to this, there will be a large cohort of child attendees. The JPACF program implies the capture of 39% of total dance demand in 2016.

Figure 37 summarises the composition of the dance program for the JPACF. The program has been weighted toward the community and popular segments, however with a small premium component which will allow the catchment better access to all levels of dance,

and the presence of which may in turn drive demand for participation and attendance.

Figure 37: Model Program – Attendance at Dance



Source: Pracsys (2012)

Premium

The premium segment is planned to accommodate 10% of total dance attendance at the JPACF and will be comprised mostly of premium contemporary dance. Approximately half the attendance demand will be accommodated in the primary space by performances from companies such as Bangarra Dance Theatre. The balance will be accommodated in the secondary space by companies such as STRUT dance and events such as the Perth Festival. The program plans for 10 event days per annum of premium contemporary dance.

Popular

The popular segment is planned to accommodate 25% of total dance attendance at JPACF and to be comprised of three categories of popular contemporary dance:

- Contemporary dance (63% of attendance)
- Youth contemporary dance (32% of attendance)
- Education-based contemporary dance (5% of attendance)
- Local dance school performance (60%)
- Community dance company performances (40%)

Contemporary dance includes popular performances such as Burn the Floor and Tap Dogs. The program plans for 5 event days per annum for contemporary dance to be accommodated in the primary space.

Youth contemporary dance includes performances such as those by BUZZ. Buzz Dance Theatre is Australia's premier dance theatre company for children and young people. The program plans for 11 event days per annum for youth contemporary dance to be accommodated in a secondary space.

Education-based contemporary dance includes activities by companies such as WAAPA. The stakeholder consultation revealed that WAAPA is continually seeking new venues for rehearsals and performances. Their current program is limited by a lack of affordable venues and there is potential for WAAPA to partner with the City in the use of the JPACF. This type of popular activity is a good extension of the existing community of practice for dance. The program plans for three event days per annum for education-based contemporary dance to be accommodated in the secondary space.

Community

The primary catchment has a very strong community of practice for dance, particularly for children. The community segment is planned to accommodate 65% of total dance attendance at the JPACF and to be comprised of two categories of activity:

The local dance school performances and approximately half the community dance company performances will need to be accommodated in the primary space. The balance will be able to be accommodated in a secondary theatre space.

Summary

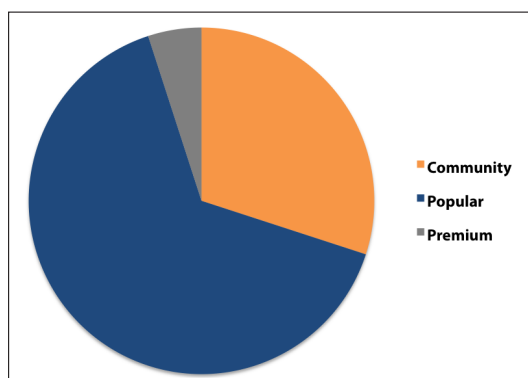
The proposed dance programme for JPACF will attract 20,000 attendees per annum, to around 52 events.

6.6 MUSIC ATTENDANCE

Second only to film, music is one of the most popular culture and arts activities. By 2016, adults in the primary catchment will generate an estimated 349,000 music performance attendances per annum. In addition to this, there will be a large cohort of child attendees. There is currently strong leakage of demand outside the catchment, particularly for large format popular music. While the JPACF is unlikely to curb this leakage significantly, it will go some way to address the leakage of small and medium scale music events outside the catchment. This JPACF program implies the capture of around 15% of total music demand in 2016.

Figure 38 summarises the composition for the music program for the JPACF. The program has been weighted heavily toward the popular segment.

Figure 38: Model Program – Attendance at Music



Source: Pracsys (2012)

Premium

The premium segment is planned to accommodate 5% of total music attendance at the JPACF and to be comprised of:

- Contemporary chamber music (40% of attendance) e.g. Musica Viva and Tura events
- Contemporary orchestral music (40% of attendance) e.g. WASO Horizons and the Philip Glass Ensemble
- Traditional opera and orchestra (20% of attendance) e.g. Perth Symphony Orchestra and WA Opera

The program plans for five event days per annum for premium music to all be accommodated in the primary space.

Popular

The popular segment is planned to accommodate 63% of total music attendance at the JPACF and will be comprised of four categories of popular music:

- Popular classical (25% of attendance) e.g. Artists such as Teddy Tahu Rhodes, Tom Burlinson and Todd McKenny
- Popular contemporary (25% of attendance) e.g. Artists such as the Waifs and Missy Higgins
- Popular contemporary thematic (25% of attendance) e.g. Tim Rogers and Friends do The Beatles
- Popular youth (25% of attendance) e.g. Artists such as Snow Patrol, The Panics and Matt Corby

The program plans for 60 event days per annum of popular music to all be accommodated in the primary space of the JPACF.

Community

The community segment is assumed to accommodate 30% of total music attendance at the JPACF and to be comprised of components of the City's existing program as well as a number of new programs the City may opt to deliver.

Sunday Serenades (25%) – This is an existing program run by the City of Joondalup, currently accommodated in the civic chambers. The new JPACF will allow this program to be accommodated either in the larger primary space or a range of other spaces within the JPACF.

Morning Melodies – (25%) This or a similar program could potentially be introduced by the City of Joondalup. It would be a regular program targeted at seniors and incorporating morning tea and music concerts in the secondary space or other space.

Themed nights – (25%) This or a similar program could potentially be introduced by the City of Joondalup. It would be a series of quarterly community concerts based on a theme, similar to the City's existing Valentine's Day concert. The new JPACF will allow this program to be accommodated in the large primary space.

School holiday concerts – (25%) This or a similar program could potentially be introduced by the City of Joondalup. It would be a series of quarterly community concerts. The new JPACF will allow this program to be accommodated in the large primary space.

The program plans for 56 event days per annum of community music events to be accommodated in the JPACF.

Summary

The proposed Music program for the JPACF is modelled to attract 52,000 attendees per annum to around 122 events.

6.7 VISUAL ARTS ATTENDANCE

Programming for visual arts incorporates a range of community and popular shows. The key community uses will be the Joondalup Community Art Exhibition (14 event days), as well as a number of school exhibitions which are addressed below. In addition, the JPACF is planned to support a program of 12 popular art exhibitions per annum requiring 12 opening night functions and totalling 240 event days.

6.8 SCHOOL USE

Consultation with schools in the primary catchment was conducted by the City of Joondalup. The resulting needs and program

analysis revealed that the proposed JPACF would have the capacity to accommodate existing annual demand for 15 graduation ceremonies, 38 performances and 12 exhibitions, as well as any additional demand that may emerge in the near future.

6.9 JOONDALUP EISTEDDFOD

The Joondalup Eisteddfod is a major annual performing arts competition which has been running for 25 years. It provides an opportunity for local performers, musicians, poets, choirs and groups of all ages to display their talents in front of a live audience and receive critical feedback from professional adjudicators. The competition takes place over four weekends and is currently hosted at Sacred Heart College. It is envisaged that the JPACF will provide an opportunity to bring this major event into the Joondalup City Centre.

6.10 ARTS AND CRAFTS PARTICIPATION

By 2016, as many as 11,300 adults in the primary catchment will participate formally in the following arts and crafts activities:

- Textile crafts, jewellery making, paper crafts or wood crafts
- Glass crafts, pottery, ceramics or mosaics
- Printmaking, screen printing or etching
- Photography, film-making or editing, apart from recording personal events
- Sculpting, painting, drawing or cartooning, including digital pieces

The JPACF program of visual arts and craft courses implies the capture of between 3.5% and 7% of total adult formal arts and craft

participation in 2016, depending on the frequency of attendance of individuals. The program would be comprised of components of the City's existing program as well as a number of new courses.

The program is structured into four terms of nine weeks, with 10 courses running per term. Figure 39 outlines the modelled number of courses and participants in the JPACF visual arts and craft program. This assumes that each participant completes one nine-week course per annum. If participants complete more than one course per annum, the market share of the JPACF will be lower.

The arts and crafts activities would ideally be accommodated in custom studio space.

Figure 39: JPACF Visual Arts and Craft Participation Program

	Formal Participants in the Primary Catchment (2016)	JPACF weekly courses/ events per annum	JPACF Participants per Annum	Market Share
Textile crafts, jewellery making, paper crafts or wood crafts	4,120	24	240	5.83%
Glass crafts, pottery, ceramics or mosaics	1,128	4	40	3.55%
Printmaking, screen printing or etching	613	4	40	6.53%
Photography, film-making or editing, apart from recording personal events	1,952	8	80	4.10%
Sculpting, painting, drawing or cartooning, including digital pieces	3,467	40	400	11.54%

Source: Pracsys (2012).

6.11 MUSIC PARTICIPATION

By 2016, as many as 4,900 adults and 11,600 children in the primary catchment will participate formally in music. The JPACF will provide the opportunities for music courses, as well as rehearsal and practice.

The proposed program is structured into four terms of nine weeks, with 10 courses or weekly rehearsal/ practice times running per term. Figure 40 outlines the potential number of weekly events and participants in the JPACF Music participation program. This assumes that each participant completes one nine-week course or nine weeks of events such as rehearsals per annum. If participants complete more than one course per annum, the market share of the JPACF will be lower.

Figure 40: JPACF Music Participation Program

	Formal Participants in the Primary Catchment (2016)	JPACF weekly courses/ events per annum	JPACF Participants per Annum	Market Share
Singing or playing a musical instrument	16,469	133	1,328	8%

Source: Pracsys (2012)

The music courses and rehearsals should be accommodated in practice or rehearsal spaces. Note that this refers to music learning and practice, not final performances.

6.12 DANCE PARTICIPATION

By 2016, as many as 6,700 adults and 6,600 children in the primary catchment will participate formally in dance. The JPACF will provide the opportunities for dance courses, as well as rehearsal and practice.

The dance program is structured into four terms of nine weeks, with 10 courses or weekly rehearsal/ practice times running per term. Figure 41 outlines the potential number of weekly events and participants in the JPACF dance participation program. This assumes that each participant completes one nine-week course or nine weeks of events such as rehearsals per annum. If participants complete more than one course per annum, the market share of the JPACF will be lower.

Figure 41: JPACF Dance Participation Program

	Formal Participants in the Primary Catchment (2016)	JPACF weekly courses/ events per annum	JPACF Participants per Annum	Market Share
Dancing	13,300	72	720	5%

Source: Pracsys (2012)

The dance participation would also be best accommodated in rehearsal rooms. As with music, this analysis refers to learning and practice, not final performances.

6.13 THEATRE PARTICIPATION

By 2016, as many as 2,140 adults and 2,100 children in the primary catchment will participate formally in theatre. The JPACF will provide the opportunity for additional theatre courses, as well as rehearsal and practice.

The theatre program is structured into four terms of nine weeks, with 10 courses or weekly rehearsal/ practice times running per term. Figure 42 outlines the potential number of weekly events and participants in the JPACF theatre participation program. This assumes that each participant completes one nine-week course or nine weeks of events such as rehearsals per annum. If participants complete more than one course per annum, the market share of the JPACF will be lower.

Figure 42: JPACF Theatre Participation Program

	Formal Participants in the Primary Catchment (2016)	JPACF weekly courses/ events per annum	JPACF Participants per Annum	Market Share
Theatre	4,232	30	296	7%

Source: Pracsys (2012)

Theatre participation should take place in a rehearsal or practice space. Once again, this refers to learning and practice only, not final performances.

7 DETAILED DESIGN DESCRIPTION

This detailed design description is based on the assumed facility identified in the model program, as outlined in Chapter 6.

For the detailed design description, three options were considered:

- A traditional performing arts centre.
- An “Art Box” design, reflecting a contemporary architectural engagement with the environment, and that includes facilities for both visual and performing arts.
- A cultural campus, spread over a larger area.

However, at the conclusion of benchmarking investigations, consultation and programming, it was decided that the study would focus on the Art Box as a representation of a complete cultural community arts centre.

The design is intended to fulfill the requirements set out in the Project Philosophies and Parameters that the facility be ‘world class’ and ‘state of the art’. However, the precise meaning of such terms is open to a wide range of interpretations. It will be important for the City to develop a clear and precise understanding of what these terms mean in the context of the JPACF, to properly assess different design options.

7.1 LOCATION

The site selected for the JPACF is 400m from the Joondalup CBD and the Joondalup train station, representing a five minute walk from both activity nodes.

The site sits adjacent to the intersection of Collier Pass and Grand Boulevard, in a section

of road that has limited pedestrian activation, and is unlikely to be activated in the near or mid future. As such, the site should be considered as a destination site, rather than one that is part of an immediate urban context.

The site has excellent proximity to West Coast Institute of Training (WCIT) and Edith Cowan University and should draw activity from its relation to this education precinct.

The site is at the southern end of the Joondalup Central Walk, a pedestrian walk that links the Joondalup Health Campus to the north of the CBD, with the ECU campus. The Art Box will become an important link in this chain of activity, and will contribute to the activation and surveillance of this pedestrian trail.

7.2 THE BRIEF

The Art Box will play an extremely important role in the cultural and civic life of the City of Joondalup and the greater northern suburbs. While the exact accommodation schedule is yet to be confirmed, the JPACF should incorporate:

- A lyric theatre of 850 seats, including a fly tower, of the highest mechanical standard, lighting and acoustic specifications
- A 200 seat black box theatre that will accommodate a variety of non-traditional theatre stagings and performances
- A range of rehearsal spaces that can also serve as places for small performances, and general community activities
- Theatre support space such as box office, green room, make up and change areas, backstage workshops, etc.

- A foyer that will serve both theatres, but that can also function as a reception and exhibition space
- A dedicated art gallery
- Spaces for the practice of fine art and crafts
- Curatorial storage
- Bars and catering facilities (the proximity to the WCIT Hospitality School should be factored into this activity)
- Offices and managerial spaces
- An undercroft car park to cater for staff, and patrons of the JPACF

The primary purpose of the JPACF will be the delivery of a wide range of performances, including drama, dance and music. It should also be able to accommodate secondary functions such as conferences and civic receptions, which will add to its financial viability. The building design will need to respond to this mix of uses without compromising its primary role.

Figure 43: Proposed JPACF Site



Source: Peter Hobbs, Architect (2012)

The attached functional diagrams map out the basic relationship of the spaces and activities at scale, and suggest the basic response to site in terms of orientation, aspect and functionality.

Special care should be made in the design of the building to reduce the staffing numbers required to run the building, as this becomes a large part of the operation costs of any facility.

Figure 43 shows the broader context of the proposed site.

7.3 RESPONSE TO CONTEXT

The proposed location of the JPACF, at the intersection of Collier Drive and Grand Boulevard means that it will be viewed as an iconic building and part of the entry sequence of buildings that mark the southern gateway to the Joondalup City Centre.

The proposed location of the JPACF allows it to become a hub between the “knowledge precinct” of ECU and WCIT, the bustling transit-orientated commercial centre of Lake Side Shopping Centre, and the civic precinct of the Joondalup City Centre. While still in their relative infancies, these institutions and sectors will mature with time, and the Art Box will become a key driver in the activity of Joondalup.

Furthermore, the location of the JPACF will become an important link in the Central Walk that extends from the Joondalup Health Campus south through the City Centre to ECU, and will become important in activating the Central Park. Similarly, while currently located in an undeveloped section of Grand Boulevard, the construction of the JPACF will become an important driver to the development of adjacent sites, and should be designed to promote activation and pedestrian connections.

Special architectural attention will be needed to facades facing Grand Boulevard, and in particular, consideration of the bulk and form of elements such as the fly tower.

The foyer of the building should face north, with a forecourt being proposed for an extension of Collier Pass across Grand Boulevard. This aspect will also overlook the ornamental lake of WCIT.

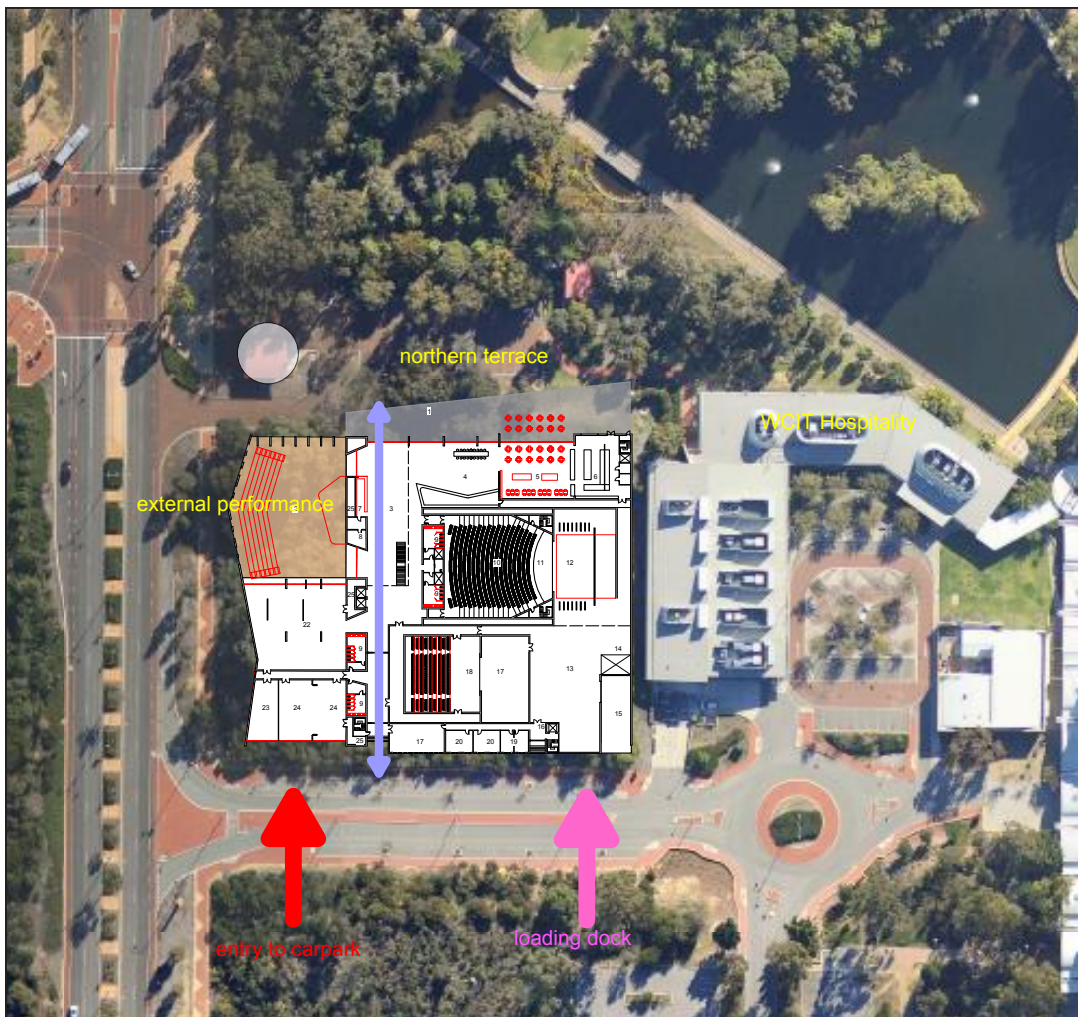
The landscape of this northern approach to the JPACF should be considered to enhance the safety and visual surveillance of pedestrians approaching the building via the Joondalup Central Walk. Vegetation should be cleared and site lines and lighting improved. Ancillary activities, such as bars and restaurants, should face north over this space.

Servicing is at the south of the building, and adjacent to the loading dock of the WCIT hospitality building that is to the immediate west of the site. This space should be orientated and screened as much as possible to reduce its visibility from Grand Boulevard.

Offices have been arranged so as to overlook Grand Boulevard, contributing to the visibility of this pedestrian path.

Figure 44 shows the site of the JPACF, to give local context.

Figure 44: Local Context of JPACF Site



Source: Peter Hobbs, Architect (2012)

7.4 SCHEDULE

Figure 45 outlines the schedule of areas of the proposed JPACF design. The sizes and specification of these spaces match industry and benchmark standards, and will need to be iteratively reviewed in consultation with stakeholders in a cost benefit analysis based on final project funding.

This schedule will be used for the preliminary capital cost estimate by the quantity surveyor, Ralph Beattie Bosworth. This will be an estimate of the total capital cost of the development, including fit-out and work done on surrounding areas.

Figure 45: Proposed Schedule of Areas for the JPACF

Schedule Of Areas (note- all figures expressed as net)	m ²	m ²
External Areas		1150
Collier Pass extension		
Forecourt	200	
Sculpture Court	200	
External Performance Space	750	
Front of House		1180
Foyer	400	
Bars	180	
Restaurant	180	
Kitchen	100	
Box Office/Information Centre	40	
Toilets	250	
Staff Change	30	
Conference and Reception		570
Conference Room 1 (Overflow Rehearsal)	85	
Conference Room 2 (Overflow Rehearsal)	85	
Exhibition/Reception	300	
Store	100	
Visual Arts		905
Art Gallery	400	
Craft Studio	95	
Drawing and Painting Studio	230	
Curatorial Storage	180	
Management		275
Offices	100	
Meeting Rooms	30	
Seminar Room	100	
Toilets	30	
Kitchenette	15	
Lyric Theatre		900

Schedule Of Areas (note- all figures expressed as net)	m ²	m ²
850 Seat Auditorium	540	
Orchestra Pit	60	
Fly Tower	100	
Stage	170	
Bio Box	30	
Black Box Studio Theatre		510
220 (moveable seats)	480	
Bio Box	30	
Back of House		960
Offices	50	
Toilets	60	
Dressing Rooms	120	
Green Room	40	
Backstage	340	
Workshop	100	
Storage	150	
Loading Docks	100	
Rehearsal		780
Rehearsal Room 1	270	
Rehearsal Room 2	95	
Rehearsal Room 3/4	225	
Toilets and Changes rooms	100	
4 off Practice Rooms at 15m ²	60	
Music Studio (including sound equipment)	30	
Commercial Office Space		425
General Office Space	375	
Toilets and Amenity	50	
Undercroft Parking		5500
200 bays	5500	

Source: Peter Hobbs, Architect (2012)

7.5 “THE ART BOX” DESIGN

The Art Box is proposed to be an activated facility for the practice of both performing and visual arts, encompassing the full range of premium, popular and community product. It should represent best practice in all regards, and position Joondalup as the central hub of all cultural activities in the northern corridor, and will, through its design and management, become the catalyst for a rich and diverse range of artistic endeavour. In this sense, this proposal is for a community arts centre, rather than a performing arts centre. This is an important distinction: while performance arts centres have limited capacity to activate an area, a true community arts centre becomes a 24/7 space.

The extensive stakeholder consultation, demographic analysis and the analysis of previously identified benchmarks indicate a number of key drivers for the Art Box:

- The northern corridor is currently under-serviced in terms of quality performance spaces
- There is a large demand for community-based performance such as dance schools and graduations
- There are limited opportunities for practice and exhibition of fine arts and craft
- The City has an extensive art collection that will grow with time and deserves curatorial storage
- The synergies and opportunity to collaborate with ECU, WCIT and the WA Police Academy will continue to grow
- There is currently un-tapped latent demand for the full range of cultural pursuits
- The population of the northern corridor is growing steadily, and this demand will increase accordingly.

The ethos for the Art Box design is that it should combine both community practice and local, national and international performance opportunities within a common physical and management structure, that will ensure maximized utilization and community benefit. Combining this diverse range will encourage the cross-subsidisation of more marginal practice and performances, while providing a venue for large premium and popular performances and exhibitions.

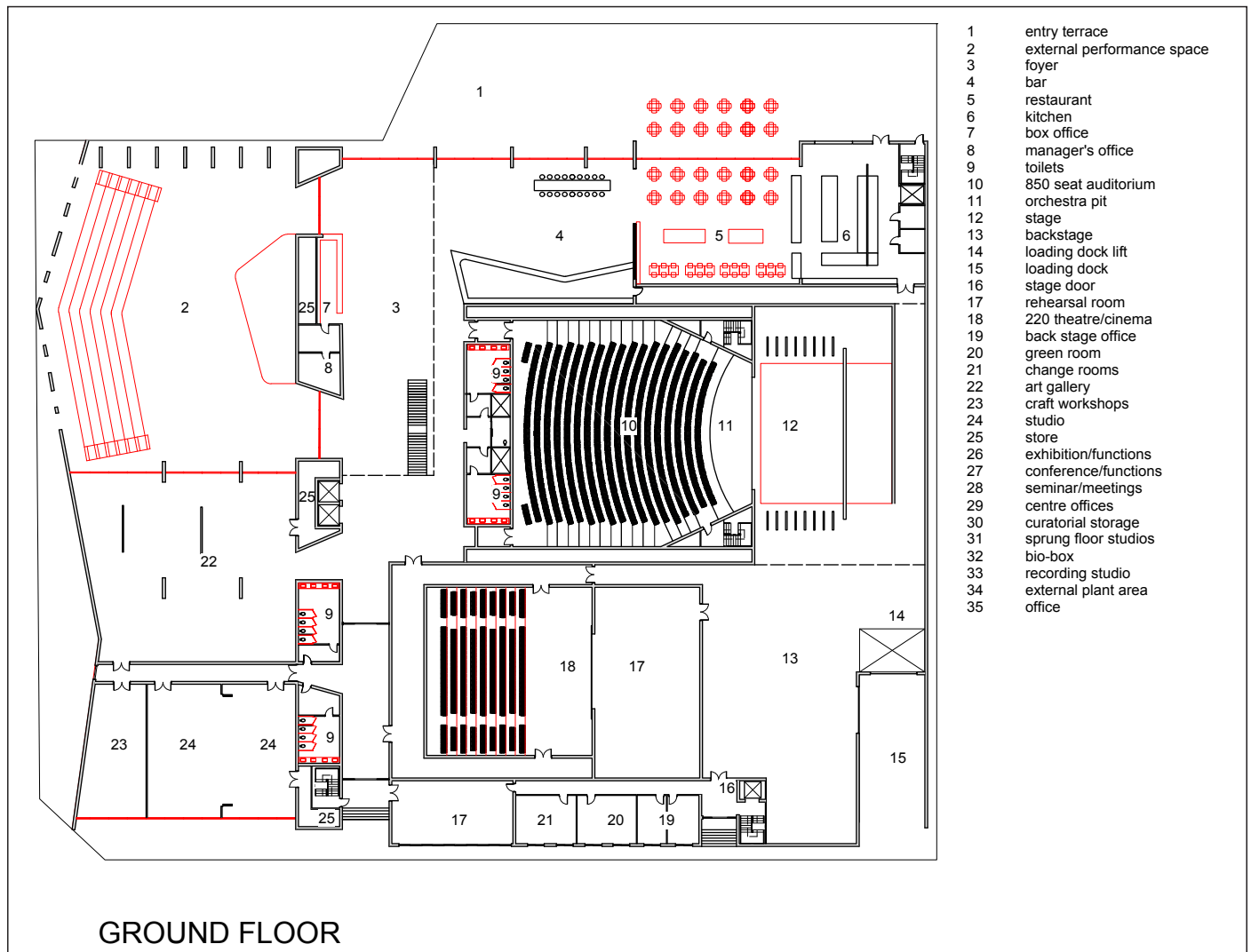
The inclusion of spaces such as visual art studios, craft studios, and sprung floor rehearsal spaces will ensure a steady daytime utilisation, and will help boost the viability of a café and restaurant. The inclusion of a small arts and craft shop such as FORM or the Art Gallery of WA Art Shop, should be considered to provide a commercial outlet for local, national and international product.

The inclusion of a dedicated conference and function space is currently difficult to support within the current market, with existing facilities within the region under-utilised. However, the co-location of conference and seminar rooms adjacent to a large auditorium is a common feature within most of the benchmarks analysed, and will also improve viability of the proposed café, bar and restaurant.

The proposed Art Box should also include the potential for general office space that can be let commercially, or become overflow to the requirements of City of Joondalup administration. The logic behind this is two-fold, it enhances the general activity within the building and precinct, while ensuring that the undercroft car park is fully utilised.

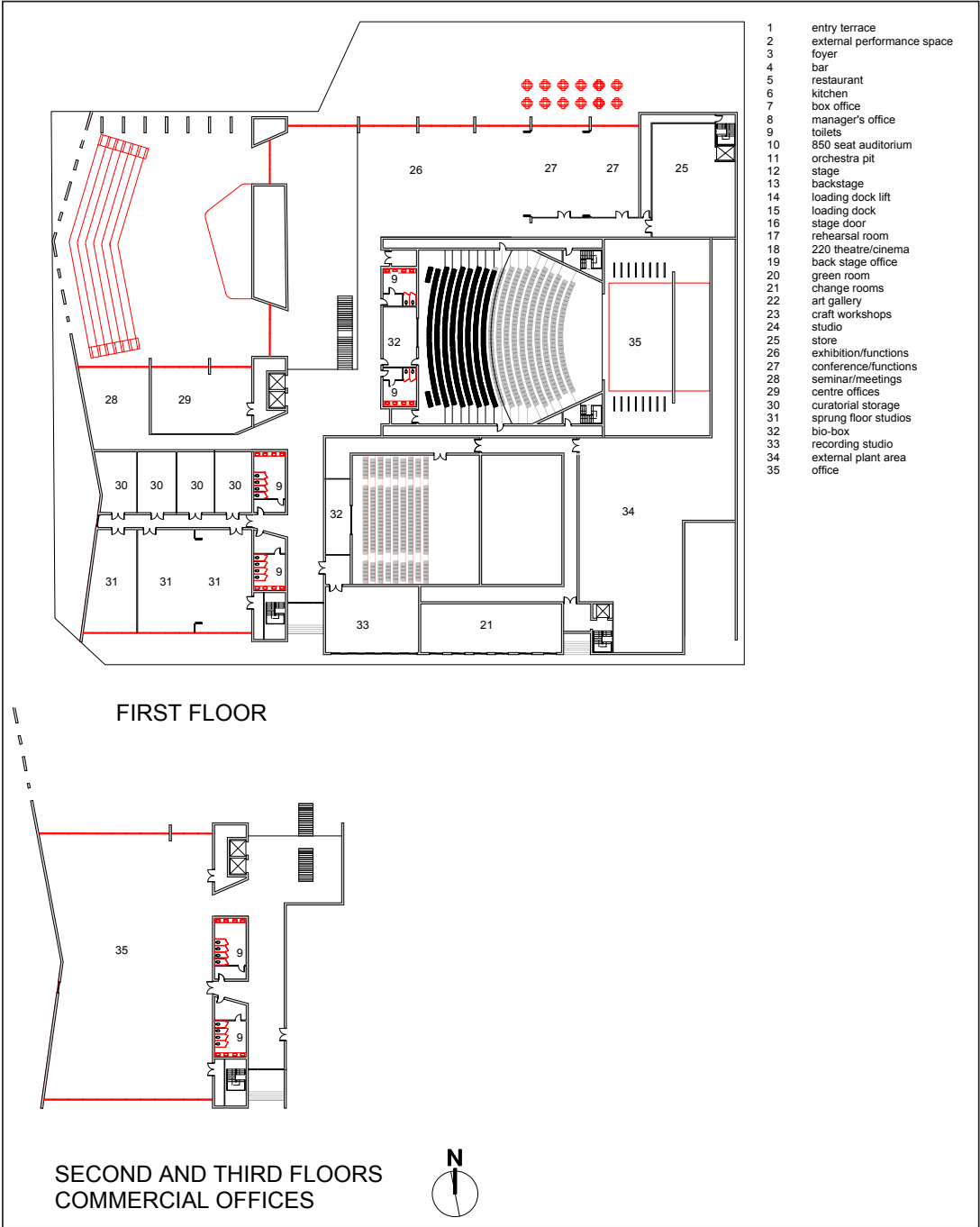
Figure 46 shows the proposed floor plan of the facility, which is across three levels, including one level of undercroft car parking.

Figure 46a: Proposed Floor Plan of the JPACF



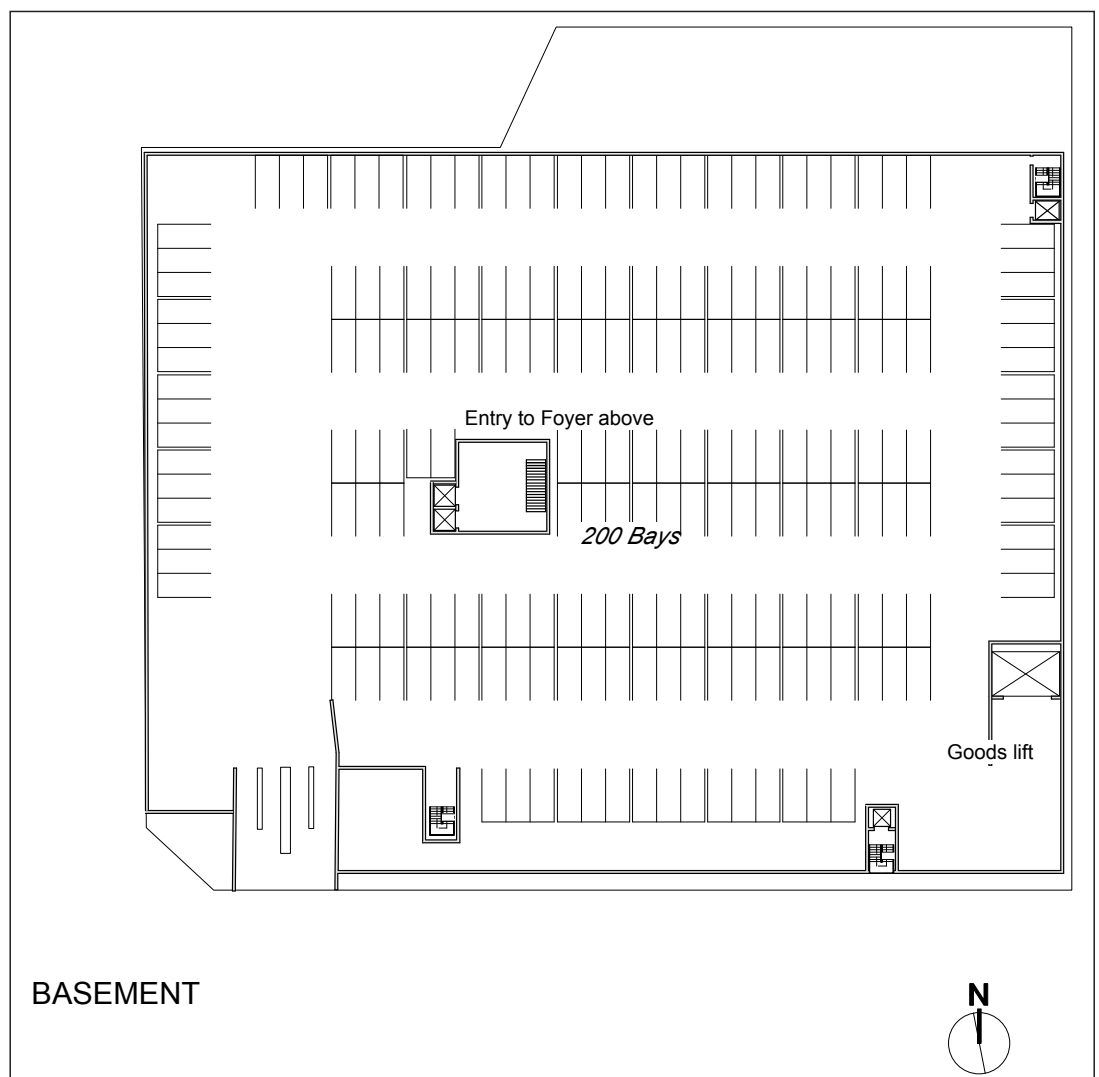
Source: Peter Hobbs, Architect (2012)

Figure 46b: Proposed Floor Plan of the JPACF



Source: Peter Hobbs, Architect (2012)

Figure 46c: Proposed Floor Plan of the JPACF



Source: Peter Hobbs, Architect (2012)

8 FACILITY

8.1 PRIMARY SPACE

8.1.1 Usage from Model Program

Under the model program, the primary space is 58% utilised, with music accounting for 26 percentage points of this and theatre a further 10 percentage points. Film use only accounts for two percentage points of utilisation. There is two percentage points of Joondalup Eisteddfod use programmed into this space. This space is also expected to hold six large school graduations and 15 large school performances per year.

The primary space is where most of the commercial popular events have been programmed. These are the events that will contribute considerably to the financial viability of the JPACF. These include the touring commercial theatre and contemporary popular dance events. The main space will also have premium dance events, which will not only generate revenue, but will also encourage community participation in dance. Popular and premium music events are also exclusively held in the primary space, and there are three different premium music events per year included in the model program.

It is also envisaged that the main space will house community film events, large comedy festivals, and the performances of local dance school, which was identified as a currently unmet need.

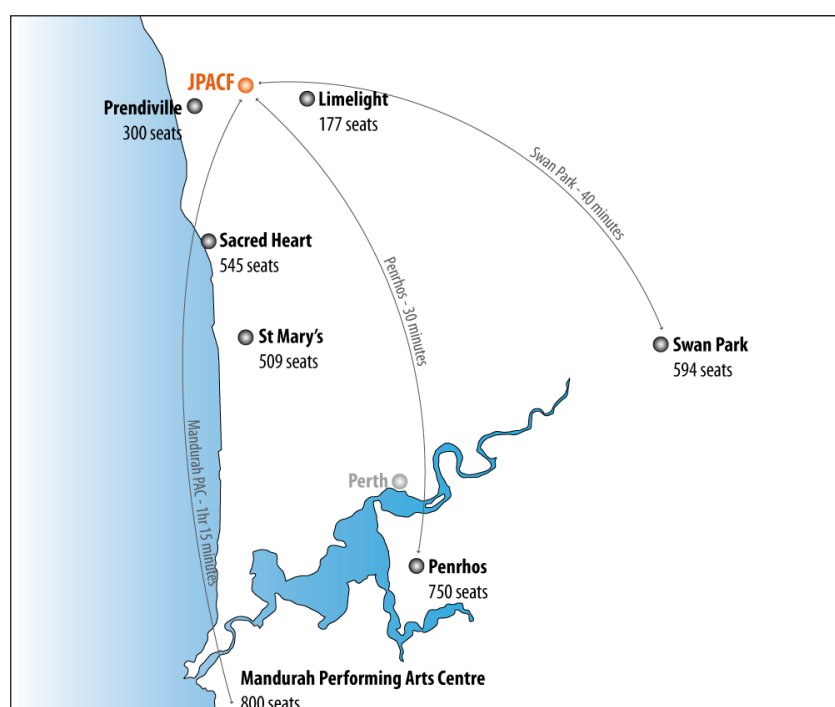
8.1.2 Space specification

In addition to the requirements of the program above, the analysis also considers the school-based performing arts centres in the primary catchment area in determining the capacity

of the JPACF's main space. These facilities are at Prendiville Catholic College, Sacred Heart College and St Mary's Anglican Girls' School¹⁸. The local school-based centres have a capacity of 300, 545 and 509 seats, respectively. Consultation with the managers of these facilities and cultural organisations in the primary catchment revealed that these facilities are heavily utilised, to the point that some potential users were having trouble getting in to them, so presumably something of similar size at the JPACF would also be well-used. In addition, some of the current users considered these facilities to be of inadequate capacity, particularly dance schools. This suggests that there would be some merit in building a facility that is larger than these existing facilities. The Limelight Theatre, Wanneroo was not considered a suitable benchmark for the JPACF, as it is quite a small facility.

The limited availability and relatively small capacity of the school-based performing arts facilities has led to many cultural organisations in the area travelling as far the Swan Park Theatre, Midvale, the Rixon Theatre at Penrhos College, Como and the Mandurah Performing Arts Centre. These facilities are somewhat larger than the school-based centres. The Rixon Theatre at Penrhos College and Mandurah Performing Arts Centre have 750 and 800 seats, respectively, and the Swan Park Theatre has 594 seats. As they are frequently used by cultural groups within the area, despite being an inconveniently long distance away, there is a demonstrated demand for such a facility in the area. Figure 47 details the existing performing arts facilities that have been identified as servicing the primary catchment area.

¹⁸ St Mary's Anglican Girls School has been considered even though it is just outside the primary catchment area, being located in the City of Stirling.

Figure 47: Performing Arts Facilities Servicing the Primary Catchment

Source: Pracsys (2012)

The three identified benchmark facilities - Joan Sutherland Performing Arts Centre, Frankston Arts Centre and Ipswich Civic Centre have primary performance spaces with a capacity of 660, 800 and 741 seats, respectively.

Based on this benchmarking and the model program, an auditorium of 850 seats has been assumed for this analysis.

The auditorium would be a lyric theatre arranged over two levels to ensure audience proximity to the stage, provided in a typical stalls, upper circle and boxes arrangement. Given that the proposed auditorium is larger than a typical facility. Consideration should be given to blocking off sections with large curtains, to ensure a sense of intimacy in

performances with smaller audience numbers. The seating area occupies some 540 square metres. The auditorium should have acoustic values suitable for both the spoken word and classical music.

An orchestra pit of some 40 to 60 square metres should be provided, ideally mechanised so that the pit floor can be raised to stage level to provide a stage thrust.

The stage should be behind a proscenium arch of roughly 5 x 10m, and be 20 x 10m deep inclusive of wings, serviced by a fly tower of 15 metres.

The backstage area is shared with the black box theatre, and should have good adjacency to workshop and loading docks.

8.2 SECONDARY ("BLACK BOX") SPACE

8.2.1 Usage from Model Program

The utilisation rate of the secondary space from the model program is 58%, and has been programmed with the broadest range of different uses. Seventeen percentage points of this is theatre, a higher rate than the main space. There are also nine percentage points of dance, 11 percentage points of music, 6 percentage points of comedy, 5 percentage points of film and eight percentage points of schools use, for medium-sized performances and graduations. There are also Joondalup Eisteddfod events programmed into this space.

Popular and premium level comedy (Australian comedy and comedy festivals, respectively) is shared with the main space. Theatre is also represented at all three levels of the activity

categorisation, with amateur drama, and popular- and premium-level contemporary performances. Smaller dance events have also been programmed in at community, popular and premium level, including education-based contemporary dance. Music has mostly been programmed into the primary space, and has been limited to the hypothetical weekly “Morning Melodies” performances, aimed at seniors and covering 40 event days per year.

8.2.2 Space specification

As with the main auditorium, the specification of the secondary space was developed with reference to the three benchmark facilities identified above.

The Joan Sutherland Performing Arts Centre has a 380 seat drama theatre as a secondary space. Frankston has the 194 seat “Cube 37”. The Ipswich Civic Centre’s second space is the Cunningham Room, which can seat 160 people, theatre style, but is not specifically a performing arts-based facility.

For the secondary space, a “black box” studio theatre is proposed, with 200 moveable seats, allowing the space to be re-configured for different uses. It is 510 square metres in size, including an external circulation corridor that allows actors to enter the performance space from a number of different quarters.

This theatre configuration is suitable for more avant-garde stagings, and is an inherently flexible performance space. It is ideal for smaller, more intimate performances, and can also be used as a theatrette for film, dance and seminars. As a flat floor space, it can also be used for rehearsals, dance classes and workshops. It is the ideal companion to the lyric theatre.

8.3 CONFERENCE ROOMS

8.3.1 Usage

As explained above, research to date has found little demand for additional conference or function use in the primary catchment area. Lack of suitable short-stay (hotel) accommodation in the city centre is a major constraint to attracting conferences. However, demand is likely to increase over time as the catchment population grows and Joondalup matures as an activity centre. Also, the project philosophies and parameters stated that such uses should be considered. Therefore, some free capacity has been left for conferences to take place. Two conference overflow rooms have been included in the design.

8.3.2 Space specification

The conference rooms are flexible spaces that use operable walls to divide the space into different sized modules, from 20 person seminar work-shop spaces, that combine to cater for up to 120 person seminars. Adjacent to the upper foyer space, these rooms can also be expanded to provide larger reception and exhibition areas. In the proposed Art Box, these spaces are linked by a lift to the primary kitchens of the restaurants, so would be ideal for larger dinners, weddings and conference functions.

These spaces should be provided with mobile audio-visual carts that allow a range of seating configurations. They are ideal for trade and training workshops, and can also be used as over flow rehearsal spaces.

8.4 FOYER EXHIBITION AREA

8.4.1 Usage from Model Program

The model program has shown a very high utilisation rate for visual arts in the combined reception area and exhibition space. The unmet needs of the City's Visual Arts Services (a large collection stored in unsuitable facilities and the annual visual art events held in Lakeside Joondalup), as identified in prior City of Joondalup research, provides a strong argument for a separate art gallery space. See below for detail of the proposed art gallery.

The exhibition/reception area has been programmed with exhibition openings, over a total of 12 event days per year. Most of the visual arts events have been assigned to a dedicated gallery space, however. The exhibition/reception area will also hold the opening for the Invitation Art Awards, and school visual arts exhibitions for 12 events days per year.

8.4.2 Space specification

The combined foyer and exhibition area is essentially the primary ground floor circulation space of the Art Box, with a nominal area of 300 square metres, and is ideal for the display of various travelling exhibitions such as trade shows and expos, with mobile partitions to be used to provide ultimate flexibility. However, due to the general nature of the space, and its function as circulation for large numbers it is not necessarily suitable for the display of high value works.

An important design feature of the foyer space and various entrances will be to facilitate controlled entrances from various locations

that allows the building to be partially opened and segmented. For example, the operation of the black box theatre for weekend art house movies should not require the entire complex to open, and this principle should apply to the various subsets of use within the Art Box, including dance rehearsal space, drawing and craft spaces, etc.

8.5 ART GALLERY

8.5.1 Usage from Model Program

The model program has an 83% utilisation rate for the art gallery. This includes the Joondalup Community Art Exhibition over two weeks, the Invitation Art Awards over three weeks, and art exhibitions in the popular category for a further 240 event days.

8.5.2 Space specification

Over the last 20 years, the City of Joondalup has assembled over 200 pieces of fine art, and has an ongoing commitment to enhance and grow this significant collection. Currently, the City has no opportunity to display this collection in a quality, well lit space. The Art Box proposes an Art Gallery of some 400 square metres, that should include curatorial quality air conditioning and lighting.

8.6 CRAFT STUDIO

8.6.1 Usage from Model Program

The craft studio has been assumed to be 100% utilised, for adult participation. The breakdown, based on ABS surveys of adult participation, were assumed to be:

- 60% textile crafts, jewellery making, paper crafts or wood crafts

- 10% glass crafts, pottery, ceramics or mosaics
- 10% printmaking, screen printing or etching
- 20% photography, film-making or editing, apart from recording personal events.

8.6.2 Space specification

Located on the south side of the Art Gallery, the craft studio is 95 square metres, and should be serviced with water and power to enable classes for ceramics, pottery and printmaking. The space is light with large south windows, and can be programmed for a wide range of community based crafts practice. The fit out should include adequate storage of various materials, and include long central work benches.

Surfaces should be hard-wearing and durable.

8.7 DRAWING AND PAINTING STUDIO

8.7.1 Usage from Model Program

The drawing and painting studio was assumed to be used solely for adults' sculpting, painting, drawing or cartooning, including digital pieces (which is a single category in the ABS survey¹⁹).

8.7.2 Space specification

The drawing and painting studio is 230 square metres, that can be divided into two smaller spaces with an operable wall. In its larger format, the space is essentially square, making it ideal for larger life drawing and painting classes. The space requires adequate

ventilation, lighting and drainage, including traps for the capture of various solvents, etc.

8.8 PERFORMANCE REHEARSAL SPACES

8.8.1 Usage from Model Program

Based on the activity included in the model program, two rehearsal spaces have been deemed necessary for the JPACF. A range of adults' and children's activities have been included in these spaces.

8.8.2 Space specification

The four rehearsal rooms are of varying size. The largest is 270 square metres, and is located directly behind the black box theatre and is adjacent to the stage of the lyric theatre. As such, it becomes the primary rehearsal space for both the theatres, and is also adjacent to the loading docks and works shops, making it suitable for becoming a workspace for large scenery pieces.

The other rehearsal spaces are located above the craft and drawing studios, and are essentially a duplication of them. It is envisaged that the larger space will be of 220 square metres and will be set up predominantly as a dance studio, complete with mirror and bar. Large south windows provide views back over ECU.

¹⁹ ABS Cat No. 4921.0 Participation in selected cultural activities (2010 - 11)

8.9 PRACTICE ROOMS

8.9.1 Usage from Model Program

For the model program, it has been assumed that four practice rooms be included in the JPACF. Singing and playing musical instruments, by both adults and children, have been programmed into these spaces.

8.9.2 Space specification

The four practice rooms are 15 square metres each.

8.10 ADMINISTRATION/OFFICE SPACE

General purpose open planned offices for up to six support staff, two managers offices and a meeting room is minimum for centre management, and has been located on the first floor. Additional offices for technical staff (head mechanist, head audio lighting technician) are proposed and will be located within the backstage/workshop area.

A stage door office should be provided to control the loading dock, green room and stage door.

A box office and general administration desk will be allocated centrally within the foyer space, providing invigilation for the complex during operational times

8.11 CURATORIAL STORAGE

The City currently has a collection of over 200 works of fine art, and is continuing this acquisition policy. However, there is no formal curatorial storage space for these works. As the

value of this collection grows, specialist storage space will be required, that is fire proof, and has controlled humidity, dust and light levels. In the model proposed, this space is located directly above the art gallery.

8.12 EXTERNAL PERFORMANCE SPACE

The Art Box design suggests an external forecourt to the building that should be designed to function as a small external performance area. In the model proposed, sculptural tiered seats face a large blank wall that would be suitable for projected signage and movies, while the space is also served with some technical storage areas and a small back stage change room. Designing this kind of flexibility of use can only enhance the JPACF's utilisation.

8.13 RETAIL, FOOD AND BEVERAGE

A number of food and beverage opportunities exist within the Art Box, and the viability and quality of this offer will be a function of:

- The quality and management of the premises
- The general activation of the Art Box
- The Art Box's capacity to capture passing pedestrian trade along Grand Boulevard, and from the adjacent education precincts

The café bar must be suitable to cater for large audience of up to 800 patrons, and a caterers' kitchen has been provided for functions and receptions. However, given that West Coast Institute of Technology Hospitality is

immediately next door to the Art Box, the opportunity to negotiate a shared use should be investigated.

Ideally, a restaurant should be developed as a stand-alone commercial venture, that faces north over Central Park, and becomes a destination in its own right. This café restaurant should have external entrances separate for the complex, but that can then open into the foyer space.

8.14 COMMERCIAL OFFICES

One opportunity to improve the commercial viability of Art Box is to develop additional general purpose office space, that can be leased at commercial rates. The proposed design has located this space above the western wing of the Art Box overlooking Grand Boulevard. The floor plate is some 425 square metres, and the design is flexible enough to add up to two additional floors and maintaining the height limit defined by the fly tower. This space could be overflow for the City's administration, and would ideally be the space for community development, art offices, etc.

As commercial space, the yield would also support the general viability of the car park space and cafes.

8.15 CARPARKING

The Art Box has been designed to sit over a 200 bay car park basement, that can also be utilised for long term storage. Access is shown from Teakle Court.

Given that the total capacity of the Art Box is in excess of 1,000 patrons, the provision of this parking is an essential, albeit expensive amenity. The cost benefit of this parking will be greatly enhanced with daytime paid parking.

9 OPERATIONS ANALYSIS

This chapter identifies the key management tasks and responsibilities required to run a performing arts and cultural facility. From these management tasks, a proposed management structure will be developed, based on a structure typical of existing performing arts and cultural facilities.

The management tasks and responsibilities are grouped into four areas of focus:

- Program management
- Facility management
- Equipment management
- Administrative tasks

There are significant overlaps in the required tasks and responsibilities between the different areas of management focus. Additionally, activities that are in principle statutory requirements or obligations, such as occupational health and safety, are significant tasks for the management team.

The list of tasks has been informed by position descriptions from the State Theatre Centre of Western Australia, and as such reflects current venue staffing requirements.

9.1 PROGRAM MANAGEMENT TASKS

Program management tasks are those that are primarily focused on the development, management, promotion and reporting of core program activity. This includes both entrepreneurial and subsidised activity, including but not limited to performances, exhibitions, workshops, events and other cultural activities.

Program management tasks include:

- The overall responsibility for the program activities housed within and developed through the venue including artistic, corporate and community access, financial, technical and marketing requirements
- Develop the annual and medium term programs and budget
- Represent and promote the facility at industry and community forums
- Develop and promote strategic partnerships to support an effective overall artistic program
- Manage all aspects of ticketing services – including the provision of point of contact retail and online services, staffing and hardware and software operation
- Manage all aspects of the facility's communications strategy, including traditional and online marketing, signage and publicity, and corporate, program and event branding
- Liaison with regular hirers, both professional and community
- Generate external hiring business (artistic and non-artistic) through the promotion of the venue's services and facilities
- Manage all enquiries for venue usage and negotiate with potential hirers
- Assist all hirers in their requirements for quotes, site inspections, food and beverage liaison, marketing, promotions and ticketing

- Coordinate and document event/performance requirements for the front of house operation, including rostering and managing front of house staff
- Create contracts for hirers of the facility
- Monitor performance outcomes and manage any issues arising
- Prepare monthly program reports and statistics
- Report incidents, damage to property and equipment failure
- Ensure that appropriate technical stage staff are rostered to meet the needs of hirers
- Plan projected expense budgets for hirer's technical requirements
- Promote strategic partnerships and sponsorships to support effective overall facility operation
- Supervise staff and related contractors
- Oversee and monitor environment health and safety policies and procedures, including liaison with City officers
- Neighbourhood and precinct liaison, including but not limited to ECU, WCIT and Joondalup Business Association
- Manage safety incidents, damage to property and significant facility failure
- Provide ongoing training for front of house staff and volunteers
- Oversee the development and implementation of evacuation procedures
- Ensure efficient provision of services for the venue and all related events
- Develop and project-manage the capital works project

9.2 FACILITY MANAGEMENT TASKS

Facility management tasks relate to the proper and efficient operation of the facility, including responsibility for issues of safety, training, public movement, cleaning and minor maintenance.

Facility management tasks include:

- The overall professional management responsibility for the physical venue including but not limited to issues of maintenance, financial, technical, security and signage
- Implement the annual facility budget and forward planning of the venue
- Develop routine and ongoing maintenance, repair and replacement schedules

9.3 EQUIPMENT MANAGEMENT TASKS

These are the tasks concerning the maintenance, repair and operation of program-specific technology and the facility.

Equipment management tasks include:

- The overall professional management responsibility for the technical and performance requirements of the venue including but not limited to issues of maintenance, financial management, training and security
- Supervise staff and related contractors

- Work closely with City officers to ensure the ongoing smooth management of the JPACF
- Report damage to property and equipment failure
- Participate in and provide ongoing technical and equipment training
- Develop and implement programs for the maintenance, upgrade and purchase of technical equipment
- Oversee the implementation, installation and operation of stage lighting and audio equipment
- Oversee the implementation, installation and usage of studio and craft workshop facilities
- Manage stores and back of house facilities.
- Develop stage, workshop and technical department budgets and input into annual operational budgets
- Project-manage the capital works projects for stage and technical areas
- requirements of the venue, including human resources, financial, customer service and day-to-day compliance
- Contribute to the development of administrative budgets for the venue
- Supervise staff and related contractors
- Report damage to property and equipment failure
- Participate in and provide ongoing training
- Create contracts for hirers of the facility
- Maintain the venue diary and advanced planner
- Coordinate and document event/performance requirements for the front of house operation, including rostering and managing front of house staff and volunteers
- Ensure that a venue management system is maintained and regularly updated
- Prepare monthly venue management reports and statistics
- Ensure that the venue's services and facilities are in a fit and proper state to be used by clients
- Report incidents, damage to property and equipment failure
- Develop and implement programs for the maintenance, upgrade and purchase of technical equipment for all performance spaces
- Ensure monitoring of health and safety procedures throughout the building
- Payroll, recruitment and other HR, and compliance

9.4 ADMINISTRATIVE TASKS

These are the standard administrative services required for the operation of the facility, both in day-to-day management and issues of compliance and possible integration with the City's corporate services. These tasks will differ somewhat, depending on the management's the relationship to the City (see discussion of different management models in Chapter 10).

Administrative tasks include:

- The overall professional management responsibility for the administrative

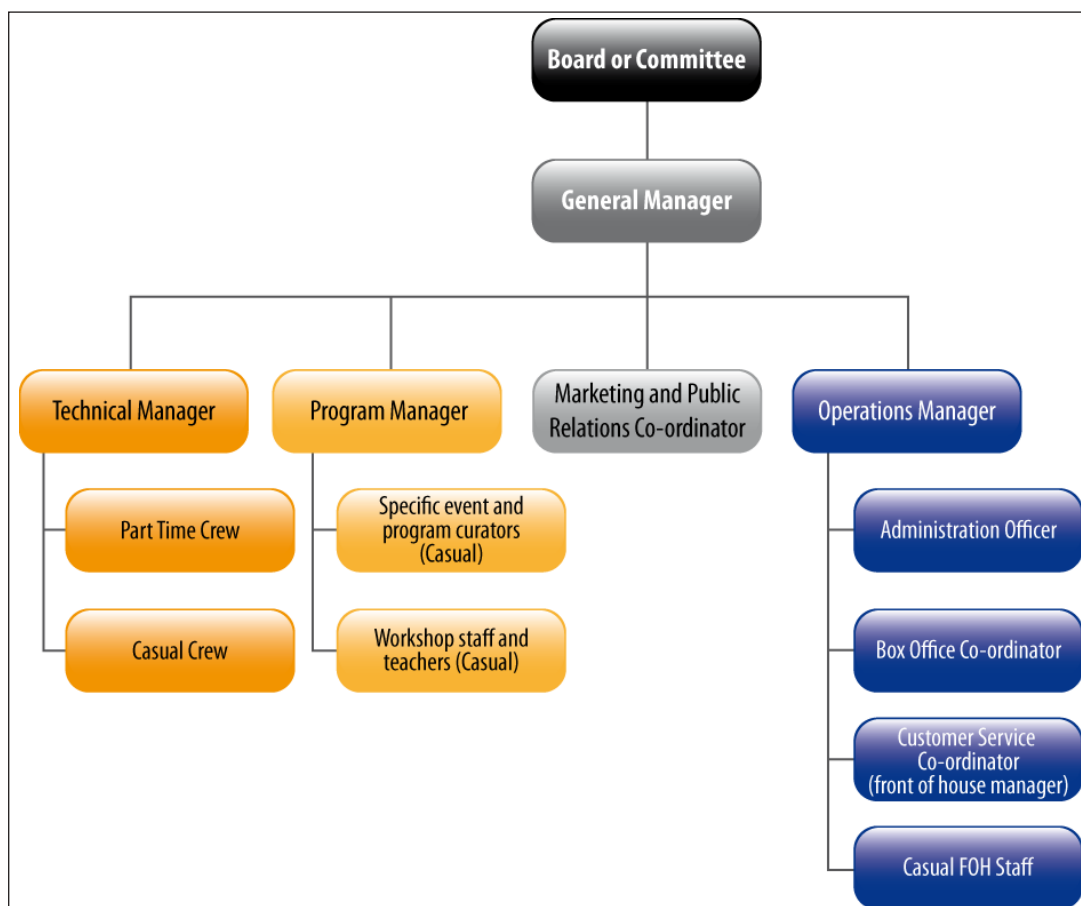
- Oversee discipline and grievance procedures
- Assist with the planning and scheduling of capital works and ongoing maintenance for the venue
- Oversee and ensure ongoing compliance with venue management system policies and procedures for the employment and management of the technical department staff

9.5 ORGANISATION DESIGN

In order to best facilitate the tasks listed, a suggested organisational structure would be as outlined in Figure 48.

This organisational structure has a traditional demarcation between facility and administrative services, and directly links program development and promotion to the general manager. Other organisational models might be suitable, depending on the preferred relationship of the JPACF to the City of Joondalup, especially in the provision of administrative services.

Figure 48: Proposed Organisational Design



Source: Pracsys (2012)

9.6 POSITION DESCRIPTIONS

9.6.1 General Manager

To oversee all aspects of facility operation, with particular reference to program development and promotion, including community engagement and commercial/entrepreneurial development, and the development of grants and sponsorship strategies, as required by the program and for the overall efficient operation of the facility. The general manager also acts as the primary interface between the City of Joondalup and the facility, ensuring effective and timely reporting and interpretation and implementation of current strategic priorities and goals. Finally, this position, in conjunction with the program manager, represents the facility at local, national and international performing arts markets and forums.

9.6.2 Performance Staff

Program Manager

The program manager develops annual programs of activities in conjunction with the general manager, oversees and implements program operation and acts as a point of contact for all community hirers and users. The program manager also acts as a point of liaison between the facility and the City of Joondalup's community development staff.

Technical Manager

Oversees the effective use of technical resources and associated personnel, ensures training and maintenance for all back of house staff and undertakes all scheduling and rostering of staff and crew, as required by the program. The technical/facilities manager

acts as a point of liaison between the facility and the City of Joondalup's infrastructure and regulatory services staff.

Crew

Casual or part time crew will be required to deliver the annual/seasonal program, to perform the technical tasks required to run the facility.

9.6.3 Marketing and Public Relations Manager

The marketing and public relations manager will oversee the implementation of the facility's communications plan. This would include oversight of all marketing and public relations activities, as well as traditional and online marketing strategies. Additionally, this role provides program-based reporting, and patron and activity analysis. Finally this position develops and services all sponsorship and grant requirements, in conjunction with the general manager. The marketing and public relations manager also acts as a point of liaison between the facility and the City of Joondalup's marketing services staff.

9.6.4 Administration Staff

Operations Manager

The operations manager is responsible for the effective management of the administration of the facility, with purview of all financial, contractual and HR compliance with City of Joondalup reporting requirements. The operations manager is also responsible for all rostering, cleaning and maintenance required by the facility, in conjunction with the technical manager. Also acts as the main point of contact

for food and beverage and other non-arts users and hirers, and contractors. Acts as a point of liaison between the facility and the City of Joondalup's infrastructure and corporate services staff.

Administrative Staff

Administrative staff provide day-to-day administration, customer service and box office operation.

Front of House Manager

The front of house manager oversees the effective management of the facility after hours and in performance mode, and develops rosters and front of house staff training, in conjunction with the operations manager.

9.7 GOVERNANCE

The JPACF management structure will ultimately be responsible to a board or committee, depending on whether the facility is managed as a department of the City or as a more independent entity. It is envisaged that this board or committee will include community and arts industry representation, as well as representation of the City of Joondalup – both elected members and City officers.

Irrespective of the membership makeup, the following are seen as the primary roles of any governance structure:

- Decision Making – primarily in approving operational and program recommendations from management
- The assessment and revision of strategy and risk
- Performance and financial oversight
- Compliance
- Management selection, evaluation and succession
- Board evaluation and succession
- Stakeholder relationships
- Fundraising

These roles can be shared between the City of Joondalup and an external committee should the facility's preferred operation model be as a department or function within the City's corporate structure. In this case most of the board functions may be provided through officers of the City or a committee of elected members.

10 MANAGEMENT MODEL

The following chapter develops some useful criteria for assessing different management options, and uses these criteria to assess some of the management models in existing performing arts and cultural facilities.

It is important to note that there is no one best model of facility management, and that each has both advantages and disadvantages. Therefore, there is no recommendation of which model should be employed by the JPACF, but instead a discussion of the strengths and weaknesses of each. With this analysis, the City can then make an informed decision on which of these models best meets its cultural policy objectives and other requirements.

This chapter also contains a preliminary discussion of risk management.

Both the assessment criteria for the different management models and the risk management assessment are informed by the JPACF Project Philosophy and Parameters, as this is the best guide to the City's criteria for the success of the project.

10.1 MANAGEMENT OPTIONS

Four management options have been identified for the JPACF, based on existing management models for arts and cultural facilities in Australia. These options represent different levels of independence from the City's hierarchy.

It should be noted that under all models the City will be ultimately responsible for all significant capital maintenance and expenditure.

10.1.1 Independent or Arm's Length Relationship

This model involves an independent or arm's length relationship between the City and JPACF management. Under this model, the City would provide a fixed subsidy, and the board and management would be free to run the facility as a commercial and entrepreneurial organisation, with minimal interference and within the capacity dictated by the financial support.

The City's objectives and community cultural requirements would only be addressed through annual review and or reporting to the City.

Under this option the facility would have the greatest capacity to directly source and apply for external grants and enter into sponsorship arrangements, where the City may not be able to. Inversely the facility would have greater administrative and compliance costs, with payroll, HR, audit and governance costs.

This is the model currently being employed to manage the Bunbury Regional Entertainment Centre and the Joan Sutherland Performing Arts Centre, in Penrith, NSW.

10.1.2 Outsourced Management

Under the outsourced management model, a third party organisation manages the facility on behalf of the City. As with the independent management option, the City would have little control over the day-to-day running of the facility, with the management team being accountable for end results as determined by the tendered agreement.

This is the style of management adopted by all Perth Theatre Trust venues, with management provided through AEG Ogden's. There are very few potential tenderers for this model.

The benefits of this model are that the City can enter into a long term outsourcing program.

10.1.3 The JPACF as a Department within the City of Joondalup

Instead of being run by an external organisation, the JPACF could instead be managed as a department within the City. Under this model the full-time staff would be officers of the City, and so would fit into the City's regular hierarchy. The City would therefore maintain full control of the operations of the JPACF.

This management model is used for the Frankston Performing Arts Centre, Victoria, which is run as a department of Frankston City.

10.1.4 The City's Cultural Program Contained within the JPACF

This model is similar to the above, involving running the JPACF as a department of the City, but with the facility containing the City's entire cultural program, and management being responsible for the City's entire cultural budget. This is the model adopted by the Glasshouse in Port Macquarie, NSW.

In addition to being a performing arts venue, the Glasshouse delivers education and training programs, gallery and heritage services and programs that enhance the development of creative and cultural industries. It also provides a visitor information centre. The centre recoups its costs from the performing arts program, catering, venue hire and event services.²⁰

10.2 ASSESSMENT CRITERIA

As discussed above, there is no one best management model, and each model represents a trade-off between different benefits. Management options should be assessed according to a range of criteria.

As mentioned above, the criteria are informed by the JPACF Project Philosophy and Parameters, although not all of the precepts set out in this document are relevant to deciding between different management models (for example, considerations relating to the design of the facility).

10.2.1 JPACF Project Philosophy and Parameters

The JPACF Project Philosophy and Parameters sets out the JPACF vision as aspiring to:

- Create synergies with the existing educational institutions and reinforce the Joondalup City Centre as the creative and educational centre of the northern corridor
- Provide a world class, state of the art centre incorporating innovative and sustainable design, that is architecturally symbiotic with the existing natural and built environment
- Project an ambience of cultural significance, providing an easily recognised entry statement to the City that creates strong visual and physical linkages to existing and future civic buildings, learning precinct, green areas and transport hub.

20 Glasshouse Port Macquarie 3rd Anniversary Report (2012)

- Become a place to celebrate imagination and creativity, inspiring individuals and the community to take part in the arts and raise the aspirations of all users.
- Create an inclusive environment where people of all ages and levels of cultural awareness can develop and nurture a strong sense of the possibilities that the arts can provide.
- Provide a facility that can host a mixture of commercial and community activities that supports the viability and attraction of the venue.
- Formal or explicit financial risk to the City – if the JPACF is an independent organisation, then there is no explicit financial risk to the City. However, it is unlikely that the City would allow the JPACF to close down, so this is probably illusory.
- Flexibility regarding staffing, investment and other management issues – an independent body would probably have more flexibility with assigning staff than if the JPACF was a part of the City, and so subject to the City's HR policies. Also, if the centre was tied to the City financially, then decisions concerning re-investment, expansions and upgrades, or maintenance might be affected by the City's other financial responsibilities.
- Responsiveness – this is a measure of the ability of management to respond to changing requirements of the community, the City or the arts industry, rather than being unnecessarily bureaucratic.

The document expands these into a range of development parameters:

- Governance
- Land use and built form
- Fiscal responsibility and commerciality
- Sustainability considerations
- Liaison protocol

10.2.2 Proposed Assessment Criteria

The proposed assessment criteria for assessing the JPACF management options are:

- Promotion of culturally significant activity – more independence will probably mean more culturally significant activity (at the expense of community involvement)
- Community engagement – if the JPACF was managed by the City, there would probably be greater community involvement, as an independent organisation would probably put more weight on commercial or artistic goals. There is probably a trade-off between these first two criteria.

Figure 49 displays how each of the four management models can be expected to perform against each of the five assessment criteria.

Figure 49: Management Options for the JPACF

	Promotes Culturally Significant Activity	Community Engagement	Financial Risk to City	Flexibility re: staffing, investment, other management issues	Responsiveness
Independent/Arm's Length	4	5	4	4	4
Outsourced Management	3	2	2	5	5
JPACF a Department of the City	4	4	3	2	2
JPACF Administers Entire Cultural Program	5	5	3	2	2
Scale	Less 1 2 3 4 5 More				

Source: Pracsys (2012)

10.3 DISCUSSION

The independent/arm's length management model and the two within-City models can be expected to produce stronger outcomes in terms of promoting culturally significant activity and community engagement. This is particularly so for the "Glasshouse model", as it sends a clear signal to the public and artistic community that the City valued and is engaged with the arts and cultural life of the community.

The tendered management model would most likely provide the lowest expectation for innovative programming and growing community engagement, as the management would only be incentivised to provide services at the level considered appropriate in the tender agreement.

The greatest financial risk is associated with the independent/arm's length model, as the City still be financially responsible, but with less formal control and purview. The lowest level of financial risk can be expected to come from the outsourced management model, as they

are given a fixed contract to provide certain services.

The independent management of the outsourced management model and arm's length/independent model will also have greater freedom to make staffing, investment or programming changes, making the JPACF more flexible and responsive organisationally. This is both in terms of employment structures and the schedule of fees and charges. Additionally, an arm's length management model escapes the perception of being a bureaucratised function of the City, allowing a more casual approach to negotiations with commercial presenters. Beneficially, this model also allows the City to be less associated with controversial programming choices, making the venue management more accountable.

The two within-City models can be expected to be less flexible than the external management models. The within-City models are likely to be bound by more rigorous reporting requirements within the City's structure.

10.4 PRELIMINARY RISK MANAGEMENT ASSESSMENT

The following preliminary risk management assessment uses the City of Joondalup's Risk Management Framework to assess the potential risks arising from the operations of a performing arts and cultural facility. Risk management should be an ongoing process, and the JPACF's management should adhere to the specific principles laid out in the Framework.

It should be noted that the following is only a preliminary risk management assessment, and does not deal in detail with the process of implementing risk management.

10.4.1 City of Joondalup Risk Management Framework

The City of Joondalup's Risk Management Framework has been designed to comply with AS/NZS ISO 31000:2009 ("the Standard"), which supersedes AS/NZS 4360:2004. The Framework bases its definition of risk on that found in the Standard:

*"Risk is defined by the Standard as "the effect of uncertainty on objectives". An effect is a deviation from the expected and can be either positive or negative. Objectives can have different aspects e.g. financial, environmental, political, and health and safety. Risk is often expressed in terms of a combination of the consequences of an event and the associated likelihood."*²¹

The Framework also addresses the issue of risk appetite – the amount of risk to which an organisation is prepared to be exposed before it judges action to be necessary. The City's stated risk appetite is "risk prudent". It will be for the JPACF's board or the responsible committee within the City to interpret the precise meaning of risk prudent in relation to the JPACF's operations.

Figure 50 presents the Framework's risk assessment matrix, which will be used to assess the risks that the JPACF is exposed to.

Figure 50: City of Joondalup Risk Assessment Matrix

Likelihood	Consequences			
	Catastrophic	Major	Medium	Minor
Almost Certain	Catastrophic (1)	Extreme (2)	High (3)	Moderate (4)
Possible	Extreme (2)	High (3)	Moderate (4)	Low (5)
Unlikely	High (3)	Moderate (4)	Low (5)	Low (5)

Source: City of Joondalup (2011)

The risk assessment criteria are based on the likelihood and consequences of a particular risk occurring. The consequences are defined as either:

- Catastrophic – death, loss of system or plant, significant impact on operating environment such that public interest or regulatory intervention occurs or could reasonably occur
- Major – major injury, severe disruption to service or project, major damage to system, unplanned localised damage to operating environment

21 City of Joondalup, Risk Management Framework, May 2011, page 1.

- Medium – minor injury, some disruption to service or project delivery, minor damage to system, non-damaging to operating environment
- Minor – less than the above

And the likelihood is defined as:

- Almost certain – likely to occur during the life of an individual project, activity or system, or very often in operation of a large number of similar items
- Possible – likely to occur at some time or several times in the life of an individual project, activity, or system, or very often in operation of a large number of similar items
- Unlikely – remote, but possible to occur sometime in the life of an individual project, activity, or system, or it may be possible, but unlikely, to occur in the life of a large number of similar items

Clearly, those risks that have major or catastrophic risks, and are almost certain or possible should be given the most attention. Those that are only of minor consequence and are unlikely to occur can possibly be ignored. The combination of consequence and likelihood are combined to give one of the following overall threat levels, as shown in Appendix 3:

- Catastrophic
- Extreme
- High
- Moderate
- Low

10.4.2 Sources of Risk for the JPACF

The likely risks to the JPACF have been grouped into four categories:

- Governance risk
- Market risk
- Operations/management risk
- Financial risk

The specific risks are laid out in the risk register, which appears in Appendix 3.

In summary, the most significant areas of risk that will need to be mitigated against are occupational health and safety, program or usage risks, or the facility underperforming, and potentially exposing the City to financial risk.

Appropriate recruitment and management practices can mitigate most of the higher-order threats that have been identified.

11 CAPITAL REQUIREMENTS

The construction cost of the JPACF was developed by the Quantity Surveyor, based on the Art Box design described above. As capital works involve a substantial cost, it is not expected that the City of Joondalup would fund the project's construction without financial assistance from the state or federal governments, or some other source.

11.1 PRELIMINARY CAPITAL COST

The Art Box design option for the JPACF has been costed by the Quantity Surveyor, with an estimate of \$78 million, including contingencies, fees, fit-out and other related costs. Figure 51 provides a summary of the order of magnitude costing. The full costing can be found in Appendix 4.

Figure 51: Order of Magnitude Costing for the JPACF Art Box Design.

Cost item	Cost
Clear site, preparation, etc.	205,000
Basement car park (200 bays)	8,400,000
Extra for roof slab (outside of building line over)	160,000
Ground floor	28,371,500
First floor	13,233,000
General	3,450,000
Sub-total	53,819,500
Contingency and Escalation to 2014	11,427,127
Sub-total	65,246,627
Fit Out and Fees	12,791,254
Estimated Current Construction Cost (excl. GST)	78,037,881
Levels 2 and 3 commercial offices, incl. contingencies, fees, fit-out, etc.	8,750,000
Additional basement level car-park (extra 200 bays)	13,720,000

Source: Pracsys (2012)

The cost estimate also includes the additional cost of adding two floors of commercial office space to the centre and an extra basement level of underground car parking, with 200 additional bays. Both of these options have the potential to provide additional revenue to the facility, offsetting the operating costs of delivering the cultural program. This will be discussed further in the funding strategy section of the report.

11.1.1 Exclusions

The following items are excluded from the financial analysis:

- Land Cost (the model assumes the Land has been gifted to the City)
- Legal Cost
- Local authority management fee (it is expected that the City will waive this)
- Green star rating and non code ESD initiatives (at this stage of the design process the cost of ESD initiatives is unknown)
- GST (it is unknown what the City's GST liability will be)
- Tax depreciation

11.2 FUNDING SOURCES

If the City financed construction in its entirety, the cost of capital would be \$6.55 million per annum, assuming government rate financing. This is clearly not a feasible option, and the City will need to consider its options for sourcing part or all of the capital costs through other public or private sector sources.

In addition to the City's contribution to the construction costs of the JPACF, funding could

potentially be sourced from either state or federal governments, or the private sector.

11.2.1 Western Australian Government

The Western Australian Government is the most likely source of funding assistance for constructing the JPACF.

There are no regular culture and arts programs for funding capital works, with ongoing programs generally being intended to support arts activities and producers instead. Therefore, the JPACF would be handled as a distinct project, and would probably be arranged through a political lobbying process.

The Department for Culture and the Arts (DCA) has a wide range of regular funding programs, but these are aimed at arts producers, rather than infrastructure or facility development. There are programs for art development and marketing, supporting artists in residence, etc. Capital funding for the JPACF would therefore have to be a raised as special, one-off project, and would most likely not go through the DCA. This would have to be agreed between the City of Joondalup and the Western Australian Government at a ministerial level, probably the Minister for Local Government. The DCA would instead be able to provide funding to help deliver the program, once the facility had been constructed.

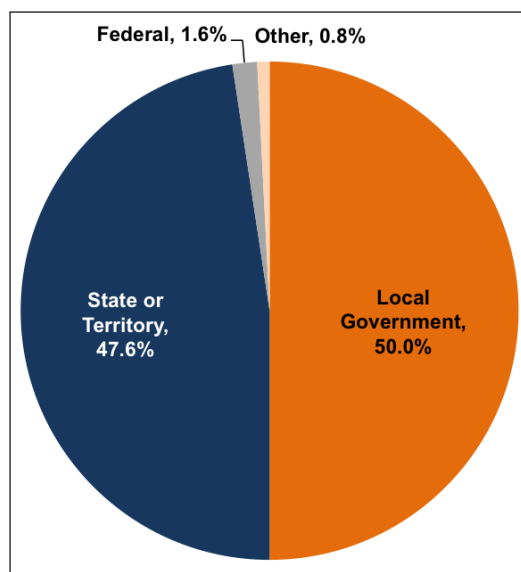
11.2.2 Australian Government

The Australian Government also provides support to the arts. The Australia Council for the Arts (commonly referred to as just "The Australia Council") is the Government's official arts funding and advisory body. Annual funding distributed by the Australia Council

is currently running at \$160 million²². As with the DCA, however, the Australia Council does not fund capital works, but would be able to provide support for specific programs that take place at the JPACF.

As shown in Figure 52, federal funding for performing arts centre capital works has been quite limited, so it should not be assumed that the federal government would contribute to the construction costs of the JPACF.

Figure 52: Sources of Capital Funding for Performing Arts Centres



Source: 2009 Economic Activity Report (APACA, 2012)

11.2.3 Private Sector and Lotterywest

There is also the potential for sponsorship funding to be provided by major organisations operating in the catchment area. Major organisations in the area include Lendlease, the owners of Lakeside Joondalup Shopping

Centre, Edith Cowan University and the West Coast Institute of Technology.

Lotterywest should also be approached for funding, as it disburses the proceeds of its gaming activities to a range of community organisations, including providing significant support for the arts in Western Australia. Lotterywest's "Big Ideas" funding program is intended to support ideas that are out of the ordinary, and that "might provide enjoyment for large numbers of people, help to bring about important change, or create a major community asset"²³. Examples of community assets that have been developed with funding from this program include the Lotterywest Federation Walkway in Kings Park, Albany Biodiversity Park and National Memorial to HMAS Sydney (Geraldton).

Current sponsors of the Joondalup Eisteddfod and other City cultural programs might also be prepared to provide some support for developing the JPACF.

11.3 TRADITIONAL PERFORMING ARTS CENTRE DESIGN

For the purposes of this feasibility study, Pracsys has developed two designs: a traditional performing arts centre design, and a cultural community arts centre, dubbed the "Art Box" – as discussed above. In addition to the performance and rehearsal spaces contained in the Trad PAC design, the Art Box also contains designated arts and crafts workshop spaces, a gallery and exhibition space and conference facilities, as well as commercial office space, which the City could either use for its own purposes or lease out. The Art Box will be significantly more expensive than the Trad PAC design, but meets the requirements of the Project Philosophy and Parameters more fully. Figure 53 outlines a brief summary of the difference between the two designs.

The schedule of areas for the Trad PAC design can be found in Appendix 5.

Figure 53: Comparison of the Traditional PAC and Art Box Design

	Traditional PAC	Art Box
Cost	\$58.8 million	\$79.5 million
Discussion	<ul style="list-style-type: none"> Allows performances in the two performance spaces Limited community activity and engagement Contains rehearsal spaces as well as performance space 	<ul style="list-style-type: none"> Allows for substantial community activity, in addition to professional performances in the two main spaces Significant visual arts potential Purpose built art and craft workshop and learning spaces, improving community engagement, as per the Project Philosophies and Parameters

Source: Ralph Beattie Bosworth, Peter Hobbs Architect and Pracsys (2012)

11.3.1 The Program of the Traditional PAC Design

The program for the JPACF will vary considerably in terms of diversity and scale under the two options. The program for the Traditional PAC will have a much greater focus on performing arts due to the absence of the art gallery, craft studio and drawing and painting studios. While these spaces were not anticipated to be revenue drivers for the facility, the loss will affect the facility's ability to provide opportunities for local residents to attend and participate in these disciplines.

It may also have a small impact on the use of other spaces as the benefits from the co-location of a diverse range of culture and

23 <http://www.lotterywest.wa.gov.au/grants/grant-types/big-ideas>

arts activities will not be realized. The cost saving of not providing visual arts and craft opportunities within JPACF needs to be considered against the cost of alternative options for their provision elsewhere in the City of Joondalup, or indeed the implications of not providing them at all.

The Traditional PAC also contains a smaller main theatre. The effect of this will be two-fold:

- It will limit the annual number of hires, particularly for community groups such as local dance schools who have identified a need for a larger theatre space
- It will reduce the level of ticket revenue that can be generated from the presentation of commercial events

11.4 FUNDING STRATEGY

Given the scale of the JPACF, funding will have to be drawn from a range of sources, including contributions from the City, the Western Australia Government and potentially other sources of funding, as described above.

The 2009 Economic Activity Report prepared by the Australian Performing Arts Centres Association provides aggregate data on the sources of capital for performing arts centres around Australia, as shown in Figure 52.

As shown in Figure 52, capital funding has overwhelmingly been provided by local and state or territory government. Private sector or federal government funding is still a possibility for the JPACF, however.

Based on discussions with the City, out of the total capital cost of \$79.5 million, it has been assumed that \$23 million would be funded

from the City's reserves, with the remainder being required as a loan from Treasury. See below for further discussion of financing costs.

11.5 OPTIONS FOR REDUCING THE CAPITAL COST

In developing the initial cost estimate developed for the JPACF, the Quantity Surveyor assumed a high-quality regional performing arts facility. This would be commensurate with the Albany Entertainment Centre and somewhat below the specification of the State Theatre Centre.

To provide the City with options for reducing the capital cost of the JPACF, the Quantity Surveyor has provided additional estimates of the construction cost if certain facilities were left out. These are:

- Restaurant and bar
- Art gallery, workshop and studio
- Exhibition and conference space
- Basement carpark
- External performance space
- Level 1 storage space

The estimated cost of the facility without each of these facilities is summarised in Figure 54, along with a summary of the effects of leaving out each particular facility. Note that these identified savings are relative to the preferred Art Box design.

Figure 54: Options for Reducing Capital Cost

	Capital Cost Saving	Effect on the JPACF's Function
Cost less restaurant and bar	\$3.1 million	<ul style="list-style-type: none"> • Loss of revenue • Reduced activation • Loss of a more complete "night out" for those attending performances or classes
Cost less art gallery, workshop and studio	\$4.3 million	<ul style="list-style-type: none"> • Reduced cultural significance of the JPACF • Potentially reduced synergies and exchange of ideas between different art forms • JPACF potentially becomes seen as a less attractive venue for premium-level performances • Reduced community participation
Cost less exhibition and conference space	\$5.2 million	<ul style="list-style-type: none"> • Loss of revenue from conferences and exhibitions
Cost less basement carpark	\$11.5 million	<ul style="list-style-type: none"> • Staff and patrons will still have to park somewhere, and it could be highly inconvenient if there is not parking on-site. There would be limited space for parking on the site surrounding the facility. • Potentially significant lost revenue from parking fees
Cost less external performance space	\$1.8 million	<ul style="list-style-type: none"> • The external performance space is a cheap and adaptable space, that would give the JPACF considerable further performance options, especially if utilisation levels become very high.
Cost less Level 1 storage space	\$700,000	<ul style="list-style-type: none"> • Lack of storage space may impede the efficient functioning of the facility

Source: Ralph Beattie Bosworth, Peter Hobbs Architect and Pracsys (2012)

11.5.1 Restaurant and Bar

Constructing the JPACF without the restaurant and bar is estimated to save \$3.1 million. However, leaving the restaurant out of the JPACF would result in lost revenue from the restaurant's operations. For the purposes of this study, this has been assumed to be 10% of program revenue - \$99,000 in 2016. In addition there is assumed to be catering revenue from this facility.

The restaurant would also be expected to contribute to the activation of the site, as audience members, artists or people participating in conferences or art or craft facilities would remain on the site for some time after productions or other events had finished. Providing the restaurant would also allow for a complete "night out" at the site, and those wishing to eat out before or after an event would have to travel elsewhere, almost certainly by car.

11.5.2 Art Gallery, Workshop and Studio

Constructing the JPACF without the art gallery, workshop and studio is estimated to save \$4.3 million. The gallery would provide some revenue from art sales, although it is not certain how much this would be.

The art gallery contributes to the JPACF being a site of cultural significance (one of the requirements of the Project Philosophies and Parameters), and this would be lost if the gallery was not included. As a result of this, the producers of world class performing arts may view the JPACF as a less desirable venue for their events. The gallery also provides the opportunity for the exchange of ideas resulting from having multiple art forms being undertaken at the one site.

Removing the workshop and studio facilities from the JPACF would significantly reduce the extent to which it fulfils its community engagement role, as laid out in the Project Philosophy and Parameters.

11.5.3 Exhibition and Conference Space

Constructing the JPACF without the exhibition and conference space is estimated to save \$5.2 million. The conference facilities could potentially be a source of revenue for the facility in the future, although Pracsys consultation identified considerable unused conferencing capacity in the area.

11.5.4 Basement Car Park

Constructing the JPACF without the basement car park is estimated to save \$11.5 million. While this is a significant capital cost saving, it has been estimated that the car park would generate \$333,000 in the first year of operation (2016).

In addition to this, staff and patrons will still need to access the JPACF somehow. There will be limited space for parking surrounding the facility, and it could be highly inconvenient if there is not parking on-site.

11.5.5 External Performance Space

Constructing the JPACF without the external performance space would save an estimated \$1.8 million.

The external performance space requires only a small investment, but would give the JPACF considerable further performance options, especially if utilisation levels become very high. It could accommodate a wide range of uses and could perhaps be upgraded to a more elaborate performance space at some time in the future.

11.5.6 Level 1 Storage Space

Constructing the JPACF without the storage space on level one is estimated to reduce the construction cost by \$700,000. Inadequate storage space may impede the efficient functioning of the facility, especially if the facility is being heavily utilised.

12 TRADING ANALYSIS

The following trading analysis has been based on the design and model program outlined in Chapter 6. For the purposes of this study, it has been assumed that the JPACF is run as a department or division within the City of Joondalup, rather than being run as an arm's length commercial venture or with the management contracted out, as discussed in Chapter 10. This has been considered to be a natural default option, as all revenues and expenses apply to the City, rather than to a contractor who the City then supplies funding to.

It has also been assumed that the management model would not materially affect the JPACF's operational cash flows, but only how they are accounted for. In practice it is possible that there might be differences in costs under different management models, but it is not possible to reliably model this, and so it has not been examined. Cost differences between the different management models would most likely be found in staffing costs, and the staff would be subject to the City's pay scales.

12.1 METHODOLOGY

A discounted cash flow model was created, utilising capital cost estimates determined by RBB and operating cash flow estimates prepared by Pracsys.

12.2 ASSUMPTIONS

The evaluation model used assumptions about key inputs and variables. The model has been developed to be flexible, such that interest rates, project start and completion dates, and other parameters that affect the NPV can be changed and the output will self-adjust. The output reported is based on a number of predetermined values, however – a “base case”.

The extent to which these assumptions hold true in the market, will affect the validity of the results. The following assumptions underpin the analysis:

- All revenues and expenses were converted to 2012 values and escalated according to a 2.5% CPI factor
- Construction is assumed to commence in 2014 for a duration of two years
- The facility is assumed to commence operations in 2016
- The present values of the annual net cash flows are calculated over a 20-year period, and are discounted at 6%

The cost escalation and discount factors were determined in consultation with the City.

12.3 REVENUES

12.3.1 Program Revenue

In the market analysis component of this study the potential demand for culture and performing arts activities was explored. This potential demand was then correlated with the expected or required penetration rate to identify the amount of demand required to sustain the facility through an indicative program.

Program revenue for the JPACF will be derived from two sources:

- Rentals
- Presenting events

Rentals

For rentals, the performance spaces will be let to a producer of an event for a fixed fee. The theatre does not otherwise participate in revenues generated by the event, and ticket sales go to the producer. In addition to the rental of the space, users are also charged for the use of specialised staff and optional equipment, such as audio, visual and lighting systems.

Rentals can be structured to generate consistent cash flows, however, they are not typically large revenue generators.

Presenting events

To present events the JPACF will contract with a touring company for a package show. This is a fixed cost and a fixed number of performances. The JPACF provides the advertising and promotion and collects all of the revenues. In the case of presenting events, the JPACF takes all the risk. There is broad trend towards this type of entrepreneurial programming.

Utilisation

Utilisation is a key revenue driver for a performing arts centre. A performing arts venue with a variety of programming is generally considered “fully booked” when 330 days are used in the course of the year. The rest of the year is taken up with facility and equipment maintenance, holidays, etc.

To gauge the assumptions about utilisation, a market comparison of the utilisation of existing venues in Western Australia was conducted, national benchmarks were examined. Without a resident theatre company, the maximum

utilisation of the two main theatre spaces is likely to be in the order of 70%, or 231 event days per annum. This is due to a range of factors including the fact that most performing arts and community organisations prefer a Friday, Saturday or Sunday for their event. The maximum utilisation for all other spaces is assumed to be 90%, or 297 days per annum.

The facility is assumed to operate below these maximums in the first year of operation, as a new facility will likely require time to develop its staff’s expertise in maximising utilisation. Utilisation is assumed to increase at a rate of 8% per annum (in line with projected population growth for the main trade area) until the maximum utilisation is reached.

Occupancy

Occupancy is the second key revenue driver for cultural and performing arts centres. Occupancy is the proportion of a venue’s total capacity that is used for a given performance. For example, if 600 people attended an event in an 800 seat theatre, then the occupancy rate would be 75%. Occupancy affects the revenue from ticket sales, but does not directly affect the revenue from rentals.

Based on industry experience, average occupancies were assigned to each of the events during the programming stage. In the interest of maintaining a conservative analysis, these are assumed to remain constant. However, depending on the expertise of the JPACF’s staff, it is possible that the JPACF could achieve above average occupancy rates for its events, which will improve viability.

Rental Fees

An industry comparison of venue hire and standard service fees²⁴ was conducted for existing venues in Western Australia, as well as identified national benchmarks. For the JPACF, the venue hire and service fees are based on the average of these. The escalation of these fees is assumed to be 2% above CPI, in line with the expected increase in costs. This will need to be balanced with the aim of promoting access and allowing local arts and cultural groups to continue to rent the facility at a reasonable rate.

Figure 55: Rental Fees

	City of Joondalup Rate	Community Rate	Commercial Rate
Primary Space	\$1,550	\$1,550	\$4,970
Secondary Space	\$820	\$820	\$1,860
Conference Room 1	\$300	\$300	\$600
Conference Room 2	\$300	\$300	\$600
Exhibition/Reception	\$300	\$300	\$600
Craft Studio	\$75	\$75	\$125
Drawing and Painting Studio	\$75	\$75	\$125
Rehearsal Rooms	\$75	\$75	\$125
Practice Rooms	\$-	\$-	\$-

Source: Pracsys (2012)

It is important to note that the revenue generated from City of Joondalup hires, is essentially internal revenue.

Ticket Pricing

Ticket pricing will vary greatly based on the type of event being presented and the space used. The average ticket price for the main

²⁴ Service fees include items such as ushers, technical support and utilities.

space is based on typical ticket charges at the Mandurah Performing Arts Centre Boardwalk Theatre, where the price is usually between \$40 and \$50 for evening shows, and between \$20 and \$25 for its Morning Melodies program, which is staged during the day and aimed at seniors. By contrast, ticket prices at the State Theatre Centre can range for \$20 to over \$150 per ticket. Tickets to shows held in the State Theatre Centre's secondary performance space - Studio Underground - typically sell for \$20, \$25 or \$30 and \$23 has been taken as a reasonable mid-point. Ticket prices are escalated at 2% above CPI to keep in line with the rising costs of operations.

Figure 56: Average Ticket Prices

	Average Ticket Price
Primary Space	\$40
Secondary Space	\$23

Source: Pracsys (2012)

Total Program Revenue

At 2016 the program revenue for the JPACF is estimated to be \$2,442,676. Approximately 52% will be derived from rental and the balance from entrepreneurial programming.

As previously discussed, the COJ program in the JPACF incorporates the following existing programs:

- Sunday Serenades
- Joondalup Invitation Art Awards
- Joondalup Community Art Exhibition
- The Joondalup Eisteddfod

If the City is currently using external facilities to host these events, there may be cost savings

to the City from relocating these events to the JPACF. While quantification of this is beyond the scope of this study, it is something to be cognisant of when estimating the impact of the project on the City's cash flows.

12.3.2 Additional Sources of Revenue

As a stand-alone cultural and performing arts facility the JPACF would not generate enough revenue to cover its operating costs, and so other sources of revenue will be needed to make up some of the shortfall.

Food and Beverage

The front of house bar is expected to be cost neutral and is seen as an opportunity to provide attendees with light refreshments. In addition to this, the JPACF will be able to generate revenue from catering for events. Catering revenue for the JPACF is estimated at 5% of total rental revenue, which in 2016 would be \$64,230 per annum.

Additional parking

The current design has 200 parking bays for the centre's use. Based on estimates provided by the City, the JPACF can expect to generate \$1,500 per bay per year in parking revenue. In 2016, the revenue from parking is estimated at \$331,144. No escalation of the revenue has been assumed beyond CPI, however as increasing demand for parking creates further pressure, there may be scope for increasing charges (and therefore, revenue). There is the possibility of adding another floor of basement parking, which can then provide additional revenue for the City. This was costed by the Quantity Surveyor, and the capital cost to build this extra level is estimated at \$13.7 million.

Assuming \$1,500 per bay per year, the return on investment for this extra floor of parking would therefore be 2.1%. Unless a third party funds the capital cost, the revenues to the City from the additional parking do not justify the additional investment.

Commercial Offices

The current design allows for 375 square metres of commercial office space which the City could lease and charge a commercial rent for. Assuming a rental yield of \$400 per square metre, and assuming a growth rate in rental returns of 2% above CPI, based on increased demand for commercial floorspace in Joondalup, in 2016 the revenue of commercial office leases is estimated at \$178,878.

There is the possibility of adding another two floors of commercial office space (2,500 square metres) which can then provide additional revenue for the City. The capital cost to provide this is estimated at \$8.75m and this would result in additional \$1.0m in unescalated revenue annually (11% return on investment per annum).

Restaurant

The current design allows for a 180 square metre restaurant, which the JPACF could lease to a commercial operator. Assuming a commercial operator is able to achieve an industry average turnover of \$5,000 per square metre, the JPACF could charge a commercial rent equivalent to 10% of total revenue, or \$500 per square metre. No growth in this yield above CPI has been assumed, as the viability of the restaurant itself has not been assessed in detail. At 2016 the revenue from the restaurant lease is estimated at \$99,343 per annum.

Sponsorships and Grants

The amount the JPACF receives in sponsorship and grants will be directly related to how active management is in pursuing these opportunities. Conservatively, the JPACF could expect to attract \$50,000 per annum in sponsorship for the art gallery and \$50,000 per annum in grants. Revenue from sponsorship and grants is assumed to increase at 2% per annum above CPI, based on the facility management developing expertise in attracting and accessing alternative funding sources.

City Contribution

Finally, the operation of the JPACF will likely require recurrent funding from the City to break even. The contribution required in 2016 to achieve break-even operations estimated to be \$496,000. It is important to note that operating the JPACF represents a significant increase in the provision of culture and arts activity by the City of Joondalup. As such the City needs to consider what proportion of the recurrent funding required to run the facility is an increase in their program activity (a cost the City is currently avoiding) versus what proportion is compensating for deadweight loss.

12.4 EXPENSES

12.4.1 Program Costs

Venue Hire and Service Fees

A market comparison of the cost of venue hire and standard service fees²⁵ was conducted for existing venues in Western Australia, as well as identified national benchmarks. For the JPACF, the venue hire and service fees are based on the average of these.

Figure 57: Venue Hire and Service Fees

	City of Joondalup Rate	Community Rate	Commercial Rate
Primary Space	\$1,550	\$1,550	\$2,470
Secondary Space	\$820	\$820	\$1,060
Conference Room 1	\$300	\$300	\$300
Conference Room 2	\$300	\$300	\$300
Exhibition/Reception	\$300	\$300	\$300
Craft Studio	\$75	\$75	\$75
Drawing and Painting Studio	\$75	\$75	\$75
Rehearsal Rooms	\$75	\$75	\$75
Practice Rooms	\$-	\$-	\$-

Source: Pracsys (2012)

At 2016, the cost of income from rentals is conservatively estimated at \$832,933. As the cost of rental income is comprised of labour and utilities, the cost will be sensitive to the changing prices of these inputs. As such the growth rate in costs has been estimated at 2% above CPI.

²⁵ Service fees include items such as standard ushers, technical support and utilities.

Cost of presented events

The role of JPACF management will be to balance opportunity and risk to ensure that the cost of presenting events remains equal to or less than the revenue generated. Conservatively, the cost of presented events is assumed to be 90% of the revenue generated. This equates to \$1,042,276 in 2016.

Cost of Food and Beverage

The front of house bar is expected to be cost neutral and is seen as an opportunity to provide attendees with light refreshments. The cost of catering revenue for the JPACF is estimated at 70% of total revenue, which in 2016 would be \$44,961 per annum.

12.4.2 Undistributed Operating Expenses

Staffing

Culture and performing arts activity is very labour intensive. As such staffing represents one of the most significant costs to the JPACF. This is compounded by the assumption that the JPACF is contained within the City of Joondalup, due to the high staffing costs linked to the local government award relative to the industry award.

Figure 58 summarises the estimated cost of fulltime staff for the JPACF in the base year. A 40% allowance for on-costs has also been included.

Figure 58: JPACF Full-time Staffing Costs

Position	Average Gross Annual Income	On-Costs	Total
General Manager	81,360	23%	100,073
Technical Manager	67,836	23%	83,438
Program Manager	67,836	23%	83,438
Marketing and Public Relations Co-ordinator	67,836	23%	83,438
Operations Manager	62,776	23%	77,214
Administration Officer	67,836	23%	83,438
Box Office Co-ordinator	56,865	23%	69,944
Customer Service Co-ordinator	56,865	23%	69,944
Total	529,210	23%	650,928

Source: Pracsys (2012)

Staffing costs are assumed to escalate at 2% per annum above CPI. Note that staffing costs do not include a visual arts curator.

Marketing

The marketing budget of performing arts and cultural facilities varies greatly. A well-managed, multi-channel marketing budget will be critical for translating latent demand into revenue and attracting sponsorship for the JPACF. The initial marketing budget for the JPACF is conservatively assumed to be \$150,000 in 2012 dollars. This equates to \$178,878 at 2016. As marketing relates to both venue marketing and event marketing, this expense does not represent an entirely net new expense to the City of Joondalup, as the City will already have marketing budgets for many of the existing programs that it is assumed will be accommodated at the JPACF.

Administration

The administrative costs of the JPACF are estimated at 5% of total program revenue. This equates to \$122,134 at 2016.

12.4.3 Building operations and maintenance

Increasing operations and maintenance costs presents a challenge for all facilities managers, and under-estimating the ongoing costs of building operation and maintenance has been an issue for a number of cultural and arts facilities in Australia.

Figure 59 summarises the estimated building operations and maintenance costs and growth rates.

One of the most significant costs of operating the facility will be energy costs. Once detailed designs are undertaken for the JPACF, options for improving energy efficiency and reducing the ongoing operating costs can be explored in more detail.

Figure 59: Building Operations and Maintenance Costs

Item	Cost (\$/m ²)	Growth rate above CPI
Rates and Taxes	-	0.0%
Insurance	7.60	0.0%
Air-Conditioning	8.30	0.0%
Lifts	6.70	0.0%
Fire Protection	1.40	0.0%
Energy	25.90	3.0%
Cleaning	14.90	0.0%
Buildings Staff	6.90	2.0%
Security	2.80	2.0%
Repairs and Maintenance	6.20	0.0%
Management	11.00	0.0%
Sundries	4.30	0.0%
Void Allowance and Contingency	2.70	0.0%

Source: Rawlinsons Australian Construction Handbook (2012)

At 2016, the building operations and maintenance costs are estimated to be \$736,473.

12.4.4 Capital Replacement

In addition to annual repairs and maintenance, the JPACF will incur capital replacement expenses. Some costly capital replacements can be prevented for an extended period through routine maintenance, it is envisaged that the following capital items will need to be replaced after 25 years.

Figure 60: Capital Replacement

Capital Replacement Item	Cost (M \$2012)
Mechanical Plant	5.0
Lifts and Escalators	1.6

Source: RBB 2012

12.5 FINANCIAL PERFORMANCE

12.5.1 Finance Costs

As previously discussed, out of the total capital cost of \$78 million it has been assumed, based on discussions with the City, that \$23 million would be funded from the City's reserves and the remainder being required as a loan from Treasury. The annual cost of capital would be \$4.5 million, based on an interest rate of 5% and loan term of 20 years.

12.5.2 Pre-Opening and Development Budget

The pre-opening budget of major facilities such as the JPACF is often under-estimated, but this phase is critical to ensure the facility opens successfully. The pre-opening budget is set to equal the first year's undistributed operating expenses and will cover:

- Recruitment
- Contracting distributors
- Leasing tenancies
- Program development
- Bookings
- Marketing
- Administration

12.5.3 Results

Figure 61 summarises the estimated operating and project NPV of the facility before and after financing costs.

Figure 61: JPACF Operating and Project NPV, Before and After Financing Costs

Position	Before Financing Costs	After Financing Costs
18 Year Operating NPV	775,347	-47,460,023
20 Year Project NPV	-21,554,768	-73,654,550

Source: Pracsys (2012)

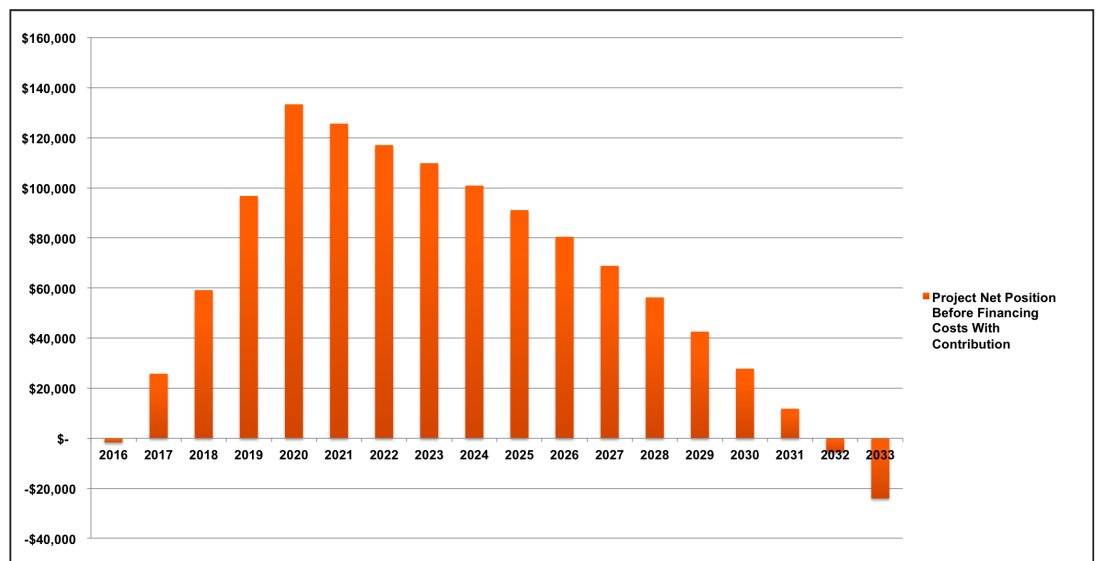
It should be noted that the JPACF's financial position carries a high level of risk. There is limited scope for realised revenues to be significantly higher than what is projected, as a high level of utilisation has been assumed. However, there is considerable risk that demand will not be as strong as expected, and that projected income will not eventuate. In addition, a lower utilisation rate would not significantly reduce the costs of operating the facility.

Figure 62a shows the estimated position of the facility before financing costs. This illustrates the gradual improvement in financial performance over the first five years of operation as the facility reaches the maximum level of utilisation. Beyond this, costs for the facility are escalating more rapidly than revenues. Note that this chart includes an assumed annual City contribution to the facility, and is therefore not a representation of the overall financial position of the City.

Figure 62b shows the estimated position of the facility before financing costs and without the assumed annual City contribution to the facility. This better reflects the operating position of the facility.

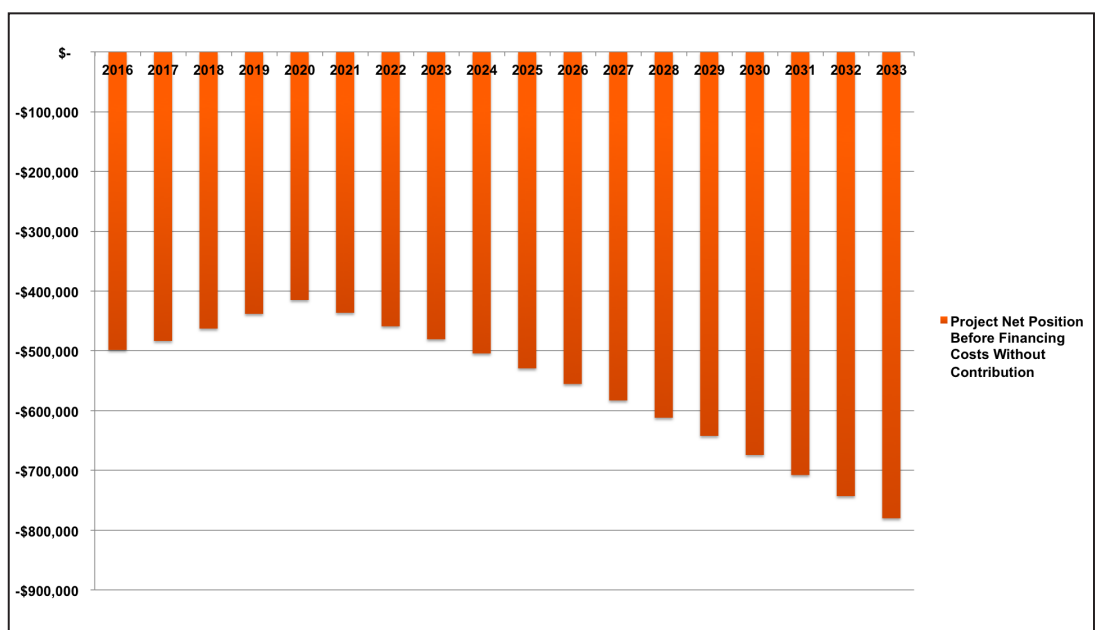
Figure 62c breaks down the estimated position of the facility, as shown in Figure 62b, into the different drivers. The three major costs centres

Figure 62a: JPACF Net Operating Position, Before Financing Costs (2016 - 2033)



Source: Pracsys (2012)

Figure 62b: JPACF Net Operating Position, Before Financing Costs (2016 - 2033)



Source: Pracsys (2012)

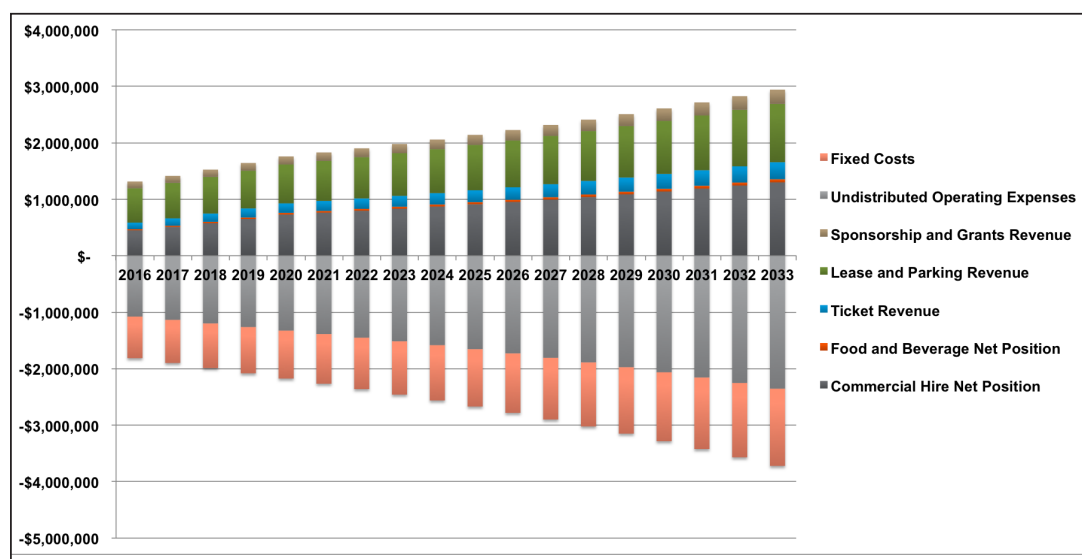
are fixed costs, undistributed operating costs (staffing, marketing and administration) and program costs. The major profit centres are commercial hires, and presented events. Lease and parking revenue also represent a major revenue stream.

Figure 63 presents the estimated net operating position of the facility after financing costs and without the City's assumed annual contribution

to operations. This illustrates that the total expected annual cost of the facility to the City would be in the order of \$5.0 to \$5.3 million per annum.

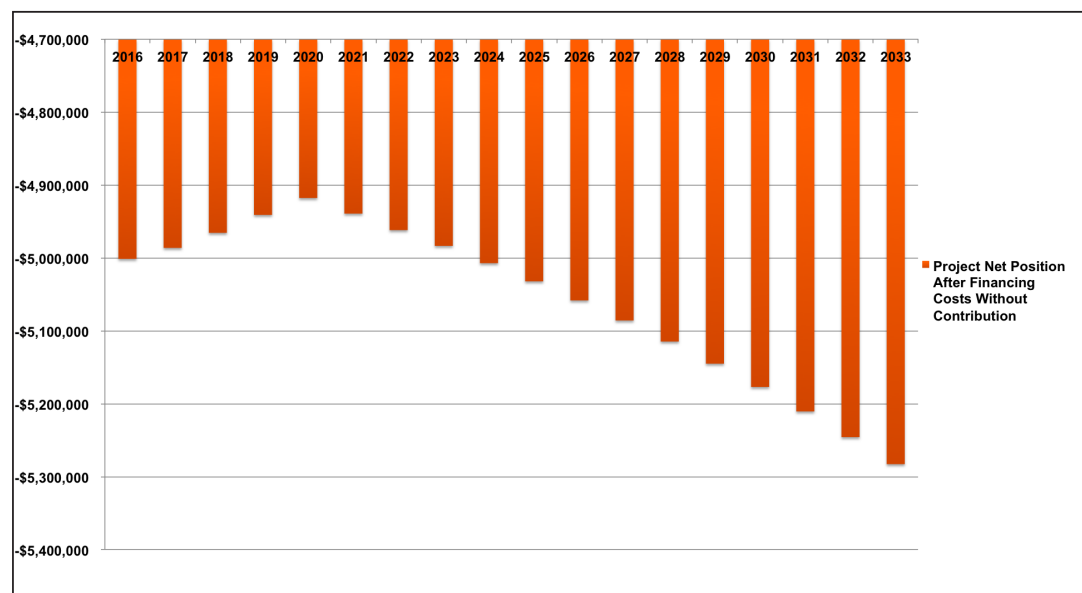
In particular, the escalation of labour and utilities costs is expected to erode the JPACF's profitability.

Figure 62c: JPACF Net Operating Position, Before Financing Costs (2016 - 2033)



Source: Pracsys (2012)

Figure 63: JPACF Net Operating Position, After Financing Costs (2016 - 2033)



Source: Pracsys (2012)

13 SENSITIVITY ANALYSES

To make the investment analysis developed in Chapter 12 more robust, a range of scenarios were modelled, to determine their effect on the investment performance of the JPACF. Scenarios have been modelled for the following variables:

- Capital cost
- Labour costs
- Energy costs
- Utilisation

13.1 CAPITAL COSTS

Given the capital intensive nature of the project, the project's economics can be expected to be highly sensitive to variations in capital costs. Figure 64 outlines the sensitivity of the project NPV to changes in the capital cost of the facility – i.e. if the actual construction cost varies from the order or magnitude costing provided by the Quantity Surveyor.

Figure 64: Capital Cost Sensitivity

Capital Cost (\$2012, \$millions)	18 Year Operating NPV (After Financing, (\$2012, \$millions))	20 Year Project NPV (After Financing, (\$2012, \$millions))
58.0	-13.08	-36.28
69.0	-30.27	-54.96
78.0	-47.46	-73.65
88.0	-64.65	-92.35
98.0	-81.84	-111.06

Source: Pracsys (2012)

13.2 LABOUR COSTS

Culture and arts facilities are highly labour intensive. Labour cost scenarios were investigated because labour rates can vary considerably, depending on geographic location, availability of skilled labour, the

management model adopted, and broader macro-economic and labour market conditions.

Figure 65 outlines the sensitivity of the project NPV and operating NPV to changes in labour costs.

Figure 65: Labor Cost Sensitivity

Annual Staffing Cost (\$2012)	18 Year Operating NPV (After Financing, (\$2012, \$millions))	20 Year Project NPV (After Financing, (\$2012, \$millions))
500,000	-44.71	-70.93
600,000	-46.53	-72.74
650,000	-47.46	-73.65
700,000	-48.35	-74.54
800,000	-50.17	-76.34

Source: Pracsys (2012)

13.3 ENERGY COSTS

Energy costs are the single biggest cost item in the building's operation. Energy costs were investigated using a sensitivity analysis because energy prices can vary considerably, and there have been significant increases in the cost of energy in recent years in Western Australia.

Figure 66 outlines the sensitivity of the project NPV to changes in the real growth rate of energy costs.

Figure 66: Energy Cost Sensitivity

Real Growth of Energy Costs (in excess of CPI)	18 Year Operating NPV (After Financing, (\$2012, \$millions))	20 Year Project NPV (After Financing, (\$2012, \$millions))
1%	-46.84	-72.99
2%	-47.13	-73.30
3%	-47.46	-73.65
4%	-47.83	-74.06
5%	-48.24	-74.51

Source: Pracsys (2012)

13.4 UTILISATION

Utilisation of the two main spaces is a key revenue driver for a performing arts centre. A change in the utilisation rate equates to a change in the level of attendances, and so in the level of revenue. The utilisation rate was investigated using a sensitivity analysis because utilisation rates can vary greatly between facilities, depending on the level of underlying demand and the expertise of the facility management in attracting productions and members of the community.

Figure 67 outlines the sensitivity of the project NPV to changes in the maximum utilisation of the two main spaces.

Figure 67: Utilisation Sensitivity

Maximum Utilisation Rate (%)	18 Year Operating NPV (After Financing, (\$2012, \$millions))	20 Year Project NPV (After Financing, (\$2012, \$millions))
40%	-49.25	-75.48
50%	-48.65	-74.87
60%	-48.05	-74.26
70%	-47.46	-73.65
80%	-46.89	-73.07

Source: Pracsys (2012)

13.5 CONCLUSION

Assessing the feasibility of the project is challenging as conventional measures of project success such as NPV, IRR and payback period are insufficient to fully capture the investment decision. Ultimately, the feasibility of the project will be determined by the City’s ability and willingness to provide ongoing funding. The development of the JPACF will require considerable funding from the City of Joondalup, both in the form of capital financing costs and an annual contribution to operations. As demonstrated by the experience of benchmark performing arts facilities in Albany and Port Macquarie, there is a potential risk of over-investing in a single, cash flow negative cultural and arts facility, with long-term ramifications for the City’s future budget.

14 RECOMMENDATION AND NEXT STEPS

14.1 RECOMMENDATION

If the City of Joondalup were to proceed with the JPACF, then an ongoing funding contribution will almost certainly be required, and Pracsys is unaware of any major performing arts or cultural facility that does not require financial support. Based on this study's market research, modelling and hypothetical design and program, this contribution has been estimated at \$450,000 per annum for the facility's operations. There will also be financing costs associated with the City's contribution to the capital cost (assumed to be \$4.5 million per annum in this feasibility assessment). It will be for the City to decide whether this is a justifiable expense, and whether it is the most cost-effective means of achieving its cultural policy objectives, taking into account that the funding required for the JPACF could potentially be invested in other cultural facilities or programs.

In considering whether to proceed with the project, it should be borne in mind that, while this is an additional cost to the City of Joondalup, it presents the City with the opportunity of providing a comprehensive cultural and artistic program to ratepayers. Currently, the City's cultural life is being subsidised by other local governments – as shown by the reports detailed in the stakeholder consultation description in Chapter 3 of local dance schools travelling as far as the Mandurah Performing Arts Centre to stage their productions. In addition to this, there is no way to measure the cultural and arts activity that residents of the City are not enjoying, due to the lack of suitable facilities.

14.2 DRAFT SOCIAL IMPACT ASSESSMENT

The following section summarises those factors that the City should take into account when developing a detailed social impact assessment of the JPACF, once the final design has been developed.

Although the social impact of the arts has become an increasingly familiar phrase in policy debates, again, few studies have attempted to define it. A notable exception is Comedia's discussion document, *The Social Impact of the Arts* (1993). It presented a working definition of the social impact of the arts, which is described as being concerned with:

'those effects that go beyond the artefacts and the enactment of the event or performance itself and have a continuing influence upon, and directly touch, people's lives.'(Landry et al, 1993)

According to this definition, the social impact of the arts are those effects which are sustained beyond actual arts experiences, and have resonance with the life activities and processes of individuals. For Lingayah et al (1996), one way of looking at the social impacts of an activity is by considering its 'effects on people and the way in which they relate'. In their working paper, *Creative Accounting: beyond the bottom line* (1996), the authors suggested that the distinction between economic, financial, environmental and social impacts arising from such activity is likely to be blurred in reality.

The European Task Force on Culture and Development in *In From The Margins: A contribution to the debate on Culture and Development in Europe* (1997) identified the social contribution of arts and culture as shown in Figure 68.

Figure 68: Social Contribution of Culture and the Arts

Direct social impacts	Indirect social impacts
The arts and culture provide 'socially valuable' leisure activities, 'elevate' people's thinking and contribute positively to their psychological and social well-being and enhance their sensitivity.	The arts enrich the social environment with stimulating or pleasing public amenities. They are a source of 'civilising' impacts and of social organisation (e.g. amateur arts). Artistic activity, by stimulating creativity and a disregard for established models of thinking, enhances innovation. Works of art and cultural products are a collective 'memory' for a community and serve as a reservoir of creative and intellectual ideas for future generations. Arts and cultural institutions improve the quality of life and so in urban areas enhance personal security and reduce the incidence of street crime and hooliganism.

Source: The European Task Force on Culture and Development (1997)

Coalter (2001)²⁶ identifies a number of generic research needs relating to outcome definition and measurement across the cultural sector, but recognises that in some areas, this is both contentious and also presents substantial theoretical and methodological problems. He adopts Bovaird et al's (1997)²⁷ distinction of 'intermediate' and 'strategic' outcomes to refer to the impact that participation in cultural services has on individuals or groups or the

immediate impact of investment (eg, jobs); and the broader (more amorphous) outcomes which are often the product of the successful achievement of the intermediate outcomes (community development, reduced levels of crime, increased social cohesion, improved quality of life), respectively.

He suggests that the most urgent issue for cultural services to address, through research, is the issue of intermediate outcomes: the extent to which services achieve:

- Personal social capital outcomes and practical outcomes associated with participation
- Personal confidence and self-esteem outcomes
- Educational impacts
- Local economic impact and regeneration
- Health promotion.

Equally, however, effort should also be directed towards addressing strategic outcomes, such as: increased social cohesion, community development, community empowerment, social inclusion, a sense of local identity, improved community safety and sustainable development, all of which he asserts, depend on the successful achievement of intermediate outcomes. Although he acknowledges the difficulties in measuring and proving such 'cause-and-effect' relationships.

Figure 69 outlines a template for assessing economic, social and cultural impact.

²⁶ Coalter, F, *Cultural Services: Realising the Potential*, Research Agenda (2001)

²⁷ Bovaird et al, *Approaches to estimating the wider economic and social benefits resulting from sports participation* (1997)

Figure 69: Social Contribution of Culture and the Arts

Area of Impact	Factors to consider
Organisation	Art form and activities, amenities provision and opening hours.
Income	Contributed income– grants, lottery awards, donations, sponsorship, earned income– admissions, sales, fees, membership, room hire, café/bar, bookshop, interest.
Outgoing: Staff Costs	Wages, travel, training, running costs, marketing, fund-raising, VAT, National Insurance and PAYE, local trade as percentage of turnover.
Capital Improvements	Income and expenditure.
Attendances and Performances	Total number of audience opportunities (for example, performances, cinema screenings) in city/town, region, nationally and internationally, number of admissions/attendees (paid full, concessions, free, website and hits.
Staffing	Paid, full- and part-time staff and volunteers, mix of artistic, marketing and technical staff, board.
Current and Future Plans and Challenges	Facilities development
Cultural Benefits and Impact	Work which took place which otherwise wouldn't have reached the area, new work created, role of organisation in promotion of a positive image for city/town, contribution to tourism
Social Capital	Contribution to the communication of ideas, information and values, helping improve participant's skills in planning and organising, improving understanding of different cultures and lifestyles, improving the understanding of the role of arts and culture in the community, partnership building, active membership of staff/board in other organisations and artistic collaboration with others.
Building and developing Communities	Contribution to developing sense of community identity, social cohesion, recreational opportunities, development of local enterprise, improvement of public facilities and amenities, and help to convey history and heritage of an area
Social Change and Public Awareness	Contribution made to stimulating and developing public awareness of important issues and changing people's attitudes on political, ethnical, religious or moral issues
Human Capital	Contribution to improving participant's human and communication skills, analytical and problem-solving skills, creative talents, and social awareness.

Source: The European Task Force on Culture and Development (1997)

APPENDIX 1: CATCHMENT BENCHMARKS

Catchment	Distance from Nearest Capital City	Population (2011)	Median Age (2011)	Median HH Income (2011)	Appropriateness as Benchmark
Joondalup	26km	304,483	35	1,630	
Mandurah	72km	107,606	41	1,091	Located too far from the Metro Area, catchment is too small, and demographics are not consistent
Bunbury	175km	154,518	39	1,202	Located too far from the Metro Area, catchment is too small, and demographics are not consistent
Moonee Valley	7km	107,443	38	1,377	Located too close to the Metro Area, catchment is too small, and demographics are not consistent
Whitehorse	15km	151,334	39	1,317	Located too close to the Metro Area and catchment is too small but demographics are consistent
Frankston	40km	271,066	40	1,087	Location and catchment size are appropriate but demographics are not consistent
Geelong	75km	210,875	39	1,049	Located too far from the Metro Area, catchment is too small, and demographics are not consistent
Townsville	1335km	174,462	33	1,381	Located too far from the Metro Area, catchment is too small, but demographics are consistent
Port Macquarie	420km	72,696	47	837	Located too far from the Metro Area, catchment is too small, and demographics are not consistent
Darwin	N/A	120,586	33	1,806	Catchment is too small but demographics are consistent
Albany	326km	83,329	36	1,045	Catchment is too small, and demographics are not consistent
Hobart	N/A	211,656	39	1,065	Catchment is too small, and demographics are not consistent
Penrith	50km	316,762	36	1,360	Location, catchment size and demographics are all appropriate
Ipswich	40km	166,904	32	1,233	Not a good current benchmark but worth exploring on the basis of growth and planning for facilities

APPENDIX 2: EVENTS IN MODEL PROGRAM

The following tables summarise the data from the model program used in this study.

FILM

Total Demand	619,909
Total Demand to be captured	6,199 (1%)
Community	
% Demand	50%
Attendees	3,100
Events	Film cultural events
% Attendees	100%
Attendees	3,100
Event Days Per Annum	
Facility	Primary Space
Popular	
% Demand	50%
Attendees	3,100
Events	Thematic film programming
% Attendees	100%
Attendees	3,100
Event Days Per Annum	17
Facility	Secondary Space
Premium	
% Demand	0%
Attendees	-
Events	
% Attendees	
Attendees	-
Event Days Per Annum	
Facility	

COMEDY

Total Demand	74,591	
Total Demand to be captured	11,189 (15%)	
Community		
% Demand	0%	
Attendees		
Events		
% Attendees	0%	
Attendees		
Event Days Per Annum		
Facility		
Popular		
% Demand	80%	
Attendees	8,951	
Events	Australian Comedy (Small)	Australian Comedy (Large)
% Attendees	30%	70%
Attendees	2,685	6,266
Event Days Per Annum	16	9
Facility	Secondary Space	Primary Space
Premium		
% Demand	20%	
Attendees	2,238	
Events	Comedy festival (Small)	Comedy festival (Large)
% Attendees	30%	70%
Attendees	671	1,566
Event Days Per Annum	4	2
Facility	Secondary Space	Primary Space

THEATRE

Total Demand	86,141			
Total Demand to be captured	21,535 (25%)			
Community				
% Demand	20%			
Attendees	4,307			
Events	Amateur Drama			
% Attendees	100%			
Attendees	4,307			
Event Days Per Annum	27			
Facility	Secondary Space			
Popular				
% Demand	77%			
Attendees	16,582			
Events	Touring Shows Subsidised	Touring Shows Commercial	Local Shows	Contemporary Performance
% Attendees	15%	40%	30%	15%
Attendees	2,487	6,633	4,975	2,487
Event Days Per Annum	10	12	12	18
Facility	Primary Space	Primary Space	Primary Space	Secondary Space
Premium				
% Demand	3%			
Attendees	646			
Events	Contemporary Performance			
% Attendees	100%			
Attendees	646			
Event Days Per Annum	11			
Facility	Secondary Space			

DANCE

Total Demand	51,380		
Total Demand to be captured	20,038 (39%)		
Community			
% Demand	65%		
Attendees	13,025		
Events	Dance School Concerts	Large Performances	Small Performances
% Attendees	60%	30%	10%
Attendees	7,815	3,907	1,302
Event Days Per Annum	11	5	7
Facility	Primary Space	Primary Space	Secondary Space
Popular			
% Demand	25%		
Attendees	5,010		
Events	Contemporary Dance	Contemporary Youth	Education based contemporary dance
% Attendees	63%	32%	5%
Attendees	3,156	1,603	250
Event Days Per Annum	5	11	3
Facility	Primary Space	Secondary Space	Secondary Space
Premium			
% Demand	10%		
Attendees	2,004		
Events	Contemporary Performance		
% Attendees	100%		
Attendees	646		
Event Days Per Annum	11		
Facility	Secondary Space		

MUSIC

Total Demand	348,765			
Total Demand to be captured	52,315 (15%)			
Community				
% Demand	30%			
Attendees	15,694			
Events	Morning Melodies	Sunday Serenades	Themed Nights	School Holiday Concerts
% Attendees	35%	25%	15%	25%
Attendees	5,493	3,924	2,354	3,924
Event Days Per Annum	37	10	4	6
Facility	Secondary Space	Primary Space	Primary Space	Primary Space
Popular				
% Demand	65%			
Attendees	34,005			
Events	Popular Classical	Popular Contemporary	Popular Youth	Popular Contemporary Thematic
% Attendees	25%	25%	25%	25%
Attendees	8,501	8,501	8,501	8,501
Event Days Per Annum	14	14	16	15
Facility	Primary Space	Primary Space	Primary Space	Primary Space
Premium				
% Demand	5%			
Attendees	2,616			
Events	Contemporary Chamber	Contemporary Orchestral	Traditional Opera and Orchestral	
% Attendees	40%	40%	20%	
Attendees	1,046	1,046	523	
Event Days Per Annum	2	2	1	
Facility	Primary Space	Primary Space	Primary Space	

VISUAL ARTS

Community				
Events	Joondalup Community Art Exhibition	City of Joondalup Art Collection		
Event Days Per Annum	14	365		
Facility	Art Gallery	Curatorial Storage		
Popular				
Events	Exhibition openings	Exhibition	Invitation Art Awards Opening	Invitation Art Awards
Event Days Per Annum	12	240	1	21
Facility	Exhibition/Reception	Art Gallery	Exhibition/Reception	Art Gallery

SCHOOL USE

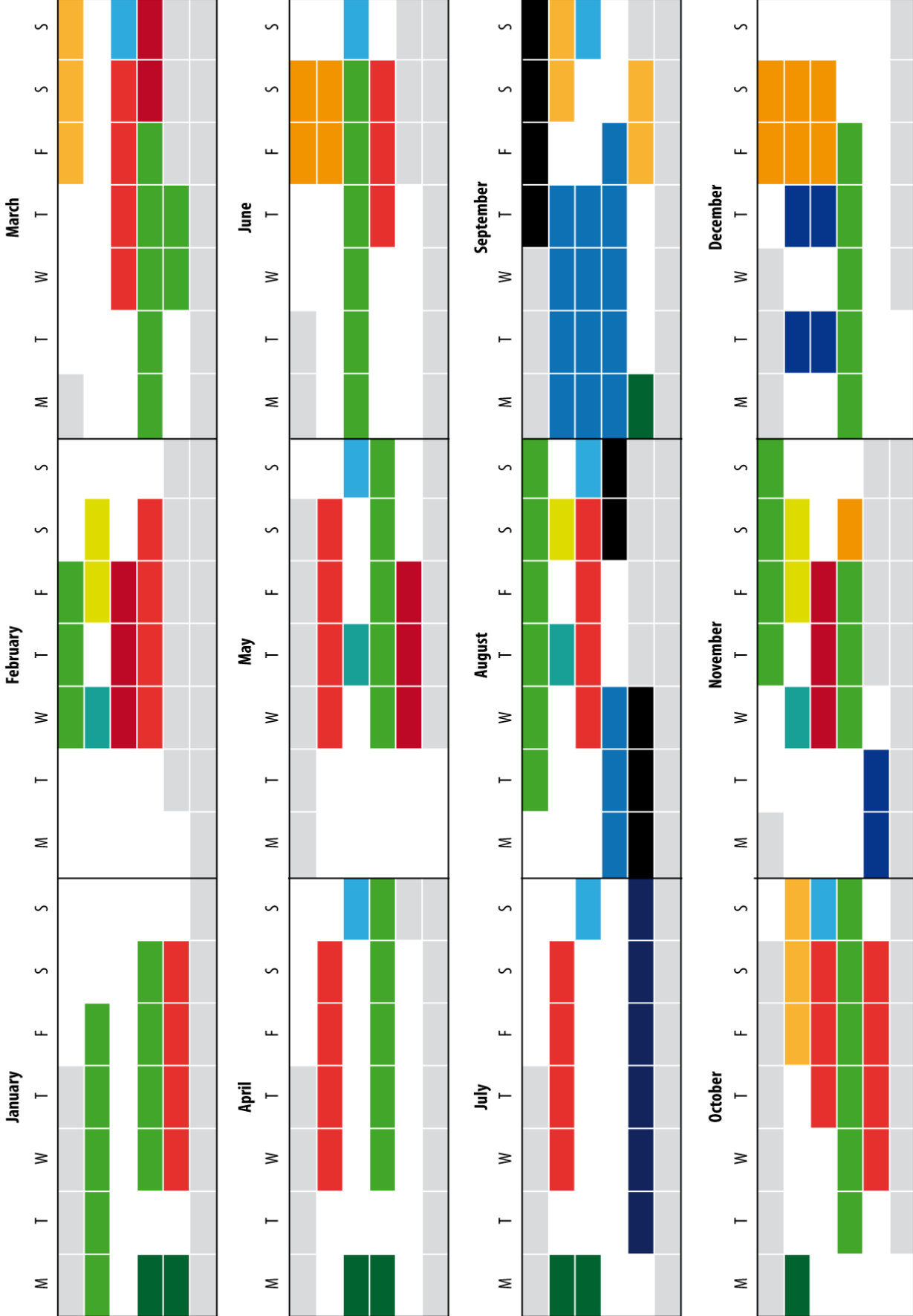
Community				
Events	Graduation (Small)	Graduation (Medium)	Graduation (Large)	Performance (Small)
Event Days Per Annum	5	4	6	-
Facility	Rehearsal Room 1	Secondary Space	Primary Space	Rehearsal Room 1
Events	Performance (Medium)	Performance (Large)	Exhibition	
Event Days Per Annum	23	15	12	
Facility	Secondary Space	Primary Space	Exhibition/Reception	

JOONDALUP EISTEDDFOD

Community				
Events	Primary Space	Secondary Space	Rehearsal Room 1	Rehearsal Room 2
Event Days Per Annum	8	8	8	8
Facility	Primary Space	Secondary Space	Rehearsal Room 1	Rehearsal Room 2
Events	Practice Room 1	Practice Room 2		
Event Days Per Annum	8	8		
Facility	Practice Room 1	Practice Room 2		

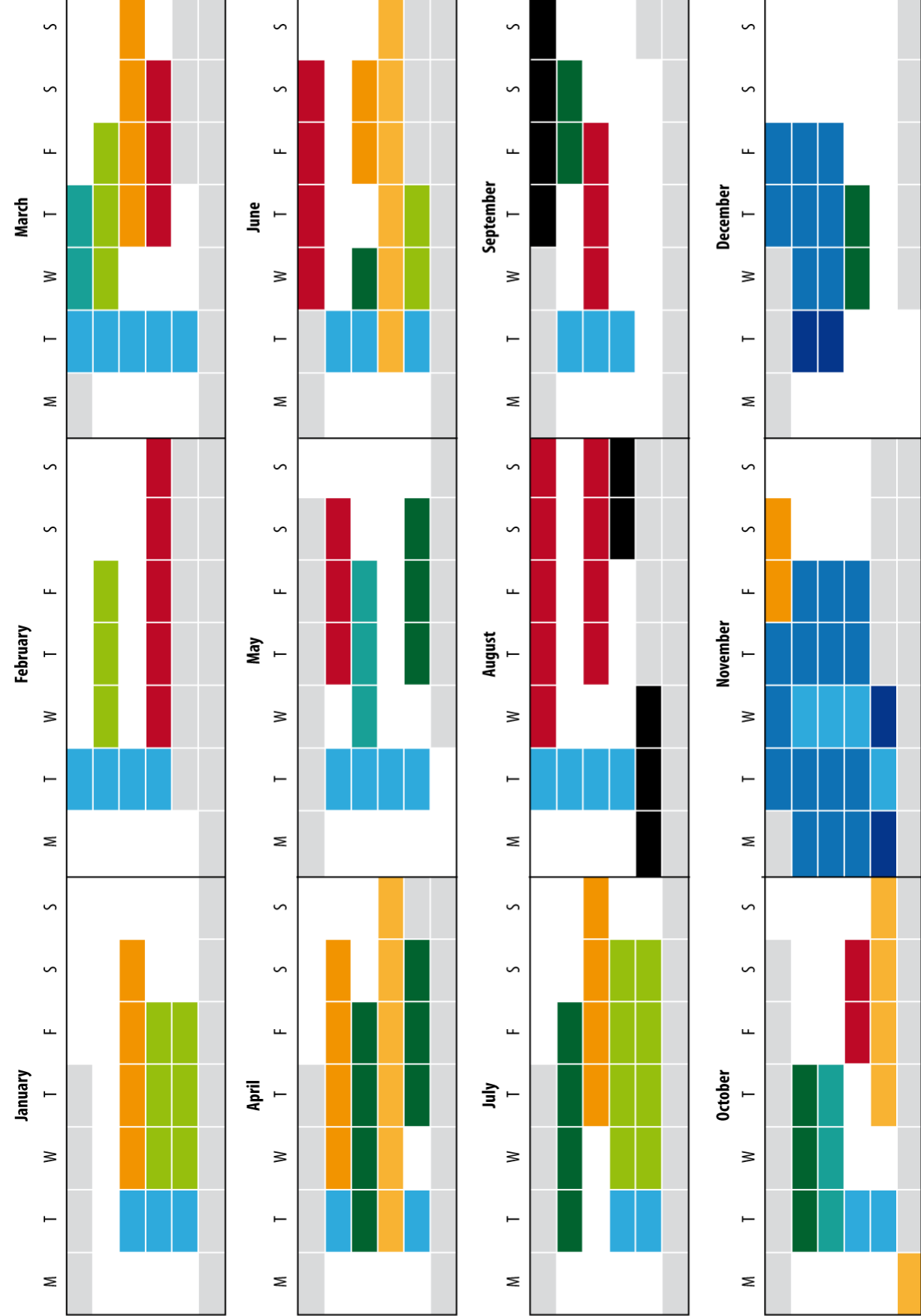
2016 - Calendar of Events - Main Space

- Music: Community - Sunday Serenades
- Music: Community - Themed Nights
- Music: Community - School Holiday Concerts
- Music: Popular - Classical, Contemporary, Youth, Contemporary Thematic
- Music: Premium - Contemporary Chamber, Orchestral, Traditional Opera and Orchestral
- Dance: Community - Dance School Concerts
- Dance: Community - Large Performances, Popular - Contemporary Dance and Premium - Contemporary Dance Large Scale
- Theatre: Popular - Touring Shows Subsidised, Commercial, Local Shows
- Comedy: Popular - Australian Comedy, Premium - Comedy Festival
- Film: Community - Film cultural events
- School: Community - Graduation
- School: Community - Performance
- Eisteddfod: Community - Eisteddfod Primary Space



2016 - Calendar of Events - Secondary Space

- Music: Community - Morning Melodies
- Dance: Community - Small Performances
- Dance: Popular - Contemporary Youth, Education based contemporary dance, contemporary dance small
- Theatre: Community - Amateur Drama
- Theatre: Popular, Premium - Contemporary Performance
- Comedy: Popular - Australian Comedy, Premium - Comedy Festival
- Film: Popular - Thematic film programming
- School: Community - Graduation
- School: Community - Performance
- Eisteddfod: Community - Eisteddfod Primary Space



APPENDIX 3: JPACF RISK REGISTER

GOVERNANCE RISKS

Events	Consequences	Rank	Likelihood	Threat Level	Mitigation	Project Philosophy & Parameters
Failure of Financial Oversight	Financial loss and public embarrassment	3	Unlikely	Moderate (4)	Regular financial reporting and approval of forward planning	Fiscal responsibility and commerciality
Board/committee is out of touch with community needs	Community disillusionment and loss of reputation	2	Unlikely	Low (5)	Community and industry representatives on the board/committee	Liaison protocol
Failure to address and recognise strategic issues	Disconnect between operations and stakeholders	3	Possible	Low (5)	Ongoing revision and review of strategic documentation and planning by board/committee	Governance

MARKET RISKS

Events	Consequences	Rank	Likelihood	Threat Level	Mitigation	Project Philosophy & Parameters
JPACF is not used to the level expected	Lack of revenue, community dissatisfaction, loss of reputation, venue becomes a white elephant	3	Possible	High (3)	Pro-active and entrepreneurial management	Fiscal responsibility and commerciality
Marketing ineffective or inappropriate	Bad image - perceived as irrelevant or a white elephant	2	Possible	Moderate (4)	Dedicated officer and agreed communications strategies for all activities	Fiscal responsibility and commerciality
Lack of commercial hiring	Financial loss and lack of culturally significant activity (premium and popular programs)	3	Unlikely	Moderate (4)	Pro-active and entrepreneurial management	Fiscal responsibility and commerciality
Lack of community hiring	Some financial loss, loss of activation and engagement with the community; community dissatisfaction	3	Unlikely	Moderate (4)	Pro-active and entrepreneurial management	Fiscal responsibility and commerciality
Lack of community engagement	Diminishing elected members support; decreasing revenue	2	Unlikely	Moderate (4)	Community representation on board/committee	Liaison protocol

OPERATIONS AND MANAGEMENT RISKS

Events	Consequences	Rank	Likelihood	Threat Level	Mitigation	Project Philosophy & Parameters
Key staff perform poorly	Financial loss, community dissatisfaction, ineffective use of council resources	3	Highly dep't on recruiting process	High (3)	Adopt effective recruitment processes	Governance
Significant accidents to patrons or staff	Possible death or serious injury	4	Possible	High (3)	Health and safety standards and training	
Significant accidents or damage to facility	Possible interruption or delay to program delivery, reduced site access and financial loss	2	Possible	Moderate (4)	Building and equipment safety standards and thorough staff training	
Lack of meeting, functions or conference hires	Some financial loss. Model program presented in Chapter 6 does not include significant corporate hires, and these are not believed to be necessary for the facility to be adequately utilised	1	Research suggest soft initial demand for these services	Moderate (4)	Pro-active and entrepreneurial management	Fiscal responsibility and commerciality
City provides reduced or reducing funding, due to competing priorities	Operations compromised, with inadequate staffing, necessary maintenance being deferred, subsidised community programs being cut, or other saving measures.	3	Possible	High (3)	Formalised and positive links with City and elected members	Governance

FINANCIAL RISKS

Events	Consequences	Rank	Likelihood	Threat Level	Mitigation	Project Philosophy & Parameters
Continual failure to meet budget targets	Unpredictable financial exposure, public embarrassment and ineffective use of City resources	3	Performing arts highly variable business model	High (3)	Recognised areas of risk and safe programming within annual program	Fiscal responsibility and commerciality
Too expensive to use	Financial loss, low utilisation	3	Unlikely	Moderate (4)	Fees and charges based on benchmarked norms	Fiscal responsibility and commerciality
Increasing capital maintenance costs	Financial loss, risk of costs being covered through program cuts	2	Unlikely, if design and construction handled well	Low (5)	Facility figures within the City's CAPEX plan	Fiscal responsibility and commerciality

APPENDIX 4: CAPITAL COST ESTIMATES FROM RALPH BEATTIE BOSWORTH

ORDER OF MAGNITUDE COSTING

JOONDALUP PERFORMING ARTS CENTRE

PETER HOBBS ARCHITECT

16 OCTOBER 2012

Order of Magnitude Costing

Clear site, preparation, etc	m ²	8,200	\$ 25	\$ 205,000
Basement carpark	m ²	7,000	1,200	8,400,000
Extra for roof slab (outside of building line over)	m ²	400	400	160,000
<u>Ground Floor</u>				
Front of house - foyers, bar restaurant, etc	m ²	1,860	4,000	7,440,000
Extra for kitchen and bar equipment				1,500,000
External performance space (unroofed)	m ²	930	500	465,000
▪ extra for 10m high screen	m ²	600	1,000	600,000
▪ extra for tiered seating	No.	300	800	240,000
Entry terrace north forecourt	m ²	850	500	425,000
Art gallery	m ²	460	3,600	1,656,000
Workshops and studio	m ²	370	3,800	1,406,000
<u>Lyric Theatre</u>				
▪ stage and fly tower	m ²	520	4,000	2,080,000
▪ auditorium incl seating	m ²	760	6,000	4,560,000
▪ extra for dress circle and bio box	m ²	480	3,000	1,440,000
Theatre/cinema	m ²	510	5,000	2,550,000
Rehearsal and green rooms	m ²	410	4,000	1,640,000
Backstage	m ²	650	3,500	2,275,000
Loading dock	m ²	135	700	94,500
<u>First Floor</u>				
Front of house - exhibition, conference, functions	m ²	1,060	4,000	4,240,000
Foyer void	m ²	440	2,000	880,000
External terrace 5m wide	m ²	200	1,200	240,000
Seminar, meetings and offices	m ²	685	3,800	2,603,000
Studios (sprung floor)	m ²	370	4,000	1,480,000
Recording studio	m ²	150	4,500	675,000
Circulation, stores, etc	m ²	440	3,500	1,540,000
Plant room	m ²	510	2,500	1,275,000
Plant deck	m ²	200	1,500	300,000
<u>General</u>				
Entry canopies				450,000
Sculpture court				200,000
Signage, screening and sundry works				200,000
External works/landscaping, etc to Grand Boulevard				500,000
Roadworks, landscaping, etc to northern paths				750,000

Site services and headworks				800,000
Transformer upgrade				300,000
Fire tanks and pumps				250,000
	sub-total			\$ 53,819,500
Planning Contingency - allow 6%	m ²	600	4,000	2,400,000
Escalation to start date @ 4% p.a - say January 2014				2,152,780
Design Contingency - allow 7%				3,767,365
	sub-total			\$ 62,139,645
Construction Contingency - allow 5%				3,106,982
	sub-total			\$ 65,246,627
Building Act 2011 compliance - allow 0.7%				456,726
Public Art - allow 1%				652,466
Furniture, Fitments & Equipment				700,000
Theatre Technical Equipment				2,500,000
Consultant Fees - allow 13% of construction costs				8,482,062
BMW Fee (not procured through BMW)				excl
Estimated Current Project Cost (excl GST)				\$ 78,037,881

This order of magnitude estimate has been prepared from net area schedules and concept plans and without consultants input and should be considered indicative only at this stage.

The following are not included:

- land, legal and funding costs
- local authority management fee
- green star rating and non code ESD initiatives
- GST

FUNCTIONAL BREAKDOWN

Basement carpark	\$ 11,500,000
Lyric theatre complex	46,037,881
GF restaurant and bar	3,100,000
GF art gallery, workshop and studio	4,300,000
GF external performance space	1,800,000
GF theatre/cinema and rehearsal	5,400,000
L1 storage	700,000
L1 exhibition and conferences	5,200,000

Estimated Current Project Cost (excl GST)**\$ 78,037,881****OPTIONS**

Levels 2 and 3 commercial offices incl contingencies, fees, etc (vacant NLA - excl fixed fitout)	m ²	2,500	\$ 3,500	<u>\$ 8,750,000</u>
Additional basement level incl contingencies, fees	m ²	7,000	\$ 1,960	<u>\$ 13,720,000</u>

APPENDIX 5: ACCOMMODATION SCHEDULE

JOONDALUP PERFORMING ARTS CENTRE			
SCHEDULE OF AREAS (note- all figures expressed as net)			
Area			
EXTERNAL AREAS			400
Collier Pass extension	Item		
Forecourt	200		
Sculpture Court	200		
FRONT OF HOUSE			1295
Foyer	600		
Bars	200		
Restaurant	150		
Kitchen	50		
Box Office	15		
Toilets	250		
Staff Change	30		
LYRIC THEATRE			1180
550 Seat Auditorium	500		
Orchestra Pit	50		
Fly Tower	200		
Stage	200		
Bio Box	30		
Backstage	100		
BLACK BOX STUDIO THEATRE			530
200 moveable seats	400		
Bio Box	30		
Backstage	100		
BACK OF HOUSE			620
Offices	50		
Toilets	60		
Dressing Rooms	120		
Green Room	40		
Workshop	100		
Storage	150		
Loading Docks	100		
REHEARSAL AND FUNCTION			710
2 off Rehearsals rooms at 150m2	300		
2 Multipurpose space- functions at 100m2	200		
Toilets and Changes rooms	100		
4 off Practice Rooms at 15m2	60		
Music Studio including sound equipment	50		
MANAGEMENT			175
Offices	100		
Meeting Rooms	30		
Toilets	30		
Kitchenette	15		
UNDERCROFT PARKING			5500
200 bays	5500		

APPENDIX 6: DISCOUNTED CASHFLOW MODELLING

Operations Cash Flow

Revenue	2012	2013	2014	2015	2016	2017	2018	2019	2020
Program Revenue									
CoJ Hire	\$ -	\$ -	\$ -	\$ -	\$ 113,312	\$ 127,946	\$ 144,469	\$ 161,334	\$ 168,675
Community Hire Revenue	\$ -	\$ -	\$ -	\$ -	\$ 214,357	\$ 242,039	\$ 273,296	\$ 308,589	\$ 348,441
Commercial Hire Revenue	\$ -	\$ -	\$ -	\$ -	\$ 956,922	\$ 1,080,499	\$ 1,220,034	\$ 1,377,590	\$ 1,537,383
<i>Subtotal - Rental Revenue</i>	\$ -	\$ -	\$ -	\$ -	\$ 1,284,591	\$ 1,450,483	\$ 1,637,799	\$ 1,847,513	\$ 2,054,499
Ticket Revenue	\$ -	\$ -	\$ -	\$ -	\$ 1,158,084	\$ 1,307,639	\$ 1,476,508	\$ 1,614,482	\$ 1,687,941
<i>Subtotal - Program Revenue</i>	\$ -	\$ -	\$ -	\$ -	\$ 2,442,676	\$ 2,758,123	\$ 3,114,307	\$ 3,461,995	\$ 3,742,440
Other Income									
Food and Beverage Revenue	\$ -	\$ -	\$ -	\$ -	\$ 64,230	\$ 72,524	\$ 81,890	\$ 92,376	\$ 102,725
Art Gallery Sales Commission	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restaurant Lease	\$ -	\$ -	\$ -	\$ -	\$ 99,343	\$ 101,827	\$ 104,372	\$ 106,982	\$ 109,656
Commercial Office Lease	\$ -	\$ -	\$ -	\$ -	\$ 178,878	\$ 186,927	\$ 195,339	\$ 204,129	\$ 213,315
Parking Revenue	\$ -	\$ -	\$ -	\$ -	\$ 331,144	\$ 339,422	\$ 347,908	\$ 356,606	\$ 365,521
Sponsorship and Grants	\$ -	\$ -	\$ -	\$ -	\$ 119,252	\$ 124,618	\$ 130,226	\$ 136,086	\$ 142,210
Council Contribution	\$ -	\$ -	\$ -	\$ -	\$ 496,716	\$ 509,134	\$ 521,862	\$ 534,909	\$ 548,281
<i>Subtotal - Other Income</i>	\$ -	\$ -	\$ -	\$ -	\$ 1,289,562	\$ 1,334,453	\$ 1,381,597	\$ 1,431,087	\$ 1,481,709
Total Revenue	\$ -	\$ -	\$ -	\$ -	\$ 3,732,238	\$ 4,092,575	\$ 4,495,904	\$ 4,893,082	\$ 5,224,148
Expenses									
Variable Costs									
Cost of CoJ Hire Revenue	\$ -	\$ -	\$ -	\$ -	-\$ 113,312	-\$ 127,946	-\$ 144,469	-\$ 161,334	-\$ 168,675
Cost of Community Hire Revenue	\$ -	\$ -	\$ -	\$ -	-\$ 214,357	-\$ 242,039	-\$ 273,296	-\$ 308,589	-\$ 348,441
Cost of Commercial Hire Revenue	\$ -	\$ -	\$ -	\$ -	-\$ 505,263	-\$ 570,513	-\$ 644,189	-\$ 727,379	-\$ 808,724
Cost of Food and Beverage Revenue	\$ -	\$ -	\$ -	\$ -	-\$ 44,961	-\$ 50,767	-\$ 57,323	-\$ 64,663	-\$ 71,907
Other Program Costs	\$ -	\$ -	\$ -	\$ -	-\$ 1,042,276	-\$ 1,176,875	-\$ 1,328,857	-\$ 1,453,034	-\$ 1,519,147
<i>Subtotal - Variable Costs</i>	\$ -	\$ -	\$ -	\$ -	-\$ 1,920,169	-\$ 2,168,140	-\$ 2,448,133	-\$ 2,714,999	-\$ 2,916,893
Undistributed Operating Expenses									
Marketing	\$ -	\$ -	\$ -	\$ -	-\$ 178,878	-\$ 186,927	-\$ 195,339	-\$ 204,129	-\$ 213,315
Staffing	\$ -	\$ -	\$ -	\$ -	-\$ 776,244	-\$ 811,175	-\$ 847,678	-\$ 885,823	-\$ 925,686
Administrative and General	\$ -	\$ -	\$ -	\$ -	-\$ 122,134	-\$ 137,906	-\$ 155,715	-\$ 173,100	-\$ 187,122
Total Undistributed Operating Expenses	\$ -	\$ -	\$ -	\$ -	-\$ 1,077,256	-\$ 1,136,009	-\$ 1,198,732	-\$ 1,263,052	-\$ 1,326,123
Fixed Charges									
Rates and Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Insurance	\$ -	\$ -	\$ -	\$ -	-\$ 54,528	-\$ 55,892	-\$ 57,289	-\$ 58,721	-\$ 60,189
Air-Conditioning	\$ -	\$ -	\$ -	\$ -	-\$ 59,551	-\$ 61,039	-\$ 62,565	-\$ 64,130	-\$ 65,733
Lifts	\$ -	\$ -	\$ -	\$ -	-\$ 48,071	-\$ 49,273	-\$ 50,505	-\$ 51,767	-\$ 53,061
Fire Protection	\$ -	\$ -	\$ -	\$ -	-\$ 10,045	-\$ 10,296	-\$ 10,553	-\$ 10,817	-\$ 11,087
Energy	\$ -	\$ -	\$ -	\$ -	-\$ 208,556	-\$ 220,027	-\$ 232,128	-\$ 244,895	-\$ 258,364
Cleaning	\$ -	\$ -	\$ -	\$ -	-\$ 106,904	-\$ 109,577	-\$ 112,316	-\$ 115,124	-\$ 118,002
Buildings Staff	\$ -	\$ -	\$ -	\$ -	-\$ 53,484	-\$ 55,891	-\$ 58,406	-\$ 61,035	-\$ 63,781
Security	\$ -	\$ -	\$ -	\$ -	-\$ 21,704	-\$ 22,681	-\$ 23,701	-\$ 24,768	-\$ 25,882
Repairs and Maintenance	\$ -	\$ -	\$ -	\$ -	-\$ 44,484	-\$ 45,596	-\$ 46,736	-\$ 47,904	-\$ 49,102
Management	\$ -	\$ -	\$ -	\$ -	-\$ 78,923	-\$ 80,896	-\$ 82,918	-\$ 84,991	-\$ 87,116
Sundries	\$ -	\$ -	\$ -	\$ -	-\$ 30,852	-\$ 31,623	-\$ 32,413	-\$ 33,224	-\$ 34,054
Void Allowance and Contingency	\$ -	\$ -	\$ -	\$ -	-\$ 19,372	-\$ 19,856	-\$ 20,353	-\$ 20,861	-\$ 21,383
Total Fixed Charges	\$ -	\$ -	\$ -	\$ -	-\$ 736,473	-\$ 762,646	-\$ 789,884	-\$ 818,237	-\$ 847,756
Total Expenses	\$ -	\$ -	\$ -	\$ -	-\$ 3,733,898	-\$ 4,066,794	-\$ 4,436,750	-\$ 4,796,289	-\$ 5,090,772
Operating Surplus / Deficit	\$ -	\$ -	\$ -	\$ -	-\$ 1,660	\$ 25,781	\$ 59,155	\$ 96,793	\$ 133,376
Cumulative Surplus / Deficit	\$ -	\$ -	\$ -	\$ -	-\$ 1,660	\$ 24,121	\$ 83,275	\$ 180,069	\$ 313,445
Financing Costs (Interest and Principle)	\$ -	\$ -	\$ -	\$ -	-\$ 4,502,824	-\$ 4,502,824	-\$ 4,502,824	-\$ 4,502,824	-\$ 4,502,824
Capital Replacement Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Position After Financing Costs and Capital Replacement	\$ -	\$ -	\$ -	\$ -	-\$ 4,504,484	-\$ 4,477,042	-\$ 4,443,669	-\$ 4,406,031	-\$ 4,369,447
Cumulative Position after Financing Costs and Captal Replacement	\$ -	\$ -	\$ -	\$ -	-\$ 4,504,484	-\$ 8,981,527	-\$ 13,425,196	-\$ 17,831,226	-\$ 22,200,674

2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
\$ 176,349	\$ 184,373	\$ 192,762	\$ 201,533	\$ 210,702	\$ 220,289	\$ 230,313	\$ 240,792	\$ 251,748	\$ 263,202	\$ 275,178	\$ 287,699	\$ 300,789
\$ 393,438	\$ 444,247	\$ 436,827	\$ 456,703	\$ 477,483	\$ 499,208	\$ 521,922	\$ 545,670	\$ 570,498	\$ 596,455	\$ 623,594	\$ 651,968	\$ 681,632
\$ 1,607,334	\$ 1,680,468	\$ 1,756,929	\$ 1,836,870	\$ 1,920,447	\$ 2,007,828	\$ 2,099,184	\$ 2,194,697	\$ 2,294,555	\$ 2,398,958	\$ 2,508,110	\$ 2,622,229	\$ 2,741,541
\$ 2,177,122	\$ 2,309,088	\$ 2,386,519	\$ 2,495,105	\$ 2,608,633	\$ 2,727,326	\$ 2,851,419	\$ 2,981,158	\$ 3,116,801	\$ 3,258,616	\$ 3,406,883	\$ 3,561,896	\$ 3,723,962
\$ 1,764,742	\$ 1,845,038	\$ 1,928,987	\$ 2,016,756	\$ 2,108,519	\$ 2,204,456	\$ 2,304,759	\$ 2,409,626	\$ 2,519,263	\$ 2,633,890	\$ 2,753,732	\$ 2,879,027	\$ 3,010,022
\$ 3,941,864	\$ 4,154,126	\$ 4,315,506	\$ 4,511,862	\$ 4,717,151	\$ 4,931,782	\$ 5,156,178	\$ 5,390,784	\$ 5,636,065	\$ 5,892,505	\$ 6,160,614	\$ 6,440,922	\$ 6,733,984
\$ 108,856	\$ 115,454	\$ 119,326	\$ 124,755	\$ 130,432	\$ 136,366	\$ 142,571	\$ 149,058	\$ 155,840	\$ 162,931	\$ 170,344	\$ 178,095	\$ 186,198
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 112,398	\$ 115,208	\$ 118,088	\$ 121,040	\$ 124,066	\$ 127,168	\$ 130,347	\$ 133,606	\$ 136,946	\$ 140,369	\$ 143,879	\$ 147,475	\$ 151,162
\$ 222,914	\$ 232,945	\$ 243,428	\$ 254,382	\$ 265,829	\$ 277,792	\$ 290,292	\$ 303,356	\$ 317,007	\$ 331,272	\$ 346,179	\$ 361,757	\$ 378,036
\$ 374,659	\$ 384,025	\$ 393,626	\$ 403,467	\$ 413,553	\$ 423,892	\$ 434,489	\$ 445,352	\$ 456,485	\$ 467,898	\$ 479,595	\$ 491,585	\$ 503,875
\$ 148,610	\$ 155,297	\$ 162,285	\$ 169,588	\$ 177,220	\$ 185,194	\$ 193,528	\$ 202,237	\$ 211,338	\$ 220,848	\$ 230,786	\$ 241,171	\$ 252,024
\$ 561,988	\$ 576,038	\$ 590,439	\$ 605,200	\$ 620,330	\$ 635,838	\$ 651,734	\$ 668,028	\$ 684,728	\$ 701,846	\$ 719,393	\$ 737,377	\$ 755,812
\$ 1,529,425	\$ 1,578,968	\$ 1,627,192	\$ 1,678,432	\$ 1,731,430	\$ 1,786,251	\$ 1,842,962	\$ 1,901,635	\$ 1,962,344	\$ 2,025,164	\$ 2,090,175	\$ 2,157,461	\$ 2,227,107
\$ 5,471,289	\$ 5,733,094	\$ 5,942,698	\$ 6,190,294	\$ 6,448,581	\$ 6,718,032	\$ 6,999,140	\$ 7,292,419	\$ 7,598,408	\$ 7,917,669	\$ 8,250,790	\$ 8,598,384	\$ 8,961,092
2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
-\$ 176,349	-\$ 184,373	-\$ 192,762	-\$ 201,533	-\$ 210,702	-\$ 220,289	-\$ 230,313	-\$ 240,792	-\$ 251,748	-\$ 263,202	-\$ 275,178	-\$ 287,699	-\$ 300,789
-\$ 393,438	-\$ 444,247	-\$ 436,827	-\$ 456,703	-\$ 477,483	-\$ 499,208	-\$ 521,922	-\$ 545,670	-\$ 570,498	-\$ 596,455	-\$ 623,594	-\$ 651,968	-\$ 681,632
-\$ 845,521	-\$ 883,992	-\$ 924,214	-\$ 966,265	-\$ 1,010,230	-\$ 1,056,196	-\$ 1,104,253	-\$ 1,154,496	-\$ 1,207,026	-\$ 1,261,946	-\$ 1,319,364	-\$ 1,379,395	-\$ 1,442,158
-\$ 76,199	-\$ 80,818	-\$ 83,528	-\$ 87,329	-\$ 91,302	-\$ 95,456	-\$ 99,800	-\$ 104,341	-\$ 109,088	-\$ 114,052	-\$ 119,241	-\$ 124,666	-\$ 130,339
-\$ 1,588,268	-\$ 1,660,534	-\$ 1,736,089	-\$ 1,815,081	-\$ 1,897,667	-\$ 1,984,011	-\$ 2,074,283	-\$ 2,168,663	-\$ 2,267,337	-\$ 2,370,501	-\$ 2,478,359	-\$ 2,591,124	-\$ 2,709,020
-\$ 3,079,776	-\$ 3,253,964	-\$ 3,373,420	-\$ 3,526,910	-\$ 3,687,385	-\$ 3,855,161	-\$ 4,030,571	-\$ 4,213,962	-\$ 4,405,697	-\$ 4,606,156	-\$ 4,815,736	-\$ 5,034,852	-\$ 5,263,938
-\$ 222,914	-\$ 232,945	-\$ 243,428	-\$ 254,382	-\$ 265,829	-\$ 277,792	-\$ 290,292	-\$ 303,356	-\$ 317,007	-\$ 331,272	-\$ 346,179	-\$ 361,757	-\$ 378,036
-\$ 967,341	-\$ 1,010,872	-\$ 1,056,361	-\$ 1,103,897	-\$ 1,153,573	-\$ 1,205,483	-\$ 1,259,730	-\$ 1,316,418	-\$ 1,375,657	-\$ 1,437,561	-\$ 1,502,252	-\$ 1,569,853	-\$ 1,640,496
-\$ 197,093	-\$ 207,706	-\$ 215,775	-\$ 225,593	-\$ 235,858	-\$ 246,589	-\$ 257,809	-\$ 269,539	-\$ 281,803	-\$ 294,625	-\$ 308,031	-\$ 322,046	-\$ 336,699
-\$ 1,387,349	-\$ 1,451,523	-\$ 1,515,564	-\$ 1,583,873	-\$ 1,655,260	-\$ 1,729,864	-\$ 1,807,831	-\$ 1,889,313	-\$ 1,974,467	-\$ 2,063,458	-\$ 2,156,461	-\$ 2,253,656	-\$ 2,355,232
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-\$ 61,694	-\$ 63,236	-\$ 64,817	-\$ 66,438	-\$ 68,098	-\$ 69,801	-\$ 71,546	-\$ 73,335	-\$ 75,168	-\$ 77,047	-\$ 78,973	-\$ 80,948	-\$ 82,971
-\$ 67,376	-\$ 69,061	-\$ 70,787	-\$ 72,557	-\$ 74,371	-\$ 76,230	-\$ 78,136	-\$ 80,089	-\$ 82,091	-\$ 84,144	-\$ 86,247	-\$ 88,403	-\$ 90,613
-\$ 54,388	-\$ 55,748	-\$ 57,141	-\$ 58,570	-\$ 60,034	-\$ 61,535	-\$ 63,073	-\$ 64,650	-\$ 66,266	-\$ 67,923	-\$ 69,621	-\$ 71,362	-\$ 73,146
-\$ 11,365	-\$ 11,649	-\$ 11,940	-\$ 12,238	-\$ 12,544	-\$ 12,858	-\$ 13,180	-\$ 13,509	-\$ 13,847	-\$ 14,193	-\$ 14,548	-\$ 14,911	-\$ 15,284
-\$ 272,575	-\$ 287,566	-\$ 303,382	-\$ 320,068	-\$ 337,672	-\$ 356,244	-\$ 375,837	-\$ 396,508	-\$ 418,316	-\$ 441,324	-\$ 465,597	-\$ 491,204	-\$ 518,221
-\$ 120,952	-\$ 123,976	-\$ 127,076	-\$ 130,252	-\$ 133,509	-\$ 136,847	-\$ 140,268	-\$ 143,774	-\$ 147,369	-\$ 151,053	-\$ 154,829	-\$ 158,700	-\$ 162,668
-\$ 66,651	-\$ 69,651	-\$ 72,785	-\$ 76,060	-\$ 79,483	-\$ 83,060	-\$ 86,797	-\$ 90,703	-\$ 94,785	-\$ 99,050	-\$ 103,508	-\$ 108,165	-\$ 113,033
-\$ 27,047	-\$ 28,264	-\$ 29,536	-\$ 30,865	-\$ 32,254	-\$ 33,705	-\$ 35,222	-\$ 36,807	-\$ 38,463	-\$ 40,194	-\$ 42,003	-\$ 43,893	-\$ 45,868
-\$ 50,329	-\$ 51,587	-\$ 52,877	-\$ 54,199	-\$ 55,554	-\$ 56,943	-\$ 58,366	-\$ 59,826	-\$ 61,321	-\$ 62,854	-\$ 64,426	-\$ 66,036	-\$ 67,687
-\$ 89,294	-\$ 91,526	-\$ 93,814	-\$ 96,160	-\$ 98,564	-\$ 101,028	-\$ 103,553	-\$ 106,142	-\$ 108,796	-\$ 111,516	-\$ 114,303	-\$ 117,161	-\$ 120,090
-\$ 34,906	-\$ 35,778	-\$ 36,673	-\$ 37,590	-\$ 38,529	-\$ 39,493	-\$ 40,480	-\$ 41,492	-\$ 42,529	-\$ 43,592	-\$ 44,682	-\$ 45,799	-\$ 46,944
-\$ 21,918	-\$ 22,465	-\$ 23,027	-\$ 23,603	-\$ 24,193	-\$ 24,798	-\$ 25,418	-\$ 26,053	-\$ 26,704	-\$ 27,372	-\$ 28,056	-\$ 28,758	-\$ 29,477
-\$ 878,494	-\$ 910,508	-\$ 943,855	-\$ 978,600	-\$ 1,014,805	-\$ 1,052,540	-\$ 1,091,876	-\$ 1,132,889	-\$ 1,175,657	-\$ 1,220,262	-\$ 1,266,794	-\$ 1,315,342	-\$ 1,366,002
-\$ 5,345,618	-\$ 5,615,995	-\$ 5,832,840	-\$ 6,089,383	-\$ 6,357,450	-\$ 6,637,565	-\$ 6,930,278	-\$ 7,236,163	-\$ 7,555,820	-\$ 7,889,877	-\$ 8,238,991	-\$ 8,603,850	-\$ 8,985,172
\$ 125,670	\$ 117,099	\$ 109,859	\$ 100,911	\$ 91,132	\$ 80,467	\$ 68,861	\$ 56,256	\$ 42,588	\$ 27,792	\$ 11,799	-\$ 5,466	-\$ 24,080
\$ 439,115	\$ 556,214	\$ 666,072	\$ 766,984	\$ 858,115	\$ 938,582	\$ 1,007,444	\$ 1,063,699	\$ 1,106,288	\$ 1,134,080	\$ 1,145,879	\$ 1,140,412	\$ 1,116,332
-\$ 4,502,824	-\$ 4,502,824	-\$ 4,502,824	-\$ 4,502,824	-\$ 4,502,824	-\$ 4,502,824	-\$ 4,502,824	-\$ 4,502,824	-\$ 4,502,824	-\$ 4,502,824	-\$ 4,502,824	-\$ 4,502,824	-\$ 4,502,824
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-\$ 4,377,153	-\$ 4,385,725	-\$ 4,392,965	-\$ 4,401,913	-\$ 4,411,692	-\$ 4,422,357	-\$ 4,433,962	-\$ 4,446,568	-\$ 4,460,236	-\$ 4,475,031	-\$ 4,491,025	-\$ 4,508,290	-\$ 4,526,904
-\$ 26,577,827	-\$ 30,963,552	-\$ 35,356,517	-\$ 39,758,430	-\$ 44,170,122	-\$ 48,592,479	-\$ 53,026,441	-\$ 57,473,009	-\$ 61,933,245	-\$ 66,408,276	-\$ 70,899,301	-\$ 75,407,591	-\$ 79,934,496