



Whitehorse Centre Business Case

Project Overview

Final | October 2015

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Business Case, Building Components and Concept Design

Williams Ross Architects in association with
Positive Solutions and Artefact Consulting

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Concept Design — Indicative Perspective Renderings



Foyer Entry View



Functions/Administration – Proscenium Theatre – Studio Theatre indicative section



Foyer – Proscenium Theatre – Backstage indicative section

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1 The future of the Whitehorse Centre?

The Whitehorse Centre is a community performing arts and functions centre that for thirty years has been a place for Whitehorse residents to gather, celebrate, learn and be entertained. The historic Box Hill Town Hall and Box Hill Community Arts Centre are Council's other two main community centres, providing different types and sizes of facilities for community events.

A unique feature of this facility has also been its capacity to host major events and concerts as part of the well patronised Whitehorse festival season. The Whitehorse Centre plays a key role in Council's 2013-2023 vision for the City of Whitehorse:

We aspire to be a healthy, vibrant, prosperous and sustainable community supported by strong leadership and community partnerships.

Council identified in 2012 that the future of the existing building was uncertain and that it was starting to limit community opportunities. The centre is heavily used by comparable community performing arts facility standards. Research into future needs shows that it requires substantial upgrade and enlargement to serve the Whitehorse community adequately.

The Whitehorse Centre was built in the 1980s, is now 30 years old, and is nearing the end of its working life. It will become increasingly expensive to maintain and will be likely to have more frequent building and equipment failures. Asset maintenance planning identifies \$6.789m costs purely for repairs over the next 5 years. This investment would not improve capacity or usage, code compliance (such as disability access), or sustainability (environmental or financial).

As the Whitehorse community grows in size¹ and diversity of activities, the facility will become increasingly inadequate unless a major redevelopment occurs. Having served the community well for 30 years, it is now time to decide how to manage this important piece of infrastructure in the best long-term interests of the community.

This Project Overview describes the five years of investigations into the future of the Whitehorse Centre. These include:

- 2010 community consultation and research into needs and usage potential,
- Building condition assessments and analysis of future maintenance costs,
- 2013 further community consultation and research testing usage demands and recommending facilities to serve that demand,
- Comparison with the Victorian Association of Performing Arts Centres *Australian Design and Technical Benchmarks for Performing Arts Centres*, which is an industry guide to best practice for performing art centres
- Business Case projections based on recommended facilities and likely usage,
- Concept design scenarios to explore redevelopment opportunities,
- Technical investigations such as flood mapping and traffic analysis,
- Capital cost estimates of potential redevelopment scenarios,
- Community consultation about the proposed redevelopment.

¹ The City of Whitehorse population is 163,697 (2014) and forecast to grow to 186,365 by 2036, growth of 14%. <http://forecast.id.com.au/whitehorse//population-estimate>

2 The value of arts and culture activity



Cats, November 2014, Nova Music Theatre, photo: Gavin D Andrew

The business case for the redevelopment of the Whitehorse Centre has been based on the findings of an extensive consultation and research process. The projections are evidence-based and take into consideration the actual data available from the current operations of the centre.

In addition, a broader view is also necessary to understand the value that arts and culture provide to local communities. Arts and culture activities make a major contribution to quality of life as well as being a significant contributor to the economy.

'A growing number of Australians believe that the arts make for a richer and more meaningful life, they influence how we express ourselves, our creative thinking and new ideas.' — *Arts Nation – An Overview of Australian Arts*, Australia Council 2015

Council has a responsibility to provide services that contribute to the health and wellbeing of local residents and performing arts activities are recognised as a significant contributor to community engagement and development. The majority of Victorian and Australian Councils recognise their responsibility to support community cultural activity and over 63% of performing arts centres in Australia are owned by Local Government. As the level of government closest to the community, Council's involvement in and support of arts and culture stems from its —

- intimate knowledge of and collaboration with the local community,
- provision of key community infrastructure,
- support and facilitation of developments that enhance the physical, social and economic environment of the local community,
- planning and providing services and programs to meet known local demand,
- supporting community participation and development,
- advocacy on behalf of the local community. Strategic priorities vary slightly from council to council, however the central themes tend to stem from:
 - building and strengthening local identity
 - supporting and ensuring access to a diversity of cultural experiences



Whitehorse Australia Day 2015



2.1 The impact of the Arts – some statistics

National and State

- 85% of Australians agree that arts make for a more rich and meaningful life.
- 81% agree that it is exciting to see new styles and types of art.
- Arts and culture provides a significant contribution to the well-being of the Australian community. It is estimated that the arts may be worth \$66 billion to Australia's well-being and arts activity can facilitate meaningful contact for people from diverse cultural backgrounds.
- Of every 100 Australians, 78 tickets are sold to performing arts events per annum.
- In Victoria, 55% of all Victorians aged 15 years or over attended at least one performing arts venue or event in the year 2013-14.
- In 2013, 19 local government managed performing arts programs attracted an audience of 866,000 people.
- Australians spend almost \$20 billion annually on cultural activities and this is 4% of their average weekly household spend.
- Cultural activity contributes \$50 billion to Australia's Gross Domestic Product (GDP).

Whitehorse

The City of Whitehorse offers diverse arts and cultural programs that are highly valued within the community. As part of an independent telephone survey in 2010 residents of Whitehorse were asked their participation in arts and cultural activities in the twelve months preceding the survey:

- 76% of Whitehorse people had attended or participated in arts, cultural or heritage activity (72% men, 79% women)
- 19% did so inside of Whitehorse only
- 47% did so outside of Whitehorse only, and
- 34% had attended or participated both within and outside of Whitehorse.

Sources:

Arts Nation - An Overview of Australian Arts, Australia Council 2015

Arts in Daily Life: Australian Participation in the Arts. Australia Council Report May 2014.

Fast Facts - Creative Victoria 2015. APACA Economic Activity Report 2013

Vic Health research 2010

Whitehorse Council Arts & Culture Strategy

3 What is the problem with the existing Centre?



The Whitehorse Centre: entry, foyer crush

The centre was built in the 1980s, when energy efficiency, environmental sustainability and universal design for accessibility were poorly considered. The mid twentieth century was a low point in design quality, so the building does not have the underlying quality that would merit its retention compared to historic buildings of the past.

Building standards and community expectations have changed so much that many aspects of the facility would not comply if today's codes were applied. Council would not be able to get a permit for the current building if it was built today.

The centre includes the following venues for community use:

- Proscenium theatre with fly tower, seating 408 people
- Waratah functions room(s) accommodating 180 dining or 350 standing
- Banksia rehearsal room, which does not match the main stage size
- Sound Shell stage, also used for dance classes, rehearsal and functions, Spring Festival, Carols Concert and the Australia Day Concert

(The Centre also manages the Willis and Courtyard Rooms in the Civic Centre, but as they are not affected by the development, their usage is not included in the Business Case analysis, except where noted.)

Examples of these limitations, compared to recommended facilities, include:

Waratah function room	The Waratah Room has no natural daylight, and no outlook onto the superb parkland around. Its poor condition compared to other centres means it is not attracting as many users. Its capacity is relatively small, so larger events go elsewhere.
The foyer	The foyer is exceptionally crowded for larger events. The theatre, functions and rehearsal rooms all open off the one small space. The foyer is estimated to be 68% smaller than desirable (162m ² versus desirable 506m ²).
Simultaneous use not possible	Lack of foyer space limits the Waratah or Banksia rooms being hired at the same time as a large theatre event. This reduces both potential community use and hire revenue, <i>increasing</i> the operating deficit.
Lack of universal accessible design	The centre lacks disability access in many places including toilet facilities not complying, administration offices (inadequate workstations circulation), door circulation spaces, all backstage areas, orchestra pit, technical areas, and insufficient accessible seating positions and locations.

Toilets	There are insufficient toilet facilities for the number of patrons and the 'accessible' toilets do not meet current standards.
Rehearsal Room	The Banksia Room is relatively small and its long, thin layout means that a community production cannot replicate the main theatre stage in it to rehearse, crucial in developing a show for presentation. (127m ² versus recommended 195m ² , and 8.5m wide versus minimum 13m width).
Sound Shell	The poor condition of the Sound Shell makes it undesirable for functions or events. It has limited natural daylight and does not have disability access. Its height is less than desirable for the sort of events it holds. The sound shell has limited capacity and limitations for festivals as the development and scale of current day events were not conceived during its design 30 years ago.
Theatre audience capacity	Audiences in the theatre are tending at times to out-grow the seating capacity.
Lost opportunities	Some popular arts productions choose not to visit the Whitehorse Centre because the audience capacity and stage facilities are insufficient. These are lost opportunities for community arts participation and engagement. The Whitehorse community particularly misses out on larger commercial productions, including several children's shows, because the audience capacity is not large enough.
Backstage facilities	Backstage facilities are inadequate, especially for large community groups. For instance, there are only two dressing rooms, neither having disability access. Existing facilities are 43% of that recommended needed to meet future needs (existing 312m ² versus recommend 732m ²).
Inappropriate facilities	The lack of backstage accommodation means that theatre backstage personnel have to share facilities with community users, often including children. This poses a supervision and safety issue.
Poor use of venues	When large community groups use the theatre the function room has to be given over as dressing rooms, preventing its use for functions. This diverts a high value room for low value support use, increasing the operating subsidy while reducing community use. The Banksia Room, though more appropriate for backstage use, cannot readily be used as backstage overflow space as it is accessed from the foyer, or performers would have to circulate outside the rear of the building.
Building condition	The centre needs repairs to some deteriorating building fabric and plant, which are at the end of their working life. Estimated costs for the next five years are projected to be \$6.789m (escalated). These costs are purely for maintenance works and would not improve the hiring potential, capacity, functionality or disability access of the centre.
Inadequate facilities overall	When compared with the recommended facilities needed to serve the demonstrated future use (see below), the existing centre is only 38% of the recommended facility area (existing 2,390m ² versus recommended 6,365m ²). ²

² For area calculations, refer to *Whitehorse Centre Business Case Development, Part B: Facility Planning* report, August 2015, Appendix A: Facility Space Program.

3.1 Lost opportunities due to facility limitations

These problems, individually and cumulatively, result in the Whitehorse Centre not attracting as many events as possible. This reduces community opportunity and service, while increasing operating subsidy.

It is hard to identify the events and opportunities that did *not* come to the Whitehorse Centre because of facility limitations, especially when hirers can review the centre's capacity online and don't enquire.

However, staff report that some recent events that enquired but choose to go elsewhere included trade shows, product launches, large cultural weddings, anniversary events and shows.

3.2 Usage, Operating Subsidies and Functionality

Almost all community performing arts centres operations are subsidised by the local community via Council rates, as are the majority of Council facilities such as sports grounds and community halls. Local and regional performing arts centres are predominately operated in Australia by local government as a service to the community. If they were profitable entities they would be operated by private enterprise. The Whitehorse Centre's 2014/15 budgeted operating subsidy was \$1,193,561.

Any functional constraint that limits use of a community centre both denies people access for their activities and *increases* the cost to the community via its operating subsidy. This means *less* opportunity and *higher* cost, for no community benefit.

Community facilities need to work hard, being usable for as many types of events as possible so as to minimise the operating subsidy. Therefore, good facility design seeks to optimise usage and events, reducing the operating subsidy while enhancing community use. This includes the facility having the capacity to operate all venues simultaneously to maximise use.

As identified by State Government, attracting major events has a direct economic effect and the same is true for local government. Bringing events into Whitehorse has the potential to support the local economy through visitation and the use of local businesses.



Whitehorse Centre: stage store – one of the few adequate backstage spaces



Dressing Room 1 – insufficient dressing rooms leads to different users having to share inappropriately – especially children

4 Research and Consultation

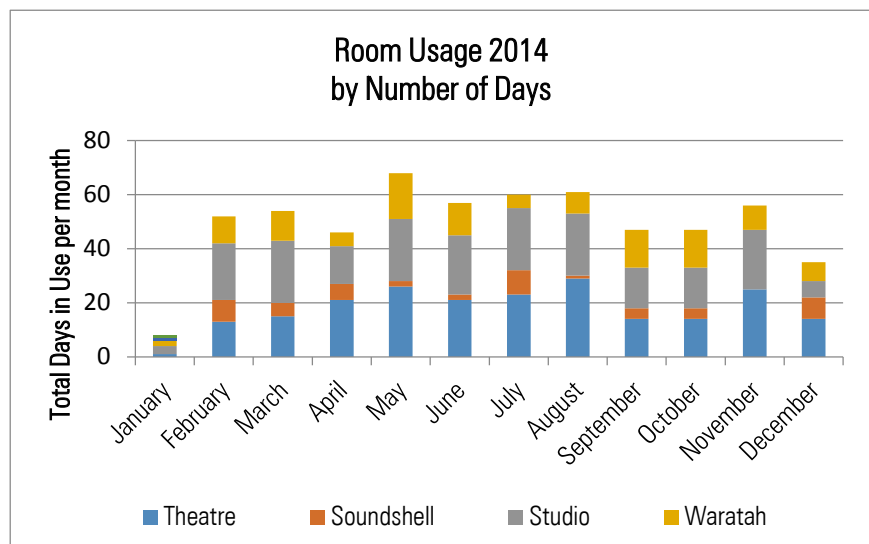
4.1 Current Whitehorse Centre use and attendance

Arts facility (indeed many public facilities) cannot open every day of the year. As intensively technical buildings, theatres need to close for maintenance periods to ensure that this high risk setting is kept safe.

Activity slows in December and January because of public holidays (and much maintenance is done at this time). The Australian Performing Arts Centres Association (APACA), Economic Activity Report 2013³ reports 'average days available for use' as 319 days, or 87% of the year (319/365). APACA is the peak body for Australian performing arts centres.

As well, Thursday to Saturday are the most highly sought-after days for presentations, while Sunday to Wednesday are less in demand. Taking these factors into account, the following records show that the Whitehorse Centre is heavily used.

In 2014 there were 631 events in the Theatre, Waratah Room, Studio and Sound Shell combined, including performances, functions, bump-ins and rehearsals. As the table below shows the theatre was used the most (216 days), followed by the Studio (210 days), Waratah Room (114 days) and the Sound Shell (49 days).



The number of performance days in the theatre has been relatively steady over the past five years. It is used for approximately 216 days per year, excluding days closed for maintenance, or 68% of available days (216/319 available days).

For this type of theatre the national average⁴ is 59% usage. Thus, the Whitehorse Centre theatre is more active than the average Australian theatre .

³ Australian Performing Arts Centres Association (APACA) Economic Activity Report 2013

⁴ Australian Performing Arts Centres Association (APACA) Economic Activity Report 2013

4.1.1. Attendances

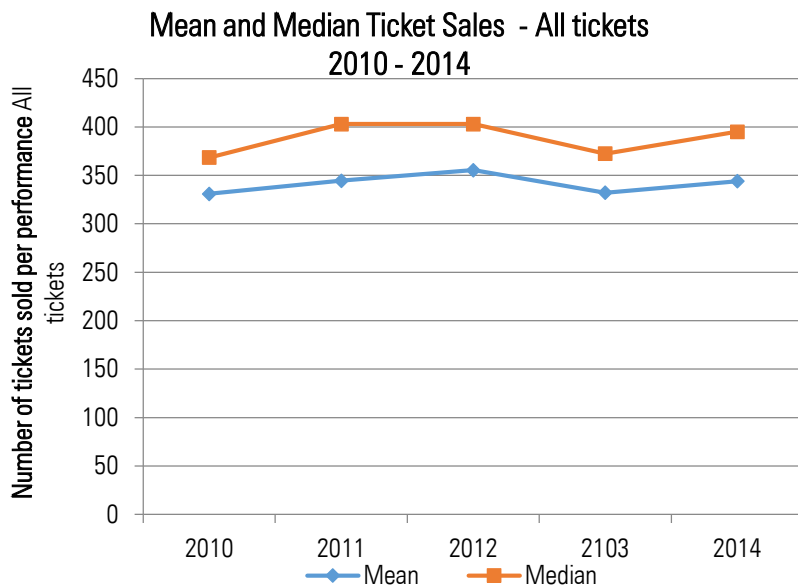


Whitehorse Australia Day 2015: the outdoor festivals and the Sound Shell stage are great strengths of the centre

The most recently available data shows that 51% of tickets sold in 2014 were issued to Whitehorse residents.

The average number of tickets sold for events in the theatre has increased since 2010. Although there was a slight decrease in 2013 and then an increase in 2014, overall there was a 5% increase in the number of tickets sold from 2010 to 2014. The median of ticket sales over the same period is slightly higher than the mean number sold, indicating that, generally, larger numbers of people attending theatre performances.

The prevalence of larger audiences is shown clearly in the chart below. This shows the number of performances that attracted various levels of audience attendance. For the purposes of analysis, audience levels have been grouped into five brackets (<100, 100-199, 200-299, 300-399, and 400+ people).



Over the five year period from 2010-2014 the most common audience capacity was 300-399 people. This was closely followed by audiences of 400+ and then audiences of 200-299 people.

The largest 2014 audiences in the theatre were generated by musical theatre, school performances, dance school productions and community group performances.

The chart above shows audiences frequently ‘topping-out’ at the theatre’s maximum capacity. Given that audience sizes vary for different types of events, this suggests that, were there more seats, the attendance numbers could have been higher. The consultation process findings shows that the seating capacity preferences for both hirers and community, as well as arts and cultural organisations, was in the 400–599 range, which exceeds the current capacity.

Although ticket sales are one measure of usage, the home location of many visitors, such as those who attend functions and meetings, is not captured in ticketing data. Ticketing data only identifies theatre audience members. Also, a very large number of participants and performers in the local dance schools, theatre companies and school productions are local residents. Thus the overall number of users are predominantly Whitehorse community members.



The many participants in the theatre, dance classes and festivals – many children – are not counted in tickets sales

4.2 What are Whitehorse’s future performing arts and functions needs?

4.2.1. Initial research project 2010–2012

Research in 2010-2012 by SGL Consulting Group P/L used a survey, focus groups, stakeholder interviews and benchmarking against five other performing arts centres. Key findings of this study were that:

- Operating costs are increasing faster than revenue,
- Community consultation consistently identified the need for a larger theatre around 550-600 seat capacity while retaining its intimacy,
- To remain relevant and competitive the centre needs to be upgraded to current theatre standards,
- Key areas of the facility are functionally poor, impacting on programming opportunities, visitor experience and ongoing sustainability of the Centre,
- There is a strong local business demand for improved, larger functions facilities – which would help subsidise the other operations of the Centre,
- Existing car parking capacity is insufficient, especially at major, peak events,
- While the building is structurally sound, it is functionally out-dated and ‘tired’, needing redevelopment and expansion.

User views of the Whitehorse Centre were very positive, however limitations of the Centre that attracted comment included car parking, food and beverage facilities, overcrowding, the level of fees and charges, and disability access.

The study identified strong demand for increased audience capacity, studios for dance, ballet and performance, and an improved full-service functions centre.

As a result, the study recommended redevelopment that would provide:

- Proscenium theatre 580-600 seats with enlarged stage and additional improved backstage facilities,
- 3-4 studio spaces for dance, ballet and performance
- A larger function room, sub-divisible into 4 rooms
- Functions kitchen upgrade
- A larger foyer with enhanced exhibition opportunities
- Foyer bar and food service upgrade
- Sound Shell – redesigned and modernised
- Additional car parking

4.2.2. Business Case study 2013-2015

A further study in 2013-2015 by Williams Ross Architects, Positive Solutions and Artefact Consulting reviewed these findings, confirmed needs analysis, prepared a five year Business Plan for the proposed redevelopment and explored its possible siting, design and capital cost.

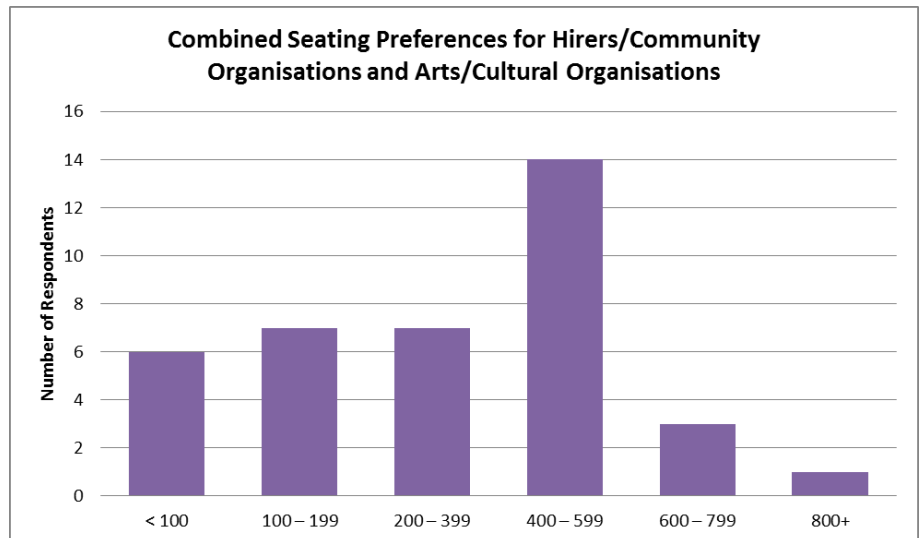
Due to the community consultation that had already taken place, the business case consultation was focused on understanding the operations, usage and potential future demand from the business perspective. Additional consultation surveyed potential hirers: existing hirers, local and Melbourne-based arts and cultural groups, local business, commercial arts and entertainment producers, events organisers, Arts Victoria, regional venue managers and Council staff.

4.2.3. Survey

An online survey asked potential users about their facility needs and usage patterns, with 47 hirers, community organisations and arts organisations responding.

The Whitehorse Centre was the most commonly used space for the majority of consultees. A crucial finding was the seating capacity preferences for hirers, community organisations, and arts and cultural organisations, which were:

- 400-599 people (37%, 14 organisations), followed by both
- 100-199 people (18%, seven organisations), and
- 200-399 people (18%, seven organisations).



Importantly, this finding shows that a substantial proportion of potential users need a smaller theatre space than the primary usage of 400-599.

This information forms the basis of the recommendations for the capacity of the proscenium theatre and studio theatre.

4.2.4. Interviews

As well as surveys, 37 interviews were conducted with key stakeholders as well as representatives from selected arts and events organisations. Interviewees included four commercial producers, twelve professional arts organisations, two non-arts commercial hirers, five venue managers, one State Government representative, five City of Whitehorse City Council Councillors and eight Council staff.

In all, over 800 people community members and stakeholders shared their views in shaping the initial concepts and providing input into the business case. In addition, over 600 people provided feedback on the concept design. A total of 1,400 people have provided direct input or feedback so far. This is a substantial sample size compared to typical market research polling.

4.3 Research and Consultation findings

This research tells us:

Reputation	The Whitehorse Centre is well regarded by hirers and the arts industry generally
Foyer Space	Foyer space is critical to success as the first impression of the venue and capacity for multi-use opportunities is important as well as providing appropriate traffic flow for concurrent events.
Functions rooms shortage	Users perceived a shortage of medium-size function rooms in Whitehorse. A 250-300 person banquet style, sub-divisible function space with current audio-visual technology would be attractive to many users. The current function room does not allow flexible use or concurrent events to be staged.
Break-out functions rooms	The conference and seminar market requires additional support spaces and small meeting rooms for break-out areas. Smaller meeting rooms would also be attractive to community groups and for business meetings.
Theatre capacity increase	A larger seating capacity in the main performance space is preferred, and the proposed capacity of 580-600 is attractive to commercial hirers.
Broader range of events	Larger seating capacity, as well as an increase in stage size and backstage facilities, would allow a broader range of productions to be hosted.
Smaller scale events	There is a large amount of arts 'product' suited to smaller spaces and not suited to either the existing 408 seat auditorium or the proposed larger theatre. Therefore, a second, smaller studio theatre would cater for these events, as well as being suitable for youth and children's events, creative development programs, rehearsal/dance space and occasional functions.
New arts opportunities	Due to its smaller audience, a studio theatre enables partnerships and co-producing with a range of producers and theatre makers who would not use the larger room (and thus currently do not use the Whitehorse Centre at all).

4.4 Recommendations and Benefits

4.4.1. Recommended facilities

The research and consultation demonstrated need for the following facilities to meet community performing arts and functions demand.

- Foyer facilities appropriate to the audience sizes
- Proscenium theatre of 580-600 seats and backstage
- Studio theatre of around 200 seats
- Rehearsal space / dance studio
- Improved Sound Shell / rehearsal / function room
- Larger, sub-divisible function room(s)
- Meeting room for 15–20 people
- Improved staff accommodation and storage
- Enhanced disability access to current best practice
- Environmental sustainability to current best practice
- Additional 175 car parks, including 4 accessible car parks

This list is similar to the 2012 research recommendations, apart from substituting the studio theatre for a variety of smaller studio spaces.

4.4.2. Benefits these facilities would bring

These facilities would bring several benefits that would increase community opportunities:

- Multiple activities could occur simultaneously – especially with a design which improves noise containment within the different spaces in the building. This enables more intensive use of the building.
- The studio theatre enables smaller-scale, specialised and low-cost that would not choose to use the theatre. This would support many local organisations that prefer to perform in a smaller (and lower cost) theatre.
- The studio theatre would be an ideal facility to attract and support young people’s activities.
- The larger auditorium capacity would make it more economic for those local groups that attract larger audiences, and more viable for commercial promotions, bringing shows to the centre that currently do not visit.
- Larger seating capacity allows community groups to hire the venue for less days, and less cost, while catering for larger audiences. This has a flow on effect of releasing days for other users, particularly in the heavily booked later part of the year.
- The studio theatre, functions foyer, enhanced functions space and larger rehearsal room greatly increase the overall flexibility of the building, particularly given the range of secondary uses they support. They could work together as a conference facility for groups up to 600 people.
- The larger functions space, sub-divisible into 3–4 rooms, would serve a wide range of types of events that currently do not use the Waratah Room.
- The functions room could also accommodate pre- or post-show functions for an event in the theatre, with standing room for a full audience. This helps attract sponsorship, enhancing revenue and reducing the subsidy.
- The improved Sound Shell facilities would assist the highly valued festivals (currently attracting 43,000 people each year) that would continue to be highlights of the Whitehorse cultural calendar.

5 A Redeveloped Whitehorse Centre

Alongside the Business Planning process a team of architects and engineers have investigated aspects of the proposed redevelopment to analyse what sort of facility is required, where it would be sited and how much it would cost. Supporting investigations have included acoustic, theatrical and building services reviews of the existing centre, risk review, flood mapping and car parking analysis.

This has included concept design, however, it is important to understand that if the redevelopment goes ahead, the building design will be different, as a full design process will have occurred. Concept design is early design testing of a project and only about 5% of the total building design process. It explores the 'big issues' to identify cost and possible design solutions to identify a realistic cost. The actual design comes later.

5.1 Why not upgrade and expand the existing centre?

Review of the existing centre in engineering, theatrical and functional terms found:

- little of the existing building could be retained without substantial alteration or reconstruction due to required Building Code upgrades,
- the building services and theatrical infrastructure would have to be entirely replaced,
- many existing spaces are functional compromised and several required spaces are simply not provided.

Thus, retention of the existing building, or parts of it, would be likely to constrain the future facility without providing a meaningful capital cost benefit.

The existing building would have to be brought into full compliance with current building and related codes. This would require an almost complete reconstruction to achieve disability, occupational safety and energy efficiency standards. As well, flood mapping suggests that the floor level will need to be raised.⁵

For these reasons retaining portions of the existing building would result in a compromised facility while costing close to a completely new centre.

5.2 The Facility Brief — what facilities are needed?

The consultation process confirmed the recommended components of the building: this was developed into a facility brief, the *Facility Space Program*⁶. The Space Program lists the functional rooms or spaces needed to serve the occupants, activities and venues, forming a preliminary 'brief'.

The proposed facilities are based on the minimum recommendations of Oh You Beautiful Stage: Australian Design and Technical Benchmarks for Performing Arts Centres, Edition 3, VAPAC, 2013. This document is the Australian reference guideline for performing arts centre design. People who are not familiar with performing arts design are generally not aware of the extensive backstage facilities required to properly accommodate and present these activities. The design 'rule of thumb' is that the amount of space behind the proscenium curtain (that is, out of sight of audience members) should equal the amount of space in front. Inadequate provision of backstage facilities is the most common design mistake that permanently restricts theatre facilities, to the detriment of their communities.

⁵ Refer to *Whitehorse Centre Business Case Development, Part B: Facility Planning* report, August 2015, Section 3 Existing Facility Review, for more detail on condition and required upgrades.

⁶ Refer to *Whitehorse Centre Business Case Development, Part B: Facility Planning* report, August 2015, Appendix A: Facility Space Program.

The Facility Space Program compares the existing centre's internal functional space with recommended spaces in terms of its capacity to serve the *next* few decades. The existing centre is approximately 2,354m² functional area. The recommended centre is approximately 6,668m², an increase of 4,314m². The existing centre is 35% of the recommended floor area for the required functional spaces. This implies substantial under-sizing of existing facilities at the Whitehorse Centre, which is well-understood by users and operators.

Table 5.1 overleaf summarises the size and capacity of proposed facilities compared to the existing centre.

Strategic view of venues recommended

The type and size of venues recommended was also based on performing arts industry factors. The seating capacity of the theatre venues is crucial for two reasons: economics of productions, and audience experience.

For proscenium theatres 500 seats is a minimum threshold at which medium to large shows with larger casts, more complex sets and productions are economically viable to present. Commercial producers of such shows will simply not hire theatres below this capacity, even if there is a reliable audience, as the show will not be viable. Whitehorse's current 408 seat theatre misses out on these shows due to this crucial factor, despite having a reliable audience 'market'.

For smaller presentations such as community groups, emerging artists, youth and children, there are many reasons why it is much better (and cheaper) to present in a small theatre that suits their audience drawing-power. These presentations — often a different style of show with simpler sets, modern staging, inexperienced performers — are best suited to studio theatres that provide a different performance opportunity and experience.

When a performing arts centre grows in activity and range of audience markets and experiences, it is often more important to add a *second, different size and type of theatre* than to simply enlarge an existing proscenium theatre.

The Whitehorse Centre redevelopment proposal is consistent with these strategic considerations:

- the range of venue types covers the identified needs of the location community for both performance and flat-floor events,
- the proposed venues complement other relevant venues in the region – for instance it will not compete with Box Hill Town Hall
- the proposed types of venues enable a variety of types of productions styles from traditional to contemporary,
- the audience capacity of the theatres and functions facilities are tailored to the demonstrated audience and community user demand to optimise audience experience,
- the recommended facilities will enable growth in audience sizes (that is, meet audience demand to attend shows), but, perhaps more importantly, enable Whitehorse audiences to experience *a wider range of events, both larger and smaller, in appropriate settings.*
- a second theatre venue in the centre can be operated for much lower cost than standalone, as it benefits from the availability of existing staff, equipment, publicity and other facilities and services. Thus, it enables considerably more community activity and opportunities while operating at substantially lower operating cost.

Table 5.1 Comparison of Existing & Proposed Facilities and Capacity	Existing Centre	Proposed Centre	Proposed Centre — Notes
Main Foyer	Nominal capacity 300	Nominal capacity 600	Suitable for holding functions / launches
Proscenium Theatre	408 seat auditorium	580-600 seat auditorium with stalls and balcony seats	Small /medium productions
Stage size	17 wide x 8.6 deep (including crossover) orchestra pit nominal 15 musicians	27 wide x 10m deep orchestra pit for 28 musicians with forestage lift	20m high flytower with fly galleries and full complement of technical equipment
Proscenium backstage facilities	2-3 dressing rooms scene dock / backstage	Technical office touring company office equipment & hirer stores piano/instrument store costume store & laundry 2x 2-4 person dressing rooms 2x 4-8 person dressing rooms 2x 12-20 person dressing rooms performer / crew amenities musicians room green room scene dock, 2x loading docks	Backstage facilities support all venue operations. Green room and dressing rooms suitable for community meeting use Two loading docks, suitable for a semi-trailer and 10m truck
Studio Theatre	None	200 tiered seats retractable variable format sub-divides into 2 smaller studio/function rooms	Sub-divisible into 2 flat floor rehearsal / function rooms
Stage size		stage 13m wide x 10 deep overall 24 long x 13 wide	Working height 9m with technical grid
Studio backstage facilities		2x 8 person dressing rooms cast accessible bathrooms equipment & seat stores scene dock	
Sound Shell Stage Concert stage and Rehearsal/dance studio	18m x 9.8m but triangular layout limits use	20m wide x 10 deep supported by: 2x 10 person dressing rooms cast bathrooms	Improved configuration more suitable for performance and rehearsal. Glazed to concert lawn.
Meeting Room	None	20 person	video-conference and internet capability
Pre-functions Foyer	None (shared with theatre)	Nominal capacity 200	Suitable for functions / launches, teas
Function Room	180 dining 350 standing sub-divisible x2	250 dinner-dance 300 banquet seated 600 standing event sub-divisible x3-4 rooms	Supported by: commercial kitchen furniture storage dedicated patron toilets
Rehearsal dance studio Room	14.5 x 8.5, 126m ² not sub-divisible, does not match main stage size	15 x 13m, 195m ² suits main stage rehearsals, sub-divisible x2 sprung floor & technical grid	Also usable for small performances. Doubles as over-flow marshalling for large community events.

5.3 Concept Design Scenarios

Once the facility brief was confirmed, the design team tested possible development scenarios within the civic precinct site. Two critical design criteria emphasised by Council were to:

- Minimise the building's impact on the parkland, avoiding loss of parkland, leading to a two-storey configuration, and to
- Preserve and enhance the festivals and outdoor events on the 'Concert Lawn', which is seen as a great strength of the centre. This affects where the centre can be located on the site.

Three scenarios were explored and costed to test opportunities:

- 1 Retain and expand existing building elements
- 2 New building on the existing site
- 3 New building on a new site within the civic precinct

Construction staging and operational continuity were considered in all scenarios. All three scenarios were estimated to cost in the order of \$49–\$52m in 2014 dollars (excluding car parking costs). Analysis showed that, comparing like with like, retaining some of the existing building saved only about \$500,000, but this scenario imposed numerous functional disadvantages and increased the impact on the park.

It was identified that building a new facility on the existing site was the preferred option.

5.4 Car Parking

Traffic engineers surveyed parking in the precinct during daytime and evening performances. Their findings confirmed community concern about a current lack of car parking. During daytime they observed cars parked on lawn areas.

Taking into account Planning Scheme requirements, the increased capacity of the redeveloped centre requires another 139 car parks, plus about 34 to address the current parking shortfall, totalling 173 car parks (rounded to 175). Of these, 4 car parks are required to be accessible (in addition to existing). These car parks require a site area of 5,250m², which is almost as much as the centre itself. In addition, any existing car parks lost in re-configuring the site must be replaced. Once this is taken into account around 200 additional car parks will be needed.

Various car parking options were explored, from on-ground through multi-level above ground, partial basement parking, and underground parking below the redeveloped centre. Early estimates ranged from \$1.63m to \$12.3m for the fully underground option. On-ground car parking would not be acceptable because of the substantial loss of parkland. Fully underground car parking was considered too costly, therefore a multi-deck car park was considered the preferred option.

Two possible sites for a multi-deck car park were identified: (1) behind the police station, or (2) adjacent to the centre. Following consultation option 2 has been rejected by Council due to the impact on adjacent neighbours.

6 Capital and Operating Cost Estimates

6.1 Capital cost estimates

The estimated construction costs have been escalated (that is, inflation adjusted) to construction completion in 2019 as it would need four years minimum to fund, design and build the centre.

Table 6.1 Capital Cost	2014 Estimate	2019 Estimate
Building works	\$52,484,000	\$60,400,306
Car park, 3 levels	\$9,523,000	\$10,959,380
Total capital cost estimate	\$62,007,000	\$71,359,686
Council project costs		\$1,990,000
Project contingency (approx. 6.5%)		\$4,650,314
Total End Cost Estimate, 2019		\$78,000,000

These costings include allowances for soil contamination, access road works and building demolition; design and project management costs; theatrical technical installations and furniture that would equip the theatres and function rooms for use.

With cost escalation at about 3% per year compounding, inflation adds around \$1.87m to the project cost for every year that elapses. Council costs of managing the project add a further \$1.99m (project and cost management, probity advisers, legal fees, etc).

For prudent financial management Council has allocated a further contingency allowance of approximately 6.5% (\$4.65m), taking the total projected cost estimate to \$78 million in 2019.

Given the generous contingency and escalation allowances made in the estimate and with sound project and cost management the project should be delivered within +/- 1-2% of this figure. While cost blow-outs occur occasionally, a well-managed and thoroughly researched process should prevent this happening and would deliver the project on budget and program.

Performing arts centres are a high-cost building type. Theatres are complex, large-span volumes with extensive structure and dynamic live loads on the stage. They must be entirely fitted out with equipment and furniture to work for the community and they usually have above average quality finishes in the public spaces. In the parkland setting the building is seen 'in-the-round' and thus has no lower cost 'rear end'. The building would be expected to have a life of at least fifty years.

6.2 What will the proposed centre cost to operate?

Financial modelling was prepared for the first five years of operation of the new centre, assuming re-opening in 2019. This allows a four year process to fund, design and build the new facility.

The modelling is based on conservative assumptions of usage and attendance, informed by the research and consultation with likely users, as well as the in-depth knowledge within Council, given the centre’s operation since 1986. Any re-opened centre takes some time to build up to ‘business as usual’ operation, so the Year 5 projections are taken as the relevant comparison to current operation.

As Table 6.2 below shows, increased activity and income from the new facilities is likely to lead to (conservatively) 572 more events, almost 10,000 more tickets and over 38,000 more attendances at the Centre than now, while the deficit will be similar or less than existing.

Table 6.2: Comparison of Current and Projected Future Operation

Activity / Space	2014 Actual/ Budget	2023 / 24 Year 5 Projection	Difference
Total attendance *	120,865	163,155	+42,290 visitors
Number of events	631	1,203	+572 events
Subsidy level*	\$1,193,561	\$1,219,710	-\$26,149

* These figures include the Willis and Courtyard rooms as their operating costs are included in the Centre’s budgets.

The 1,203 projected events include 247 ticketed, 312 non-ticketed and 644 meetings, classes or functions.

The operating cost to Council is estimated to be \$1,219,710 in Year 5, which is similar to the current subsidy. While overheads and staffing costs are increased by the larger scale of the Centre, these are offset by the availability of more spaces of better quality and larger capacity to hire, and by a 3 tier hiring charges that reflect the cost of providing first rate facilities, especially to commercial hirers.

The five year projected costs and revenues are summarised in Appendix A.

7 Ongoing operation during construction?

During the re-building program, Council will continue to offer a range of theatre performances and special events at other facilities and sites. Partnerships will be developed with other venues within the city to provide residents access to the high quality theatre productions that have been the hallmark of the Whitehorse Centre, as well as providing assistance to the many schools and hirers to identify other spaces to use during the building works

Although there will be some compromises made during the construction period, all endeavours will be made to provide an on-going program at other venues.

8 Concept design consultation – May 2015

A total of 619 people provided feedback, including 559 on-line/hard copy surveys and submissions or letters to Council. In addition, a petition with 107 signatures was received requesting an alternative plan for the car park.

Council responded to the car parking concerns expressed by local residents and advised local residents that the northern boundary option would no longer be considered. Other car parking options will be explored.

Of the 559 survey responses, the majority either strongly agreed or agreed that Council has an important role in providing cultural facilities and that the Whitehorse Centre is a valued asset.

There was high agreement that the centre required redevelopment, however 32% of respondents strongly disagreed that the improved scope met their expectations. 78% of the survey respondents are residents of the City of Whitehorse.

Of the 559 survey responses 55% of respondents indicated that the redevelopment was an important project for the City of Whitehorse:

- 26% highly supported the redevelopment as currently proposed,
- 18% supported the proposal,
- 10% somewhat supported the proposal,
- 45% do not support the proposal,
- Less than 1% had no opinion.

Although the majority of survey respondents supported the redevelopment there were also a significant number of individual comments and submissions received indicating that the primary concern was the cost of the development and car park.

There were a number of comments seeking particular amenities or features in the new facility and respondents requesting further consultation in the design process.

9 What if Whitehorse ‘Does Nothing’?

There is no such thing as a ‘Do Nothing’ Scenario: if the redevelopment does not occur, then Council will have find an alternative approach to the existing Whitehorse Centre.

There comes a point in the life of a building when it either needs a major redevelopment or closure. Investing more community funds in keeping an aging, no-longer adequate facility operating may be a poor use of funds.

As noted, the maintenance costs on the centre alone are estimated to be \$6.789m over the next five years, without improving the functionality or capacity of the centre or even a full ‘cosmetic’ refurbishment. Without these improvements for the centre to remain relevant and competitive for hirer’s it is expected that the centre will become less viable for clients and the community. With major components nearing the end of their working life, such as the mechanical services plant, these could breakdown at any time, leading to the closure of the centre until repaired.

Without quality upgrades, the centre will become less attractive to people and hirers. This will lead it into a spiral of increasing cost and reducing revenue.

It is highly likely that, if not redeveloped in some way, the Whitehorse Centre would be permanently closed sometime in the next five to ten years.

10 Next Steps

After much analysis the recommended action is to demolish and re-build the Centre as a new, expanded community arts and functions centre at an anticipated capital cost of around \$68 million (in 2019), together with a \$10m car parking facility serving the entire Civic Precinct and Walker Park.

The proposed Whitehorse Centre redevelopment is a visionary proposal to invest in the future of the City of Whitehorse. Council has extensively researched community needs, analysed the existing building and investigated the most responsible investment approach.

Such decisions are never easy, but our communities would be the worse off if we do not occasionally make bold decisions to invest in our future — as did our Whitehorse forebears when they chose to build the current centre thirty years ago.

The question to be answered is one of future investment in performing arts and festivals for the Whitehorse community or the inevitable closure of the centre.

Appendix A: Business Case Financial Projections

The following summary table from the business case shows five year operating income and expenditure projections from Year 1 re-opening until Year 5 of renewed operation. Year 5 is treated as the benchmark 'business as usual' compared to current operation.

5 Year Profit and Loss – Summary	2019/20	2020/21	2021/22	2022/23	2023/24
Level of Activity	65%	75%	85%	95%	100%
Income	Year 1	Year 2	Year 3	Year 4	Year 5
Total Income	\$1,529,921	\$1,833,505	\$2,158,948	\$2,507,511	\$2,743,928
Expenditure	Year 1	Year 2	Year 3	Year 4	Year 5
Total Expenditure	\$3,297,982	\$3,421,085	\$3,599,730	\$3,787,550	\$3,963,638
Operational subsidy required BEFORE depreciation	\$1,768,061	\$1,587,580	\$1,440,782	\$1,280,039	\$1,219,710
Depreciation A	\$922,365	\$922,365	\$922,365	\$922,365	\$922,365
Depreciation B	\$515,297	\$515,297	\$515,297	\$515,297	\$515,297
Subsidy Required - combined operational and depreciation	\$3,205,723	\$3,025,242	\$2,878,444	\$2,717,701	\$2,657,373

Appendix B: Facility Space Program – Summary

Facility Space Program – Summary							
Description	Patron Numbers	Staff/Crew Numbers	Existing Area (m2)	Recommended Area		Difference New–Extg	Diff %
				Internal	External		
Zone 1: Front-of-House		3	264	878	265	614	30%
Zone 2: Centre Operation	5	17	53	369	25	316	14%
Zone 4: Functions Room	250	19	429	904		475	48%
Zone 4: Rehearsal/Meeting Rooms	30		126	262		136	48%
Zone 5: Proscenium Auditorium	600	37	368	780		412	47%
Zone 5: Stagehouse		5	327	902	100	575	36%
Zone 6: Studio Theatre	200	18		649		649	
Zone 7: Sound Shell/Festivals	30	12	173	218	30	45	79%
Zone 8: Production / Stage Support		7	174	379		205	46%
Zone 8: Performer & Crew Support		38	112	353	25	215	39%
Zone 9: Centre Servicing			214	368	85	368	30%
Sub-total	1,115	156	2,164	6,061	530	3,863	36%
Building structure allowance @ 5%			190	303		113	
Building area/circulation allowance 5%				303		303	
Total Projected Occupants and Building Area (m2)	1,115	156	2,354	6,668	530	4,314 (shortfall)	35%