

## Council Briefing Agenda

**Date:** Wednesday, 26 June, 2019

**Time:** 2:00 pm

**Location:** Council Chamber  
Forum North, Rust Avenue  
Whangarei

**Elected Members:** Her Worship the Mayor Sheryl Mai  
(Chairperson)  
Cr Gavin Benney  
Cr Crichton Christie  
Cr Vince Cocurullo  
Cr Tricia Cutforth  
Cr Shelley Deeming  
Cr Sue Glen  
Cr Phil Halse  
Cr Cherry Hermon  
Cr Greg Innes  
Cr Greg Martin  
Cr Sharon Morgan  
Cr Anna Murphy

For any queries regarding this meeting please contact  
the Whangarei District Council on (09) 430-4200.

**1. Apologies**

**2. Reports**

**2.1 New Theatre Options**

1

**3. Closure of Meeting**

# New Theatre Options

|                           |                  |
|---------------------------|------------------|
| <b>Meeting:</b>           | Council Briefing |
| <b>Date of meeting:</b>   | 26 June 2019     |
| <b>Reporting officer:</b> | Sandra Boardman  |

## 1 Purpose

The purpose of this workshop is to provide Elected Members with an opportunity to discuss theatre design, with input from local experts, to inform future decisions about theatre/ expo/ conference centre investment.

## 2 Background

The Long Term Plan 2018 – 2028 includes \$10 million proposed investment in years 3 and 4 of the plan for new theatre/ expo/ conference centre. The actual cost of a facility, irrespective of whether it is a theatre or a expo/conference centre, is likely to exceed \$10 million.

Various parties have expressed an interest in partnering with Council to provide a facility, these include hotel consortia, the Hihiaua Cultural Centre Trust and Whangarei Boys High School.

Council has not yet decided the type of facility(s) to be built, nor whether or not to partner with another organisation.

The aim of this workshop is to allow Councillors to hear about different aspects of theatre design from local experts and ask questions. Following a short break there will be a Councillor-only session for Elected Members to discuss what has been presented.

## 3 Discussion

Key questions to be considered:

- What would Elected Members and the community hope to gain from investment in a new theatre?
- What theatre design elements should ideally be included for:
  - Theatrical performance?
  - Musical performance?
  - Dance performance?
- What are the key backstage theatre design elements which would be required?
- What would be the ideal capacity of theatre for a provincial city like Whangarei?

## 4 Attachments

- Feasibility Report Cultural and Performance Centre, Shand Shelton 2013
- Information from Stuart McCann of the Auckland Philharmonic Orchestra regarding stage requirements for orchestra

- Venues Chapter from Benchmarking/Forecasting/Analysis Report for Five Year Event Strategy and Action Plan November 2018

Feasibility Report

# Cultural and Performance Centre

Prepared for CHART, Whangarei

Music

Dance

Drama

Community

Education

Identity

shand.  
shelton





## TABLE OF CONTENTS

|    |   |    |
|----|---|----|
| 1. | Executive Summary .....                               | 4  |
|    | Background.....                                       | 4  |
|    | Forum North Venue.....                                | 4  |
|    | Community Need.....                                   | 5  |
|    | Review .....  | 5  |
|    | Proposal.....   | 5  |
|    | Theatre Brief.....                                    | 6  |
|    | Capital Costs .....                                   | 6  |
|    | Ownership, Governance, Operation and Management ..... | 6  |
|    | Indicative Operating Projections .....                | 7  |
|    | Investment Campaign.....                              | 7  |
|    | Concluding Comments .....                             | 8  |
| 2. | Introduction .....                                    | 10 |
|    | Nature and Scope of this Study .....                  | 10 |
| 3. | Background .....                                      | 11 |
|    | Desired Objectives/Outcomes of the Report.....        | 11 |
|    | Outcome of Investments for Stakeholders .....         | 11 |
|    | Demographic outline of the Whangarei Region .....     | 12 |
|    | Performing Arts Infrastructure .....                  | 13 |
|    | Audience Development in Northland.....                | 14 |
|    | Site and Context .....                                | 14 |
| 4. | Forum North.....                                      | 16 |
|    | History .....   | 16 |
|    | The Existing Facility .....                           | 16 |
|    | Physical Context.....                                 | 20 |
|    | Site Evaluation .....                                 | 21 |
|    | Schematic site Plan.....                              | 22 |
| 5. | Community Need .....                                  | 24 |
|    | Previous Studies .....                                | 24 |
|    | General Stakeholder Feedback.....                     | 24 |
|    | Questionnaire Feedback.....                           | 25 |
| 6. | Review .....  | 30 |
|    | Review of Consultation Feedback.....                  | 30 |
|    | Benchmarks .....                                      | 30 |
|    | Theatre Comparisons .....                             | 30 |
|    | Summary .....   | 33 |
| 7. | Physical Proposal.....                                | 35 |
|    | Urban Context .....                                   | 35 |
|    | Meeting Objectives.....                               | 35 |
|    | The Phases.....                                       | 36 |
| 8. | Design Brief .....                                    | 37 |
|    | Phase 1 – Addressing Consultation Feedback .....      | 37 |
|    | Phase 2 – Aspiration .....                            | 40 |
| 9. | Capital Cost and Timeframe.....                       | 49 |
|    | Building Elements .....                               | 49 |
|    | Phase 1 .....   | 49 |
|    | Time Frame .....                                      | 50 |
|    | Phase 2 .....   | 50 |
|    | Building Elements and Staging the Works.....          | 52 |

|     |  |    |
|-----|--|----|
| 10. | Ownership, Governance, Operation and Management .....                  | 53 |
|     | Current Situation .....  | 53 |
|     | Ownership of Land and Buildings .....                                  | 53 |
|     | Governance .....   | 53 |
|     | Operation and Management .....   | 58 |
|     | Proposed Ownership, Governance, Operation and Management Scenario..... | 61 |
| 11. | Indicative Operating Projections .....                                 | 62 |
|     | Indicative Operating Projections .....                                 | 62 |
|     | Observations of the Current Operating Financials .....                 | 65 |
|     | Indicative Operating Projections .....                                 | 68 |
|     | Revenue .....  | 71 |
|     | Expenditure Projections .....  | 72 |
|     | Risk Analysis on Revenue.....  | 72 |
|     | Summary of Operating Projections .....                                 | 74 |
| 12. | Investment Campaign.....   | 75 |
|     | Pre-requisites for the Investment Campaign .....                       | 75 |
|     | Issues and Considerations .....  | 76 |
|     | Fundraising Plan Key Elements.....                                     | 77 |
| 13. | Conclusion .....   | 78 |
| 14. | Appendix .....   | 80 |
|     | Stakeholder Consultation Feedback Summary.....                         | 80 |
|     | Rental/Hireage Revenue for July 2011 – June 2012 .....                 | 81 |
|     | Forum North Facilities Pricing Schedule.....                           | 82 |
|     | Staffing Levels in other Provincial Theatres.....                      | 83 |
|     | Hireage fees of Other New Zealand Provincial Theatres .....            | 84 |
| 15. | Appendix: Three Theatres for Benchmarking.....                         | 86 |
|     | Kerikeri: Turner Centre .....  | 86 |
|     | New Plymouth: TSB Showplace .....                                      | 88 |
|     | Invercargill: Civic Theatre .....                                      | 90 |
| 16. | Architectural Precedents.....  | 93 |
|     | Outdoor Public Space .....   | 93 |
|     | Flexible Auditorium .....  | 94 |
|     | Opening Backstage/Rehearsal .....                                      | 96 |



## 1. Executive Summary

This study reviews the rationale for undertaking the redevelopment of Forum North in Whangarei, taking into account the issues and needs and the projected demand for use of a redeveloped venue. The purpose of this Report is to provide the Culture, Heritage, Arts Resource Trust (“CHART”) with up-to-date information on the feasibility of a Cultural and Performance Centre in Whangarei which will assist CHART in making informed recommendations to the Whangarei District Council (“Council”). The emphasis of this Report is on the Performance-aspects of the Centre and this is given prominence through-out.

This Report:

- Looks briefly at the existing performance venues in the Whangarei region
- Examines Forum North; its current operation and its status as the 'preferred site'
- Identifies the performance-space needs of the Whangarei community by means of a targeted questionnaire
- Looks at possible future performance-space needs in relation to the community and touring companies
- Proposes a design solution framework and the capital costs associated with proposed works for the Forum North site
- Discusses ownership, governance, and management options and proposes a structure for the Cultural and Performance Centre model
- Extrapolates indicative Operating projections both for the programme and the financial aspect of the venue; and
- Identifies the requirements for an effective fundraising strategy

## Background

Ernst and Young undertook a Feasibility Report relating to the Library and Forum North for the Whangarei District Council in 2002, which included, amongst others, a proposal for a larger Proscenium Arch Theatre in Whangarei. In reviewing three facilities (library, theatre and conference/meeting facilities), they formed the view that the library facilities had the greatest need of remedying in order to meet the needs of local residents. The second priority was identified as an improvement of the theatre facilities.

A 10 year vision is outlined for the Whangarei in the Tāpapa Toi Report of 2006. The desired outcome is the transformation of the internal culture and external perception of the Whangarei District to a place that is grounded in heritage, culture, arts and creative industries.

CHART's objective is to develop Forum North (identified as the “Generator Precinct in the Tāpapa Toi Report) as an arts and cultural centre that reflects, and is supported by the local community.

CHART together with its advisory panel has expressed a desire to have an 800 seat theatre complex with a fully counterweighted technical flying system as well as retaining and upgrading the Capitaine Bougainville Theatre 366 seat to be used for local performing arts productions and smaller touring performances.

The Report identifies the existing performance venues in the Whangarei region and concludes that there is no suitable public performing arts venue to hire for over 400 seated patrons in the District.

## Forum North Venue

The Capitaine Bougainville Theatre at Forum North is the largest equipped theatre in Whangarei; however, it falls short by comparison with other venues throughout New Zealand. The theatre seats 366 people and

can cater to a range of events including intimate theatre, music, entertainment events and meetings. It currently receives a number of smaller touring shows, but the venue capacity is too small to attract larger touring shows. Te Kotahitanga Expo Hall at Forum North seats 594 people and fits 700 standing on a flat floor for shows. In addition to being a venue for performance, this space has also accommodated small trade fairs and exhibitions, meetings, banquets, concerts and weddings. The present facility is dated and is in need of refurbishment and development.

## Community Need

The stakeholder consultation has confirmed the immediate needs. The feedback from the community was positive relative to the size of the Capitaine Bougainville Theatre but identified a strong need to upgrade the facility as well as provide a better experience for both patrons and hirers. From within the local theatrical community users there was not a lot of support for a new larger theatre venue, but there was also support for a concert hall with good acoustics for non-amplified concerts and acoustic performances. Feedback from National Touring companies identified limited seating capacity, limited target audiences and lack of facilities as reasons for not selecting Whangarei as a destination for all their tours and send only their lesser and smaller 'truck and bus' type of productions to tour there instead.

A larger venue will address the National Touring Company concerns, but other considerations such as the ability to risk share audience development, marketing structures and cost structures need to be addressed by the venue in order to attract those productions.

## Review

The consultation process confirmed the community need implicit in providing an upgraded performing arts facility in Whangarei in relation to what is currently on offer at Forum North. It confirmed the need within the community for a venue that will provide facilities for local product as well as more touring productions.

Numerous issues were identified with the theatre facilities by users and promoters of touring shows. Health and Safety issues identified with the operation of equipment and use of facilities in the theatre are of particular concern. However, confidence in a proposal that goes beyond addressing immediate issues is not found in the questionnaire responses. Three other New Zealand theatres, (two with similar demographic and/or geographical situations), were therefore researched to provide a basis for detail comparison and development of a proposal for improving Forum North. The information gathered was used to discuss a variety of benchmarks for use and attendance. These venue performance characteristics were then used to assist in the creation of a bespoke brief for the future of a performing arts and cultural facility in Whangarei.

From consultation and research it was concluded that there are examples of successful venues where both use and audience numbers can be increased to benefit both the performing arts and the wider community

## Proposal

To achieve the full benefit of the aims outlined in Tāpapa Toi Report and to acknowledge CHART's aspirations for the redevelopment Forum North will need to be a cultural and arts centre; providing performance facilities that deliver a high-quality experience for both patrons and performers.

This Report acknowledges the Town Basin as an alternative location for any future expansion in performing arts facilities, (refer site and context section of this Report), but the detailed location considerations are site specific and have been based around the present Forum North site in response to the Te Papa Toi Report identifying the Forum North/library and larger Council site as a '*creative generator precinct*'.

Notwithstanding, traditionally the most successful entrepreneurial vibrant venues both support and are in turn are supported by a busy and dynamic adjacent business environment. Activities are synergetic, the theatre is accessible and exposed to foot traffic (particularly ticketing).

At present the Greater Forum North site lacks cohesion, is compartmentalised, institutional, and segregated from the town, with little open space amenity and little mutual benefit arising from the differing activities housed on the site. At yet the site with its backdrop of the park has significant potential. If nothing is done to acknowledge and understand the isolated design decisions that have contributed to this current situation than any discrete improvements to the separate facilities will never realise the full potential of this site.

Hence this Report has spent considerable effort to analyse the site and identify a development the lifts the entire site to a place of national distinction and deliver a *creative generator precinct*. A site that would then include a performing arts venue both of regional and national significance.

In order for Forum North to transform into the Cultural and Performance Centre that CHART have envisaged, adjustments beyond the addition of a new performance venue need to be addressed. This includes changes that need to happen in the physical environment surrounding the buildings, but also requires a different approach to management and marketing.

The design proposal is therefore divided into two phases; the first, addresses immediate needs as identified by the questionnaire responses; the second is inspirational and draws on the Tāpapa Toi Report and CHART's desires. It is important that these two phases are seen as elements of a complete design strategy.

## Theatre Brief

The design proposal builds from the Generator Precinct concept and delivers a Cultural and Performance Centre which consists of an upgraded Capitaine Bougainville theatre (Phase 1), complemented by a second flexible performance space replacing the existing functions of Te Kotahitanga Expo Hall (Phase 2). This flexible space will operate as a concert hall and a larger performance space (750 plus seats) to compliment the Capitaine Bougainville Theatre (a full fly tower is not proposed). A contemporary front of house area and pedestrian and open spaces will unite the complex and provide links to Maori history and heritage while presenting a welcoming front to the community. Alterations will be made to the current Kotahitanga Expo Hall to make allowances for core cultural groups in Whangarei and the inclusion of these groups is seen as a positive element of the venue. The space between the buildings is included in the design which will unite the three buildings (Old and New Library and Forum North) as part of the 'Generator' Precinct.

## Capital Costs

Indicative order of cost estimates for the design and construction have been prepared for each of the two phases.

Phase 1 estimated Capital Cost is \$3,734,000 plus GST

Phase 2 estimated Capital Cost is \$26,310,000 plus GST

The Indicative order of cost estimates assumes that Council retains ownership of the existing land and buildings and no property acquisition is required. The estimates do not allow for escalation beyond November 2013 or costs associated with the relocation of operations, or seismic strengthening of existing buildings which will need to be assessed as part of both stages.

## Ownership, Governance, Operation and Management

This Report recommends that a charitable trust as a Council Organisation is formed to govern the Cultural and Performance Centre. A role that could be fulfilled by CHART; or of which CHART could be a member. The Council to retain ownership of the building assets and land and lease these to an Operational entity governed and set up by the Charitable Trust.

This Report acknowledges the practical difficulties of implementing policies dealing with the elements implicit in providing for the local performing arts groups, and the conflict this creates with commercial imperatives. With their strength in community focus, The Charitable (governance) Trust will be required to provide clear direction to the Operational entity. One transparent way to separate Community from commercial conflicts is to set up a structure that administers grants rather than requiring the Operational entity or management to provide subsidised access.

This structure achieves clear accountability and gives a business-focus at the operational level.

## **Indicative Operating Projections**

From information provided by Events and Venues it has been confirmed that Forum North relies on a Council subsidy for operation. In the 2011/2012 this subsidy was \$400,000.00 following adjustments for grants and non-venue related costs. The current operation also encapsulates some aspects of the Toll Stadium operation with recoveries made, as well as responsibilities for running the various Council festivals, e.g. the Endless Summer Festival.

As a result of the review of information provided, there are some operational enhancements that can be achieved without physically upgrading the venue that can reduce the operating shortfall to \$263,852 plus GST. This however will not address the shortcomings of the facilities and will not increase usage.

Two indicative performance programmes have been developed following the completion of the Phase 1 and Phase 2 Capital Works. Revenue and expenditure scenarios have been developed for both of these on the basis of a change in the operation and management of the venue and Council remaining responsible for the building maintenance and depreciation.

The projections for Phases 1 and 2 relate to the first full year of operation (year three following building handover).

Identified as a realistic scenario based on the indicative programme for Phase 1, revenue of \$367,000 is achieved with an expenditure of \$740,000 leaving an operating short fall of \$373,000. Revenue for Phase 2 of \$468,000 is achieved with an expenditure of \$880,000, leaving an operating shortfall of \$412,000

Note, years one and two may require deficit funding in excess of the above projections and pre-opening operational overheads will also have to be funded.

## **Investment Campaign**

With a projected operations shortfall annually, the project has no ability to service large capital loans. All capital funding requirements must be provided through a public campaign, Councils and Government.

In order for the project to succeed it is likely that the Council will be asked to fund a significant portion of the project with the remainder being shared between a comprehensive investment campaign and Government contribution.

At present, there are many projects vying for the regional funding dollar. Without good leadership and well defined all these projects will suffer. For any regional Performing arts project the logical source of this leadership is the Regional or District Council in collaboration with CHART or a specific group established to lead the funding campaign.

## Concluding Comments

The Ernst & Young Feasibility Study concluded that the Capitaine Bougainville Theatre in connection with the Te Kotahitanga Expo Hall was inadequate to meet, in particular the performing arts requirements of Whangarei on and into the future. This Report endorses those findings.

Since the Ernst & Young Report Whangarei has fallen further behind most other centres of similar size and growth characteristics in terms of providing performing arts infrastructure. This is despite Whangarei District Council providing comparatively reasonable operational support for less return in terms of utilisation and/or attendance than other centres, i.e. this level of support with the right venue infrastructure and management could sustain higher utility and involvement leading to greater community benefits.

Without investment in improved facilities capable of accommodating increased audience numbers Whangarei will not be able to offer touring productions the opportunity to recover production costs so will continue to miss out on the larger National touring productions and many shows promoted by independent tour operators.

Exposure to the professional productions is an integral part in developing a viable local performing arts community. Equally facilities that underpin, are safe to operate and technically support local productions are required as part of a viable performing arts sector.

If it is agreed that Whangarei does lack performance infrastructure then what exactly should be provided and by when? This Report concludes this is more achievable as a staged development. This Report suggests a significant upgrade of the Capitaine Bougainville Theatre immediately then the development of a flexible auditoria and stage that meets a number of performance criterion and has audience capability in excess of 750 persons for specific acoustic performance requirements but a greater audience capacity for less acoustically critical productions.

If the decision is to proceed to upgrade the performing arts facilities in the city then a review of governance and operational management must follow. This Report suggests this begins with clarifying the stakeholder's objectives first at the governance level. What can then follow is the establishment of an operational structure that is based on a clear and unambiguous business plan. The latter underpins and greatly assists the capital works investment strategy and planning required to ensure realisation of any major building project

This Report acknowledges, but was specifically asked not to undertake a locational study of alternative sites for new performing arts facilities. It has made brief comment on the town basin which appears the most viable contender for any enhanced facility but no site studies have been made and other projects vie for land in this area already. The issue of location is independent of need.

Pragmatically there are benefits in administering, servicing, and combining common spaces in grouping Performing arts facilities in one location equally there are often conflict in commercial and community objectives when it comes to operating and managing any facility with contradictory goals. It is not an absolute that upgrading the existing theatre precludes the development of any larger facility on a different site in. But similar logic dictates that if facilities are separated quality is still paramount and synergetic associations should be developed to maximise the benefits for the wider community.

This Report provides clarity and direction in what exactly is required to address the shortcomings in the performing arts it does not address but is aware of other initiatives for public/private venue projects and the potential adverse impact that multiple complimentary or competitive projects will have on public and private investment campaigns. The Council is urged to prioritise major projects to assist in realising them progressively in accord with an agreed programme.

CHART's aim for a larger performance venue and the development of Forum North as an arts and cultural

centre that reflects, and is supported by the local community is achievable. The proposal for the Cultural and Performance Centre delivers on the vision outlined for Whangarei in the Tāpapa Toi Report of 2006.

Should the greater Forum North site house any future expansion of performing arts facilities, i.e. a larger venue? This Report concludes that any expansion on the Forum North site to reach its full potential and satisfy all of the critical success factors the entire physical context needs to be addressed along with governance and operational structure. This Report proposes a concept of regional if not national significance.

The Critical Success Factors for the project are identified as follows:

- A vision
- Total support from CHART
- Rationalisation of Council's use of the site
- Urban Design Concept that as a whole is greater than the sum of its parts
- Physical manifestation of the underlying 'Arts Centre'
- A programme that ensures occupation of the site
- The 'place' as a destination
- A targeted audience development programme implemented by the venue that build and develops audience numbers to sustain increased performances
- An active entrepreneurial events and operations management

## 2. Introduction

This Report has been prepared by Shand Shelton Architects & Theatre Specialists under the auspices of CHART and its advisory team in Whangarei to assess the relevance of the previous feasibility study prepared by Ernst & Young relative to Forum North and in particular the requirements for an enhanced performing arts facility.

The Ernst & Young study found that the Capitaine Bougainville Theatre on its own is inadequate, especially given that there are few other public assembly facilities available in Whangarei. Based on their discussions with national theatre users and promoters, it was clear that Whangarei is missing out on a number of shows that would otherwise come if a larger facility existed.

### Nature and Scope of this Study

The objective of this study is to reconfirm the feasibility of a new/upgraded performance facility in Whangarei. CHART's long-term desires are for a Cultural and Performance Centre, however, the emphasis in this Report is placed on the performance-aspect requirements of such a centre.

This study seeks to identify the requirements and desires of current users of the Capitaine Bougainville Theatre and to predict future needs based on the predicted increase in Whangarei's population.

Through consultation including questionnaires, meetings and discussions held with stakeholders, a view on the needs and demands of the community has been established. In addition, aspirations for Whangarei as outlined in the Tāpapa Toi Report of 2006 have been addressed. To give confidence in the proposal, three New Zealand theatres with similar demographic and geographical situations were consulted. The information gained from these activities was used to establish a set of benchmarks, and in turn assisted in the creation of a bespoke concept for a Cultural and Performance Centre.

The Report discusses two possible sites identified in the Tapapa Toi Report but as directed by the instigators of this Report has considered in detail only the forum north site.

Recommendations for future ownership, governance, operation and management structures for the future Cultural and Performance Centre are based on a review of the current administrative structures of the Council relating to Forum North.

Activity projections for the theatre component of the Cultural and Performance Centre are based on a review of the current room utilisation statistics and ticketing information provided by Venues and Events at Council relating to Forum North.

### 3. Background

#### Desired Objectives/Outcomes of the Report

A 10 year vision is outlined for Whangarei in the Tāpapa Toi Report of 2006. The desired outcome is the transformation of the internal culture and external perception of Whangarei District to a place that is grounded in heritage, culture, arts and creative industries. The Report recognises that this vision is the result of addressing the 'social, economic, environmental, and cultural well-being of the community, in the present for the future,' as required by the Local Government Act 2002 (section 10), and considering the special qualities that could put Whangarei, in the context of Northland, 'on the map'.

The Tāpapa Toi Report identified Forum North as a heritage and culture generator precinct. It proposed that this precinct was redeveloped as a resource for the sector, incorporating Forum North, the new library, the old library building and the existing Whangarei Art Museum.

Due to the continual growth in the Whangarei district, CHART has identified that a larger and more versatile arts and cultural hub is required to cater for the needs of the growing population. Their vision is for the performing arts complex to be an arts and cultural centre that services the local community while simultaneously reflecting Whangarei's unique identity.

CHART's main objective is to continue to develop Forum North as an arts and cultural centre that reflects, and is supported by the local community. They wish to provide support for the local community by providing opportunities for their participation in the arts and cultural activities and by attracting visitors through arts and cultural activities. They aim to recognise and promote Forum North as part of council's network of facilities and venues and maximise opportunities for integration between Forum North and the development of the Town Basin and Whangarei Art Museum, promoting collaboration between the 'Experience' and 'Generator' precincts. From our discussions it is understood that Council are looking to develop the Forum North site. As per the recommendation in the Ernst & Young Report, the new Library has been completed and the focus is now shifting to the future of the site currently occupied by Forum North and the Council's offices.

Key principles of CHART's desires for the arts and cultural centre include:

- A flexible mix of activities with an arts and cultural focus
- Primarily community activities, but with the opportunity for commercial tenancies that support the arts and cultural focus
- A visitor destination to see local arts

CHART has expressed a desire to have an 800 seat theatre complex with a fully counterweighted flying-system as well as a 366 seat theatre to be used for intimate touring shows, community arts and culture groups and education spaces including utilizing some of the expo halls for set design and building.

The Desired Objectives expressed by CHART and the aspirations outlined in the Tāpapa Toi Report are taken into consideration and investigated as part of this Report.

#### Outcome of Investments for Stakeholders

The Tāpapa Toi Report divides stakeholders into three groups: The creators; the cultivators and the consumers. The creators are the professional and recreational practitioners who bring awareness, understanding and experience of heritage, culture, arts and creative industries to the consumers. The cultivators are the decision makers, council staff, trusts, boards, retailers and promoters who enable creators to connect with the public.



The cultivators - and main financial stakeholders for the redevelopment of the Cultural and Performance facilities - are CHART and Council. However, it is assumed that the benefits of an upgraded venue will principally be a gain for the community in various ways; by supporting the performers and by providing the community with a broader and more varied range of cultural activity. The Tāpapa Toi Report states that the heritage, culture, arts and creative industries contribute to: economic, cultural, social, environmental and Maori well-being. Stakeholder consultation for the Tāpapa Toi Report identified *that many people in Whangarei are positively, passionately, actively engaged in the heritage /culture /creative sector* (Tāpapa Toi Report; 2006).

## Demographic outline of the Whangarei Region

The last Census took place in New Zealand in 2006. The following demographic statistics for Whangarei are compiled from that data. Whilst it is six years out of date, it is sufficient to provide an overview.

In 2006, approx. 74,500 residents lived in the Whangarei District, making it New Zealand's 13th most populated district. These numbers comprised of around 1.85% of the national population and 50% of Northland's population. Between 2006 and 2061, the growth rate is projected to average 1.3% for the Whangarei District and the population is expected to increase from 74,430 in 2006 to 129,678 in 2061. This represents an average annual increase of 1,004 additional people per annum, and a total increase in population of 55,248 people.

The population of the Whangarei District is generally considered older than New Zealand overall, with more residents no longer in the 'working' (15-65 years) age bracket. The median age of people living in the District is 38.4 years, higher than the rest of New Zealand at 35.9 years (2.5 years). The proportion of the population who are 65 years and older was 14.9% compared to 12.3% for New Zealand. It can be assumed that these numbers reflect those who come to Whangarei in their retirement. The population under 15 years was 22.8% of the 2006 resident population (compared to 21.5% for New Zealand). The projected population by age structure statistics show a continued aging trend. From 2006 to 2041, the proportions of younger age groups (0-4 years, 5-14 years, 15-24 years, 25-44 years) are projected to steadily decrease, while on the other hand, the proportions of the older age groups (45-64 years and 65 years and over) are projected to steadily increase. Currently, 14.8% of people are aged 65 years and over. By 2041, this is projected to increase to 26%, and to 29% by 2061.

The population of the Whangarei District is less ethnically diverse compared with the New Zealand population and is generally of European and Māori descent; 71.9% of people in the Whangarei District identified themselves as belonging to the European ethnic group, (compared with 67.6% for New Zealand) and 25.2% of the Whangarei population identified themselves as belonging to the Māori ethnic group, (compared to 14.6% of New Zealand). The proportions of the population identifying themselves as being either Pacific or Asian ethnic groups were 2.4% and 2.3% respectively, compared to 6.9% and 9.2% of the New Zealand population.

Those in Whangarei earn less when compared to the rest of the country. For people aged 15 years and over, the median income in Whangarei District is \$22,500. This compares with a median of \$24,400 for all of New Zealand. 45.7% of people aged 15 years and over in Whangarei District have an annual income of \$20,000 or less, compared with 43.2% of people for New Zealand as a whole and 14.9% of people aged 15 years and over have an annual income of more than \$50,000, compared with 18.0% of people throughout New Zealand.

Whangarei District's 74,500 people are spread through urban and rural communities, on a land area of 270,000 hectares along the eastern seaboard of Northland, from Langs Beach in the south to Bland Bay in the north. With more than 100 beaches and numerous estuaries, no one in Whangarei lives more than 40kms from the reach of the tide.<sup>1</sup>

<sup>1</sup> (About Whangarei: <http://www.whangareinz.com/about/economy>)

The city of Whangarei is the largest urban centre north of Auckland. The fast growing District has approximately 27,000 people working in over 6,500 businesses, many of which are rapidly growing. This growth complements a solid industry base of pastoral farming, horticulture, manufacturing and construction, forestry, wood processing and tourism. Other key sectors are retail and the arts. (About Whangarei: <http://www.whangareinz.com/about/economy>).

## Performing Arts Infrastructure

### National

New Zealand has followed the international trend of upgrading its “bricks and mortar” assets for the performing arts through the building of new theatres and upgrading of existing venues, predominately heritage buildings. Major centres throughout New Zealand have all committed to theatre restoration and upgrade, and smaller centres (for example, Invercargill, Gore, Oamaru, Ashburton, Blenheim, Queenstown, Hastings, Rotorua, Tauranga, New Plymouth, Kerikeri and Masterton) have also recently committed to, or completed developments. The need to upgrade and renew are in part driven by increased standards of compliance for public venues and major changes in acceptable operating safety levels.

Creative New Zealand undertakes a three yearly survey to gauge New Zealanders’ attitudes, attendance and participation in the arts. The survey conducted in 2008 showed that 60% of New Zealanders aged 15+ attended performing arts events in the previous 12 months, 44% had attended concerts or music events, one third (31%) had attended the theatre and 19% had attended a ballet or dance event. Nine out of ten New Zealanders (87.5%) are involved in the arts as participants or audience members which suggests a high level of enthusiasm for the arts in this country. Community interest in the performing arts has been reinforced by a strong focus in schools and tertiary institutions in addition to the growth in film and television industries.

Along with improvements in the industry, a secondary touring circuit for shows is strengthening reaching beyond the first tier of the main centres. This secondary level includes most of the key centres in regional areas but has also developed in response to the audience catchments and upgraded theatres in smaller centres. Promoters will consider taking their product to smaller centres if they have the right facilities, can access the market and ticket a reasonable audience catchment or are supported by risk sharing arrangements with local venues.

### Relevant Existing Infrastructure in Whangarei

Currently, Council offers support to the arts sector and supports events such as Art Beat and the Endless Summer Festival and support facilities such as Forum North and Toll Stadium. In addition to Council, the Tāpapa Toi Report identified that in future, Tai Tokerau Tourism, Enterprise Northland and Destination Northland have the potential to play significant allied roles as cultivators in the creative sector. (Tāpapa Toi, 2006).

The Capitaine Bougainville Theatre at Forum North is the largest and when compared to other local venues in Whangarei is a better equipped theatre. The theatre seats 366 people and can cater to a range of events including intimate theatre, music, entertainment events and meetings. It currently receives smaller touring shows, but the venue capacity is too small to attract larger touring shows. Te Kotahitanga Expo Hall also at Forum North Seats 594 people and 700 standing on a flat floor for staged shows. In addition to being a venue for performance, this space can also accommodate small trade fairs, exhibitions, meetings, banquets, concerts and weddings.

Other performance venues in the region include:

- The Old Library Community Arts Centre's Main Hall can seat up to 200 people for recitals, small theatre shows and performances.
- Whangarei Theatre Company at the Riverbank Centre has an auditorium with a 170 seat capacity as well as the Hatea Room which seats 100.
- The Octagon Theatre is an intimate space with seating for 50.
- Other performance venues identified by questionnaire respondents include St John's Church (Kamo Road), St. Francis Xavier Church (Kamo Road), Christ Church (Mill Road), the Shutter Room, Whangarei Conference Centre, The Quarry Space, The Barn, The Script Lounge, Denby Golf Club, Salut, and Kingsgate Hotel.

A number of school venues in Whangarei were identified by questionnaire respondents including Whangarei Boy's High School, Kamo High, Tiki High and Pompallier College. Whangarei Girls High are currently building a new theatre based at the school. However, experience confirms that a school auditorium cannot be considered or managed as an 'available for hire' public venue, nor is it suitable or equipped for touring circuit productions.

## Audience Development in Northland

Audience Development funding equates to \$33,000 per year. It is managed by CHART.

In 2011, (the first year funding), audiences were surveyed at various venues in Northland. The initiative also offered funding to artistic groups who in return surveyed their audiences. The 'Audience Connection' was engaged to analyse survey results and make recommendations for moving forward. Initial results appeared to be skewed. Work continues on further initiatives for audience development with CHART implementing the Test Drive initiative in 2013 and also the Youth Ambassador program.

It is clear that although CHART is involved in Audience Development in the Whangarei Community, Forum North is not directly working on retaining and building to increase their audience potential. There is a need for the venue to become more pro-active in the marketing of performances and development of their audiences. As discussed in more detail later, many tour promoters rely on venues to ensure that their product sells the required number of tickets.

## Site and Context

The Tāpapa Toi Report identifies Forum North as a heritage and culture 'Generator' precinct. It proposes that this precinct is re-developed as a resource for the sector. The Report also identifies The Town Basin 'Experience' Precinct and advocates that a complex on this site could house a 1,500 seat venue and sculptural experiences in a park setting; dealer galleries, cafes and retail outlets with a pedestrian art bridge link to the city centre through to Forum North.

The Tāpapa Toi Report advises that work should begin immediately on scoping the potential and viability of an iconic, draw-card heritage and arts development at the Town Basin aligned with a conference centre and appropriate accommodation.

The Tāpapa Toi Report recommends that reclaiming Forum North for the sector would be a staged process, completed after the new development at the Town Basin.

## The Town Basin 'Experience' Precinct

Whangarei's Town Basin has been developed since the 1990s but also has a significant pre-European history

that is of significance to Maori. Currently, the main uses of this area are passive recreation and limited tourist, retail and entertainment facilities. These activities complement the diverse range of maritime activities occurring at the Basin including the fishing industry, recreation and commercial yachting, charter operations, boat maintenance/repair facilities and other tourist-related marine activity.

The existing Town Basin development is limited in geographic extent but there is opportunity to extend the area further along the waterfront (both Up-River and towards the harbour mouth). While successful development is largely driven by mechanisms beyond the District Plan and RMA process, Council is concerned to ensure that a cohesive development pattern emerges and that the significant resource values of the area are protected.<sup>2</sup>

Currently, a Report has been written for the *Hihiaua Project* at the Town Basin and model has been made of the proposal, but the project is seeking what has been described as a '*significant amount*' in funding; there is much work to be done before it is realised. This proposal includes a theatre/conference space. This project has been worked on for several decades.

## Discussion

Although the Town Basin could be considered an alternative site for a larger performance venue, there are a number of factors that motivate the focus on Forum North for the remainder of this Report not the least being that this Forum North is CHART's preferred site for the Cultural and Performance Centre.

If the town basin were to be considered issues requiring to be addressed would include:

- A coherent vision or structure to support integrated development around the Basin.
- Clear urban design and open space objectives and requirements including the underpinning of connections back to and linkages between activities the city and within the basin.
- A full understanding that inappropriate or ad hoc development of existing sites around the Town Basin has the potential to generate adverse effects on roading, amenity, landscape quality and sense of place.
- That the significance of the Town Basin Area to Tangata Whenua needs to be fully understood.
- Understanding the critical success factors including those activities that generate people wanting to access and use the Basin. Recognition that critical mass and synergetic or mutually supportive associations are essential. Appreciation that the imposition of a public building does not in itself deliver a dynamic environment.

Although the Tāpapa Toi Report identifies the Town Basin as a possible site for a larger performance venue, there are benefits of housing both a smaller and larger capacity performance space in a single building:

- Results in lower capital costs when compared to two stand-alone entities
- Avoids duplication of facilities (foyers and toilets and service areas)
- Allows for a single management and operational structure
- Provides critical mass relative to marketing, systems and purchasing power
- Centralises technical equipment and expertise
- Provides greater flexibility for events in one complex.

Equally venues around the country wrestle, not often successfully, with the contradictory objectives of accommodating subsidised community productions and the commercial imperatives of running a financially successful venue business. Two separate venues can enhance clarity of these objectives and avoid conflict.

<sup>2</sup> Whangarei District Plan. Chapter 26 pg 1.

## 4. Forum North

Forum North is identified in the Tāpapa Toi Report as a heritage and culture 'Generator' precinct and the Report proposes that this area is re-developed as a resource for the sector.

### History

The Northland Community Trust Board designed and built Forum North in the late 1970s and early 1980s. (It later became known as the Forum North Trust Board, and was subsequently disbanded by the Whangarei District Council.) The Trust board represented a joint-venture between the Whangarei City Council (prior to amalgamation with the Whangarei County Council) and the Northland Theatre and Arts Foundation Inc. (NORTAF). After the demolition of the earthquake prone auditorium behind the old town Hall building in Bank Street, the two organisations came together to build a replacement. NORTAF was motivated by providing proper theatre facilities, while the Whangarei City Council needed new Council offices. The Whangarei County Council was not prepared to contribute funds.

Once built, Forum North was administered by the Northland Community Trust Board, except those areas occupied by the City Council as its own offices.

Although the City Council subsidised funds, NORTAF engaged in a fundraising program which contributed to the cost of building; the fundraising was extensive. The funding was greatly boosted by The Northland Harbour Board; whose chairman was Jim Carney contributed about \$800,000 to the fundraising efforts. These funds were the result of salvage activities for the Capitaine Bougainville vessel which caught fire off Whananaki in 1975. As a result, the theatre auditorium is named after the vessel; the Capitaine Bougainville Theatre. NORTAF raised about \$400,000 independently and the total funds would have been approx. \$1.2 million contributed to Forum North by these two sources.

The Northland Harbour Board no longer exists. Its assets were split between the Northland Regional Council and Northland Portcorp.

Currently, Forum North's facilities and buildings are owned by Council and managed by the Council's Venues and Events department. It has been the heart of Whangarei's entertainment precinct for more than thirty years and is home to the city's main theatre and exhibition hall.

### The Existing Facility

Forum North has a range of facilities available for hire including the Capitaine Bougainville Theatre, Te Kotahitanga Expo Hall, Cafler Suite and the Bounty Room. In addition to performing arts, these spaces are used for meetings and conferences, weddings and functions. Forum North supports the community with subsidised rates for "not for profit" organisations.

There is street parking available and 270 Council car-park spaces outside the venue.

### Spaces for Hire

| Spaces                | Capacity (number of Patrons) |         |          |            |            | Room Size | Area      |
|-----------------------|------------------------------|---------|----------|------------|------------|-----------|-----------|
|                       | Theatre                      | Cabaret | Cocktail | Class room | Board room |           |           |
| Theatre               | 366                          | -       | -        | -          | -          |           |           |
| Expo Hall             | 594                          | 400     | 700      | 300        | -          | 30x17     | 510 sq.m. |
| Bounty Room           | 45                           | -       | 60       | 20         | 15         | 7.5x9     | 51 sq.m.  |
| Cafler 1 or 2 each or | 70                           | 80      | 100      | 30         | 25         | 9x9       | 81 sq.m.  |
| Cafler Suite          | 160                          | 120     | 200      | 60         | 30         | 18x9      | 162 sq.m. |
| Rehearsal Room        | 120                          | -       | 150      | 50         | 30         | 15x9      | 135 sq.m. |
| Concourse             | -                            | -       | 240      | -          |            | 30x5      | 150 sq.m. |

#### Capitaine Bougainville Theatre

The theatre is used for local and touring musical and theatre performances, Film showings and occasionally hosts meetings and church services.

#### Te Kotahitanga (Expo) Hall

The second performance space at Forum North is the Te Kotahitanga Expo Hall. This is a 510m<sup>2</sup> space for trade shows, exhibitions, meetings, banquet dinners, concerts and weddings and seats up to 594 people or 700 people standing on a flat floor for staged shows. The Kotahitanga Expo Hall also opens out via two large sliding doors enabling the concourse to be used as an additional space for trade stalls or as a cocktail reception/ buffet space.

As seen in the table above, Forum North has a number of other spaces, that are used for commercial and community events.

### Current Users/Uses

Between 1 July 2011 and 30 June 2012, the performance spaces at Forum North were hired by a variety of touring theatre, dance and music shows, trusts, companies, education providers and local theatre, dance and music groups including Northland Ballet & Dance, Step Out Dance Studio, Auckland Youth Orchestra, Whangarei Pipe band, Northland Sinfonia and Whangarei District Brass amongst others. Over the past two years, ticketed events at the Capitaine Bougainville Theatre and Kotahitanga Expo Hall have included:

- Classical and contemporary concerts
- Dance performances
- Theatre and Drama
- Comedy
- Fashion shows
- Youth Music
- High school events
- A Mad-Hatters Ball
- Mediums

The other spaces (including the Expo Hall but excluding the theatre) at Forum North were used for:

- Meetings
- Product launches
- Trade shows
- Weddings
- Seminars
- Screenings
- Banquet Dinners
- Workshops
- Birthday Functions
- Conferences

**Current Programme (July 2011 – June 2012) for Te Kotahitanga Expo Hall and Capitaine Bougainville Theatre**

| Event / Performance   | Capitaine Bougainville Theatre |           | Te Kotahitanga Expo Hall |          | Total hire days (Including Ticketed/ performance days) |
|---|--------------------------------|-----------|--------------------------|----------|--|
|   | Hire days                      | Ticketed  | Hire days                | Ticketed |  |
| Local Theatre (incl. Comedy/mediums)  | 19                             | 5         | 3                        | 0        | 22   |
| Visiting Theatre  | 19                             | 13        | 4                        | 2        | 23   |
| Local Musical Performances (incl. Tribute shows, choral, opera, musicals and amplified) | 43                             | 16        | 3                        | 1        | 46   |
| Visiting Musical Performances   | 9                              | 9         | 4                        | 1        | 13   |
| Local Dance   | 26                             | 7         | 8                        | 0        | 34   |
| Visiting Dance  | 2                              | 3         | 1                        | 0        | 3  |
| Conference/Corporate Days and Other events (weddings, trusts, charities)                | 16                             | 0         | 54                       | 2        | 70   |
| Education (schools, Tec)  | 6                              | 0         | 12                       | 0        | 18   |
| Fairs and Expos   | 1                              | 0         | 32                       | 0        | 33   |
| Churches  | 1                              | 0         | 1                        | 0        | 2  |
| Films   | 26                             | 0         | 4                        | 0        | 30   |
| <b>Total:</b>   | <b>168</b>                     | <b>53</b> | <b>126</b>               | <b>6</b> | <b>294</b>   |

- The above breakdown is based on the Room Statistics and compared to ticketed event attendance information provided by Forum North. However, some of the data appeared to be incomplete and did not correspond. For instance, although *Pack of Girls* and *Miss Saigon* only registered 4 performances each on the Ticketed Events Information spread-sheet, online ticketing information showed that both shows sold tickets to 5 performances each. Since the dates corresponded with the hiring data and Room Statistics, this was accepted and included in the above data.
- Although it appears on the ticketed event attendance, no corresponding hireage information could be found for Atamira Dance. This performance has therefore not been included in the above data.
- Where CHART hired the venue as part of the Northland Consortium, this is counted as a touring show, even though CHART is a local body.

### Current Audience

The number of seats available for sale is 366 for each of the ticketed events in the Capitaine Bougainville theatre and for the six ticketed events in the expo hall the number of tickets offered was between 260 (Mad-Hatters Ball) and 700 (More Brass Ol).

On this basis, the total number of seats available for sale between July 2011 and June 2012 has been estimated to equate to 22,338. Of these 22,338 seats, 14,717 tickets were sold. This brings the overall event capacity for ticketed events to 66% for the past year. Discussions endorse that that these figures validate an observation seen in the past year; where theatre utilisation was down, but the audience capacity at each event was higher than in previous years.

### Staffing Levels

Forum North's current Staffing levels provide:

- Theatre Manager (1 x FTE; shared between Forum North and Toll Stadium) – Paid by Venue & Events; recovery via grant from Toll Stadium
- Operations Manager (1 x FTE)
- Technical (1 x FTE)
- Venue Bookings (1 x FTE)
- Ticketing (.5 x FTE)
- Finance (1 x FTE)
- Admin (1 x FTE)
- Marketing (1 x FTE; shared between Forum North and Toll Stadium) – Paid by Venue & Events; recovery via grant from Toll Stadium

The overall expenditure for this is \$440,000 which is reduced by a \$120,000 offset from Toll Stadium.



## Physical Context



### Rust Avenue - Forum North Site

The Forum North complex occupies a site on Rust Avenue. The New Central Library is to the North, the Old Library (now used as an Arts Centre) is North-East, car parking East and South and the Cafler Park flanks the building to the West. The Whangarei District Council occupies the set of buildings South-West integrated into the forum North buildings.

The Tāpapa Toi Report sees the Capitaine Bougainville theatre being used mostly for local and some visiting productions and state that the ex-Council Chambers can be used as flexible 'studio' performance spaces for chamber music. (Tāpapa Toi Report, 2006)

### Surrounding Buildings

On 12 November 1936 the –now Old- Library was opened on Rust Avenue. The building, designed by A. P. Morgan and H. L. Massey was described as the "ultimate in modern design, both in the building itself and in the interior fittings" (Northern Advocate 11 November 1936). It won the Gold Medal of the New Zealand Institute of Architects. In 1964-65 major internal reorganising of the space with the addition of a new workroom extended the building's useful life. In 1970 Peter McNaught drew up plans for major additions, but these were not implemented until the 1980's. The extended building was opened on 26 March 1983. The design of the new extension was based on the notion that a pleasing contrast was more appropriate than trying to match building materials from the 1930's. The old Library closed in March 2006, replaced by the new building behind it.<sup>3</sup> It is currently used as a Community Arts Centre and hosts exhibitions, small

<sup>3</sup> <http://www.whangarei-libraries.com/About-Us/Whangarei-Central-Library/Pages/History.aspx>

theatre productions, performances and a variety of visual arts activities. There are two exhibition galleries, a main hall for performances and additional rooms that are used for studios.

The theme for the new Whangarei Central Library developed around the 'Baskets of Knowledge' ('He Kete Wananga'), referring to the legend of Tane's climb into the heavens: Tānenuiarangi retrieved the three baskets of wisdom when he climbed to the uppermost heaven on the sacred vine (aka matua). When Tānenuiarangi descended he established pou wānanga; pillars of higher learning on earth. These wānanga became training establishments of the tohunga (priests), who in turn relayed this higher learning on to society in portions that could be understood. This legend reflects many Māori belief systems regarding the sacred nature of learning, and fits with the library concept.<sup>4</sup>

## Site Evaluation

### Positives

- The site has been identified in the Toi Tāpapa Report as the 'Generator' Precinct.
- It is surrounded by other relevant public infrastructure such the new and old library, car parking facilities and a public park. Council has indicated that the current RSA building, (across Lover's Lane to the North of the site) may be incorporated into the site in future.
- Cafler Park is a public asset and can be incorporated into the design.
- Public awareness of the venue exists and the theatre is already established.
- There is an opportunity to unite the New Library/Old Library with the new Cultural Centre and to create a Cultural Hub/precinct that includes the existing facilities.
- The public space between the buildings offers the opportunity for an outdoor performance venue.

<sup>4</sup> <http://www.whangarei-libraries.com/About-Us/Whangarei-Central-Library/Pages/History.aspx>

## Issues



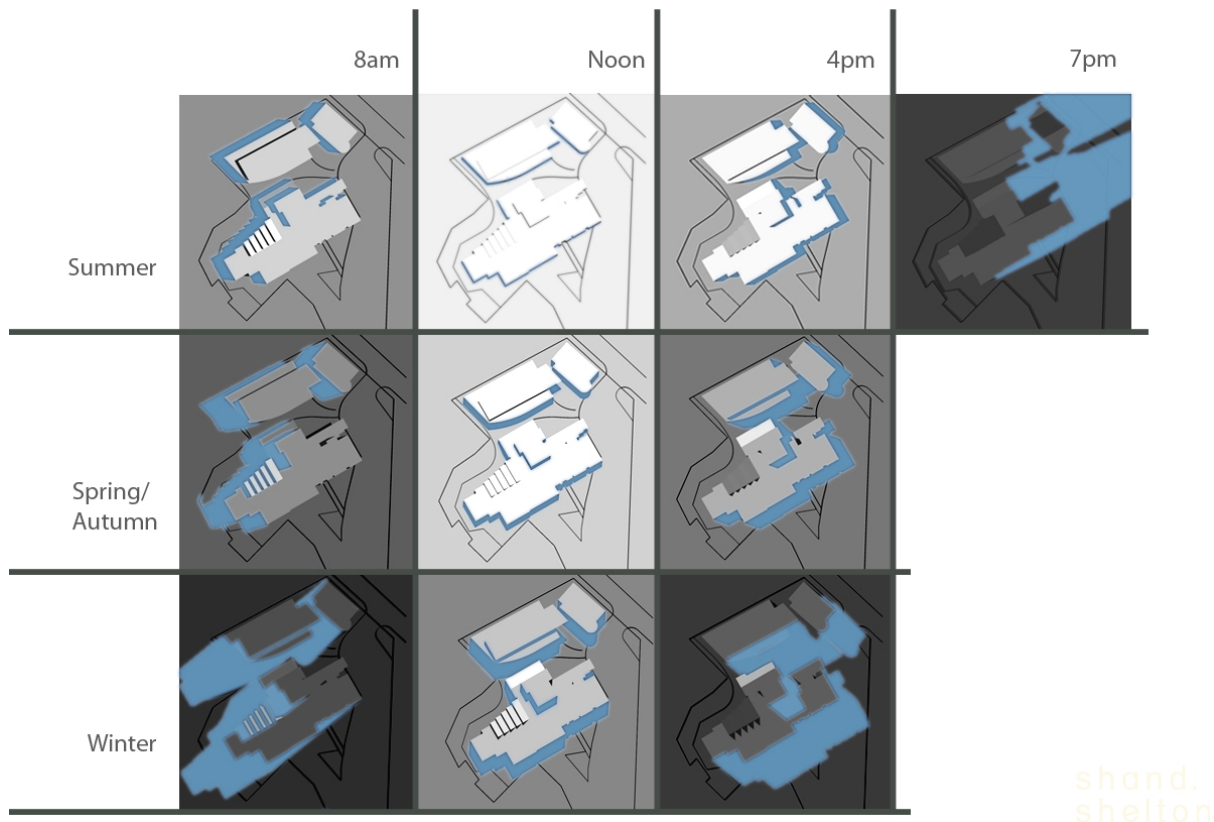
## Schematic site Plan

- The precinct is separated from the centre of Whangarei by the railway line. This may not be of significance if the area becomes a destination.
- The precinct currently lacks a 'shop front' to entice visitors to explore the precinct.
- The connection with Cafler Park is under-utilised and service vehicle-traffic severs the pedestrian connection to the park.
- All the buildings in the precinct are discrete entities and lack connections and links. The new library is hidden behind the old library; The New Library, although a popular destination is largely inward looking apart from the main entrance façade. The old Library and its additions provide a bleak façade to the new libraries openness. The new library shades the open space between forum north and doesn't add vitality to the overall 'Generator' Precinct.
- The different scale of the buildings adds to the lack of cohesion and the collection of structures around the entrance to Forum North is confusing. The landscape comprises the left over spaces between the buildings where desire lines, outdoor recreational opportunity and sun, servicing and shading are not resolved.
- The internal 'pedestrian street' of Forum North does not connect to the Park or other elements of the precinct; and its axis does not align with other logical pedestrian elements. It is understood that extensions to Council offices have eroded the original entrance to Forum North.



Existing view from the front of the new library towards Forum North

- There is an uncertainty whether or not the City and District Councils will be amalgamated in future. This impacts on what will happen to the existing Council rooms at Forum North.
- Currently Forum North is serviced from the North. This elevation of the building contains very few windows and in general, is not designed to utilise the sun.



- The Southern exterior of the new Library is a large concrete wall with minimal connection to Forum North.
- If replaced or upgraded, The Capitaine Bougainville theatre will be closed meaning that Whangarei is left without a theatre for a time.

## 5. Community Need

This section examines the need for an enhanced Performing Arts Centre in Whangarei and places this need in context, both locally and nationally.

In 2012, Shand Shelton produced a questionnaire which was sent out to a cross-section of stakeholders and those involved in various artistic/musical and theatrical activities and hirers of Forum North. The questionnaire was focussed on both the existing Forum North facilities and the performing arts aspect of the venue.

This section draws on previous studies, discusses the questionnaire results and explores some of the drivers, likely users, and size considerations highlighted by the received questionnaire responses.

### Previous Studies

A Feasibility Report prepared for the Whangarei District Council by Ernst & Young in 2002, deemed the Capitaine Bougainville Theatre and performing arts facilities inadequate for the needs of the community in relation to performing arts and entertainment activities at that time.

In 2001-2002, Forum North Management undertook an informal survey of patrons. Although the survey method was not based on random respondent selection (and therefore caution needs to be exercised in interpretation), 73% of respondents in this survey stated that they would support a new performance-hall facility. According to the survey, the desired features of a new facility included; tiered seating; air conditioning; a larger facility and a more 'up-market' purpose-built space. Of those that did not support it, the most common objections to a new facility were that the current venue is adequate and that Whangarei could not afford it. From this survey it was suggested that the current Exhibition Hall should be upgraded rather than expanded or replaced.

Due to continual population growth in the Whangarei district, CHART has identified that a larger and more versatile arts and cultural hub is needed to cater for the needs of the growing population.

### General Stakeholder Feedback

To identify the requirements of a future performance space, it was necessary to canvass both local users and national touring companies to determine the level of support, types and number of performances and potential audience numbers.

The information extracted from the Shand Shelton stakeholder consultancy is therefore divided into two sections. The first section examines the immediate requirements identified by current users. The needs are identified based on the questionnaire answers from local institutions and individuals; those who are involved in dance, music and theatre groups or represent audience members, people involved in the technical aspects of theatre, promoters and performers. Questionnaires that were returned identified the respondents as being involved in Music (amplified and un-amplified), theatre, comedy, dance, corporate AV presentations, expos, awards functions, weddings, dinners and charity events.

The second section explores the needs of national companies and touring shows, including organisations that do not currently use Forum North facilities for various reasons. This section looks at the future possibility of these coming to Whangarei by comparing the current Forum North facilities with amenities provided by three other New Zealand theatres.

The Shand Shelton stakeholder consultancy feedback raised important and relevant issues that deal with immediate needs and desires for a performance space in Whangarei. In general, most respondents were enthusiastic about a new facility in Whangarei. However, the responses on auditorium size and predictions of future needs were so varied that they are inconclusive. A number of local respondents indicated that the current auditorium size of the Capitaine Bougainville Theatre is adequate for local current usage; they asked not for a bigger venue, but an upgraded and well-resourced one. A lack of audience numbers was cited as the main reason not to increase the current seating capacity; but the intimacy afforded by the current theatre size was also a recurring sentiment. Many in the Whangarei community are happy with the current audience capacity; however, many touring shows do not include Whangarei in their tours because the capacity is too small to meet production costs. Since the questionnaire responses did not contain sufficient information to justify a recommendation on future auditorium size, three other theatres in New Zealand were consulted in order to set benchmarks with similar venues and gain an understanding of their established operation methods.

## Questionnaire Feedback

A recurring theme contained in the questionnaire responses was a request for better experiences for patrons, including an improved foyer space and increased parking facilities, a bar, cafe and a 'modernised' auditorium. A few responses mentioned a desire for a theatre that is managed and maintained more effectively.

An issue raised by a number of questionnaire responses was the need for a good concert venue in Whangarei. According to a significant number of people, the current Capitaine Bougainville Theatre does not have good acoustics; one respondent calls them '*shocking*'. Churches in the area are therefore sometimes used for non-amplified music, but these venues are not ideal for various different reasons. With this in mind, some of the respondents were unenthusiastic about supporting a new theatre and instead asked that money be spent on a concert hall with good acoustics for non-amplified concerts and events.

## Theatre Services - Desires

**Stage:** A large number of questionnaire respondents stated that they ideally require a bigger stage, especially with more depth so that actors are able to quickly cross behind the stage from one wing to another and that set pieces can be stored there during a show. One respondent asked that the stage be at least 40% larger than the current one but a common request is that the stage has a dimension of somewhere close to 12 x 12 metres. A few respondents indicated a need for traps in the stage and others suggest power on stage. A request from a touring New Zealand children's theatre group is that the stage has a paintable black wooden floor that can have set pieces nailed/secured onto it.

Although the Capitaine Bougainville Theatre is said to have a good stage house, it is lacking infrastructure and the technology is outdated. Responses also indicate the need for a '*useful*' fly tower, counterweighted, with a minimum height to allow flown set pieces, curtains and LX bars and with a 250 or 500kg capacity per line; this is a requirement in many dramatic and musical theatre productions as well as corporate events which have increasingly complicated technical requirements. One response asked for at least three in-house drapes, at mid stage as well as at the front and rear, whereas those involved in music ask that there are no curtains/drapes as these deaden the sound.

Although there are a number who requested a concert hall and therefore don't want a proscenium at all, hardly any respondents indicated a preference between a black box and decorated theatre and there were roughly equal number asking for a raked stage and flat stage.

In addition to an excellent black-out facility and professional lighting and sound services, a number of respondents requested a Theatrical Lighting setup which is quick and safe to rig. There was a request for 4 lighting bars with reasonable number of circuits, minimum 300kg swl, whereas in stark contrast, others



indicated that the provision of simple overhead white light would suffice, and others asked only for basic lighting control. Seven people asked for in-house dimmers and one said there should be at least 80 channels on these. For the house lighting plan, requests included varied front-light, better positions for the front of house booms and a collection of standard catwalks. One user identified that a current problem is the location of main front of house control – while it being in the audience is ideal for sound, they usually have the lighting operator call cues and this is audible to the audience. A few responses mentioned the need for AV and projection equipment.

The desires for the stage dock are that a truck with a 20 or 40 foot container is able to reverse into it and that a storage facility is provided backstage.

Many asked for upgraded dressing rooms and a large rehearsal room facility, which as one respondent pointed out, can double as dressing rooms or green room during a show as long as it provides quick access both to the stage, and to the back of the house. A few requested the rehearsal spaces to be soundproof. The dressing rooms should be equipped with good mirrors and lighting, sinks, access to toilets and should have a Tannoy system installed for stage sound feedback and Operator calls. A large majority requested a Green room, also equipped with Tannoy and with a simple kitchenette. For orchestras and other large performances this space would need to accommodate a significant number of people before and after shows and during the interval. A few respondents indicated the need for a production office backstage.

Only a small number of respondents had requests for the orchestra pit, but the majority asked for a hybrid of open and under-slung.

A significant number of people feel that the current seating in the auditorium is uncomfortable and ask for the seats to be improved with an increase in leg room (We understand that improvements to the seating have now been implemented). One respondent pointed out that good sightlines for children in the audience should be considered. As stated earlier, the size preference of the auditorium varied greatly and ranged between the current capacities, to requests for an auditorium that is able to accommodate more than 1200 people in the audience. Notwithstanding actual final numbers of seats many expressed that they would like an option to reconfigure the seating arrangement as required. A few asked for tiered seating or concertina seating that can be collapsed for extra flexibility.

Many respondents pointed out that the foyer and the patron experience needs improving and a majority feel that there should be a bar or cafe in the foyer with possible in-house catering facilities.

A Summary of feedback is provided in the Appendix; Stakeholder Consultation Feedback.

## **Touring Productions**

Feedback from National Touring companies has identified the limited seating capacity, limited target audience and lack of facilities as reasons for them not selecting Whangarei as a destination for all their tours and only selecting their lesser grade and smaller 'truck + bus' type productions.

Promoters of performing arts product touring into the main centres and regions with large scale productions will prefer larger auditoriums e.g. 700 to 1000plus. This is understandable. However, their decision to take productions to Whangarei will be influenced by other factors including:

- The financial fundamentals behind the overall tour.
- The audience potential the promoter believes will be achieved in Whangarei and the associated marketing cost.
- The maturity of the market for performing arts product will influence whether a promoter will risk coming. The track record with product and the systems in place to support marketing the product are equally important considerations.

- The cost of venue hire and ancillary costs combined with the cost of production in the venue, for example, technical capability and efficient turn-around.
- Risk sharing against return.
- Availability of venue to meet the tour schedule.

Promoters are required to make risk assessments involving minimising known costs, against estimates of returns which are unknown and audience dependent. Encouraging and increasing the number of visiting productions will take time and it takes careful management to develop a track record of credibility with promoters.

The upgrade of venues throughout the country has improved the opportunity for promoters to package tours. Growing audiences and improving marketing mechanisms will encourage additional touring product.

The disadvantage of Whangarei's position in terms of land transport can be offset by its audience potential. However, it appears, that apart from the Audience Development undertaken by CHART, the venue does very little to retain, build and increase their audience potential.

In comparison, where venues have undertaken Audience Development, most have benefitted. An example is Tauranga which receives the majority of touring productions despite a capacity of approximately 700. It also has a small stage and has limited flying capability. Alternatively, many venues to meet promoters' budget constraints operate a structure whereby hire costs relate to the use of seating levels within the theatre. This has proved popular with promoters because some shows will not attract sufficient audience numbers to compensate for the full theatre hire rates.

Clearly there is an opportunity for Forum North to develop and build its audience which will stimulate and increase audience numbers as well as provide credibility to Touring Productions but this is currently limited by the size of the facility.

Experience in Hastings and Napier and other centres confirm local productions, particularly school college events, are more likely to reach full house capacity than most local theatrical productions. This has not been separately researched for the Whangarei region.

It is possible to create an intimate theatre with a 700 seat capacity where smaller local productions play to the stalls seated area only. This scenario is being used in Marlborough to accommodate both touring and local requirements in the one venue.

### **Comparison of Performing Arts Auditoria in Provincial Centres**

For comparison purposes, the following summarises the type, and audience capacity in relation to population numbers for various performing arts auditoria in provincial centres in New Zealand.



| Provincial Centre              | Theatre Capacity  | Population    | Catchment Population       | Status  |
|--------------------------------|-------------------|---------------|----------------------------|---|
| Ashburton                      | <b>470</b>        | 30,000        |                            | New theatre constructed   |
| Blenheim                       | <b>462</b>        | 29,000        | Marlborough: 43,000        | New theatre proposed to replace existing.                                       |
| Carterton                      | <b>300</b>        | 8,000         | Wairarapa: 40,000          | Flexible Events Centre with theatre capabilities                                |
| Central Hawke's Bay            | <b>370</b>        | 12,957        |                            | Heritage; upgraded, new Stagehouse and dressing rooms.                          |
| Dunedin (Mayfair)              | <b>400</b>        | 119,000       |                            | Heritage, proposed upgrade  |
| Dunedin (Regent)               | <b>1829</b>       | 119,000       |                            | Heritage existing, recently upgraded  |
| Gore                           | <b>450</b>        | 12,000        |                            | Cinema Conversion; new Stagehouse , upgraded dressing rooms and auditorium      |
| Gisborne; War Memorial Theatre | <b>514</b>        | 44,000        |                            | Existing; Proposed upgrade. New Stagehouse, dressing rooms and additional foyer |
| Greymouth                      | <b>450-800</b>    | 10,000        | Grey District: 14,000      | Existing; upgrade planned   |
| Hamilton                       | <b>1250</b>       | 130,000       |                            | Existing  |
| Hastings                       | <b>1000</b>       | 71,000        | Hawkes Bay: 148,000        | Heritage; upgraded  |
| Invercargill                   | <b>1020</b>       | 62,000        |                            | Heritage; upgraded  |
| Kerikeri                       | <b>407</b>        | 6,000         | Northern Northland: 57,000 | New Theatre   |
| Masterton                      | <b>700</b>        | 23,000        | Wairarapa: 40,000          | Town Hall, proposed upgrade to Stage area.                                      |
| Napier                         | <b>1006</b>       | 57,500        | Hawkes Bay: 148,000        | Heritage; upgraded  |
| Nelson/Tasman                  | <b>332</b>        | 43,000        | Nelson and Tasman: 85,000  | Heritage; Upgraded  |
| New Plymouth                   | <b>1000 + 527</b> | 69,000        | Taranaki:105,000           | Heritage; upgraded  |
| Palmerston North               | <b>1401</b>       | 76,000        | Manawatu:94,000            | Heritage; refurbished   |
| Rotorua                        | <b>700</b>        | 64,000        | 100,000                    | Existing; Stagehouse and dressing rooms rebuilt                                 |
| Taupo                          | <b>358</b>        | 23,000        |                            | Existing  |
| Tauranga                       | <b>600</b>        | 104,000       | 122,000                    | Existing; Stagehouse modified   |
| Timaru                         | <b>1000</b>       | 28,000        | 43,000                     | Heritage  |
| Whanganui                      | <b>830</b>        |               | Whanganui District: 43,000 | Heritage  |
| <b>Whangarei</b>               | <b>366</b>        | <b>75,000</b> |                            | <b>Existing</b>   |

(2006 Census Statistics, rounded to the nearest thousand)

## Other Opportunities

CHART has identified the opportunity to offer educational courses and facilities for Core Whangarei Arts groups in the complex.

NorthTec offers a Bachelor of Applied Arts (Visual Arts), which is a three year full-time course. They also offer a one year Certificate in Applied Arts. The prospectus states that: *'Students will be able to take personal art and design ideas, underpinned by research of contemporary practice, through to quality finished products in selected media.'* Theatre design and a career in Film & Television are mentioned as possible options after graduating for both courses. There is an opportunity for NorthTec to work with industry professionals at the new Cultural and Performance Centre and to provide hands-on experience for students enrolled in this degree. Opportunities offered to students could include: Sound and lighting design utilising the Capitaine Bougainville Theatre and Set Design and Build. In addition, NorthTec could work with the Cultural and Performance Centre and offer other courses or certificates utilising their facilities: such as acting, Stage Management and technical experience in theatre lighting and stage rigging.

There is an opportunity for Council to recognise and provide facilities for some of the independent organisations that provide the core arts and cultural activities in Whangarei. These include Northland Youth Theatre and Whangarei Youth Music and a range of other commercial and community tenancies that broadly complement those core arts and cultural activities. Not only would a dedicated space within the complex provide them with a purposed built space, it would also increase the foot-traffic and utilisation of the precinct.

Opportunities exist to have dealer galleries and retail spaces in the Front of House but this is not explored further in this Report.

The cost benefits of these opportunities have not been incorporated within the financial model prepared as part of this Report.

## 6. Review

### Review of Consultation Feedback

Our research, consisting of a targeted questionnaire and discussions with stakeholders, confirmed the community need in providing better-equipped and upgraded performing arts facility in Whangarei in relation to what is currently on offer at Forum North. It confirmed the need within the community for a venue that will provide facilities for local product as well as touring productions.

Since this Report was commissioned it is understood that certain improvements have been made to the décor and seating in the theatre and technical improvements to both the expo and theatre implemented.

Notwithstanding the present Forum North complex still has major defects principally in terms of the flying system and the acoustics in the theatre. Other issues include the inaccessibility of the ticketing office, the absence of an appealing Front of House area, and dated design of Te Kotahitanga Expo hall also poor acoustics and limitations of the theatrical services in the Capitaine Bougainville theatre. Forum North also lacks a connection with the other buildings that form the 'Generator' Precinct as identified in the Tāpapa Toi Report. The current size (seating capacity) of the Capitaine Bougainville theatre works for many of the local theatrical productions. From information gathered from stakeholders, there is doubt whether a new and larger proscenium arch theatre will result in an increased utilisation by those same local groups. Instead, a larger facility that could not be transformed to an intimate size may not work so well for those same local users. There was apprehension amongst the local users that a new larger facility would also cost more to hire.

While it is anticipated that a larger and better-equipped performance space will attract and underpin more touring shows, the final product must equally work for local users with their smaller audience numbers and reduced production budgets.

There are a number of comments in the questionnaires that mention the need for an auditorium, that is, concert hall with good acoustics for live music. The theatre does not accommodate such performances neither does the Expo hall. Although unreinforced musical requirements are significant, it is doubtful such exclusive use is realistic in smaller centres and any facility must also deliver in terms of production capability and audience appreciation across all genres of performing arts.

Because of the limitations in local consultation only confidence in a proposal that went beyond upgrading and improving current facilities at Forum North was not provided by the feedback. In acknowledgement that merely upgrading the Capitaine Bougainville Theatre and the Te Kotahitangata would not address the aspirational aims of CHART, its advisors and the vision for Whangarei outlined in the Tāpapa Toi Report it was therefore considered necessary to undertake additional research into other centres in an attempt to derive benchmarks for performance.

### Benchmarks

To provide a basis for detail comparison and development of a proposal for improving Forum North, three theatres in New Zealand with similar demographic and/or geographical situations were consulted in order to gain an understanding of their established operation methods. The information gathered was used to establish a variety of benchmarks. These benchmarks were then used to assist in the creation of a bespoke brief for the future of a performing arts and cultural facility in Whangarei.

### Theatre Comparisons

The three theatres consulted were the Civic Theatre in Invercargill, the TSB Showplace in New Plymouth

and the Turner Centre in Kerikeri. Key facts and figures about the theatres from the 2011/2012 financial year are summarised and compared with statistics from Whangarei in the table below:

|  | Kerikeri   | New Plymouth  | Invercargill  | Whangarei                                 |
|--|--|---|---|---|
| <b>Population</b>                              | 6,000  | 69,000  | 62,000  | 75,000                                    |
| <b>Audience capacity (sellable seats)</b>      | 408 (John Dalton Theatre)  | 960 (TSB Theatre)<br>527 (Theatre Royal)                | 1003 (Civic Theatre)                                      | 366 (Capitaine Bougainville Theatre)      |
| <b>Number of ticketed shows in 2011</b>        | 70   | 289 events (not all ticketed)                           | 75  | 59 (incl Expo Hall)                       |
| <b>Number of Touring shows received</b>        | +/- 24   | 130   | 43  | 25  |
| <b>Number of days the theatre in use/hired</b> | Not provided   | Not provided  | 153   | 168                                       |
| <b>Number of tickets sold in 2011</b>          | +/- 3000   | Details withheld  | Over 40,000   | Over 14,000                               |
| <b>Hall capacity filled on average (%)</b>     | 70%  | 60%   | 50%   | 66%                                       |
| <b>Ticket price range</b>                      | \$5 - \$90   | \$40-\$69   | \$45-90   | \$40-\$69                                 |
| <b>Discount for community/NFP groups</b>       | yes  | Yes. 40% off on Sunday – Wednesday hire                 | Yes. Approx. 40% discount. Also able to hire stalls only. | Yes. 50% discount                         |
| <b>Incentives for Touring shows</b>            | <ul style="list-style-type: none"> <li>Joint Venture; sharing risks.</li> <li>Consortium funding: able to buy NZ shows.</li> </ul> | No. But TSB Bank Community Trust has funding available. | Yes (financial)   | Consortium funding: able to buy NZ shows. |
| <b>Management</b>                              | Trust.   | Council Owned, run by a Trust.                          | Council run (IVEM)  | Council run                               |
| <b>Annual Council investment</b>               | 50% FTE. Theatre is funded through hiring revenue, ticket sales and government grants.   | Not Available   | Not Available   | Approx. \$400,000 Incl toll stadium       |

One can only draw general conclusions as the data available is processed differently in each facility and there is a reluctance to provide some financial information.

We conclude from the data that on paper actual hires bare comparison with other centres; but not for ticketed events. The average hall capacity for ticketed events appears high but due to the theatre's limited seating capacity this still results in very low ticket sales in comparison however. The venue is not receiving close to the number of touring shows compared to Invercargill and New Plymouth with their similar demographics.

Fully aligned policies and wider support ensure the TSB theatre in New Plymouth is a success in encouraging touring shows and audiences to New Plymouth although each regional facility has unique

characteristics' greater understanding of what is working and why will assist in developing the successful model for Whangarei.

Further information on the three theatres including their facilities, management and marketing strategies can be found in the Appendix.

In order to correlate the consultation feedback with what could be expected of a theatre serving a population similar to Whangarei, a table comparing the specifications of the Stagehouses is summarised below.

|   | <b>Kerikeri<br/>(John Dalton<br/>Theatre)</b>  | <b>New Plymouth<br/>(TSB Theatre)</b>   | <b>Invercargill<br/>(Civic Theatre)</b>   | <b>Whangarei<br/>(Capitaine<br/>Bougainville<br/>Theatre)</b> |
|---|--|---|---|---|
| <b>Stage depth</b>                      | Depth, setting line to back wall 10.0m<br>Depth, setting line to orchestra pit 2.0m                      | 10.9m Pros-arch to back wall<br>1.7m Apron<br>12.6m Total depth<br>9.3m Pros-arch to line 45 (Cyclorama).   | 16.0m to back wall  | Setting line to back wall 10.0m                               |
| <b>Stage Width</b>                      | 22.0m Wall to wall   | 8.93m Inside pros arch<br>4.38m Prompt side wing<br>4.24m – (stepped to 8.4m) OP wing<br>Total; 21.7m       | 28m wall to flying system   | 20m Wall to wall  |
| <b>Proscenium</b>                       | 13.5m (w) / 6.5m (h)   | 8.93m (w) / 7.2m (h)  | 9.730m (w)/ 7.57m (h)   | 10m (w)/ 6m (h)   |
| <b>Height of stage above auditorium</b> | 1.0m   |   | 0.9m  | .75m  |
| <b>Stage rake</b>                       | Level  | 100mm (1:64)  | level   | level   |
| <b>Stage surface</b>                    | Sprung floor finished with Brush box timber stained dark   | 25mm Plywood painted black  | Trappable plywood. Masonite overlay painted black.  | Sprung floor finished with matt black paint                   |
| <b>Orchestra pit</b>                    | 11.7m Width, on stage side<br>2.3m Depth, on the centre line<br>2.6m Vertical Movement: Level adjustable | 10.8m Width<br>2.05m Depth, extendable to 2.9m (additional cost)<br>600mm Height<br>1.8m Pit floor to stage | Elevated stage extension.<br>Orchestra Pit can hold up to 50 musicians. Can be put at floor level for dance space or for another 35 seats. Or can be lifted to stage level as an extension. | Not in operation  |

|                           |  |  |   |   |
|---------------------------|--|--|---|---|
| <b>Fly tower</b>          | Counterweight:<br>28 suspension sets<br>(450kg max)<br>2 Panorama sets<br>(300kg max)<br>24 Drop-line<br>suspension sets<br>(75kg max)   | Counterweight:<br>Modern third stage<br>45 line-set fly tower.<br>Maximum Batten<br>Load 450kg<br>distributed.<br>Maximum point load<br>250kg. | Counterweight:<br>76 lines (180mm<br>between centres)<br>2 Panorama bars<br>Maximum Batten<br>Load 500kg<br>distributed.<br>10m drapes with<br>10m lift.<br>(20m from floor to<br>grid) | Winch sets<br>Batten Point<br>load 100kgs.<br>Maximum<br>flying height<br>9m.<br>Hand Lines |
| <b>Dressing<br/>Rooms</b> | Two general rooms<br>each 23.7m <sup>2</sup> with<br>en-suite<br>toilet/shower<br>areas.<br>Two principal's<br>changing rooms,<br>both are en-suited<br>and located at<br>stage level. | 10 private dressing<br>rooms   | 12 dressing rooms<br>on three levels. All<br>have individually lit<br>make-up benches,<br>costume racks,<br>toilet and shower<br>facilities.  | 4 dressing<br>rooms at stage<br>level.  |

The above information confirms that the Capitaine Bougainville Theatre stagehouse facilities are significantly below those offered by the other three theatres, especially when considering the stagehouse and backstage dressing room services.

## Summary

To achieve the full benefit of the aims outlined in Tāpapa Toi Report and to acknowledge CHART's aspirations for the venue, the overall design of a redeveloped Forum North must be part of an arts and cultural hub to excite and inspire the Whangarei community. In addition, the performance facilities must provide a high-quality experience for both patrons and performers. It is not sufficient to merely add another performance venue to Forum North, even though it may be relatively successful with careful marketing and management strategies.

Although evidence was lacking in the stakeholder feedback that was received, New Plymouth with its similar demographic and location confirms that a venue such as the TSB Showplace can be a successful enterprise in a community with a population that is comparable to Whangarei. New Plymouth is similarly far off the main touring route, yet they demonstrate that it is possible for a city of that size and location to successfully attract 130 touring shows per year and have the required audience numbers to satisfy tour promoters. Research also reveals that some touring shows tour exclusively to New Plymouth.

One of the most important elements of attracting touring shows is by providing assurance for promoters that when they make the trip, their product will attract a good audience and therefore sell the required number of tickets needed to balance the books. In New Plymouth, this identified need has resulted in an active audience development scheme in order to build the numbers of people who regularly attend. By distributing newsletters, targeting people who have attended similar shows in the past and promoting events in public places and local newspapers, this increased audience has become a reality. It can be seen from information gathered from New Plymouth and Invercargill that in regions where there is a comprehensive policy, infrastructure and supportive and entrepreneurial management style, theatre use and patronage has increased as facilities have been improved; this in turn develops new audiences for touring productions. It is not a case of build it and they will come however.

With a more targeted audience development programme in Whangarei, it will be possible to increase audience numbers and thereby provide incentives for tour promoters, yet it is not anticipated that the full NZSO, larger ballets, large scale operas or major musical productions would tour to Whangarei as the set-up costs are prohibitive when compared with the return. Consequentially, at this point in time, a new performance space should not be sized for these productions. Rather, the emphasis should be on quality of experience, fitness for purpose and flexibility in operation. There is no evidence in the figures available from the existing theatre to confidently advise the construction of a large proscenium arch theatre with fly tower at this stage. Instead, a flexible auditorium with a capacity of 750 plus and the opportunity to remove some of these seats for larger Performances e.g. Kapa Haka and allow for standing concerts should serve the region well. (The actual number capacity could vary slightly up or down depending on final consultation with confirmed users.) It is accepted that larger events such as school or college events, and some very popular productions may have to be programmed for more than one performance.

Many theatres get valuable income from non-performing arts events. New Plymouth has been very active in marketing the TSB Showplace brand and all that the venue can offer and as a result have seen a large increase in the number of events such as functions, dinners and weddings. The current utilisation of spaces at Forum North is relatively low. Apart from the performance spaces; the Bounty Room (16%); Cafler Suite (12%) and the Kitchen (12%); the other spaces for hire are all occupied below 5% of the available hours. Having the infrastructure in place to cater for various events and by providing a tailored solution to different requests will support the theatre with increased activity and revenue. The other (non-performance) spaces at Forum North are ideal in this regard, and are envisaged as being essential to the overall success of the venue. One important aspect of the increase in non-performing arts activity was defined by the TSB Showplace as a dedicated management team who deal with requests promptly are committed to providing a good experience for their customers.

## 7. Physical Proposal

The Consultation feedback has primarily identified immediate physical problems, namely of the Capitaine Bougainville Theatre. As a result of the consultation process, it is therefore seen as a priority to address those issues. However, to fully realise the benefits for the Whangarei community outlined in the Tāpapa Toi Report, any design proposal must go beyond addressing the immediate needs and it is a necessity that any further design proposal is inspirational and acknowledges the wider urban context.

In order for Forum North to transform into the Cultural and Performance Centre that CHART have envisaged, additions beyond a new performance venue need to be addressed. This includes changes that need to happen in the physical environment surrounding the buildings, but also requires a different approach to management and marketing.

### Urban Context

Research and analysis has confirmed that one of the critical success factors of the 'Generator' Precinct is the urban design aspect required to unite the various buildings in the complex. Problems associated with the 'Generator' precinct need to be resolved at the urban scale; the disparate elements need to be united into a cohesive whole. It is seen as paramount that this aspect underpins all further design decisions. Preference must be given to the pedestrian experience and the manner in which the buildings are integrated by the public space between them. In order to achieve a cohesive 'Generator' Precinct, the connections between the Forum North Front of House, the public space between the buildings, the library buildings and Cafler Park is essential to the success of the overall project. This new urban space has the potential to express Whangarei's unique identity and local artists and Tangata Whenua must be involved in elements of the design to further cement the precinct's role in the community.

To meet the needs of the future generations, it is proposed that a new (750 seat) Flexible Auditorium is built to replace the function currently served by Te Kotahitanga Expo Hall. The new performance venue must provide the community with an asset, something that is flexible and able to change as required for a large cross-section of users. The Kotahitanga Expo hall shall be converted to meet the needs of the Core Whangarei arts groups as identified by CHART. It will also be an asset in increasing non-performance type activity at the venue.

For a venue of this size to be successful in Whangarei, marketing and audience development strategies need to be implemented over time; raising funds will also require considerable effort. It is therefore envisaged that the Cultural and Performance Centre will be developed in phases. The first phase addresses the immediate need; aspects of the current performance facilities that need to be upgraded and repaired. It is based on feedback and the shortcomings of the venue. The second phase is aspirational and draws on the vision outlined for Whangarei in the Tāpapa Toi Report. The proposal is backed by and modelled on research of three other New Zealand theatres, namely the TSB Showplace in New Plymouth. The second phase goes beyond the provision of performance spaces and provides a cohesive plan for the overall 'Generator' Precinct.

### Meeting Objectives

The proposed larger and more versatile arts and cultural hub, catering for the needs of the growing population in line with CHART's aspirations is are met by retaining, but improving facilities currently offered by the Capitaine Bougainville theatre and additionally creating a Flexible Auditorium to replace Te Kotahitanga Expo Hall's function. Stakeholder consultancy did not provide sufficient evidence that facilities of this size and nature would currently be sustainable in Whangarei. However, by relocating some of Te Kotahitanga Expo Hall's activities into this space, an established program for the auditorium exists from the



start. Comparing demographic statistics and 'remoteness' between Whangarei and say New Plymouth provided additional confidence in the proposal; but such a facility would require a new governance and operational approach and an understanding of the wider policies that would need to be put in place for long term viability. With entrepreneurial management and a detailed and extensive audience development plan, Whangarei should be able to support more touring shows and audiences as other regional centres do.

CHART's requirement for a flexible mix of activities with an arts and cultural focus is met by the Cultural and Performance Centre housing two performance spaces. The combination of a larger acoustically-sophisticated concert hall and a smaller proscenium arch theatre is able to provide flexibility in numerous ways; catering to musical groups, tour promoters, large community Kapa Haka shows and smaller community enterprises.

## **The Phases**

### **Phase 1 – Immediate Need; Addressing Consultation Feedback**

The main priority identified in the stakeholder consultation feedback is the upgrade of the current Forum North performance facilities. Once upgraded, the Capitaine Bougainville Theatre shall be a small but practical proscenium arch theatre with functional fly-tower and counterweight theatrical flying system. It shall be continued to be used as it is now, for local theatre, dance, and smaller touring shows. Elements that need to be upgraded include the auditorium, the galleries, fly-tower and back of house facilities. An important element of the upgrade is the reconsideration of the acoustics. An improvement in this aspect will satisfy many of the stakeholders who mentioned this less than ideal characteristic when consulted via the questionnaire. More detail and background for this phase follows.

### **Phase 2 - Aspiration**

The proposal for phase 2 is the creation of a cohesive pedestrian precinct, an upgraded FOH area and an additional performance space. The second flexible performance space will replace the majority of purposes currently provided by Te Kotahitanga Expo Hall. But first and foremost, it must be able to satisfy the need for classical and choral concerts and should therefore have superior adjustable acoustics for unamplified music. Able to be used for intimate concerts, the flexible auditorium will have the capacity to expand to a larger (750 plus seat) space for touring musical shows using configurable concertina type seating, and be used as a flat floor venue for fairs, expos and concerts. More detail and background for this phase follows.

## 8. Design Brief

### Phase 1 – Addressing Consultation Feedback

Phase 1 addresses the comments and requests contained within stakeholder questionnaires that were returned. It involves an upgrade to the Capitaine Bougainville to ensure it meets strict health and safety regulations.

#### Recent improvements to the Capitaine Bougainville Theatre

Please note that since the Ernst and Young Report and the distribution of Shand Shelton questionnaires, the following aspects of The Capitaine Bougainville theatre have been renovated by Forum North Management:

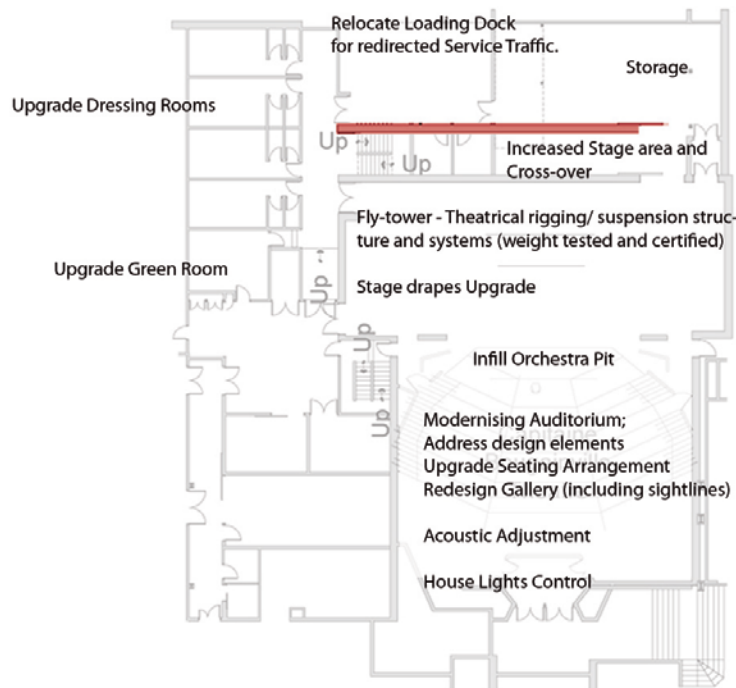
- Seats have been replaced
- Auditorium has been repainted
- Some Audio visual cabling has been upgraded
- The Theatre has a new lighting desk
- Several key technical equipment items have been replaced
- The Backstage area has been cleared and cleaned

It is understood that in 2012/2013, a budget of approx. \$800,000 - \$1,000,000 has been allocated for the upgrade of the theatre and other spaces and procurement of new equipment. However, it appears that the works undertaken are reactionary stop gap measures and superficial enhancements; they do not appear to address the underlying design problems, the theatrical flying requirements, the poor acoustics and the patron and performer experience. The extent of this work and prioritisation needs to be carefully addressed to focus on quality and ensure that the money is well spent. Additionally, in light of any work contemplated by phase 1 or 2, care must be taken in order that abortive works are mitigated.

Despite the works undertaken to date or proposed to be undertaken, there are many aspects of the Capitaine Bougainville Theatre that need to be upgraded or redesigned in order to satisfy the needs of the current users, address health and safety issues and to bring the theatre in line with similar venues. Standards of compliance for public venues are growing, along with major changes in acceptable operating safety levels; upgrading the theatre will allow these issues to be assessed and remedied where necessary.

We understand that Council have preliminary information on the seismic performance of Forum North and the adjacent Council offices. There is further work that is required before any definitive costs can be attributed to the specific venues as such the costings in this Report currently exclude any requirement for seismic strengthening to the Capitaine Bougainville Theatre. It should be noted that any structural modifications for installation of the flying systems need to be implemented in conjunction with any strengthening, if required.

## Design Brief for Upgrading the Capitaine Bougainville Theatre and Backstage Area



### Technical Improvements Including:

Provision of production communication  
Audio visual infrastructure  
Basic production sound reinforcement system  
In-House theatrical Dimmers with 80 Channels  
Increase Technical Equipment resource

Upgrades to the Auditorium and Stagehouse will include:

- Auditorium: The design of the auditorium lacks coherence and does not contribute to the overall quality of the theatre experience for patrons
- Upgraded seating: Many questionnaire respondents asked for better seating arrangements. Although during the preparation of this Report seating has been upgraded, further enhancement can still be achieved.
- Upgraded acoustics for live music. This will need specialised input from Acoustical Consultants. (The recommendation is for *Marshall Day Acoustics*; New Zealand specialists in this field to undertake the work). A solution to fix the current lack of acceptable acoustic quality must be found and implemented.
- Fly tower- Theatrical rigging/ suspension structure and systems upgraded and replaced
- Theatrical lighting infrastructure and equipment upgraded and replaced
- Production communication infrastructure including:
  - Public areas public address
  - Back of House Paging
  - Audio
  - Intercom
  - Theatre Data
  - Video waylines
  - MATV System upgraded or replaced
- Stage drapes replacement
- Audio visual infrastructure
- Basic production sound reinforcement system
- House lighting system replaced
- Orchestra Pit infilled
- Electrical facilities checked and replaced where necessary
- Mechanical aspects checked and replaced where necessary

- Deferred Maintenance of Auditorium and Stagehouse

Improvements to the Back of House should include:

- Relocated Loading Dock to prepare for Phase 2- the removal of traffic from between Forum North and Library
- The creation of a back-stage crossover
- Renovated dressing rooms
- Upgraded Green Room
- Storage for touring set equipment incorporated into the scene dock.
- Laundry and wardrobe facilities

The existing rehearsal space could be better utilised by the venue. Removing (non-ticketed) rehearsal time from the theatre would allow for an increase in the number of ticketed events and the associated kick-backs while still generating revenue from rehearsal activities. The current rehearsal room (135 sqm: 15m x 9m) was only used 15 times in the 2011/2012 financial year and barely any revenue was generated by it. Small alterations such as easier access for larger pieces of scenery and a competitive hiring rate may convince hirers to use this space instead of the Theatre.

### Shortcomings of Phase 1

Although Phase 1 goes some way to addressing the consultation feedback, certain possible improvements that were identified by Stakeholders are not addressed in this phase. This includes the Box office, Front of House facilities and the upgrades to the secondary performance space (Te Kotahitanga Expo Hall). Aspects where Phase 1 falls short and doesn't deliver will be covered in Phase 2. Contemplating work with Phase 1 will have an abortive cost as it will be revisited in Phase 2.

Furthermore, although Phase 1 addresses immediate requirements:

- It contributes nothing to encourage promoters of larger tours to visit Whangarei
- It does little to address patron experience
- It does nothing to improve patronage to community shows
- It does not encourage public and community engagement
- It contributes little to creating a Performance Centre
- It contributes nothing to the objectives underlying the concept of Tāpapa Toi
- Essentially it leaves Whangarei considerably behind similar sized provincial centres in terms of level of amenities and opportunities for performance
- It does little or nothing to provide a 'place' to perform and develop any large scale quality productions based around Tangata Whenua or educational facilities.

It is therefore essential that Phase 1 and 2 are seen as different aspects of an overall vision.

## Phase 2 – Aspiration

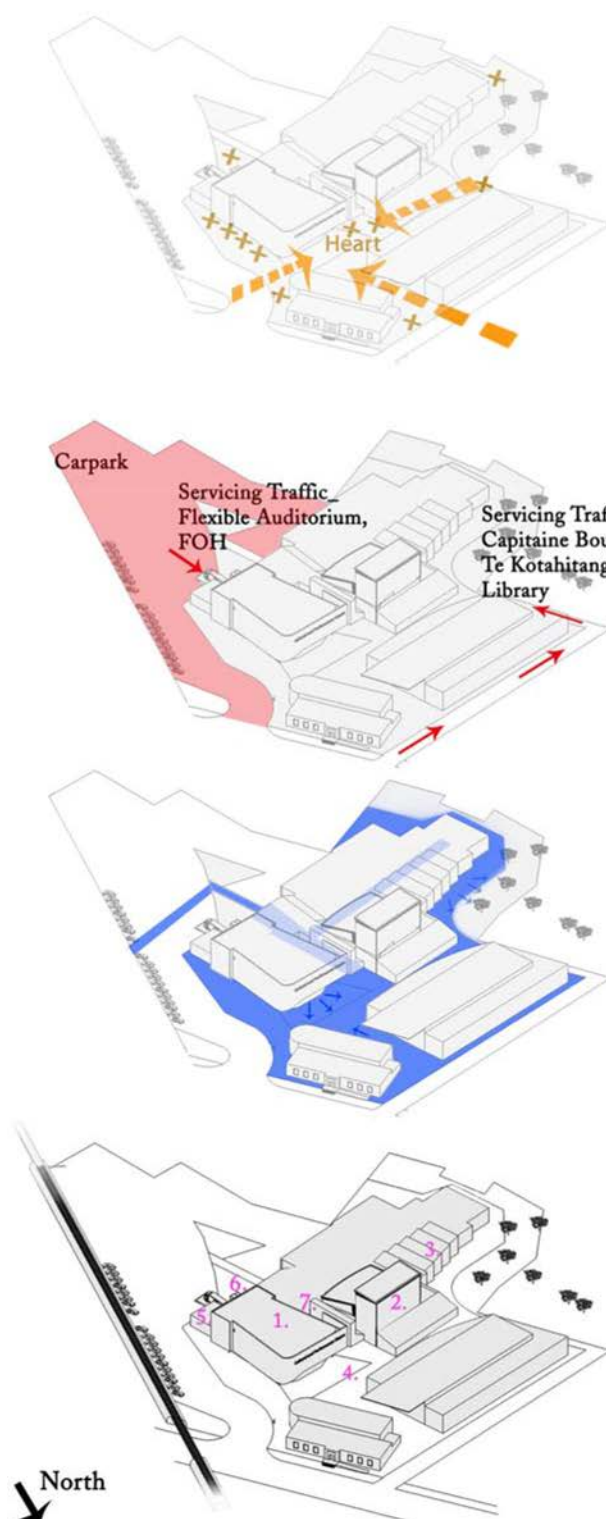
The concept behind Phase 2 is to provide the foundations and critical success factors that lead to the realisation of the vision outlined for Whangarei in the Tāpapa Toi Report. It aims to create a viable and sustainable contribution to the growth and development of the performing and visual arts in the Northland region.

### Critical Success Factors

- A vision: A belief in what could be possible: This needs to build on the possibilities identified in the Tāpapa Toi Report
- Total support from CHART in the development of the design of the Precinct, implementation of management practices and Governance role
- Rationalisation of Council's use and occupation of the site, e.g. "The Precinct must not be seen as a place to pay Parking fines".
- Urban Design Concept essentially the 'whole is greater than the sum of its parts'. This includes uniting the disparate buildings; by a comprehensive open space concept provide amenity and connections, encouraging art works that allow the community to interpret Whangarei's history and encourages Maori and Tangata Whenua input; creating pedestrian areas and providing a pedestrian and visual connection with Cafler Park.
- Physical manifestation of the underlying 'Arts Centre' through art works and open space design
- A programme that ensures occupation of the site; this includes providing spaces for core Whangarei performing art groups and educational facilities, as well as retail and hospitality facilities on site.
- The 'place' as a destination
- An active entrepreneurial events and operations management

Phase 2 builds on Phase 1. It addresses the shortcomings identified but deferred and draws on the vision contained for Whangarei in the Tāpapa Toi Report.

## Overall Design Brief



### Art Works Programme

Commissioned Art Works of national significance, resonating with the vision of Tapapa Toi to be woven into the overall design: integral with the buildings and the paving. Defining, symbolic of and representing community ownership of the area. The Heart of the Precinct is a metaphorical clearing in the forest. The Flexible Auditorium opens out onto the Heart. With sufficient Gravitas, this space will be representative of Whangarei and Northland.

### Car and Service Traffic

A slightly reduced capacity will take all carparking to the South of the precinct. The Flexible Auditorium is serviced from the South and has allowances for larger trucks. All Capitaine Bougainville Theatre, Te Kotahitanga Expo Hall (rehearsal space) and Library service traffic is ideally redirected through Lover's Lane.

### Pedestrian 'Mosaic'

A cohesive 'Generator' Precinct created by Pedestrian space. Connections between buildings and Cafler Park are created and enhanced. Cars are removed from this area.

1. Flexible Auditorium
2. Capitaine Bougainville Theatre
3. Rehearsal Rooms
4. Central Pedestrian Space
5. Dressing Rooms
6. Loading Dock
7. FOH (including Bar/cafe)

### Urban Context for the 'Generator' Precinct

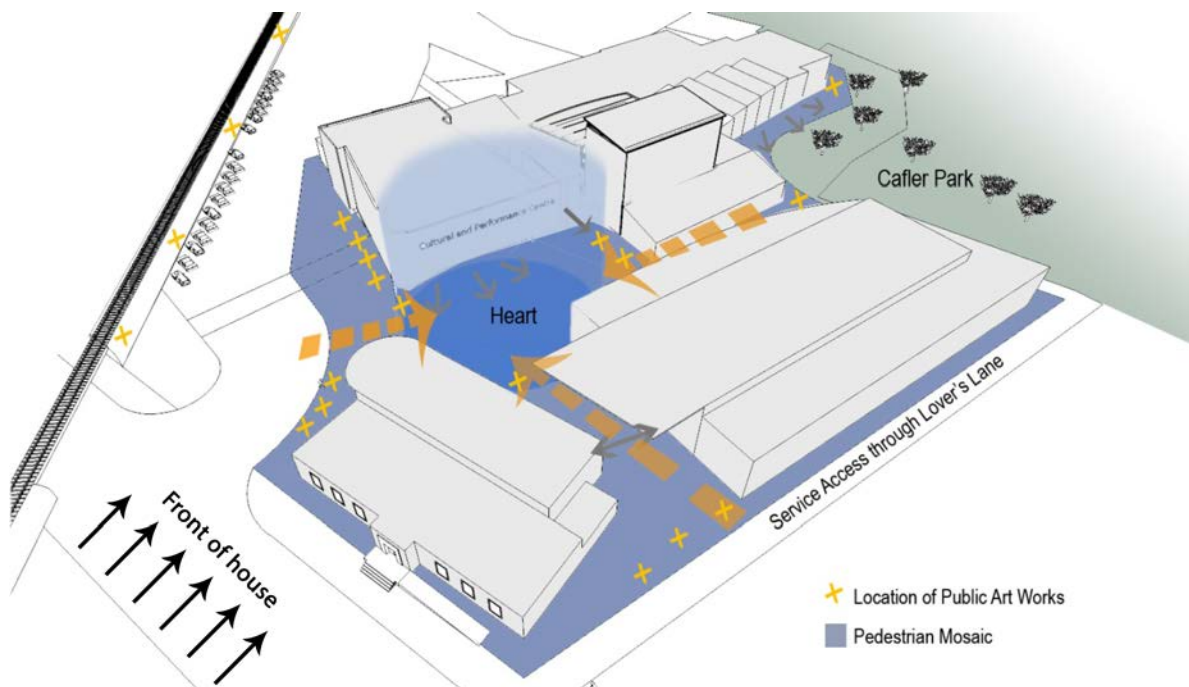
A critical element of the design and critical success factor of the complex is the open space aspect that



needs to unite the incongruent elements of the existing built environment. In order to create a cohesive 'Generator' precinct, the areas between the respective libraries and theatre must be amalgamated as part of the overall design. Connections need to be established between the new and old library and the Cultural and Performance Centre. By redirecting traffic to Lovers Lane and by removing vehicular access from between the buildings; a large pedestrian space and the 'heart' of the precinct is created. This exterior public space has the option of providing a connection to Cafler Park while at the same time presenting the community with an additional exiting outdoor performance space. The whole complex will be paved with mosaic flooring that unites all aspects of the precinct.

The pedestrian experience is vital to the success of the precinct; it must provide pleasant places to sit and areas for public activity.

It is in this outdoor space that the need for the design to reflect Whangarei's unique identity can be fully embraced. Opportunities exist for elements to be designed by local artists, allowing the community to claim ownership over parts of the complex.



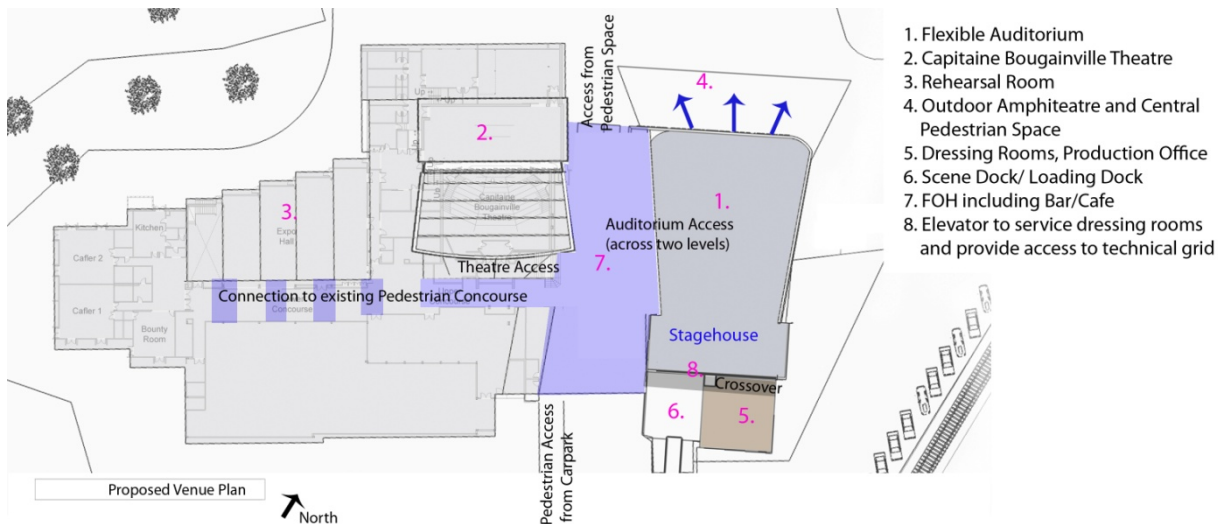
Areas are identified where local sculptors will create artworks. The opportunity also exists for the large concrete Library façade to be the setting for large 2d/3d artworks. These works must have 'gravitas' and a co-ordinated approach and the whole precinct can be themed around the telling of Northland's history as interpreted by local artists. Consultation with local Iwi can ensure that the design fully reflects Maori history and culture. The central space to the North of the Flexible Auditorium will be the 'heart' of the space and is a metaphorical clearing in a forest of Kauri Trees.

All Capitaine Bougainville Theatre, Te Kotahitanga Expo Hall and library servicing-traffic will be directed through Lover's Lane and past Cafler Park where possible.



International Examples of Art Works in Public Places

### Building Elements



### Front of House (FOH) for the Performance and Cultural Centre

The design of the FOH must take into consideration that it is part of the 'shop-front' of the whole precinct. It should acknowledge the Cultural and Performance Centre's role in the Whangarei Community and should reflect the region's unique identity. The FOH area will have a visual connection to the new library, old Library and have links with local Maori culture and heritage. It should be easily identifiable from the street and designed to attract visitors to arts and cultural activities.

The FOH will open out to the public space mosaic while also presenting a welcoming front to visitors



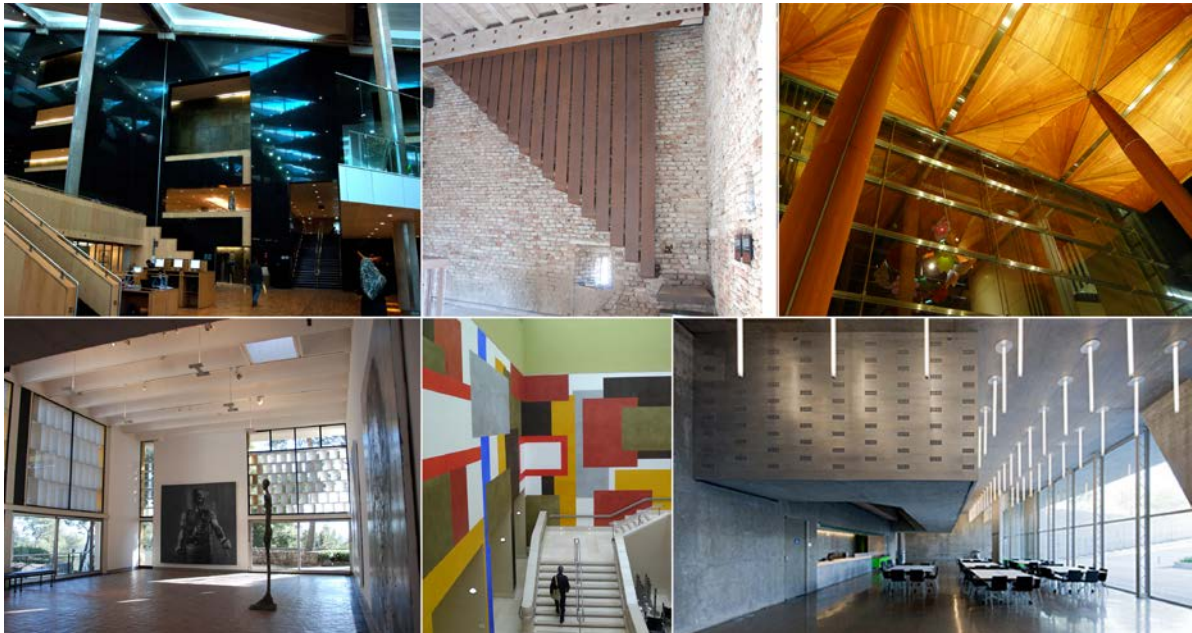
arriving from the South (car park). It links the Capitaine Bougainville Theatre and the Flexible Auditorium and facilities should service both performance spaces. It will connect to the existing Forum North Pedestrian Concourse that runs perpendicular to it.

The design of the FOH facility necessitates the conversion of some of the current Council Service Centre. Although the Service Centre will be re-accommodated in the long term on site, it is not appropriate that this Service is part of the FOH for a performance venue. However, there have been Reports of District and City Council amalgamation which may result in Council rooms at Forum North being vacated.

One FOH area should service both performance spaces. It will need to provide the following facilities:

- Foyer and welcoming Entrance
- Toilets
- Merchandising counter
- Box office and Ticket outlet
- FOH office
- First aid post
- Facilities for caterers (these may use existing kitchen, but will need facilities closer to FOH)
- Bar and Café (this is not included in the Financial model prepared for this Report)
- Front of House staff changing room
- Management offices
- Hospitality suite
- Possibility to exhibit art works

The FOH space may be able to host art exhibitions if required, although this hasn't been researched in detail for this Report. In a precinct such as this, the FOH can contain a number of retail spaces and a bar/cafe, but again, this would also need to be researched in more detail and this is not within the scope of this Report.



Examples of FOH Spaces

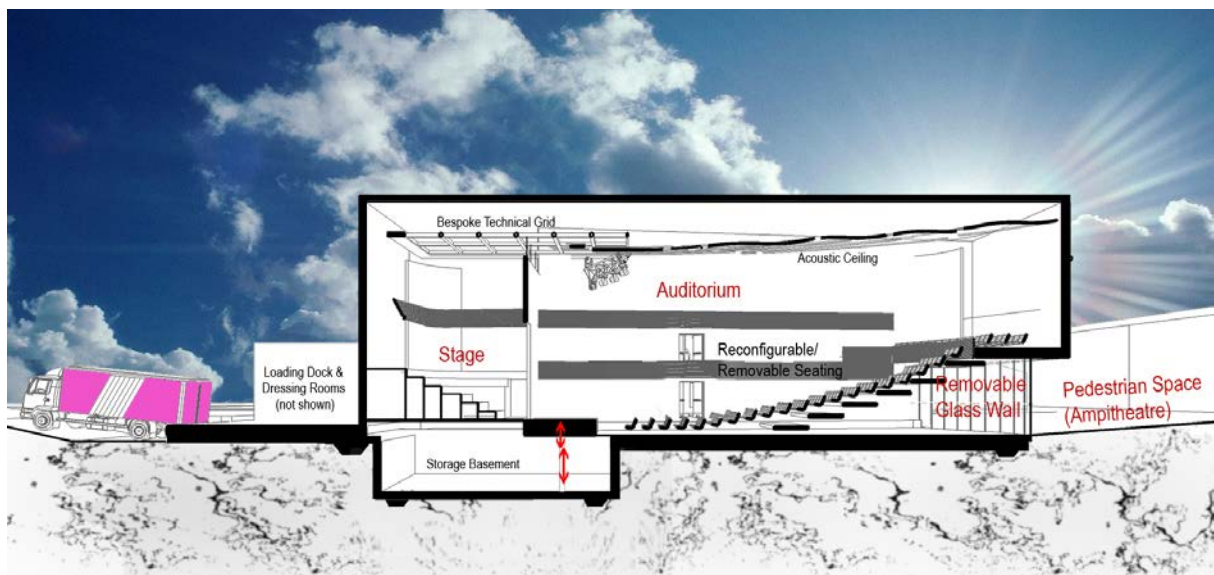
### Flexible Performance Auditorium

The Flexible Auditorium will better accommodate activities presently taking place in the Te Kotahitanga

Expo Hall, but offer many additional possibilities and a significant increase in provisions for performing arts.

New Zealand currently only has one purpose built concert hall; the Michael Fowler Centre in Wellington. It is here that Whangarei can prove itself to be an industry leader and ensure that they have a point of difference. By incorporating a bespoke technical grid above the stage, and the option of an easily constructed proscenium arch, many requirements of larger touring shows will be met. The freedom to relocate/remove seats to open the space up provides opportunities for standing/seated audiences during Kapa Haka performances and rock concerts and caters for exhibitions needing a flat floor. When not being used as a flat floor venue, the stage will be made of elements that can be re-arranged and removed altogether with sufficient storage provided to enable near-effortless reconfigurations. The overall space itself can also be arranged to cater to individual requirements for dinners, functions and expos.

As another point of difference - and in order to fully integrate the design with the 'Generator' precinct, the North Façade of auditorium will be able to open out to the public space outside providing, opportunities for shows, events and performances with much larger audience requirements. The auditorium floor level is below the level of the pedestrian space to create an amphitheatre.

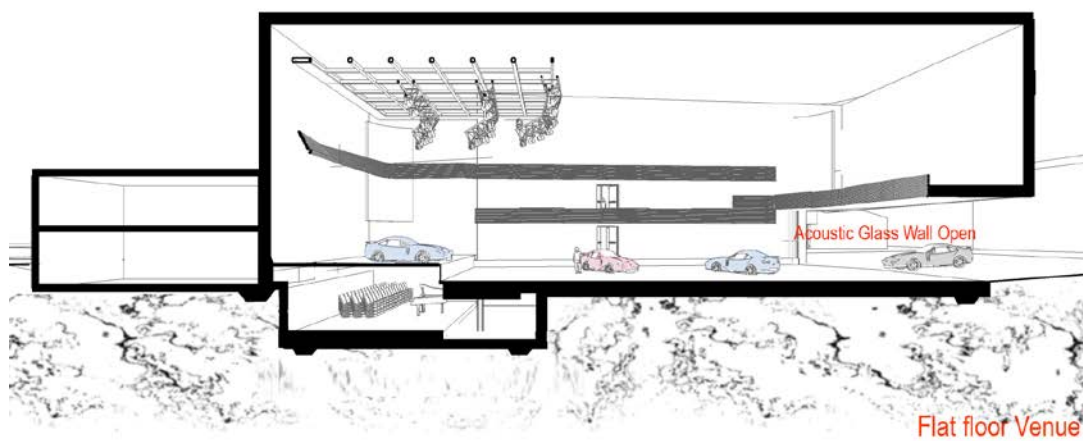
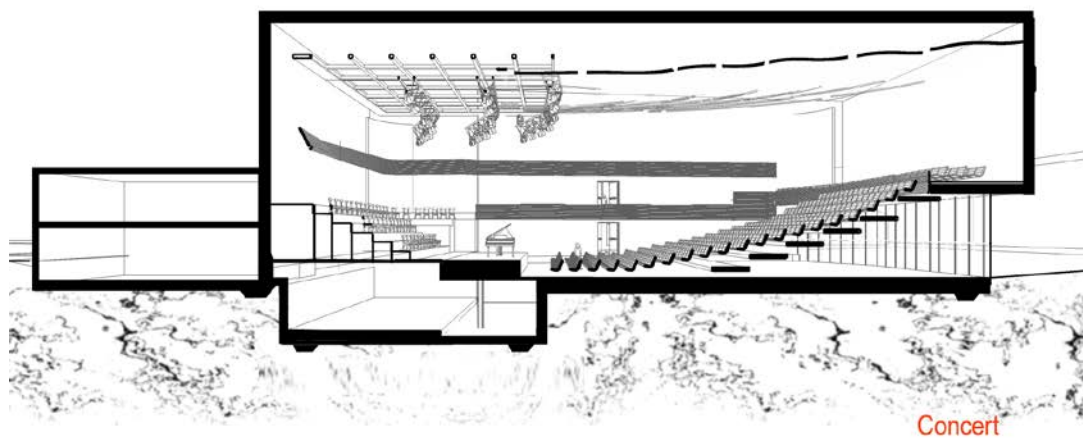
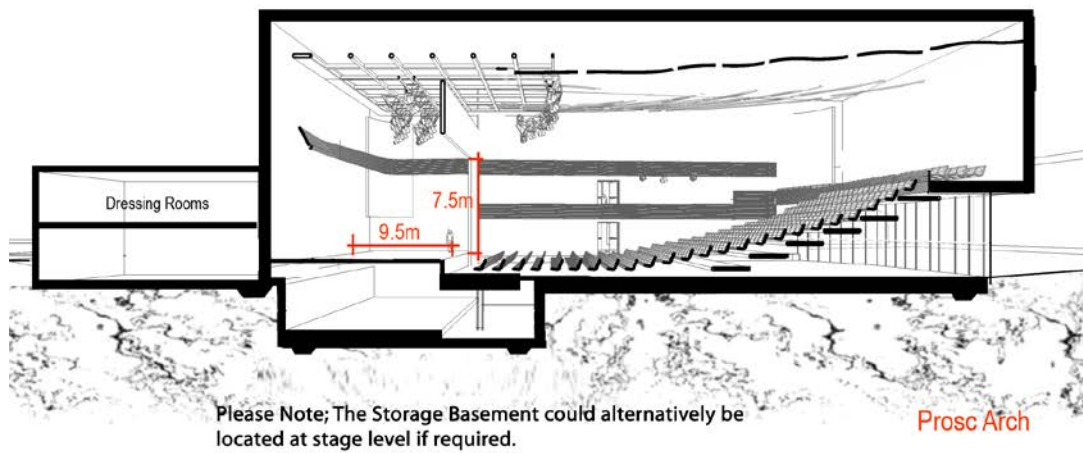


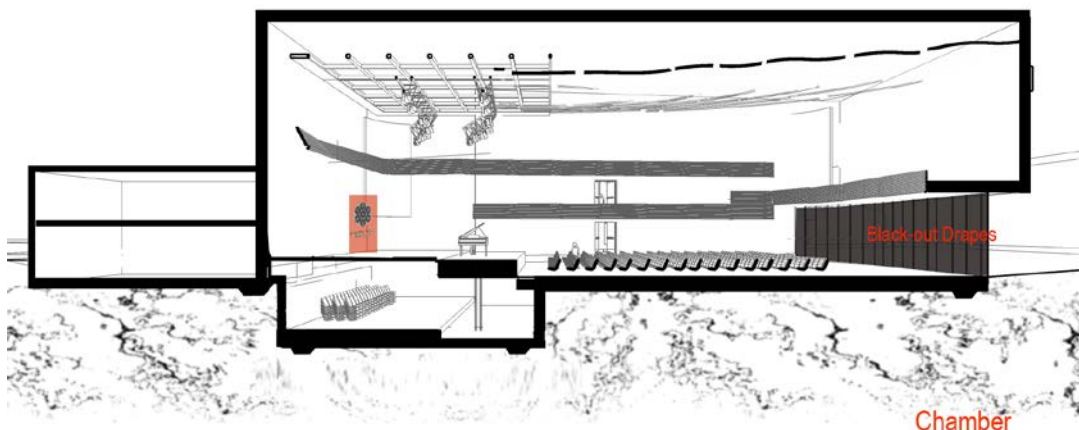
Flexible Auditorium Attributes (Diagrammatic representation not representative of the design of the Flexible Auditorium)

The Auditorium will be designed with responsive acoustics for a number of different configurations so that it can satisfy the need for unamplified musical performances in Whangarei; however, its uses are not limited to this. To achieve its goals, the design criteria of this venue must be a flexible space to meet the demands/requirements of the varying users. . The following configurations should be easily achievable:

- An Auditorium for orchestral and choral performances
- Reduced capacity for chamber music
- A performance space for standing audience
- An open flat-floor space for expos, fairs and exhibitions
- A connection with the outdoor public space in order to open the auditorium up for extra-large audience capacities (by having an Acoustically insulated Glass wall able to slide easily to either side of the Auditorium)
- A reconfigurable space for dinners, functions and events.

The change-around of the space to achieve each of the configurations should be straightforward, effective and able to be completed in a relative short amount of time, ideally with minimal physical labour. The proposal is that the stage extension is a lift that allows easy storage of seats and other elements (such as the grand piano) in a basement below the stage.





Space Utilisation Diagrams (These images are not representative of the design of the Flexible Auditorium)

The technical requirements of an auditorium such as this must include:

- Electrical infrastructure and controls.
- Theatrical rigging/ suspension structure and systems
- Theatrical lighting infrastructure and equipment
- Production communication infrastructure including front of house to back of house
- Public areas address and sound
- Stage drapes
- Basic production sound reinforcement system
- Removable sprung dance floor
- Dimmer room

For this space to operate efficiently and effectively, theatrical services technical infrastructure will be required to be integrated into the building. There are examples of recent venues where the production requirements have not been fully identified or changing technology allowed for. This has led to significant cost incurred after completion to enable the technical systems and infrastructure to be incorporated to make the venue operate or higher costs in use particularly for local users. These requirements include:

- Audio visual infrastructure
- House-lighting control and associated infrastructure
- Specific electrical requirements both in terms of building lighting and control and power distribution and outlets
- Adjustable acoustics – natural and reinforced

The Auditorium will need to include Back of House facilities. These must provide:

- A scene dock – truck access for unloading trucks and containers (20 and 40 ft.) to be serviced from the South. The scene dock must have easy access to the stage and should have covered facilities for storing elements of scenery.
- Dressing rooms (between 10-12 rooms over two floors with makeup benches and en-suites). All dressing rooms should have easy access onto the stage.
- A comfortable green room
- A production office
- Orchestra assembly
- Toilets/showers
- Security/stage entrance
- Maintenance store
- Piano store



- Drapes storage
- Lighting store
- Props store

Some backstage facilities may be shared with the Capitaine Bougainville Theatre, such as lighting and props store, but long term, separate amenities are desirable.

### **The Provision of Spaces for Core Whangarei Arts and Cultural Groups**

This proposal provides an opportunity for Council to recognise and house some of the independent arts and cultural organisations in Whangarei such as the Northland Youth Theatre and Whangarei Youth Music. After construction of the flexible Auditorium, it is the Te Kotahitanga Expo hall could be reconfigured to provide facilities for dancing studios.

The provision of these spaces must be a stimulating component of the design. These spaces could allow the public to catch glimpses of cultural and arts practitioners at work. This concept has been utilised successfully at a number of Art Centres overseas. Having the complex in daily use for practice and rehearsals will help to enrich the area during the day when there are no public performances and when there are no events in the theatres. The opportunity to liaise with NorthTec and other institution users to utilise the facilities for educational purposes can be further explored, and facilities can be included to meet their needs.

Although over time, new rehearsal spaces can be designed and constructed, initially Te Kotahitanga Expo hall and auxiliary spaces could be modified to fit this purpose. Its size allows for small performances and provides the ability to recreate a stage for rehearsals. The replacement of the floor with a sprung floor will allow for theatrical uses but above all, provide a suitable surface for dance classes. Replacing the north façade with a semi-transparent wall will enable 'glimpses' from Cafler Park and provide natural light to the space. To control the natural light for various uses, mechanised shades may be installed.

The other facilities offered by Forum North, will remain largely as they are at present.

## 9. Capital Cost and Timeframe

### Building Elements

Theatres and music auditoria are very technically-complex. The current trend is for higher standards of infrastructure to meet the increasing technical demands of users.

Theatres and auditoria are buildings that are essentially designed from the inside out. A cost plan should be developed in response to a detailed building and technical brief and monitored throughout the design stages to ensure both financial control but also the quality of the end product.

Decisions made to reduce capital cost may impact adversely on operational costs for the life of the building. The focus at the start of the project is always the capital expense, but it is the cost in operating and maintaining the building that affects sustainability.

Retail areas have not been included in the capital cost estimate since its scope was outside the brief for this Report. Planning should none the less consider how retail could be accommodated in future if it proves viable.

The flexible auditorium is the single major cost element and as such it is critical that its design accommodates successfully the optimum number of users. Flexibility must not compromise quality. The consequences of any scope reduction to these elements must be thoroughly understood before being accepted.

### Phase 1

#### Indicative Order of Cost Estimate for Capitaine Bougainville Theatre Upgrade

| Element   | Cost Estimate      |
|---|--------------------|
| Upgrade acoustics for live music (building implications)  | \$320,000          |
| Fly tower- Theatrical rigging/ suspension structure and systems weight tested and certified (subject to advice on seismic strengthening)        | \$720,000          |
| Fire and Building Compliance  | \$72,000           |
| Theatrical lighting infrastructure and equipment (including dimmer with 80 channels)  | \$285,000          |
| Production communication infrastructure including AV and Audio (this figure requires verification on completion of the current AV improvements) | \$250,000          |
| Public areas address and sound  | \$150,000          |
| Stage drapes  | \$80,000           |
| Orchestra pit infill (this does not allow for a new orchestra pit lift, only rostra)  | \$50,000           |
| Auditorium interior paint – (modifications to Acoustics will require repaint)   | \$55,000           |
| House Lighting system   | \$86,000           |
| Dressing room upgrade and increase in numbers   | \$150,000          |
| Furniture, fittings & equipment – nominal theatrical equipment  | \$150,000          |
| Modify scene dock access and create storage   | \$416,000          |
| Professional Fees   | \$450,000          |
| Contingency Sum   | \$500,000          |
| <b>TOTAL (plus GST):</b>  | <b>\$3,734,000</b> |

Please note that the above indicative order of cost estimate does not make allowance for the following:

- GST
- Escalation post November 2013
- Legal and like costs
- Resource and building Consent
- Land acquisition
- Seismic Strengthening. This will need to be qualified and included as part of the project.
- Art Works
- Fundraising Costs
- Financing Charges
- Pianos – Grand and upright
- Site works and Landscape (Deemed to be part of Phase 2)
- Loss of revenue whilst venue is closed for refurbishment
- Foyer and FOH upgrade
- Signage
- Replacing seating or carpet

## **Time Frame**

The expected timeframe of the Capitaine Bougainville Theatre upgrade is as follows: The Briefing and Design phase is anticipated to last for 6 months. Once this is completed, 2 months should be allocated for the Tender and Tender Review process. The Construction work (assuming it is not staged) is expected to take between 8-10 months and finally the theatre services and fit out will take 4-6 weeks following the completion of construction. It should be assumed that the theatre will be shut during the construction and fit out.

These times are predicated on funding being available and any fundraising plans being able to deliver funding to the levels required committing to construction.

## **Phase 2**

### **Property Acquisition**

No land cost has been included in the prediction since the Council already owns the Forum North site.

### Indicative Order of Cost Estimate - Flexible Auditorium and FOH upgrade for Cultural and Performance Centre

| Element   | Cost Estimate \$    |
|---|---------------------|
| Demolition and strip out  | \$300,000           |
| Flexible Auditorium (Stage & Auditorium) and FOH and BOH facilities | \$14,950,000        |
| Stage Lift  | \$360,000           |
| Urban Design of Public Space  | \$1,500,000         |
| Retractable Theatre Seating*  | \$850,000           |
| Theatre Services, infrastructure and equipment                      | \$2,700,000         |
| Furniture, Fittings & equipment                                     | \$250,000           |
| Conversion of Existing Spaces including Expo Hall                   | \$400,000           |
| Professional Fees   | \$3,000,000         |
| Project Contingency   | \$2,000,000         |
| <b>Total (plus GST)</b>   | <b>\$26,310,000</b> |

Please note that this estimate of costs makes no allowance for the following:

- GST
- Escalation post November 2013
- Legal and like costs
- Resource and Building Consent
- Land acquisition
- Staging of building works
- Seismic Strengthening
- Art Works
- Pianos – Grand and upright
- Fundraising Costs
- Financing charges
- Relocation of Council
- Café and Kitchen Fit outs
- Staff costs
- Loss of revenue whilst construction of Phase 2 takes place

### Timeframe

The expected timeframe of Phase 2 is as follows: The Briefing and Design phase is anticipated to last for 12 months. Once this is completed, two months should be allocated for the Tender and Tender Review process. The Construction work (assuming it is not staged) is expected to take 18 months and finally the theatre services and fit out will take 4-6 weeks following the completion of construction.

The times are predicated on funding being available and any fundraising plans being able to deliver funding to the levels required to committing to construction.

### Escalation

Given that the overall time frame has not yet been determined, application of a percentage based



escalation provision of 5-6% per annum should be added to future budget allowances.

## **Building Elements and Staging the Works**

### **Staging of Project**

The estimated capital cost of the various options includes necessary equipment, fixtures and fittings but it is possible to stage elements of the building and fitting out. There is precedent for this in other theatre projects. Elements that could be staged include but not restricted to:

- Sound System
- Theatrical Flying System and accessories
- Theatrical Lighting infrastructure
- CCTV and Talk Back equipment

Scope modification is also possible, and will make a difference to the initial capital cost but at this stage the full cost of each option needs to be considered.

Staging of built in elements while possible, does have abortive cost built in and may require the closing of the venue for the upgrades - even when the work is anticipated in the original design. The original plan to install in the future a lift of certain make and dimensions, power requirements etc. Between project completion and later installation of the lift, regulations have changed imposing new structural requirements and safety features, the lift design originally selected has been upgraded requiring more power and different load bearing pads.

Experience suggests that any cutting back of scope impacts on operations. It is better to build in a cost engineering regime as an integral part of the design development stage.

## 10. Ownership, Governance, Operation and Management

*The Council should ensure that improved structures, governance and management practices are developed across the sector [Tāpapa Toi Report].*

### Current Situation

Forum North is owned by Whangarei District Council and managed by Council's Venues and Events department. Forum North provides facilities and services to both business and community sectors and supports the community with specific rates for "not for profit" organisations.

### Ownership of Land and Buildings

#### Ownership of Performance Venues in New Zealand

In New Zealand the most common form of ownership of performing arts facilities is either through Territorial Authorities or Trusts with or without Council as settler. There are very few, if any, privately-owned facilities in New Zealand, in terms of the scale and size of the upgraded Forum North, other than those attached to casinos.

#### Council Capital Funding Options and their Implications on Ownership

Council could assist in funding a new building project in a number, or combination, of ways. It could:

- Pay for (whole or part) and retains ownership of the assets created by the capital works
- Provide a grant or loan to a Charitable Trust and ownership of the assets created by the capital works resides with the Trust; maintenance and depreciation remain the responsibility of that Trust.
- Makes a loan or provide a grant to a Charitable Trust to operate the venue with land and building ownership of the assets created by the capital work remaining with the Council.

#### Future Ownership of Forum North

It is recommended that Council retains ownership of the site and current buildings. Any new land for the Cultural and Performance Centre is likely to be Council owned, and any construction likely to be partially funded by Council. If Council owns the buildings, will would be obliged to rate for depreciation.

The number of stakeholders and the long term maintenance issue suggest Council would retain ownership of both the land and buildings leasing it to a 'purpose formed' Charitable Trust that provides governance and set the strategic direction and policies of a new entity.

### Governance

Governance of a social enterprise, if incorporated well, helps safeguard the mission of the enterprise while allowing the management team to meet the demands of such various stakeholders as investors, employees, clients and beneficiaries, as well as comply with public policies and regulations.

Governance should be dynamic and adapt to the changing needs of the management team, the operating and regulatory environment, and the larger goals and vision of the social enterprise over its lifespan.

Appropriate governance and management structures will be critical in ensuring that the new Cultural and Performance Centre effectively meets the needs of a wide range of potential user groups.

Governance also has a role to play in setting and implementing fundraising plans.

### Scope of Options

In considering possible governance structures, Council needs to decide whether they desire some form of in-house structure, an “arm’s length” but controlled structure or a totally independent structure.

There are three options for the future of the Forum North governance structures:

- Council Department (current status)
- Council Controlled Organisation or Council Organisation (Trust or Company)
- Independent Organisation

### Council Department

Forum North’s current governance structure is a Council Department. Such an organisational unit does not have an independent legal identity as it is part of Council authority. The unit may, however, have a unique branding.

The unit has been established by Council and Council is able to determine the internal management structure of the organisation within the parameters of the Local Government Act and any specific policies that Council may have established.

As governance structures committees and/or sub-committees are subordinate to Council, they are subject to the policies of the local authority. They are established by resolution of Council.

### Council Controlled Organisation or Council Organisation (Trust or Company)

A Council may establish an organisation to undertake a function or deliver a service on its behalf. This could be a Council Controlled Organisation (CCO) or a Council Organisation (CO).

The key differences between these two are the number of voting rights held by Council.

A Council Controlled Organisation (CCO) is:

*“Any company or entity in which the Council controls 50% or more of votes or holds the right to appoint 50% or more of the directors, trustees or managers”.*

A Council Organisation (CO) is defined as in the Local Government Act 2002 as:

*“Any company or entity in which the Council holds one or more votes, or controls the appointment of one or more directors, trustees or managers.”*

For the purpose of this Report and the types of governance structure the following types of CCO/COs are considered:

(a) Companies, which can:

- Be unlisted, or
- Have “charitable” status to avoid liability for taxation (often referred to as “charitable companies”). (Listed companies are unlikely to be acceptable as a CCO/CO option because the growth of value of shares, which is a primary objective of a listed company, is not a relevant factor for an enterprise

reliant on local authority funding).

(b) Trusts, which can be:

- “Ordinary’
- Charitable,
- Trading trust.

There is a significant difference between a company and a trust. Although both have a legal identity separate from those persons who established or manage them, a company has a power of general competence. A trust, however, is legally empowered to do only those things specifically provided for in its trust deed. This may be restrictive and trustees are usually careful to ensure they do not exceed their legal authority and incur personal liability. Hence, trusts are generally regarded as a suitable vehicle to hold assets while companies are better for trading purposes.

### **Independent Governance**

Governance could be provided by a separate entity (either company or trust) where Council is not involved in its establishment.

This could be a company independent of local authorities i.e. it would have private shareholding and directors. These companies have independent legal identity and can enter into contracts with local authorities. Such a company may be active in venue management, marketing, promotions, etc.

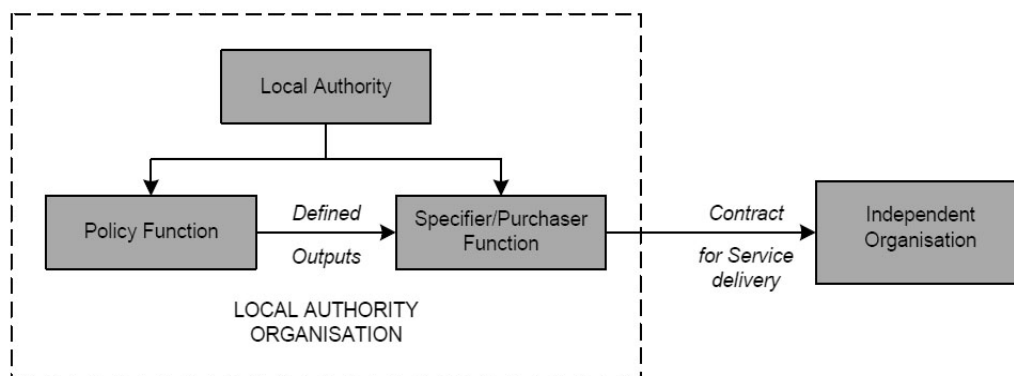
An independent trust would be established by settlor(s) in the normal manner and may have “charitable” status, but not necessarily so. Such an independent trust is a legal entity, and subject to the provisions of its deed may be able to enter into contracts for delivery of services with local authorities or to obtain revenues from other sources.

The possible advantages of an Independent governance structure are:

- “Arm’s length” contractual relationship with funding local authorities.
- Totally flexible in method of operating and likely to have strong commercial culture.
- Will be focussed on the delivery of contracted outputs, but may have a variety of commercial interests.
- Is able to seek alternative revenues from other commercial arrangements, including industry stakeholders.
- Potentially should be very efficient and effective, particularly if the contractual arrangements are contestable.

The possible disadvantages of such a governance structure are:

- Contractual arrangement must be precise or may be costly for local authorities to vary.
- Perceptions of unnecessary “profit” to private sector from public funds.
- Accountability only on basis of contract.
- Transaction costs could be high.
- Industry stakeholders could be isolated from providing input to direction and strategies.
- Greater effort needed to ensure local authority’s functions and activities are well aligned to the performing arts.



5

### Summary

| Features                | Council Department  | CCO/CO Company  | CCO/CO Trust  | Independent Entity  |
|-------------------------|---|---|---|---|
| Legal status            | Part of local authority   | Independent entity with strong governance linkages.   | Independent entity with very strong governance linkages.  | Independent entity – local authority may be a member.   |
| Managerial independence | Subject to local authority's policies   | Able to operate commercially without excessive bureaucracy, has power of "general competence"         | Able to operate commercially but controlled by trust deed.  | Subject to its constitution able to operate commercially without excessive bureaucracy.                             |
| Funding implications    | Substantially reliant on local authority funding.   | Reliance on local authority funding but can trade freely to source alternative revenues.              | Reliance on local authority funding but can trade freely to source alternative revenues. May be more likely to receive industry financial grants. | Reliant on local authority funding but able to source alternative revenues and member support and able to trade.    |
| Governance implications | Governed by local authority and possibly a committee. Accountable within local authority structure. | Governed by own board appointed by local authority. Subject to statement of intent and other specific | Governed by trustees who may be appointed by local authority. Subject to statement of intent and other specific accountability requirements.      | Governed by elected committee. Local authority's rights will be specified in constitution. Annual meeting required. |

<sup>5</sup> Best Practice Guidelines for RTO Governance. Catalyst Management Services Ltd.

|   |  |   |   |   |
|---|--|---|---|---|
| Transaction arrangements with local authority and costs | Annual plan/business plan applies. Very low transaction costs. | Service contract. Modest transaction costs.   | Service contract. Modest transaction costs.   | Service contract. Modest transaction costs.   |
| Relationship with stakeholders                          | May not relate well. Stakeholders have no input to governance. | Can relate well. Stakeholders can nominate directors  | Can relate well. Stakeholders may have appointment rights.  | Can relate well. Members appoint governing body but local authority input may be limited. |
| Compliance costs and taxation                           | Minimal compliance costs and no taxation implications.         | Significant compliance costs (e.g. separate audit). Subject to taxation unless classified a "charitable". | Significant compliance costs (e.g. separate audit). Subject to taxation unless classified a "charitable". | Modest compliance costs. Subject to taxation except "member's transactions".              |

6

### CHART's Involvement in the Cultural and Performance Centre at Forum North

CHART was set up to enable the community to develop and progress long term visions to support and build capacity to the sector.

The concept of CHART was initially mooted by consultants funded by the Council and Te Papa. An extensive survey of a cross section of the sector was developed into the Tāpapa Toi document. Council adopted Tāpapa Toi as a blue-print to move forward. The distinguishing feature that set the concept out from other arts organisations was the inclusion of the heritage sector. With a unique area steeped in histories and stories that reach back to the first inhabitation of the country it was considered vital for such an organisation to work alongside heritage groups to ensure that the dialogue was cohesive and inclusive. CHART was established after a further robust consultation process was undertaken.

CHART is developing strong working relationships with Council, the Northland Regional Council and other Culture, Heritage and Arts agencies and individuals. CHART is also undertaking a number of initiatives to build capacity in the district and region, some in the near future and some further down the track. These relationships and projects are critical in delivering on CHART'S mission statement that requires each stakeholder and the community to have a voice.

There are currently ten major culture, heritage and arts organisations that CHART works with in the Whangarei District:

- Whangarei Art Museum
- Whangarei Museum and Kiwi North
- The Old Library Community Arts Centre
- The Quarry Arts Centre
- Reyburn House Art Gallery
- The Papermill
- Waipu Museum
- Northland Youth Theatre
- Whangarei Youth Music
- Hihiaua Cultural Trust

<sup>6</sup> Best Practice Guidelines for RTO Governance. Catalyst Management Services Ltd.

To utilise CHART's involvement in the Cultural aspect of Whangarei, it is envisaged that CHART will be involved in the Governance of the Performance and Cultural Centre.

### Discussion of Governance Structures

There are a variety of structural models that can be used for the governance of the Cultural and Performance Centre. When considering an appropriate model some of the factors that may be relevant include:

- The extent and nature of Council's involvement with the Cultural and Performance Centre
- The size/type of Council investment, its materiality and significance compared to other projects
- Other stakeholder contributions and the conditions they impose, in particular Government
- The operational commitment required
- The level, risk and possible mitigation strategies; and
- The level of voting power required, that is, how much influence councils' will require in terms of the future direction of the Cultural and Performance Centre.

This Report recommends that the financial liability of the operation is ring-fenced and separated from Council, it is therefore encouraged that the Governance Body is a separate legal entity. The board of management providing governance must be responsible for clear objectives for the operator and must be responsible for the operator to meet these targets. Whilst it is recommended that the governance of the Cultural and Performance Centre is no longer part of a Council Department it is suggested that, due to their financial stake, Council does maintain a level of governance control. In order to ensure that the Cultural and Performance Centre is run efficiently, it is recommended that the Governance Body is a Charitable Trust Council Organisation with direct input from CHART.

Considerations relative to Trust governance include:

Councils' funding and consequential level of governing control as per proceeding section:

- To avoid the disenfranchising of any particular community group and accommodate the needs of an anticipated wide range of user-groups, it will be of fundamental importance that no user-group has a disproportionate representation in relationship to CHART.
- Trustees should, if possible, be appointed through an appropriate 'electoral college' process. Maximum terms for Trustees should be established with a rotating election process to maintain continuity.
- Trustees must have the relevant experience to guide and enact policy that covers both community access and commercial practises.
- As a combined facility, policy setting will be difficult given the potential for competing commercial and community objectives. Formal guidance is required to ensure no community group is alienated; a common concern expressed by user-groups in the current venue management models on offer.

The final decision on Council's role in the governance of the Cultural and Performance Centre may emerge from the outcome of their decision on funding. Expert legal and tax advice should be sought to ensure the most practical and efficient structure is adopted.

### Operation and Management

The externalisation of the operation and management to an external entity can enable Council to provide high quality and widely accessible services with fewer resources.

There are a few externalisation options available to Council in relation to the operation of the Cultural and Performance Centre:

- Outsourcing to a private sector operator operating under contractual agreement to Governance Trust – Contract Management
- Outsourcing to in-house Management under the Governance Trust’s guidance

### **Contract Management**

Contract Management suggests management by an existing venue management company under a contractual arrangement with the Governance Trust. It pre-supposes there is interest and expertise in the market for carrying out the operational management role and that agreement on responsibilities, performance criteria and contract rates would be reached.

Contracting out the operational management offers the potential to offset costs by spreading fixed overheads across a larger potential revenue base, and leveraging of existing venue management systems, for example ticketing systems. An example of this was the St James Theatre Trust’s operating company in Wellington which manages both the St James Theatre and the Opera House. However, as both these Theatres are managed as commercial venues assistance to community productions is provided via a separate foundation.

Contracting out best suits an organisation driven by commercial imperatives with clear focus. The low level of performing arts activities count against a venue management approach at least until the operation is firmly established.

### **In-house Management**

In-house management requires permanent staff dedicated to the management of the venue. All of the systems are required to be set up and managed in-house. There are no synergies inherent in the process and the operational risks remain entirely with the operating company.

### **Discussion of Management Options**

Any assessment of management options must be based on the best scenario for achieving the Trust’s, CHART’s and the Council’s objectives and minimising risk. The objectives are assessed as; maintaining, developing and fully utilising the Cultural and Performance Centre as a community performing arts facility becoming part of the Generator Precinct in Whangarei. The investment in the Cultural and Performance Centre needs to add life and activity to the central city.

In-house management requires commitment to a permanent staff, with the Council Organisation Governance Trust being ultimately responsible for poor performance. In contrast, under contract management, the Council’s redress for poor performance is through the contract.

With regard to local productions, particularly schools, most venue managers will confirm they have to dedicate considerably more time to community productions as opposed to commercial shows. There is a need for a different approach with the emphasis on understanding and education when dealing with many community groups which is best achieved through in-house management.

Venues are ‘fertile ground’ for health and safety issues both in terms of keeping the public safe and having sufficient expertise to manage the technical requirements of diverse productions and manage the public access. Expertise and a professional approach are required to handle both front of house and back of house operations. A larger organisation such as a contracted one could be expected to have more experienced staff or access to greater levels of expertise, although the reality is that many theatres use volunteer, albeit trained, staff in order to keep costs to a minimum. Although this practise is questionable it is none-the-less effective in reducing costs.



Contracting out best suits an organisation driven by commercial imperatives with a clear focus. The low level of performing arts activities currently on at Forum North count against a venue management approach until a new operation is firmly established.

On current use projections the beneficial effect anticipated for the Cultural and Performance Centre as part of the Generator Precinct could be undermined if the operational management is contracted out. Under such a scenario the venue may only be open for specific events to minimise resources.

On balance, in-house management exercised through a stand-alone operational company is the preferred option for the Cultural and Performance Centre.

Local authorities should be satisfied with the “substance” of any trust or company with which they are contemplating a contract for service including:

- Financial resources,
- Quality of governance,
- Quality of management,
- Past performance/activities,
- Resources (personnel, systems, premises), and
- Any potential conflicts of interest.

### **Entrepreneurial Management**

By using New Plymouth as a benchmark, the importance of a proactive and entrepreneurial management style becomes very apparent. There is some credence to the motto “build it and they will come”. However, in many scenarios this isn’t the reality.

A proactive Management strategy must be implemented in the running of the Cultural and Performance Centre.

At the heart of entrepreneurial management is the constant juggling of these vital management issues:

- What is this venture about? (mission and values statement)
- Where should it go? (goals and objectives)
- How will it get there? (growth strategy)
- What does it need to get there? (people and resources)
- What structure is best? (organisational capabilities)
- How much money does it need and when? (financing strategy)
- How will it recognise the final destination? (vision of success)

### **Community Access**

Any discussion or ownership, governance, and management must include reference to a policy to ensure community groups have equal access to the theatre. All venues across the country have mechanisms for subsidising access either directly or indirectly, e.g. 50% discount on hire rates and use of equipment, contributions towards show set-up costs, and use of volunteer labour in lieu of paying for services, lower inside ticketing charges. Without these subsidies many community groups would not be able to use the venues.

While there are business drivers such as maximising use, efficiency of staff, resources, technology and equipment, it is also true that serving community groups can frustrate commercial imperatives. A concern is the practical difficulties of implementing policies dealing with the ‘community good’ elements in providing

for local users, and the resulting conflict with commercial imperatives. Experience confirms these are uncomfortable bedfellows.

To negotiate this sensitive terrain, it is recommended that CHART or the new Trust establish acts as a separate Foundation to focus on managing community support in the form of subsidised access and promotion, education and support of the local performing arts scene. This will prevent the theatre management having to frustrate the commercial nature of their operation by having to satisfy community need. Implementation of this recommendation will allow CHART to act on behalf of the community while permitting the venue to be run commercially.

Alternatively CHART may liaise separately with Council and handle these aspects itself through policy directives to the Operating Company.

Either way the issue of subsidies are not issues the operating company should be left to resolve other than through clear policy directives.

Management will however have to apply the policy. As such it will need to be involved in its development (along with consultation with community groups) and will be required to advise on its ability to be implemented in practise.

### **Proposed Ownership, Governance, Operation and Management Scenario**

Appropriate governance and management structures will be critical in ensuring that the Cultural and Performance Centre meets the needs of the various potential user groups. While Council, through Venues and Events, has been in charge of operating the theatre to date, this has been reactive, risk adverse and there remains significant potential to improve its administrative efficiency.

This Report recommends that Council maintains their ownership of the Cultural and Performance Centre (including the land, building and major plant assets,) and sets up a Governance Trust.

The Governance Trust may be a Council organisation comprising a majority of theatre professionals, with representatives from Council and members of CHART. This Board would be responsible for setting clear objectives and performance targets, and reporting to Council. It is envisioned that this trust with the help of CHART would set strategic direction and policy for the facility in its management and operation in the early years, but it is hoped that CHART's influence will be increasingly distant as the venue gains commercial stability.

This Report recommends that a separate entity takes over the operation and management from Council. This separate/specialist entity must have the necessary skills and capability to more efficiently run the theatre and should be able to do so on a competitive commercial basis. (This Report has identified that the biggest overhead for Forum North currently is day to day operation.) Ideally this entity would be legally separate and financially ring-fenced, so that Council retains no financial liability beyond building maintenance, insurance and depreciation and providing a baseline operation grant.

Serving community groups can frustrate commercial imperatives. Therefore, a separate entity, Foundation or trust such as CHART may focus on managing community support in the form of subsidised access to the venue. This ensures that the operator treats every hirer equally and is not having to judge potential clashes in bookings based the notion of the 'public good'. It safeguards Community groups and puts them on an equal footing with Commercial and Touring groups.

## 11. Indicative Operating Projections

### Indicative Operating Projections

This section develops a revenue and expenditure for an annual operating position for the venue. It is split into two components – current and nominal operating model for year three following the completion of Phase 1 and Phase 2. It looks at the sensitivity of the outcome to confirm underwriting or deficit funding needed to sustain the venue. For Phase 1 and 2 year three has been chosen in the firm belief that it will take approximately this time frame to build market share, develop all the systems required and operate the building efficiently. Marketing the venue needs to begin upon contractual commitment to proceed with the project. Implicit in this is the need to fund essential staff prior to opening and operations at initially higher levels, but progressively decreasing up until year three is reached.

### Current Activity

Background and financial information provided by Events & Venues has provided detail of the current activity, revenue and expenditure associated with the venue for the 2011/2012 financial year. Reviewing this information has confirmed the following occupancy and space utilisation information.

| Space  | No. of events | Hours used     | Utilisation % by room |
|--|---------------|----------------|-----------------------|
| Bounty Room                                      | 110           | 860            | 16%                   |
| Cafler 1   | 42            | 190            | 3%                    |
| Cafler 2   | 8             | 48.5           | 1%                    |
| Cafler Suite                                     | 91            | 652            | 12%                   |
| Concourse  | 1             | 15             | 0%                    |
| Dressing Rooms                                   | 25            | 277.5          | 5%                    |
| Te Kotahitanga Expo Hall                         | 126           | 1465           | 27%                   |
| Green Room                                       | 7             | 78.5           | 1%                    |
| Kitchen  | 93            | 653.25         | 12%                   |
| Kitchenette                                      | 21            | 275            | 5%                    |
| Meeting Room                                     | 1             | 275            | 5%                    |
| Rehearsal Room                                   | 15            | 160            | 3%                    |
| Capitaine Bougainville Theatre (incl. Backstage) | 168           | 1886           | 34%                   |
| <b>Total</b>                                     | <b>708</b>    | <b>6835.75</b> | <b>10.3%</b>          |

- The Utilisation % is based on 15 hours per day (Venue Opening times) for 365 days per year (which equals 5475 hours per space per year).
- The Cafler Suite is the combination of Cafler 1 and Cafler 2, therefore the total utilisation % per room is calculated over 12 rooms instead of 13. (If the Concourse (at 0%) is not included the utilisation is 11.3%)
- The number of events is a total of the events per room. As some Events were spread across multiple rooms, this number does not reflect the total number of events in Forum North.

In 2011/2012, the total number of events hosted at Forum North was 561. Overall, 48% of these were commercial events and the remainder were Community/Not for Profit groups. Of the total events, 59 were ticketed. The theatre hosted the majority of these; only six ticketed events were held in the Expo hall. Ticketing for the other spaces was not applicable due to the type of use.

Utilising this information, has enabled identification of total ticketing potential based on 366 seats available in the theatre and averaging tickets for the expo hall. This equates to:

|   |                       |
|---|-----------------------|
| Theatre – 366 seats @ 53 events         | 19,398 tickets        |
| Expo – average 490 tickets x 6 events   | 2,940 tickets         |
| <b>Total tickets available for sale</b> | <b>22,338 tickets</b> |

This equates to the venues capacity per event averaging at 66%, since the total number of tickets for Forum North Events sold through Ticketek during the 2011/2012 financial year was 14,717. The tickets sold returned ticketing revenue of \$22,000 through the inside charge. What has become evident from this information is that whilst the Capitaine Bougainville theatre hosted 168 events within the year only 53 were ticketed through Ticketek.

Further discussions with Venue & Events have indicated that a number of not for profit hirers, such as Capital E and the Whangarei Film Festival ticket their own events. From the information provided this would appear to be in the order of 48 events (30 of which are Film Festival and 4 are Capital E). If these were ticketed through Ticketek this would provide an additional 17,568 tickets to sell (assuming a capacity of 366 seats) and on the basis of 66% a further 11,585 tickets could be sold through Ticketek per year.

### Current Revenue

Reviewing the information supplied, the total Revenue generated from Forum North for the 2011/2012 financial year was \$273,085. This revenue was made up as follows.

| Activity   | Revenue          |
|--|------------------|
| Rental/Hireage Fees for Performance Spaces (Capitaine Bougainville and Te Kotahitanga Expo Hall) | \$131,774        |
| Rental/Hireage Fees for Other Forum North Facilities   | \$44,627         |
| Equipment Hire (Audio/visual)  | \$29,710         |
| Sale of Goods  | \$13,433         |
| Ticketing Revenue (including once-off RWC activity of \$27,000)                                  | \$49,389         |
| Operational recoveries   | \$2,529          |
| Advertising recoveries   | \$1,623          |
| <b>Total Revenue:</b>  | <b>\$273,085</b> |
| <b>Less RWC Ticketing Revenue applicable only to 2011</b>  | <b>-\$27,000</b> |
| <b>Re-adjusted Revenue for Forum North</b>   | <b>\$246,085</b> |

- The Rental/Hireage Fees relates to the charges for room hire.
- The Equipment Hire (Audio/visual) is the revenue generated from (the offsite) Dry Hire of equipment such as stage lights and other technical equipment.
- The ticketing revenue incorporates \$27,000 for Rugby World Cup (RWC)-related activities; and therefore is only relevant in 2011. In a standard year, the revenue generated from tickets is circa \$22,000. The inside charge per ticket is circa \$2.50 (placing the average ticket in the \$19.50 - \$39.49 price bracket). Forum North gets 50% of this inside charge.

It has been evident from the Revenue information provided, that varying hireage prices are being charged by the venue. Further comment is made on this below.

### Current Expenditure

Reviewing the information supplied has confirmed the expenditure associated with the operation of the venue in the 2011/2012 Financial Year was \$1,657,953.00.

This expenditure is summarised as follows: (based on actual figures provided by Forum North for the 2011/2012 financial year).

### Expenditure Summary

| Activity   | Expense            |
|--|--------------------|
| Event Activities (casual staff wages, marketing, printing, cleaning, uniforms etc.)                    | \$120,376          |
| Corporate Overheads (Amount the Department pays to Council for CEO services)                           | \$238,595          |
| Event Facilities (for running the building, cleaning, security, building compliance, maintenance etc.) | \$129,612          |
| Group Overheads (Amount the Department pays to Council for HR services)                                | \$87,834           |
| Operations and Admin (excluding wages)   | \$77,540           |
| Other Insurances (building and equipment)  | \$40,315           |
| Public events and Festivals (Forum North organises for the Council)                                    | \$177,498          |
| RWC Activities (A once-off in 2011, also for events at hosted at Toll Stadium)                         | \$347,760          |
| Staff at Toll Stadium (relates to Manager and Marketing-person who are shared between the venues)      | \$120,000          |
| Staff salary and wages   | \$318,424          |
| <b>Total</b>   | <b>\$1,657,954</b> |

Of the above, the following expenses do not, in our view, relate to the Base Venue Operating Cost:

- Admin and Corporate costs to Council (Group and Corporate Overheads)
- Public events and Festivals. Council pays Forum North Management to organise these on behalf of Council.
- Rugby World Cup (RWC) 2011 activities. These were specific to 2011 and were also partially for events hosted at Toll Stadium.
- Toll Stadium Staff wages

### Base Venue Operating Cost

Removing these amounts indicates that the base venue operation cost for Forum North is in the order of:

|                                       |                  |
|---------------------------------------|------------------|
| Total Expenditure                     | \$1,657,954.00   |
| Less Corporate Overheads (to Council) | \$238,595        |
| Less Group Overheads (to Council)     | \$87,834         |
| Less Other Insurances                 | \$40,315         |
| Less Public Events and Festivals      | \$177,498        |
| Less RWC subsidy 2011                 | \$347,760        |
| Less Toll Stadium Staff Wages         | \$120,000        |
| <b>Base Venue Operating Cost</b>      | <b>\$645,952</b> |

Taking into account the Revenue earned less the base venue operating cost, Forum North relies on a following subsidy from Council to cover its operating shortfall:

#### Operating Shortfall

|  |                  |
|--|------------------|
| Base Venue Operating Cost                            | \$645,952        |
| All Revenue for Forum North                          | (\$246,085)      |
| <b>Operating Shortfall in 2011/12 Financial year</b> | <b>\$399,867</b> |

#### Observations of the Current Operating Financials

**Hireage:** The Forum North Pricing Schedule is in line with similar venues around New Zealand (Refer Appendix); nevertheless research has revealed that in the 2011/2012 financial year, venue hireage charges for the Performance venues were inconsistent.

Taking 15 hour hires (which indicate a day/evening hire) as an example: For the Capitaine Bougainville Theatre, the official Commercial hireage rate for day/evening hires in the 2011/2012 financial year was \$787.50 (Mon-Weds) and \$987.50 (Thurs-Sun) and the rate for the Expo Hall was \$950. For NFP/Community groups, the hireage was half the commercial rate; therefore \$393.75, \$493.75 and \$475.00 respectively.

Analysis of the 15-hour-hirers showed that prices paid ranged between \$1,552.50 to as little as \$180.00 for the Capitaine Bougainville theatre. Christine Dunstan Productions (with two performances of the Gruffalo within the 15 hours), paid only \$181.50; other data is equally inconsistent.

An estimation of possible revenue is based on data of hireage for the performance spaces provided by Forum North. It assumes that 5 hour hirers are charged the Evening Rate; 6 hour hires are charged the Half Day rate; 11 hours are charged at the Day rate and 15 Hours are charged the Day/Evening rate. (No distinctions are made for Mon-Wed and Thurs-Sun hires, the lower rate has been used for calculations meaning in reality, possible revenue is higher than the following prediction)

#### Potential Revenue from Venue Hire

| Type of Hire                        | Hours of hire | Rate in 2011/2012 | No of events in 2011/2011 | Possible Revenue |
|-------------------------------------|---------------|-------------------|---------------------------|------------------|
| Capitaine Bougainville Commercial   | 5 hours       | \$472.50          | 7                         | \$3,307.50       |
|                                     | - 6 hours     | \$315.00          | 3                         | \$945.00         |
|                                     | - 11 Hours    | \$630.00          | 12                        | \$7,560.00       |
|                                     | - 15 + hours  | \$787.00          | 18                        | \$14,166.00      |
| Capitaine Bougainville Community    | 5 hours       | \$236.25          | 10                        | \$2,362.50       |
|                                     | - 6 hours     | \$157.50          | 31                        | \$4,882.50       |
|                                     | - 11 Hours    | \$315.00          | 16                        | \$5,040.00       |
|                                     | - 15 +hours   | \$393.75          | 71                        | \$27,956.25      |
| Te Kotahitanga Expo Hall Commercial | 5 hours       | \$570.00          | 5                         | \$2,850.00       |
|                                     | - 6 hours     | \$380.00          | 1                         | \$380.00         |
|                                     | - 11 Hours    | \$760.00          | 29                        | \$22,040.00      |
|                                     | - 15 + hours  | \$950.00          | 40                        | \$38,000.00      |
| Te Kotahitanga Expo Hall Community  | 5 hours       | \$285.00          | 3                         | \$855.00         |
|                                     | - 6 hours     | \$190.00          | 4                         | \$760.00         |

|   |             |            |    |                     |
|---|-------------|------------|----|---------------------|
|   | - 11 Hours  | \$380.00   | 14 | \$5,320.00          |
|   | - 15 +hours | \$475.00   | 7  | \$3,325.00          |
| Expo Hall Packages  |             | \$1,350.00 | 22 | \$29,700.00         |
| <b>Total Possible Revenue for Performance Spaces in the 2011/2012 financial year</b>  |             |            |    | <b>\$169,449.75</b> |
| Other Spaces in Forum North   |             |            |    | \$44,627            |
| <b>Total Possible Hireage Revenue for Forum North in the 2011/2012 financial year</b> |             |            |    | <b>\$214,076.75</b> |

The total charged by Forum North for the Performance spaces in 2011/2012 was \$131,774. The above analysis shows it could conservatively have been an additional \$37,675 if tariffs were charged according to the Pricing Schedule.

**Ticketing:** Research identified 35 days of performance space hire by theatre/music groups with no performances attached, and a further 30 days of hire by the Whangarei Film Society. This suggests, and has been confirmed by research, that some performances are ticketed outside Ticketek. This highlights that a vital revenue opportunity is missed by the venue. Even for inexpensive tickets (between \$6.01 and \$11.49) the venue would still receive their 50% portion of the \$1.90 inside charge. Conservatively assuming that 18 (50%) of the days identified are performance days and that the Film Society has 30 film showings; the ticket price for these shows are at the lower end of the scale (between \$6.01 and \$11.49) and the capacity at each event is equal to the average 66%, this would increase ticket sales by 11,594. This amount of tickets would increase the venue's ticketing revenue by \$9,578 (excl. GST).

**Advertising:** Currently it is the responsibility of the hirer to promote the event but the hire fee includes free inclusion on the theatre's and ticketing website. This appears to be common practice for the theatres that were consulted. However, there is an opportunity for the venue to make a deal with local media and receive a percentage of the sales. From expenditure information, approx. \$25,000 was spent on various types of advertising including development of the website. On the conservative basis that 50% was related to the advertising of hirer's events, recovery of \$12,500. This could see an increase of \$10,877 over the current revenue of \$1,623.

**Food and Beverage:** Over the past twelve months, caterers from Toll Stadium have provided a bar and nibbles for all ticketed performances at Forum North. Since this was a new initiative that posed a risk for the catering company, Forum North received no fee or share of profits from this endeavour. However, this catering company did provide \$115,000 in income for Toll Stadium in the past financial year. As the concept of a bar becomes ingrained with Whangarei audiences, the venue could share profits or get a contract with a catering company. To calculate possible revenue it has been conservatively assumed that the average spend per audience member is \$1 per head plus GST and that the venue retains 20% of this. If audience numbers are calculated to include the 11,594 identified above, this comes to a total of 26,311 people as audience. Using these figures, a possible Food and Beverage recovery of \$5,262.20 is predicted.

**Technical:** Until 2012, Forum North paid an external technical contractor \$58,000 to maintain the equipment on site. This contractor also provided services to those hiring the venue, and their hourly fee was paid directly by these hirers; Forum North didn't 'clip the ticket'. The contract with the contractor has not been renewed in 2012. The annual \$58,000 fee has been replaced by a salary for a full-time in-house Technician. Although in the past, the cost of technical help was passed on to the hirers, this isn't the case with the current arrangement. A common scenario in other theatres is the provision of a technician for a fixed number of hours; any additional time is on-charged. On this basis, the current theatre hire rate would appear not to reflect a Technical Charge. Based upon the fact that this is now in-house, the levels of technical equipment available is being increased by the venue and an upgrade of the venue's technical facilities prepared, there is ground to either increase the venue hire rate or to charge for technical equipment and services over and above the level currently offered. An opportunity exists to recover the cost of additional technical staff engaged on an event by event basis. A return of .5 FTE's salary is assumed reasonable. This could see an increase of \$25,000 in revenue.

**Electricity:** Venues around New Zealand are either charging for power usage or assign an allowance and on-charge any units used over and above this. Forum North currently does not recover these costs, which is both a revenue source and a means of reducing expenditure. Based on information regarding Electricity Expenditure of approx. \$40,000 over the 2011/2012 financial year, an assumed recovery of approx. 40% of this cost as revenue. This could see an increase of current revenue of \$16,000.

**Security:** Security expenses currently are included in the hireage fee and are therefore not recovered. There is an opportunity to recover these costs from the hirer which, with a 15% margin could provide an increase of revenue. Based on the \$1,400 expenditure in the 2011/2012 financial year, an increase in revenue of \$1,610 could be achieved. This is in line with the current FOH staff recovery.

**Staffing:** The current staffing levels appear to make provisions for some support for Toll Stadium. Removing the stadium component from Forum North, will enable staffing levels and overall expenditure to be reduced. It is anticipated that the staffing levels and associated expenditure that could be achieved is as follows. This reflects the numbers of staff in other provincial theatres around New Zealand. (Refer Appendix). Any additional staff needed for specific events can be on-charged to the hirer.

#### **Suggested Staffing Levels**

| Position   | Salary           |
|--|------------------|
| <u>Theatre Manager</u> (1 x FTE): in charge of Marketing the Venue, Securing Shows and Programming, dealing with promoters, day-to-day running and financial decisions | \$80,000         |
| <u>Operation Manager</u> (1 x FTE): Building Maintenance and event logistics   | \$60,000         |
| Technical (1.5 x FTE): Maintenance, provision, rigging and Dry Hire of technical equipment   | \$75,000         |
| Box Office (1 x FTE): Ticketing and Marketing  | \$35,000         |
| Admin and Finance (1 x FTE)  | \$40,000         |
| <b>Total</b>   | <b>\$290,000</b> |

**Current Capital Expenditure:** in the 2012/2013 financial year, Council has allocated approx. \$1,000,000 for upgrades to the Theatre, other spaces and procurement of upgraded Technical equipment. Our recommendation is that any work undertaken from this point on goes towards instigating Phase 1 to prevent any ad hoc activities turning into abortive costs for Council in future.

#### **Summary of Adjustments**

Taking the above observations into consideration, an immediate increase in revenue is possible from the Performance spaces in Forum North and the current financial status could be improved without further enhancement to achieve a reduction in the operating deficit. Clearly there is a risk that whilst the revenue can be increased with little or no effort, this will be limited and may fall away as the venue continues to date and fall below the standards demanded by industry, hirers and patrons alike.



### Summary of Financial Projections with Recovery Adjustments

| Income  |                     | Expenditure  |                   |
|---|---------------------|--|-------------------|
| Activity  | Revenue             | Activity   | Expenditure       |
| <b>Current Revenue (2011/2012 financial year)</b> | <b>\$246,085</b>    | <b>Base Operating Expenditure (2011/2012 financial year)</b> | <b>\$645,952</b>  |
| Advertising Recovery                              | \$1,623             | Staff  | (\$30,00)         |
| Consistent Pricing Adjustment                     | \$37,675            |  |                   |
| Electricity Recovery                              | \$16,000            |  |                   |
| Food and Beverage Recovery                        | \$5,262.20          |  |                   |
| Security Recovery                                 | \$10,877            |  |                   |
| Technical Recovery                                | \$25,000            |  |                   |
| Ticketing Recovery                                | \$9,578             |  |                   |
| <b>Additional Revenue Total</b>                   | <b>\$106,015.20</b> | <b>Additional Expenditure Total</b>                          | <b>(\$30,000)</b> |
| <b>Total Revenue - Improved</b>                   | <b>\$352,100</b>    | <b>Total Base Operating Expenditure - Improved</b>           | <b>\$615,952</b>  |
| <b>Adjusted Operating Deficit</b>                 | <b>\$263,852</b>    |  |                   |

These basic modifications have enabled the operating deficit to be reduced from \$399,867 to \$263,852.00.

### Indicative Operating Projections

#### Phase 1 – Typical Programme, Year Three

As identified, an immediate possible increase in Revenue has been identified without any alterations to the physical venue. A further increase in the activities and typical programme will occur after the completion of Phase 1 given the enhancement to the existing facilities. Making allowance for this, and incorporating the extra 48 events that were not included as ticketed in the current programme, a likely programme has been developed. The completion of Phase 1 would bring additional hirers. Whilst local performances would increase, it is reasonable to expect an increase of touring product brought about by the introduction of entrepreneurial style of management and the introduction of Audience Development measures by the venue.

- Two additional local theatre performances in the theatre
- Four additional Local Music performances; 2 in theatre and 2 in expo hall
- Four additional Local Dance performances; 2 in the theatre and 2 in the expo hall
- Six additional Touring Theatre performances in the theatre
- Three additional Touring Music shows in the theatre

### Typical Programme – Phase 1, Year Three

| Event / Performance   | Capitaine theatre |            | Bougainville |            | Te Kotahitanga Expo Hall | Total hire Days |
|---|-------------------|------------|--------------|------------|--------------------------|-----------------|
|   | Ticketed          | Hire days  | Ticketed     | Hire days  |                          |                 |
| Local Theatre (incl. Comedy/mediums)  | 9                 | 21         | 0            | 3          |                          | 24              |
| Visiting Theatre  | 26                | 24         | 2            | 4          |                          | 28              |
| Local Musical Performances (incl. Tribute shows, choral, opera, musicals and amplified) | 20                | 45         | 5            | 5          |                          | 50              |
| Visiting Musical Performances   | 12                | 12         | 2            | 4          |                          | 16              |
| Local Dance   | 11                | 27         | 5            | 9          |                          | 36              |
| Visiting Dance  | 3                 | 2          | 0            | 1          |                          | 3               |
| Conference/Corporate Days and Other events (weddings, trusts, charities)                | 0                 | 16         | 2            | 54         |                          | 70              |
| Education (schools, Tec)  | 0                 | 6          | 0            | 12         |                          | 18              |
| Fairs and Expos   | 0                 | 1          | 0            | 32         |                          | 33              |
| Churches  | 0                 | 1          | 0            | 1          |                          | 2               |
| Films   | 30                | 30         | 0            | 0          |                          | 30              |
| <b>Total:</b>   | <b>111</b>        | <b>185</b> | <b>16</b>    | <b>125</b> |                          | <b>310</b>      |

Please note: the higher number of ticketed events in relation to hireage days reflect the shows that have two or three performances on one day such as the Royal New Zealand Ballet, who perform three shows in one day.

Whilst it is reasonable to anticipate an increase in usage, the available product that will tour to Whangarei will remain limited given the size and amenity of the venue. It is anticipated that the use of the other facilities at Forum North would remain similar to current.

### Phase 2 - Typical Programme, Year Three

The following section extrapolates a typical programme for both performance venues and the rehearsal room (previously Te Kotahitanga Expo Hall) after completion of the Flexible Performance Space. Working with the current activity information provided, together with feedback from the questionnaires, canvassing the national touring promoters and reviewing programmes from the three benchmark venues, a typical programme for the nominal year three has been developed. The typical programme is caveated on the basis that the venue has been developed to a level that can accommodate all of the basic requirements and the management and operation is entrepreneurial and commercially focussed.

It is reasonable that as the venue further establishes itself additional users would be identified. If it remained accessible in terms of pricing policies it could become a receiving house for New Zealand original

productions (there is precedence for this in other provinces) and an integral part of the second tier touring circuit.

Because the new auditorium will have acoustics to satisfy the demands of unamplified instrumental and choral music, a decrease in these types of events is expected to be evident in the Capitaine Bougainville Theatre. It is assumed that touring content will increase when facilities are improved and the venue managed in an entrepreneurial and commercially-focussed way. (This is covered in more detail in the Ownership, Governance Operation and Management Chapter in this Report)

#### Typical Programme – Phase 2, Year Three

| Event / Performance   | Capitaine Bougainville Theatre |            | New Flexible Auditorium |            | Te Kotahitanga Rehearsal | Total hire days |
|---|--------------------------------|------------|-------------------------|------------|--------------------------|-----------------|
|   | Ticketed                       | Hire days  | Ticketed                | Hire days  | Hire Days                |                 |
| Local Theatre (incl. Comedy/mediums)  | 9                              | 23         | 0                       | 4          | 100                      | 127             |
| Visiting Theatre  | 26                             | 24         | 2                       | 5          | 0                        | 29              |
| Local Musical Performances (incl. Tribute shows, choral, opera, musicals and amplified) | 12                             | 42         | 18                      | 18         | 0                        | 60              |
| Visiting Musical Performances   | 11                             | 11         | 11                      | 11         | 0                        | 22              |
| Local Dance   | 11                             | 31         | 4                       | 10         | 100                      | 141             |
| Visiting Dance  | 4                              | 2          | 4                       | 5          | 0                        | 7               |
| Conference/Corporate Days and Other events (weddings, trusts, charities)                | 0                              | 19         | 2+2                     | 65         | 20                       | 104             |
| Education (schools, Tec)  | 0                              | 7          | 0                       | 14         | 20                       | 41              |
| Fairs and Expos   | 0                              | 1          | 0                       | 38         | 0                        | 39              |
| Churches  | 0                              | 1          | 0                       | 1          | 0                        | 2               |
| Films   | 30                             | 30         | 0                       | 0          | 0                        | 30              |
| <b>Total:</b>   | <b>103</b>                     | <b>191</b> | <b>39</b>               | <b>171</b> | <b>240</b>               | <b>602</b>      |

\* Rounded to nearest whole % number.

- The projected utilisation of the Capitaine Bougainville Theatre and the new flexible Auditorium is based on the assumption that the current activities in Te Kotahitanga Expo Hall will transfer to the new space.

These increases result in the performance spaces being used 362 days of the year between them. This is an increase on the current programme. A large number of the ticketed events that currently take place are hosted in the Capitaine Bougainville Theatre; a second performance space would therefore create a large increase in options for performance. The total number of ticketed events in this scenario is 142. This is not unrealistic considering that across the two venues there are 208 opportunities for Friday and Saturday hire and 30 of the events identified are weekly film showing (not weekend hire). It is also less than the utilisation of both performance spaces at the TSB Showplace in New Plymouth. It could also be expected that there will be an increase of utilisation of the existing non-performance spaces at Forum North and a new programme for the new Te Kotahitanga rehearsal space.

## Revenue

The following Revenue projections are based on the proposed usage above for the nominated year three of both phases. It looks at the outcome to indicate the amount of a baseline operational grant the Council will need to provide in order to sustain the venue assuming that the management model as discussed in the Ownership, Governance, Operation and Management Chapter is adopted.

This is a credible scenario based on projected usage.

### Revenue Projections

| Activity              |                     | Phase 1               | Phase 2              |
|-----------------------|---------------------|-----------------------|----------------------|
| Rental/Hireage Return | Theatre             | \$70,000              | \$83,000             |
|                       | Flexible Auditorium | N/A -                 | \$150,000            |
|                       | Te Kotahitanga      | Expo Hall - \$115,000 | Rehearsal - \$20,000 |
|                       | Other Spaces        | \$45,000              | \$45,000             |
| Recoveries            |                     | \$105,000             | \$130,000            |
| Ticketing Revenue     |                     | \$32,000              | \$40,000             |
| <b>Total Revenue</b>  |                     | <b>\$367,000</b>      | <b>\$468,000</b>     |

The projected Revenue beyond year three should increase as the knowledge of the new Auditorium and its facilities spreads and management practises are refined.

- Rental Revenue for venue hire has been calculated on current rental rates and projected Programme. The Flexible Auditorium has been priced based on a 15% increase of the current Te Kotahitanga Expo Hall Rates.
- Recoveries include existing (current) figures (for Equipment hire, Sale of Goods and Operational) as well as those identified in the previous section. As utilisation increases, the recovery on Advertising, Food and Beverage, Security and Technical are increased accordingly.
- Ticketing Revenue reflects that all performances will be ticketed through Ticketek. No income from outside events has been incorporated.
- Revenue for the Cafler Suite and other non-performances spaces has been based on current usage with no allowance for increase.
- Margins are charged on utilities and labour associated with productions.

### Commercial fees for all Performance Space Hireage

If a separate foundation existed to subsidise Community dance/drama/music groups as per the recommendation in the Operation and Management Chapter, this would remove NFP discounts for the Performance spaces.

Commercial Fees for all the performance spaces would equate to approx. \$62,000 in additional revenue for the venue per annum. Although this is a large increase, in reality it is offset against the subsidy that will be required to provide for the community groups. Since this subsidy will essentially be covered by Council the result will have little effect on Council's bottom line. It has an effect on the baseline grant, but an equal separate amount will instead be required for funding the Foundation. The benefit of this is that the venue can treat all the hirers equally and run the venue commercially.

## Expenditure Projections

An expenditure budget for the third year of operation for both phases based on a separate company structure and the selected operational model proposed for the management of the venue has been developed. Note years one and two may require deficit funding in excess of the projections and pre-opening operational overheads will also have to be funded.

The budget is based on having management, technical, and marketing, ticketing and administration skills in-house. Variable costs(s), that is cost associated with performances e.g. casual labour, additional power, specialized equipment and performance cleaning costs, etc. are on a cost recovery basis. It is assumed that other than associated management, catering/hospitality are outsourced but a return/fee is recovered.

The programme and management structure determines the fixed costs for our model. In practice the fixed cost of the operation will need to be spread over as many hire events as possible.

### Expenditure Projection

| Activity   | Phase 1          | Phase 2          |
|--|------------------|------------------|
| Staff Salary and Wages   | \$290,000        | \$350,000        |
| Event Activities (casual staff wages, marketing, printing, cleaning, uniforms etc.)                    | \$120,000        | \$150,000        |
| Event Facilities (for running the building, cleaning, security, building compliance, maintenance etc.) | \$170,000        | \$220,000        |
| Operations and Admin   | \$74,000         | \$90,000         |
| Repairs & Maintenance & WOF  | \$76,000         | \$70,000         |
| <b>Total excluding Building Depreciation &amp; Rates</b>   | <b>\$740,000</b> | <b>\$880,000</b> |

(Figures exclude GST)

- Personnel costs include Theatre Manager, marketing, technical, administration and accounts staff, some elements of which are recharged. For Phase 1, the reduced staff model identified above is utilised, however in Phase 2, an additional 1.5 FTE's has been incorporated
- Event facilities costs include insurances. (Rates have been excluded).
- Operation and admin costs include advertising, cleaning, power and air conditioning costs, and costs for accounting and audit fees, telephones, board costs, computer subscriptions, licences, legal etc.
- Repairs and maintenance includes nominal allowance for equipment repairs, statutory compliance, but not depreciation of the building or the flying system. Since the building will be newer, a reduced amount for maintenance is allowed for in Phase 2.
- No allowance has been made for payment of Trustee's, other than reimbursing costs.
- Rates, insurance, depreciation and building maintenance has been deemed to have been covered by Council
- A peppercorn rental for the land has been assumed

## Risk Analysis on Revenue

### Risk Analysis on Revenue

Modelling of three additional views to review the impact of reductions in the number of productions, audience numbers, and hire charges on revenue streams has taken place.

### Reduction in Productions

If the numbers of production/uses are 5% less than the prediction, the impact on revenue is:

| Activity               | Phase 1          | Phase 2          |
|------------------------|------------------|------------------|
| Rental/Hireage Revenue | \$218,500        | \$283,100        |
| Ticket Revenue         | \$30,400         | \$38,000         |
| Recoveries             | \$99,750         | \$123,500        |
| <b>Total Revenue</b>   | <b>\$348,650</b> | <b>\$444,600</b> |

Figures exclude GST

### Reduction in Audience Numbers

If the numbers of audience drop by 10% this would have an influence on ticketing and Food and Beverage Recoveries. This would result in the following:

| Activity               | Phase 1          | Phase 2          |
|------------------------|------------------|------------------|
| Rental/Hireage Revenue | \$230,000        | \$298,000        |
| Ticket Revenue         | \$28,800         | \$36,000         |
| Recoveries             | \$104,000        | \$129,000        |
| <b>Total Revenue</b>   | <b>\$362,800</b> | <b>\$463,000</b> |

Figures exclude GST

### Reduction in Hire Charges

The effect of reducing the hire charges by 10% for all activities at the Performance and Cultural Centre.

| Activity               | Phase 1          | Phase 2          |
|------------------------|------------------|------------------|
| Rental/Hireage Revenue | \$207,000        | \$268,200        |
| Ticket Revenue         | \$32,000         | \$40,000         |
| Recoveries             | \$105,000        | \$130,000        |
| <b>Total Revenue</b>   | <b>\$344,000</b> | <b>\$438,200</b> |

Figures exclude GST

### Risk Scenario Summary

| Scenario                       | Total Revenue \$<br>-Phase 1 | Total Revenue \$<br>-Phase 2 |
|--------------------------------|------------------------------|------------------------------|
| Base Model -Realistic Scenario | \$367,000                    | \$468,000                    |
| 5% Reduction in Productions    | \$348,650                    | \$444,600                    |
| 10% Reduction Audience         | \$362,800                    | \$463,000                    |
| 10% Reduction in Hire Charges  | \$344,000                    | \$438,200                    |

Figures exclude GST

The reduction hire charges, is the primary risk, with a reduction of \$23,000 plus GST for Phase 1 and \$29,800 for Phase 2 in revenue. This is followed by the loss of productions resulting in a drop in revenue of \$518,350 for Phase 1 and \$23,400 for Phase 2 (plus GST).

## Summary of Operating Projections

Based on the expected third year of Phase 1 and 2 the following are credible projections. In Phase 1, revenue of \$367,000 is achieved with an expenditure of \$740,000 leaving an operating short fall of \$373,000. For Phase 2, the venue will have revenue of \$468,000, expenditure of \$880,000, leaving an operating shortfall of \$412,000, plus GST.

Note that the expenditure does not make allowance for depreciation or interest charges on any loans.

If the reduced hire charges, (pessimistic scenario), was chosen as the predicative model for determining the level of deficit funding, or underwriting then approximately \$441,800 is required plus GST and depreciation in Phase 2. However, the projected revenue beyond year three should increase as the knowledge of the upgraded Capitaine Bougainville Theatre and new Flexible Performance Auditorium and its facilities spreads and management practises are refined.

There is considerable variance in the financial support for operations given by Regional Local Authorities to their venues. The figure varies from zero in two or three cases; where the venue has other sources of income aside from hire charges e.g. lease rental, cinema rental, car parking fees etc. , to in excess of \$500,000 plus. For Phase 1 at \$373,000 and Phase 2 at \$412,000 per annum plus GST is therefore a reasonable average for theatre venues alone.

The true level of subsidy is not easy to ascertain in most Local Authorities as it can be hidden beyond the direct budget line and can also comprise, building maintenance, capital maintenance, plant renewal, arts subsidies, utility subsidies, rate subsidies, etc.

If the venue is able to achieve the above predictions, the result would still require Council subsidy, but this would be within the order of what is currently being provided at \$399,867.

## 12. Investment Campaign

There should be no illusions as to the amount of work involved or the quality of the people that will be required to ensure the success of the investment campaign. It may be beyond the capability of the region to raise all the capital from the outset and the project may require time between completion of individual stages which could exceed the two suggested in this Report. Certainly it will need Government assistance to achieve the aspiration concept.

The projected financial plan does not generate money for loan repayments. Therefore the entire capital cost will have to be found by way of grants and contributions for the project to proceed. Therefore, capital cash flow will depend on the Council, Government and the success of any investment campaign.

As with most public projects, the Cultural and Performance Centre will have supporters and detractors. It is essential that those with negative positions or concerns are given an opportunity to express their opinion and, if reasonable, have it addressed at the outset. If this is not done, it will resurface to plague the project, e.g. during resource consent or formal consultation processes or negative public comment. It is counterproductive that the debate has revolved around the buildings price tag and size and not having developed through policies explaining need and identifying benefit.

With a total capital budget in order of \$3,734,000 For Phase 1 and \$26,310,000 Plus GST for Phase 2, the campaign is a significant undertaking. Success depends on the level of Council support for the project which is likely to exceed \$30,000,000 on current projections; the remaining shortfall will need to be shared between a public fundraising campaign and Central Government.

Any Government-grant would require the region's full backing and need to be supported across party lines by all a regional parliamentarians.

References above to Government funding exclude any institutional funding, e.g. New Zealand Lottery Grants funding, that may be available. CHART has identified that an opportunity exists to sell the naming rights for the complex. This too is a possible fundraising avenue at the start of Phase 2.

The target is not as intimidating as the figure suggest with examples of smaller communities raising proportional high figures per population for similar worthy projects, but with less regional significance.

### Pre-requisites for the Investment Campaign

Much of what is set out in the next section comes under the heading 'common sense', but these are the basics for successful campaigns particularly for a project of this size. The distinction is in the planning and the professional approach and support required.

The pre-requisites for the investment campaign include:

- Total commitment by the WDC Council and the Regional Council – as a regional facility.
- A clear, well presented vision backed by a robust case document.
- Selection of a 'champion(s)' the right key person or group to lead a committed and influential fundraising team which can and should include the Mayor and Councillors.
- A guarantor for the under-writing for the venue's operation. (This potentially may not be Council as the recommendation is to financially and legally ring-fence them from the operation.)
- A detailed Fundraising implementation plan.
- High quality case presentation materials.
- Tailored proposals for key potential sponsors including the Government.
- A communications and events programme mobilising all of the community groups and



beneficiaries of the project.

- A liaison support person to serve the fundraising champion(s) and team.
- A fundraising budget. If the fundraising team is volunteers they will still require professional presentation materials prepared, hire the liaison person and the other professionals needed to plan the campaign and communications strategy. Other costs include events, publicity, legal advice, etc.

## Issues and Considerations

### Leadership

Experience indicates the most successful projects in the past have prioritised fundraising for significant projects to ensure that there is minimal competition between different projects within the region. This requires leadership from the Council. Without such leadership, potential sponsors can respond negatively to multiple approaches and as a result, all projects suffer. Some initiatives will fail to reach targets and projects will be delayed, which further disappoints existing sponsors increasing their reluctance to contribute to future projects.

No matter what the size of the fundraising team at the outset of the project it is inevitable that this will be whittled away to a smaller number of dedicated individuals, among which there must be people of political and commercial influence with access to the key target group and Government

### Project Programme

Referred to under pre-requisites, the fundraising component of a large project needs to be planned carefully and programmed. Without a managed process with allocated resources and responsibilities there is likelihood that, for example, approaches to potential participants will become random, public communications ineffective, benefit packages are developed ad hoc and opportunities lost. The result is generally a shortfall in targeted funding and an extended campaign. The fundraising programme must be dovetailed into the design and construction programme for the project; its management and control is of equal importance to the project's overall success.

### Length of Campaign

The campaign will likely run two years minimum and up to three in order to meet business cycles.

### Council's Support

The support of the Council is critical for:

- Grant for capital works
- Use of land
- Establishment of The Trust
- Seeding funding
- Underwriting of spread payment arrangements
- Providing any operational support

The Fundraising Programme will likely have to offer spread payments to some sponsors to gain funding which in the short term will require underwriting to meet the construction progress payments.

Without the Council's full backing for this community-benefits project, no Trust will likely succeed in raising

all the funds required.

## Fundraising Plan Key Elements

An annotated list of the possible structural elements of a fundraising plan follows.

- The vision
  - Fundraisers need a vision to motivate people
- Regional and District Commitment
  - Mayoral/Regional Chair lead, or assisted, campaign with solid commitment from Councils
- The Team
  - A campaign leader / spokesperson
  - A committed group of high level influencers to front campaign
  - Strategic representatives across breadth of community
  - Media support
  - Corporate sector team of volunteers
  - Fundraising liaison /manager
  - Strategic and targeted professional advice
  - Community volunteer co-ordinator
- The Documentation
  - Fundraising requires high standards of documentation and presentation.
  - Generic documents and applications professional produced
  - Case documents: Required for Institutional applications
  - Tailored packages for Corporates
  - Colour Brochures, DVD, etc.
- Structured Targets
  - Public Institutions
  - Council
  - NZLGB
  - Community Fund
  - NZ Community Fund – Pub Charities
  - Public support – Philanthropic Trusts, individuals
  - Local trust
  - Public campaign, seat sales, community events
- Offers to Corporate and business – Affordable partnerships
  - Determine what is on offer to sponsors, value in exchange for investment – tailor packages to marketing requirements.
- Foundation- mechanism for additional sponsorship. This is one that was used to good effect on the Wellington St James Theatre Project.
- Campaign Elements
  - Milestone programme, dovetailed to design and construction timetable
  - Communications plan- Including Public relations and events.

### 13. Conclusion

This Report confirms the Ernst & Young Feasibility Study and endorses CHART's aspirations for the region; a larger and more versatile arts and cultural hub is required in Whangarei to cater for the needs of the growing population. The proposed Cultural and Performance Centre has the ability to be an arts and cultural centre that services the local community while simultaneously reflecting Whangarei's unique identity.

This Report advises that the proposed Cultural and Performance Centre as part of the 'Generator' Precinct is developed in two stages.

Through consultation, including questionnaires, meetings and discussions held with stakeholders, a view on the needs and demands of the community was developed. The Consultation feedback primarily identified immediate physical problems, namely of the Capitaine Bougainville Theatre. As a result of the consultation process, it is therefore seen as a priority to address those issues; this is encompassed in Phase 1.

The concept behind Phase 2 is to provide the foundations and critical success factors that lead to the realisation of the vision outlined for Whangarei in the Tāpapa Toi Report. It aims to create a viable and sustainable contribution to the growth and development of the performing and visual arts in the Northland region. Any design proposal beyond addressing the immediate needs must be inspirational, draw on the vision for Whangarei, acknowledge the wider urban context and fully utilise the Centre as a community performing arts facility. The investment in the Cultural and Performance Centre needs to add life and activity to the central city; addressing these aspirations is identified as Phase 2.

Phase 2 proposes a Flexible Auditorium (that accommodates a minimum 700 in the traditional seated auditorium and expands to accommodate 1000 plus standing for events such as Kapa Haka and large concerts), complemented by new FOH facilities which service the two performance spaces and an open space plan and visual art programme which unites all the disparate elements of the 'Generator' Precinct. A unique innovative 'place' built to encourage and represent all 'Northlanders'.

To give confidence in the proposal, three New Zealand theatres with similar demographic and geographical situations were consulted. The information gained from these activities was used to establish a set of benchmarks, and in turn assisted in the creation of a bespoke plan for a Cultural and Performance Centre.

The Indicative Programme and Financial projections for the nominal year three following the completion of both phases confirms that, although Council will need to provide an Operation Subsidy to the venue, this level of funding would be within the order of what is currently being provided to Forum North. However, the projected revenue beyond year three should increase as the knowledge of the upgraded Capitaine Bougainville Theatre and new Flexible Performance Auditorium and its facilities spreads and management practises are refined.

The Critical Success Factors of the project have been identified as follows;

- A vision
- Total support from CHART
- Rationalisation of Council's use of the site
- An open space design concept that as a whole is greater than the sum of its parts
- Physical manifestation of the underlying 'Arts Centre'
- A programme that ensures occupation of the site
- The 'place' as a destination

- A targeted audience development programme implemented by the venue that build and develops audience numbers to sustain increased performances
- An active entrepreneurial events and operations management

Without all of these ingredients being considered a quality development on this site will not deliver on its full potential for Whangarei or Northland.

## 14. Appendix

### Stakeholder Consultation Feedback Summary

| Current  | Identified Issues  | Options/solution  |
|--|--|---|
| Auditorium   | Uncomfortable seats<br>Sightlines (Gallery Balustrades in the way)<br>no black-out facility  | Reconfiguration of current seating plan.<br><br>Tiered seating – collapsible for extra flexibility<br><br>Re-design of the Gallery (possible small increase in seating capacity)                  |
| Technical infrastructure                               | Outdated   | Retrofit<br>Add in-house dimmers  |
| Orchestra Pit  | Unusable due to difficulty of raising and lowering and the cost associated with it.  | Address users to determine need.<br>Identify solution to satisfy need.  |
| Stage  | Too small – no possibility for easy cross overs.   | One respondent asked that the stage be at least 40% larger than the current one.  |
| Fly tower  | Health and safety issues<br>Lacking necessary infrastructure<br>Not Counterweighted  | Confirm loading capability of structure.<br>Replace Handline winch flying system with counterweight.<br>Address H&S issues  |
| Acoustics  | Not good for live music – dry: lack of reverb  | Acoustic Panels<br>Add reflective materials<br>Acoustic engineers to assess   |
| FOH  | Doesn't offer a good experience for patrons<br>No café/bar space<br>Doesn't sell the venue, no street presence<br>Ticketing venue is hidden inside, down some stairs<br>Orientation is difficult<br>No reflection of "Whangarei's Unique Identity" | Expand and upgrade<br>Redirect Pedestrian Concourse to integrate with Libraries<br>Move Box Office into more prominent position<br>Local artists and Tangata Whenua design elements of the space. |
| Secondary performance space – Te Kotahitanga Expo Hall | Impractical shape – design not conducive to a wide range of use.<br>Not easily reconfigurable to prepare it for choral and orchestral concerts<br>Sightline issues<br>Dated<br>Little technical infrastructure                                     |   |

### Rental/Hireage Revenue for July 2011 – June 2012

| Space  | Hours used     | Revenue             |
|--|----------------|---------------------|
| Bounty Room                                      | 860            | \$17,263.68         |
| Cafler 1   | 190            | \$5,025.63          |
| Cafler 2   | 48.5           | \$1,178.75          |
| Cafler Suite                                     | 652            | \$17,639.78         |
| Concourse  | 15             | \$71.88             |
| Dressing Rooms                                   | 277.5          | \$0                 |
| Te Kotahitanga Expo Hall                         | 1465           | \$64,837.24         |
| Green Room                                       | 78.5           | \$0                 |
| Kitchen  | 653.25         | \$3,100.34          |
| Kitchenette                                      | 275            | \$0                 |
| Meeting Room                                     | 275            | \$230.4             |
| Rehearsal Room                                   | 160            | \$116.5             |
| Capitaine Bougainville Theatre (incl. Backstage) | 1886           | \$66,540.87         |
| <b>Total</b>                                     | <b>6835.75</b> | <b>\$176,005.07</b> |

Please Note! Although in this breakdown, based on Room Hireage information provided by Forum North the hireage Revenue was \$176,005.07, the Financial Statement provided by Forum North Management put the total hireage at \$176,401. Throughout the Report the extra \$395.93 was added to the Performance Space Hireage to keep numbers consistent with the Financial Statement.

## Forum North Facilities Pricing Schedule

| (All rates are GST excl) | Capitaine Bougainville Theatre |             | Te Kotahitanga Expo Hall |
|--------------------------|--------------------------------|-------------|--------------------------|
|                          | Mon - Wed                      | Thurs - Sun |                          |
| HALF DAY COMMERCIAL      | \$325.00                       | \$410.00    | \$390.00                 |
| HALF DAY COMMUNITY       | \$162.50                       | \$205.00    | \$195.00                 |
|                          |                                |             |                          |
| DAY COMMERCIAL           | \$650.00                       | \$820.00    | \$780.00                 |
| DAY COMMUNITY            | \$325.00                       | \$410.00    | \$390.00                 |
|                          |                                |             |                          |
| EVENING COMMERCIAL       | \$487.50                       | \$615.00    | \$585.00                 |
| EVENING COMMUNITY        | \$243.75                       | \$307.50    | \$292.50                 |
|                          |                                |             |                          |
| DAY/ EVENING COMMERCIAL  | \$812.50                       | \$1,025.00  | \$975.00                 |
| DAY/ EVENING COMMUNITY   | \$406.25                       | \$512.50    | \$487.50                 |

HALF DAY RATE applies to: bookings 8am - 1pm, 1pm - 6pm

DAY RATE applies to: bookings 8am - 6pm

EVENING RATE applies to: bookings 6pm - 11pm

DAY/EVENING RATE applies to: bookings 8am - 11pm

COMMUNITY RATE applies to: Not for profit organisations

### Staffing Levels in other Provincial Theatres

| Theatre                                   | Number of Events P/A |  | Total                              | Staffing Numbers  |
|---|----------------------|--|------------------------------------|---|
|   | Commercial           | NFP  |                                    |   |
| <b>North Shore<br/>Bruce Mason Centre</b> | 80%<br>(168)         | 20%<br>(42)  | 210                                | (Also includes staff for 500 conferences at the venue p/a.)<br><br>8 FT on site.<br><br>10 Casual techs.<br><br>Plus 4 FT and 30 Casual Catering Staff.   |
| <b><u>Marlborough Civic Theatre</u></b>   | 19                   | 197  | 216 (includes non-ticketed events) | Staff also run another business from theatre: Professional light and sound & event management. 80 % offsite)<br><br>4 Full time techs (1 or 2 if theatre only)<br><br>2 FT box office (Ticket direct franchise)<br><br>1 FT Manager<br><br>3 PT Duty Managers as needed |
| <b><u>Nelson Theatre Royal</u></b>        | 30%                  | 70%  | 273                                | 2 FT (Operations and Box Office)<br><br>PT FOH and Technical as required<br><br>The rest is run by Volunteers   |
| <b><u>Gore SBS St James Theatre</u></b>   | 8                    | 7 NFP<br><br>20 (school rates)<br><br>15 (no charge: Leasee) | 50                                 | 1 FT<br><br>7 PT<br><br>3 volunteers: technical<br><br>12 volunteers: ushers  |
| <b><u>Oamaru Opera House</u></b>          | 37                   | 17   | 54                                 | 3 full time and 1 part time   |



### Hireage fees of Other New Zealand Provincial Theatres

| Theatre                                     | Hiring fees<br>(performance Day) |                                  | Seating Capacity                        | Cost<br>p/Seat<br>(Comm.) | Includes:   |
|---|----------------------------------|----------------------------------|---|---------------------------|---|
|   | Commercial                       | NFP                              |   |                           |   |
| <b><u>Kerikeri</u> Turner Centre</b>        | \$1560.00                        |                                  | <b>408:</b> John Dalton Theatre         | \$3.82                    | Excludes:<br>Staff<br>Technical   |
| <b><u>Gisborne</u> War Memorial Theatre</b> | \$993                            | \$340                            | <b>440:</b> War Memorial Theatre        | \$2.26                    | FOH Manager,<br>Cashier (2hrs)<br>Technician (6 hours)<br>24 Luminaries & lighting board<br><u>Excluded:</u><br>Power (charged at .53c per/unit)<br>All extra FOH staff and stage-hands<br>Safety Checks (compulsory) |
| <b><u>New Plymouth</u> TSB Showplace</b>    | \$2450.00                        | 40% off                          | <b>960</b>                              | \$2.55                    | Technical manager (8 hrs),<br>Duty Manager (6 hrs),<br>FOH Staff,<br>Power and heating,<br>auditorium cleaning<br>Box office opens 1 hr prior to performance.   |
| <b><u>Hastings</u> Opera House</b>          | \$2,500                          | \$1,250                          | <b>955:</b> Opera House Theatre         | \$2.62                    | Duty manager<br>Technician (8hrs)<br>Basic lighting rig   |
|   | \$1500                           | \$800                            | 660 sqm :Plaza                          |                           |   |
| <b><u>Marlborough</u> Civic Theatre</b>     | \$1749                           | 45% discount                     | <b>456:</b> Civic Theatre               | \$3.84                    | Lighting rig<br>Sound system<br>Duty technician   |
| <b><u>Nelson</u> Theatre Royal</b>          | \$1,200                          | \$840                            | <b>332 :</b> Theatre Royal              | \$3.61                    | House Technician<br>Volunteer Ushers  |
| <b><u>Ashburton</u> Trust Event Centre</b>  | \$1,450                          | \$700                            | <b>500:</b> O'Reilly Auditorium         | \$2.90                    | Basic technical assistance (4hrs).<br>Basic Lighting rig.   |
| <b><u>Timaru</u> Theatre Royal</b>          | \$1075                           | \$665                            | <b>1023:</b> Theatre Royal Auditorium   | \$1.05                    | House Manager<br>Theatre Technician<br>Lighting Equipment<br>Cleaning<br><u>Excluded:</u><br>Power above predetermined rate. (600 units per performance)  |
| <b><u>Gore</u> SBS St James Theatre</b>     | \$800                            | \$600 NFP &<br>\$400 for schools | <b>450:</b> St James theatre auditorium | \$3.20                    | FOH Ushers<br>(School groups get technical time included for free)  |

|  |                                     |   |   |        |   |
|--|-------------------------------------|---|---|--------|---|
| <b><u>Oamaru Opera House</u></b>         | \$1350 or 10% of Box Office takings | \$700 (Sunday - Thurs)<br>\$850 (Fri & Sat) | <b>548:</b> Whitestone Contracting Auditorium | \$2.46 | Lighting rig (no colour)<br>Technical manager (8 hrs)<br>FOH manager  |
| <b><u>Invercargill Civic Theatre</u></b> | \$2550                              | Less 40%                                    | <b>1015:</b> Civic Theatre Auditorium         | \$2.51 | Safety Officer (3 hrs)<br>House Technician (4 hrs)<br>Ushers and Doormen for performance<br>Excluded:<br>Power and Air-conditioning |
| <b>Average Hire Cost:</b> \$1,607        |                                     |   | <b><u>Average hire/seat:</u></b> \$2.80       |        |   |
| <b><u>Forum North:</u></b> \$1,025       |                                     |   | <b>Forum North Hire/seat:</b> \$2.80          |        |   |

## 15. Appendix: Three Theatres for Benchmarking

### Kerikeri: Turner Centre

#### Demographic and Location

Kerikeri sits on the westernmost reaches of the Bay of Islands. It occupies a pivotal point on Northland's Twin Coast Discovery Highway system and is home of the district's busiest airport. Although Kerikeri has a population of only around 6,000, The Far North District, (the upper half of the Northland region), has a resident population estimated at 57,000. In addition, the district attracts as many as 130,000 visitors a month in seasonal peaks.

#### Background

The construction of the Turner Centre between 2003 and 2005 at Kerikeri, gave New Zealand's northernmost territory a venue capable of showcasing regional arts, crafts, culture, commerce and recreation. As well as displaying local content, the facilities are of a standard high enough to entice performing arts, exhibitors and others from far afield. The Kerikeri International Piano competition is held there every two years and attracts competitors from around the globe. For promoters of national and international acts, the Turner Centre completes a chain of modern entertainment venues that begins in Invercargill.

#### Management and Usage

The Turner Centre up until recently has been run by volunteer Management Directors and therefore there are no statistics available to show theatre usage and numbers of audience members. However, it is estimated that the main theatre gets used about two or three times a month and that shows are well attended. Many people travel to Kerikeri from other towns in Northland such as Whangarei and Kaitia to attend performances there.

Recently, a General Manager, paid for by the Far North District Council was appointed to the Turner Centre to spend half the week there, and the other two and a half days at the new Te Ahu Centre in Kaitia. Apart from his salary and the interest paid on a loan needed to complete the building, the Turner Centre doesn't receive extra funding from the Council. A trust was established and nearly all the money needed to build the complex was collected through fundraising efforts.

As a not-for-profit community organisation, the Turner Centre relies on a variety of funding sources to help maintain the facility. Apart from these funding sources, the Turner Centre relies on ticket sales and venue hire revenues to cover the costs associated with its operations and maintenance. As they state on their website *Support from individuals, corporates, sponsors, volunteers and other partners is essential to sustain the Turner Centre's performing and visual arts, and other community programmes.* The Encore Fund is the major fund-raising vehicle for them and is administered by the Turner Centre themselves. In reality however, there are very few regular donors and the recession has made the past two years a struggle financially. The Bay of Islands Festival was cancelled earlier this year due to lack of funding, as a result, the theatre lost two weeks of activities which added another blow to their budget.

#### Venue Facilities

The main performance facility within the venue is the John Dalton theatre. The John Dalton Theatre is a proscenium arch theatre with 408 seats; 324 in the main bank which reduces to 292 when the orchestra pit is in use; 68 in the gallery and two boxes with 8 seats each; an 18m fly tower and orchestra pit. From the stage there is access to the changing rooms which comprise of two general rooms each of 23.7m<sup>2</sup> with en-suite toilet/shower areas, as well as two principal's changing rooms, both of which are en-suited located at

stage level. The Green Room is located beneath the stage and measures 23m<sup>2</sup>.

In addition to the John Dalton Theatre, the complex has a number of other performance spaces such as the Theatre Bar, the Events Centre and The Plaza Theatre; a recently completed flat hall and stage, which can open to combine with the Events Centre (which is often referred to as "Downstairs at the Turner Centre,"). When these spaces are included, the number of events hosted at the Turner Centre is roughly 70 per year. The Plaza Theatre is situated at ground floor level and is ideal for smaller performances, dinner, theatre, functions, meetings and exhibitions. In this space the seating capacity is 200. The Events Centre, a 350sqm, sub-divisible functions and events hall is a useful area for meetings and conferences, presentations as well as small, intimate or casual performances. When combined with the Plaza Theatre, this space can accommodate 1500 – standing – for live bands. These two spaces host meetings at least twice a week and a couple of day conferences per month. It is also used for weddings and quite a number of funerals! This aspect of the theatre is a huge boost for revenue. Although some rock bands play in the John Dalton theatre, when there are ones that prefer the audience to be standing, these have performed in the Event Centre and some even in the Plaza. If there are no others using the John Dalton Theatre facilities, performers playing in the Theatre Bar, Plaza and Events Centre are able to use the dressing room and Green Room facilities, although it is a reasonable walk between them.

The Theatre Bar, which is open to provide refreshments for patrons during events at the Centre is staffed by volunteers and also provides a valuable source of revenue. In addition to providing refreshments, the Theatre Bar is a suitable space for small recitals with a capacity of 100.

#### **Ticket Price and Venue Hire**

The ticket price differs between the different performance spaces, and prices range from \$5.00 to \$90. There isn't much difference in ticket prices between commercial and community shows, and the average ticket price is about \$35.

There is a discount for venue hire for community-based groups.

#### **Touring Shows**

Initial audience-consultation before the theatre was built suggested that drama and plays would be very popular, however, in reality, these aren't as well attended as the tribute bands, rock bands and Mediums whose performances often sell out. Tickets for New Zealand Ballet and the NZSO are also in demand, as was NBR NZ Opera before their funding was cut for smaller tours. National Tours that have been advertised on television always sell very well. Touring shows generally do one show in Kerikeri before moving on. The venue manager works very hard at generating and maintaining good relationships with touring companies in order to encourage them to come up to Kerikeri.

Together with the Te Ahu Centre in Kaitaia, Forum North and the Dargaville Town Hall, a consortium -called Creative Northland- was established. This consortia applied for and received a grant from Creative New Zealand two years ago enabling them to purchase small tour circuits of New Zealand works; such as plays from Auckland Theatre Company -ATC- and Taki Rua productions to tour to these four venues. This funding is up for review at the end of 2013.

Since they receive no extra funding from council, the venue is unable to underwrite touring shows and there is not much financial possibility to offer incentives. Increasingly often, touring shows are entered into as a joint venture, where both the promoters and the venue share the risk and the profits. This option is proving popular.

#### **Programming**

A Volunteer Production Committee meets to decide on future theatre programming to assess potential shows and check budgets very carefully to make sure break-even isn't too high.

## Marketing

The venue has a similar marketing strategy for local or touring shows. In addition to the event being posted on the website and being advertised on a roadside sign, a weekly email is sent to over 2700 people who are signed up to the venue's database. Any additional promotion is up to the hirer and can include leaflet drops to all the households in Kerikeri. If the centre buys in a show it's up to the theatre to be responsible for the advertising. Demographic-targeted adverts are played on suitable radio stations and local papers are approached to publish interest-stories and to interview artists.

The box office at the Turner Centre is open between 9am and 5pm weekdays as well as one hour before performances. They are also open on the Weekends if there is a show between 10am and 2pm.

## New Plymouth: TSB Showplace

### Demographic and Location

At the time of the 2006 census, 68,901 people lived in New Plymouth. This number is quite similar to the number of people living in Whangarei. And like Whangarei, the median age is older and there are a higher number in the over-65 age group than the figures of New Zealand as a whole. For people aged 15 years and over, the median income in New Plymouth District is \$22,800 compared with a median of \$24,400 for all of New Zealand. In general, there are higher percentages of people earning \$20,000 or less and fewer earning more than \$50,000 than New Zealand as a whole. These numbers are also similar to Whangarei's income data.

New Plymouth's location can be compared to Whangarei in terms of its considerable distance off the main SH1 route through New Zealand. Touring Companies must travel substantially further in order to get there.

### Background

The theatre was built in 1883 by a group of businessmen and was known as the Alexandra Hall. It was enlarged in 1904 and sold to the New Plymouth Theatre Company and renamed the Theatre Royal. It became part of the Australian touring circuit and also eventually showed films.

After surviving times of depression and high use, in the 1960's it had fallen into disuse. In 1970 it was offered for sale, with the greatest interest from an Auckland man who planned to bulldoze the site and build a supermarket. The New Plymouth Operatic Society however, stepped in to raise funds to purchase the building and created the New Plymouth Opera House Trust. Once again it was revived as a performing arts venue.

In 1997, struggling to sustain the venue as well as produce high quality shows the New Plymouth Opera House Trust handed management of the theatre to the New Plymouth District Council (NPDC). With support from the NPDC and TSB Bank a refurbished and expanded theatre complex re-opened on 6 February 1999 with the addition of a new smaller black box theatre known as the Theatre Royal and function room (The Alexandra Room).

The current TSB Showplace is a category A heritage building which continues to host numerous events from theatrical productions to weddings, conferences and expos and has become an iconic landmark within the Taranaki district.

### Venue Facilities

The TSB Showplace houses two theatres, a function room -sometimes used as a third theatre- and several bars and lounge areas for theatre patrons. The TSB Theatre - an ornately decorated proscenium arch theatre - was formally the New Plymouth Opera House and is the largest venue in the complex. It has a historical ambience but boasts modern furnishings and fittings, a fly tower, good acoustics, ten dressing

rooms and a Green room. The theatre has a maximum capacity of 960 with a minimum of 915 sellable seats when the orchestra pit is in use; Stalls 421, Circle 213 and Gallery 281. It has hosted shows such as Slava's Snowshow and Circus Oz and the Royal New Zealand Ballet and the NZSO perform there also.

The new building constructed stage right of the original theatre interconnects with it at various points. The new building houses ticketing facilities, a foyer and gallery space, and underground, the new Theatre Royal. The Theatre Royal is a black box theatre which seats 527. When the seating is retracted it provides a 400m<sup>2</sup> flat floor area. The space is versatile and perfect for theatrical productions, live music gigs and performances as well as providing a suitable space for corporate dinners and functions and an occasional expo (there were two last year).

### Management and Usage

In the past year the complex has hosted 309 events and has had 66,540 attendees, but this attendance number includes the rental for functions. The numbers of functions held at the complex are increasing every year and this is reflected in the figures. However, as well as a growing number of functions hosted, the amount of tickets sold to performances has increased also. This is in part due to the amount of audience development work that has been undertaken by the theatre. The funding that is received by the theatre from Creative New Zealand has a development component as part of the funding. One way this funding has been utilised is through the establishment of the Centre Club Newsletter; people sign up and become members and an email is sent to them no more than weekly, but usually fortnightly. Members also receive paper newsletters once every 2 months. This is distributed to around 4000 people, and additional copies are sent people who are matched as having attended similar events in the past. As well as the newsletter, there has been strong promotion of the TSB Showplace brand. This is to raise awareness of the venue and all it has to offer. The theatre has been working on developing good relationships with the community and this includes encouraging attendance from local schools. They offer evening sessions with teachers of Drama, Music, History and English etc. with background information on upcoming events.

The New Plymouth District Council owns the TSB Showplace facilities and The Taranaki Arts Festival Trust (TAFT) has a management contract to run the venue. The venue is mainly a 'theatre to hire' and promoters approach them with a product, although sometimes shows are bought in from Arts on Tour New Zealand and currently entering into more joint ventures with touring promoters.

As well as managing the TSB Showplace, TAFT presents four festivals: WOMAD New Zealand; the Taranaki International Festival of the Arts; the Powerco Taranaki Garden Spectacular and Tropfest. The trust - established as a charitable trust in 1991- aims to deliver *world class events, in world class venues, delivered by a world class team*. The Taranaki International Arts festival has an impact on theatre use. There were 225 events in the year before last which was a non-festival year compared to 289 last year which was a festival year.

### Ticket Price and Venue Hire

The performance day hire rate of the TSB Theatre in New Plymouth is \$2450.00 + GST. This price includes: a technical manager for 8 hours, a duty manager for 6 hours, front of house staff, power and heating, auditorium cleaning and ensures that the Box office is open one hour prior to the performance. The theatre offers a 40% discount off the hire price for local performers on the Sunday to Wednesday hire, but the remaining three days are charged at commercial rates for all. The average ticket price for commercial tickets is \$69 while for professional local performances it is \$40. The theatre doesn't set any tickets prices; these are decided by the Central North Island Creative NZ Consortia in the Regional touring strategy.

### Touring Shows

A large number of touring shows make the trip to New Plymouth. Between July 2011 and the end of June

2012 the venue received 130 touring shows. In general the touring shows pack in and out and perform all within one same day, although occasionally the shows do a two day run.

There are no financial incentives offered to touring shows. The main focus is on building audience numbers so that the theatre is able to guarantee decent ticket sales to companies making the trip to New Plymouth. The latest focus has been to encourage people to buy tickets early. This prevents possible nervousness for promoters and is able to reduce last-minute marketing costs. One way that this has been achieved is to not offer a second show if the first one sells out. This helps to create sense of urgency.

There is no subsidy or underwriting to minimise potential losses for the touring companies but the Taranaki region does have a TSB Bank Community Trust which includes a special fund for Touring Productions; if touring companies are struggling to cover costs they are able to apply for extra funding from this. Chamber Music New Zealand, Capital E, Royal New Zealand Ballet and New Zealand works have all used this fund in the past.

### **Programming**

A solid knowledge of the needs of the community is essential so that the right products are offered to the market place. If two very similar products want to come in a short space of time, one is usually advised to postpone. Building good relationships with the industry is seen as very important. The theatre manager always tries to be the face of the theatre and actively encourages people with a good product to come to New Plymouth while ensuring that all enquiries are dealt with promptly and efficiently so that all dealings with the TSB Showplace are effortless. The theatre employs an 'Events Response Officer' who is in charge of taking all the bookings and deals with clients day-to-day. To maintain relationships, the theatre manager will often attend industry events to meet members of the performing arts industry and travels to Australia once a year to connect with promoters there.

### **Marketing**

The theatre assists the promoters with marketing their shows and provides clients with a Marketing pack. They promote upcoming shows and future events in their Window displays – which have a wide street coverage-, on Facebook, to the Centre Club and since they are part of the New Plymouth District Council, they are able to pass on reduced media advertising rates to their clients. Posters are hung at Council centres such as the Library and Aquatic Centre and distributed locally. The theatre often deals with local newspapers and they have established good relationships with media outlets. For some shows they write and distribute press releases with a local angle to increase interest and publicity.

## **Invercargill: Civic Theatre**

### **Demographic and Location**

Invercargill is situated at the bottom of the South Island and has a resident population of 62,226 (at the 2006 census), for the purposes of comparable theatre possibilities, this makes it similar to Whangarei in terms of its geographic remoteness and population.

### **Background**

The Civic Theatre complex in Invercargill is a much-applauded performing arts and events facility that is able to seat approximately 1000 people. It features state-of-the-art equipment to make it one of the best theatres in New Zealand for live performance. *It is extensively used by local and regional organisations as well as national and international touring companies* (Invercargill Council Website).

The Civic Theatre Complex has a Category 1 classification by the New Zealand Historic Places Trust which means that the building is of national significance. Built in 1906, it underwent a \$15.8 million upgrade in 2004-2005 and officially re-opened in April 2005. Originally built as municipal offices with lecture hall and theatre, the complex has seen a number of refurbishments. Renovations over the years transformed the offices and hall into function rooms at the front of the theatre, but until 2004, the back of house had not been touched.

During the refurbishment, all aspects of the venue were upgraded, enabling the complex to meet modern technical demands and ensure the comfort of patrons and guests. The auditorium can seat up to 1015 people and each seat has individual heating and air-conditioning vents located in the floor beneath it. The backstage and dressing room block was demolished, redesigned and rebuilt to meet modern performing arts' demands. It now has a state of the art fly system and fly tower, an elevating stage extension, new sound, lighting and communication systems and 12 dressing rooms on three levels with individually lit make-up benches, costume racks, toilet and shower facilities. .

### **Management and Usage**

The theatre is run by the Council, but a newly established Local Authority called the Invercargill Venue and Events Management (IVEM) controls the Civic Theatre. The council is ultimately financially responsible for the running of the theatre.

Last year the theatre hosted approximately 75 ticketed shows, this level of activity is an increase from previous years and this, as well as tougher economic times possibly contributed to the fact that the auditorium wasn't as full as it had been in years before. Between 01/7/2011 and 01/07/2012 over 50,000 people came through the theatre, but some of these attended shows that lasted all weekend; such as Kapa Haka, Aerobics and other similar shows. These types of performances have a tendency to attract large numbers of transient spectators who only stay a little while to watch certain people on stage.

Events hosted by the Civic include Ballet, Chamber Music, tribute shows, theatre, as well as graduations, charity shows, weddings and functions. Approximately two thirds of all shows in the Civic Theatre are commercial or touring shows, while the remaining third consists of local and community-based content. Touring activity has increased since the refurbishments, more shows choose to come to Invercargill now, and some start there to kick off a South Island tour since rates in Invercargill are cheaper than further north.

The theatre is dark through most of January and also February, although there are usually half a dozen events towards the end of the month. May – August are very busy months with the theatre in use most of the time. In November and December there are less shows but the theatre is often filled with hosting graduations.

### **Venue Facilities**

The Auditorium at the Civic Theatre has 1015 seats in total, although when the stage lift is down and the sound booth is in action this number drops to 950. The Stalls have a capacity of 520 (474), the Dress Circle 259 and the Gallery 236. Tickets are not sold for the Gallery until the Stalls and Circle are full.

The Melba Bar Lolly shop and Nellie's Bar offer snacks and refreshments one hour before and during the interval of a show and the Drawing and Victoria Rooms are used as crush space which is suitable for just over 1000 people. The drinks and refreshments are provided by a licensing trust that are also responsible for catering the two Function rooms that can hold 230 and 100 people respectively.

### **Ticket Price and Venue Hire**

It costs \$2550 per day for full hire of the theatre for commercial users; this includes a safety officer for three hours and a house technician for four hours and ushers and doormen. Any additional hours and extra staff



as well as air conditioning and electricity usage are not included in the venue rental. Local groups pay a discounted rental price and pay 40% less for booking the full theatre. If they feel that the show won't sell more than 474 tickets, smaller shows are able to just hire the stalls only and pay about \$1000 for this per day. As well as cheaper venue hire, local shows are able to apply for funding from a Community Trust and I.L.T that provides \$3-4 Million per year in funding for community-based activities and enterprises.

The average ticket price for patrons is between \$45 and \$90. Promoters decide on the price, and the range and categories of the tickets for sale; the more expensive shows include the Russian Ballet which sells tickets for \$90; the New Zealand Ballet on the other hand sells them for \$50. Tickets can be purchased from the Invercargill City Council's Booking Office which operates from the Civic Administration Building adjacent to the Civic Theatre. Opening hours are from 8am to 5pm, Monday to Friday. The Civic Theatre only opens its booking office one hour before the show. This is so people who booked tickets on line can pick them up and to sell walk-ups.

### **Touring Shows**

A number of touring shows make the trip to Invercargill every year. Between July 2011 and June 2012 there were 43 touring shows. In general the touring shows pack in and out and perform all within one same day, although some do stay for two performances in Invercargill.

The theatre management has good relationships with a number of promoters such as Stetsons and are often in email contact with them; in this regard they have established themselves as part of the touring circuit for a number of companies, especially for two or three man shows, but also for those that tour larger numbers. The Royal New Zealand Ballet for example comes to Invercargill two or three times a year and their audience numbers have steadily increased over the past years. Currently they often fill  $\frac{3}{4}$  of the auditorium whereas in the past they may have only sold 200 tickets.

### **Programming**

When it comes to programming and deciding on shows, in general it is the promoters or producers (both local and national) who approach the Civic Theatre when they have a product. However, good relationships are essential and theatre management are always talking to different people in order to bring new product to Invercargill. The theatre hosted Daniel O'Donnell this year after repeatedly asking him to come over the past six years!

### **Marketing**

There are four boards that display upcoming events situated in the foyer, as well as four billboards outside advertising upcoming performances. In addition to this, the marketing is the responsibility of the individual hirers; although the theatre does provide contacts for local media to touring companies. There is also a group of about 300 people who are signed up to an email mailing list and these are sent regular emails with updates and upcoming events.

The Council took the Civic out of commission for 16 months to renovate at the cost of 15.8 million. Part of this was gifted to the project from various Trusts and companies. The rest of the money was obtained by the council by means of a loan over a certain period. They are still paying that back.

(At this stage the \$90,000 grant the theatre has received is still in discussion by council as to how it is going to be used so it can't be mentioned).

## 16. Architectural Precedents

### Outdoor Public Space

#### Federation Square

Lab Architecture and Bates Smart

Melbourne, Australia

In the lead up to the Centenary of Federation in 2001, the development of Federation Square in Melbourne offered a unique opportunity – the chance to celebrate ideas of ‘identity’ and ‘place’ through a much needed civic and cultural space. In response to the brief, the design was heavily influenced by the idea of ‘Federation’, of bringing disparate parts together to form a coherent whole. It is made up of a series of interlocking and cascading spaces. Buildings open at all angles into the city, creating unexpected connections and vistas.



The ‘Atrium’ at Federation Square.

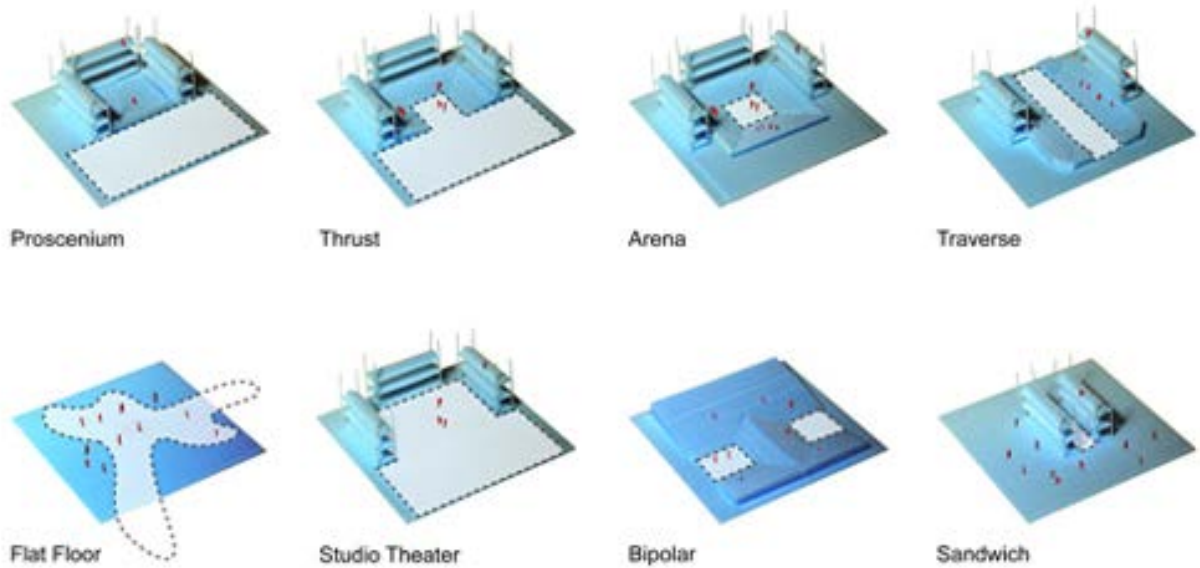
The "atrium", one of the major public spaces in the precinct is a laneway-like space, five-stories high with glazed walls and roof. The exposed metal structure and glazing patterns follow the pinwheel tiling pattern used elsewhere in the precinct's building facades.

A key part of the plaza design is its large and fixed public screen, which has been used to broadcast major sporting events, sometimes attracting 1000's of fans.

<sup>7</sup> <http://www.fedsquare.com/events/venue-hire/the-atrium/>

## Flexible Auditorium

**AT&T Performing Arts Centre**  
Dee and Charles Wyly Theatre  
REX Architects  
Dallas, Texas



By adapting proven technologies for new uses, the Wyly Theatre can be altered into a wide array of configurations—including proscenium, thrust, arena, traverse, studio, and flat floor configurations—with only a small crew in a few hours. Directors and scenic designers are empowered to select or invent the stage-audience configuration that fulfils their artistic desires, facilitating experimentation.



The ground plane can change height, tilt, or rotate using stage technology adapted from opera houses, to facilitate different stage or orchestra-level seating configurations.



Directors can incorporate the Dallas skyline and streetscape into performances at will, as the auditorium is enclosed by an acoustic glass façade with optional black-out blinds.<sup>8</sup>

**Perth Concert Hall,**  
BDP Architects, Glasgow  
Perth, Scotland.

The Gannochy Auditorium, Perth's Concert Hall, features uniquely configured floor lifts and movable seating wagons to provide both raked seating and a large-scale flat floor. The flexible format of the concert hall can also accommodate events such as conference, sports, fashion shows, dinner dances and even motor shows.



9

BDP Acoustics modelled the main auditorium's natural acoustic for orchestral music, with flexibility for a range of acoustic environments provided by retractable acoustic banners and powerful electro-acoustic systems.<sup>10</sup>

<sup>8</sup> <http://www.rex-ny.com/work/wyly-theatre/> (accessed on the 24<sup>th</sup> of September)

<sup>9</sup> [http://www.glasgowarchitecture.co.uk/perth\\_concert\\_hall.htm](http://www.glasgowarchitecture.co.uk/perth_concert_hall.htm) (accessed on the 28th of September 2012)

<sup>10</sup> [http://www.glasgowarchitecture.co.uk/perth\\_concert\\_hall.htm](http://www.glasgowarchitecture.co.uk/perth_concert_hall.htm) (accessed on the 28th of September 2012)



## Opening Backstage/Rehearsal

### Curve Theatre

Rafael Viñoly Architects  
Leicester, UK

Leicester's state of the art theatre is based in the heart of what the Leicester City Council calls the new "Cultural Quarter". Curve features two auditoria, one with 750 fixed seats while a 350 seat auditorium provides a versatile smaller space with its own power flying system. When the 32 tonne steel walls separating the stage and the foyer are lifted, the stage is visible from street level. The glass façade encloses an open plan foyer with views onto the café, bars, backstage area, and across the stage. Curve is unlike any other theatre with no traditional backstage area separating the world of theatre-making from the public.



Commissioned by Leicester City Council, the building has won two prestigious awards from the Royal Institute of British Architects and the ProCon Leicestershire Building of the year award.

### Eden Court,

Extension (2006-07) Design: Page \ Park Architects  
Inverness, Scotland



Over 60 classes take place every week At Eden Court in all arts forms for all ages. More than 2,000 people take part in classes each month. The two new rehearsal rooms/ dance studios (part of the extension of Eden Court Theatre in 2007) were designed as prominent additions to the existing building.



Windows allow glimpse of the activities within to passers-by.

Begin forwarded message:

**From:** Stuart McCann <[StuartM@apo.co.nz](mailto:StuartM@apo.co.nz)>  
**Subject:** RE: new auditorium  
**Date:** 2 August 2018 at 12:19:13 PM NZST  
**To:** Cherry Hermon <[c.hermon@xtra.co.nz](mailto:c.hermon@xtra.co.nz)>

Hi Cherry

Good to talk to you too.

Its sounds like a big project, and would be a great asset to your community for years to come, so future proofing is the way to go.

I have attached a stage plan based on our core orchestra size, on the Aotea stage here in Auckland, I have out lined the dimensions of the foot print that will give you an idea of space required.

Our orchestra size isn't set in stone, and can be reduced or increased to suit budgets and programming.

We visit venues a lot smaller than this at times, mainly in our educational series.

Things to bear in mind from an orchestral point of view would be:

Access, this is often over looked. A suitable loading dock to accommodate a large truck, (or in the Ballet or other organisations case, shipping containers) dock to be built at the same height as a trucks bed. It sounds obvious, but

you would be surprised what I've come across. Lighting, a good overhead white wash for players to read music clearly. Specials for conductor and soloists. Heating, we have been to some venues that have insufficient heating, and players have refused to play, as their fingers are too cold, or their instruments go out of tune or even worse, crack. Staging, most venues have stage risers of some sort that elevate certain sections of the orchestra, this is mainly for conductor sight lines. Pianos, these are very costly to transport, but in an ideal world, we are able to rent one at a venue. Wing space, on top of the performance foot print, there is often space in the wings to store road cases and other instruments. Trestle tables are very useful in this case for players to leave instrument cases on. Dressing rooms, A private room for the conductor is often needed. Any other dressing room facilities would be of benefit also. Acoustics, I would recommend getting an acoustician involved from the design stage, and follow through to completion. Auditorium, I haven't been in Dio as yet, so can't comment on what they have done, all venues we visit tend to have a raked auditorium. Our weekly concerts are mainly at the Auckland town hall, which does have a flat stalls area though, but also has a circle and a balcony. We normally perform to and audience of just over 1000, but I imagine you might be looking more like 600-800 in your new venue? Sorry, I can't advise on the financial aspect of things, or expectations on attendance. Currently we travel once a year to Rotorua to play for the NZ Aria competition, which is on a hire basis, so not our audience really. I hope this has been of some help, and good luck with you funding application. Exiting times for you. Please let me know if I can assist further. Thanks, Stuart.

-----Original Message-----

From: Cherry Hermon [<mailto:c.hermon@xtra.co.nz>]

Sent: Thursday, 2 August 2018 9:41 AM

To: Stuart McCann <[StuartM@apo.co.nz](mailto:StuartM@apo.co.nz)>

Subject: new auditorium

Good morning Stuart,

Nice to talk to you earlier. As I mentioned, Whangarei has plans 5 years out for a new theatre/auditorium however an opportunity has arisen, with a very small window of time, for us to maybe advance Whangarei's plan by joining forces with a local high school. The school is short of funds and if we pool with them they will get the



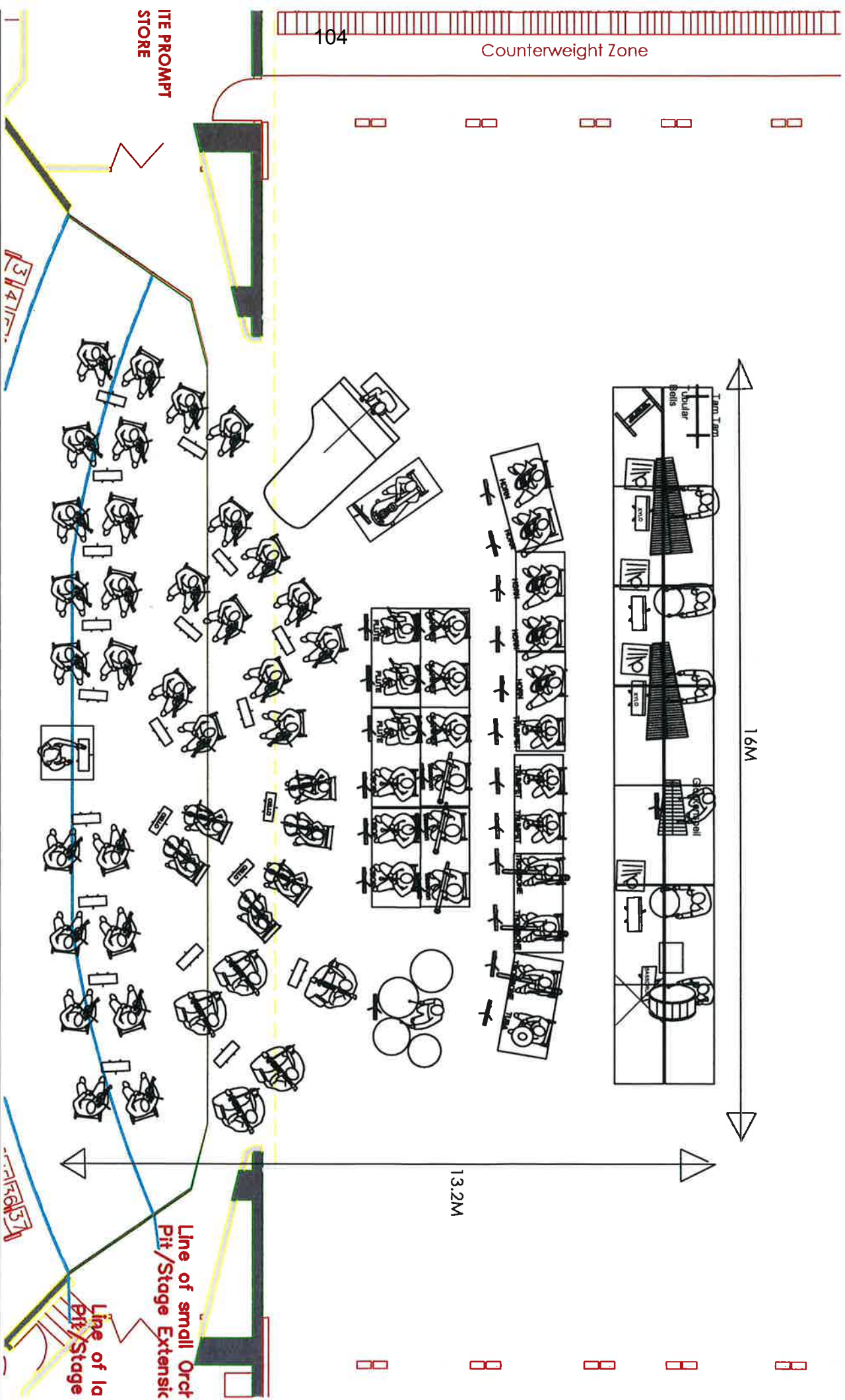
assembly hall of the size they want, and we will get access to a performance venue which may suit our community as a short term measure until we can get our future venue built? Or may suffice regardless? Our needs up here are for performance space for ballet, orchestra, and larger shows than are currently viable in our intimate 350 seat theatre. With the needs of orchestra and staged plays/musicals being very different, my thinking is maybe the new school assembly hall could be suitable for orchestral performance, allowing the future development we are planning 5 years out to concentrate on ballet and larger shows. Financially it could be a win/win, as we are not a wealthy community. I have been in the Auckland Diocesan hall, which has a flat main floor and tiered seating on the next floor. I believe the new school hall up here will be on those same lines although with probably a much smaller budget.

It seems the easiest way to decide if there is any point progressing the joint-venture idea further is to understand the requirements of an orchestra such as the Auckland Philharmonia Orchestra. Are you able to give me some information of minimum/preferred stage size, other stage requirements, preferred audience numbers for financial viability, success of attracting audience on non-raked flat floor...although there will be a "circle" as it were. Other expenses we may need to factor in ie acoustics which would sit on top of a build contribution....and anything else you think we should know. Also your experience in travelling...audience numbers. Would you travel to Hamilton/Tauranga for one series a year? Would that about cover the appetite in Hamilton/Tauranga for orchestral performance?

Many thanks for your time.....

Kind regards,

Cherry Hermon  
Councillor,  
WDC



Counterweight Zone

104

ITE PROMPT  
STORE

Postal Address:  
PO Box 56 024 Dominion Road  
Mt Eden, Auckland 1446

Physical Address:  
1 St. Albans Avenue  
Mt Eden, Auckland 1446

Email: [stuartm@aapo.co.nz](mailto:stuartm@aapo.co.nz)  
Tel: 09 638 6266  
Fax: 09 673 5674



Event

Core Orchestra Foot print

Venue

ASB Stage  
Aotea Center

Dates

N/A

Job No.

Date 2.8.18

Drawn SMC

Scale 1:200 @ A4

This design and drawing are the copyright of APO and shall not be used or reproduced without written authority.





## Council Venues

Although population growth shows a positive trend in Whangārei, the seasonality factor continues to have the biggest impact on growing capacity demand for venues.

The influx of visitors to the district during summer months creates peaks for accessible public facing type venues. How a council's venue mix can cater to the off-peak periods, when local communities make up the majority of audience/participants, is both a challenge and an opportunity.

## Capacity

- Canopy Bridge is the best located and infrastructurally equipped medium scale outdoor venue. Capacity is currently limited pending urban planning development.
- Capacity ceiling exists (350) Forum North, Captainie Bougainville Theatre. This shortfall (350 theatre) should be measured against projected demand for events specific to this venue type.
- Northland Events Centre's (NEC) function venues (NZ Vikings Lounge and East Lounge) are in direct competition with the private market district wide.
- NEC Level 2 Lounge (450 capacity theatre style) is complemented by ASB Stadium, Theatre (1200-2000) - existing gap for a 600-1000 capacity venue (this would potentially draw revenue away from NEC and ASB).

## Type

- Forum North and ONEONESIX fulfill similar venue typologies yet interact with the community in complementary ways.
- Forum North as a typical destination venue and ONEONESIX as a talent incubator / community hub.
- Informal and accessible outdoor council venues i.e. Growers Market car park and Canopy Bridge are well utilized venues with broad demographic reach and appeal.
- The district's 36 Community Halls complete a vast network although council ownership is limited to a small number.

## Non-Council Venues

A small number of operators exist in the private sector without major sponsorship backing. These venues use a model that splits risk, the venue being an addition to either food and beverage, accommodation or experiential tourism offerings.

## Capacity

- ASB Stadium is the best example of a medium to large capacity multi-purpose venue catering to sporting, conference/function and music events.
- Due to the hybrid business models, most private venues cater to less than 100 attendees and have limited impact on the wide events market.

## Type

- A surplus of conference/function/wedding venues exist throughout the district creating potential of a boutique network. (The fit-for-purpose nature of these venues has not been assessed against current market criteria).
- Venues of note; Old Stone Butter Factory - small scale live music; Quarry Gardens - ecological reserve, are venues of heightened benefit to Whangārei's event diversity, enabling accessibility for the general public.

# SUMMARY

Whangārei is currently in the process toward renewal within it's civic landscape and venue offering. With new additions to the matrix of venues the events sector can expect distinct growth, but with it comes heightened competition around event funding, sponsorship and audience spend.

To ensure resilience for venues, both council and non-council, operators must better understand and communicate their point of difference to respective audience/markets.

Promotion on a district level is a task for council, welcoming visitors both domestic and international, in order to capitalize on unique local events at venues that instill local pride in the people of Whangārei.

## Opportunities

- Growing more economic benefit through investment in successful events in undervalued venues, specifically the Saturday Growers Market car park.
- Developing local capability through support for local entrepreneurial and creative aligned with specific venues i.e. ONEONESIX, Growers Market.
- A rigorous feasibility and design process around the proposed WDC new theatre venue.
- Utilizing outdoor informal venues as a means to introduce event content that will soon be housed in select proposed venues, i.e. InnoNative Market as a precursor to Hihiaua Cultural Centre.

## Challenges

- Ensuring locally relevant event content is being produced district wide by the people of Whangārei to populate both existing and new venues.
- Understanding the future venue layout of the CBD and town basin to best inform urban planning upgrades.
- Energising the currently operational venues while future decisions are being taken.
- Ensuring location specific accommodation offerings match venue/event capacities.

## Future Venues

Numerous development projects that include venues are in various stages of realisation. The associated venues all look to target complementary market sectors and will greatly increase Whangārei's event capability and potential to collaborate across venues toward a major event.

## In progress:

- Hundertwasser – Arts event programming, screening events, public events program. (Opening planned by end of 2020).

## Proposed:

- Hihiaua Cultural Centre  
An iconic Māori cultural centre and contemporary indigenous precinct where people can live, learn, earn and play. Education, event and participatory tourism facility.  
Location: Hihiaua Peninsula precinct  
(No timeframe available)
- WDC New Theatre  
Multi-functional theatre space catering to performing arts, theatre, musical theatre and music performances.  
Proposed 500-1200 capacity venue  
Location: TBC  
Timeframe: 2021 - 2022



# PERFORMANCE

Over the past 3 years, NEC has been tracking in a positive direction with an increase in commercial revenue, decrease in council funding, and a reduction in operating expenses proportionate to revenue.

2017 was counter to the overarching trends with spikes in Council funding and other expenses whilst having lower commercial revenue. There is an assumption this is attributed to the Lions Tour and was generating above and beyond returns on investment within the Whangārei District.

## Northland Event Centre (NEC)

The below observations are made from data provided by WDC:

- The Northland Event Centre has operated at a deficit each year over the past 3 years. This has been underwritten by WDC. When staff costs are allocated the underwrite is estimated to be between \$450 and \$600K for 2018/19.
- A decrease of 60% in Council funding between 2017 - 2018
- 30% increase in Commercial Revenue between 2017 - 2018
- Revenue from operations has increased 5.3% from 2016 - 2017 and 13.5% from 2017 - 2018

## Forum North:

The below observations are made from data provided by WDC:

Over the past 3 years, Forum North has paid:

- \$622,994.98 to external events
- \$224,614.81 in flags and decorations
- \$258,822.06 in community grants

Over the past 3 years Forum North has generated:

- \$393,109.06 from conference activities
- \$121,138.57 in theatre activities

Over the past 3 years Forum North has spent \$616,630.67 in operations

Observations on event spend (last 3 years)

- \$201,375.34 spent on the Christmas Festival (one-day event at NEC)
- \$63,724.12 spent on the Endless Summer programme
- \$70,817.30 spent on Fritter Festival
- \$326,888.58 spent on Lions Tour
- \$57,506.27 on Matariki (2 years)
- \$68,509.18 spent on International Rally (1 year)

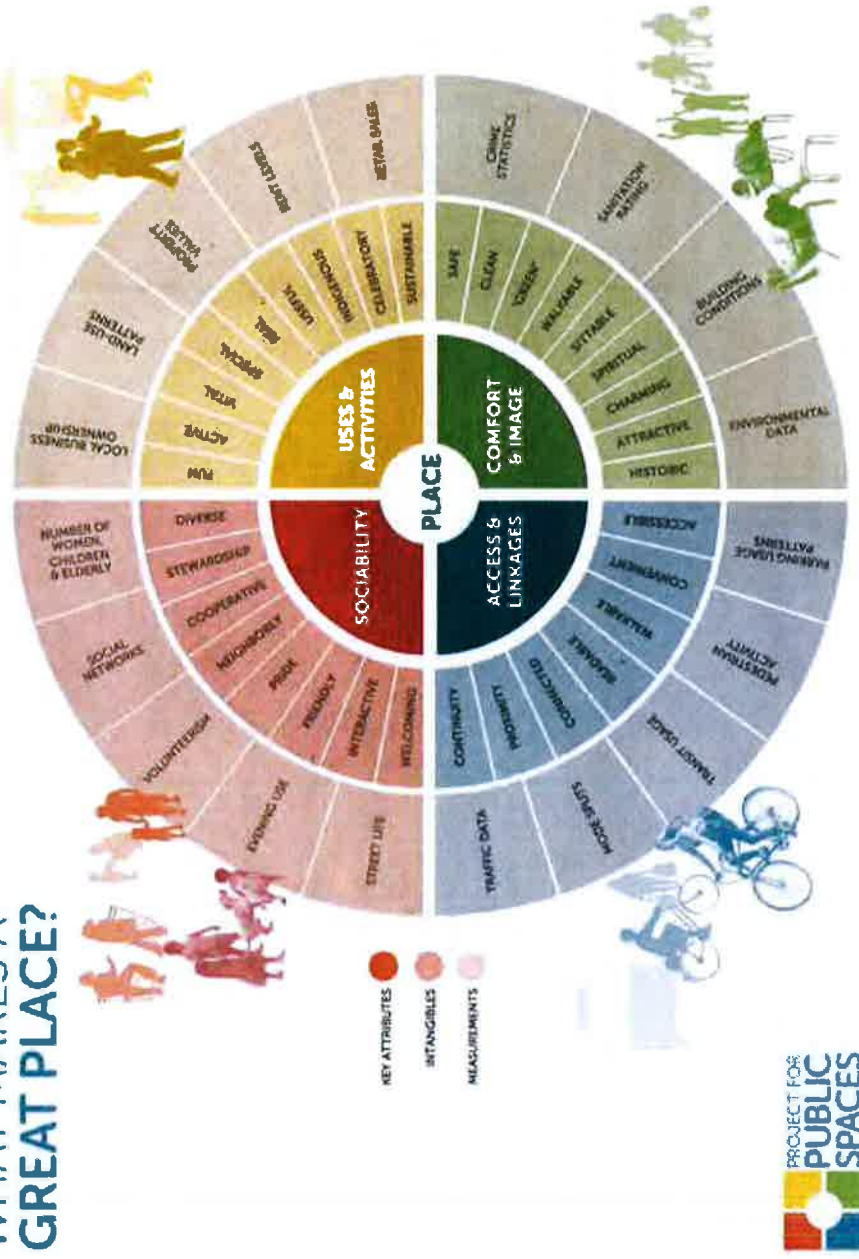
## Non-financial observations from use of the venues:

- **Capability Building** - a healthy and enduring community (split between event grants and community grants)
- **Raising Profile**
- **A connected community** - where the venues can become an extended part of the community such as Te Oro <http://www.teoro.org.nz/> A place to gather, exchange
- **Cultural awareness and pride**
- **Sense of belonging**
- **Pride of place**



Within this Inspiring Communities Theory of Change diagram, events can play a key factor and opportunity to build capability that can have enduring effects throughout an entire community. Using events and event facilities as a catalyst to build capacity to organise, act and collaborate.

## WHAT MAKES A GREAT PLACE?



The Place Diagram by Project for Public Spaces (PPS) is a tool to measure attributes about a place. Events and event venues can add to positive elements within the Sociability and Uses + Activities sections

## SUMMARY

Like virtually all Council run facilities within the events space Whangārei's venues run at a loss, but provide critical infrastructure to the community. Trends show a mixed result in attendance and financial/ non-financial performance. With an ever-increasing events schedule (particularly outside of these venues) and a greater range of events emerging within the area, having flexible facilities that can move with the wants and needs of the public is important.

### Opportunities

- WDC mentorship/stewardship/capacity building using venues as a hub
- Procurement procedures ensuring KPI's and objectives are met
- Council programming vs. external within Council owned venues
- Major events v community - Piggybacking and building authentic momentum
- New events and event organisers, who's out there and who can be supported (Itchy Trigger Finger for example) and what facilities do they require

### Challenges

- Socio-economic climate in area – disposable income (want v need) for ticketed events
- Political change - changing of priorities and spend allocation
- Regulation – creating an event friendly environment, particularly within Council owned venues (Government Acts v Local By-Laws)
- Willingness for residents to encourage and invite outside attendees into their place
- Supporting existing events and venues while fostering new



The following graphs demonstrate the seasonality, occupancy and type of bookings from the two Council owned and operated venues Forum North and Northland Event Centre.

These graphs were created by data provided by WDC and look at trends over the last 2 financial years.

Forum North had

65% attendance ticketed events in 2016/2017

and

75% in 2017/2018



Forum North was used

68% of the time for community use in 2016/2017

Forum North was used

34% of the time for commercial use in 2017/2018

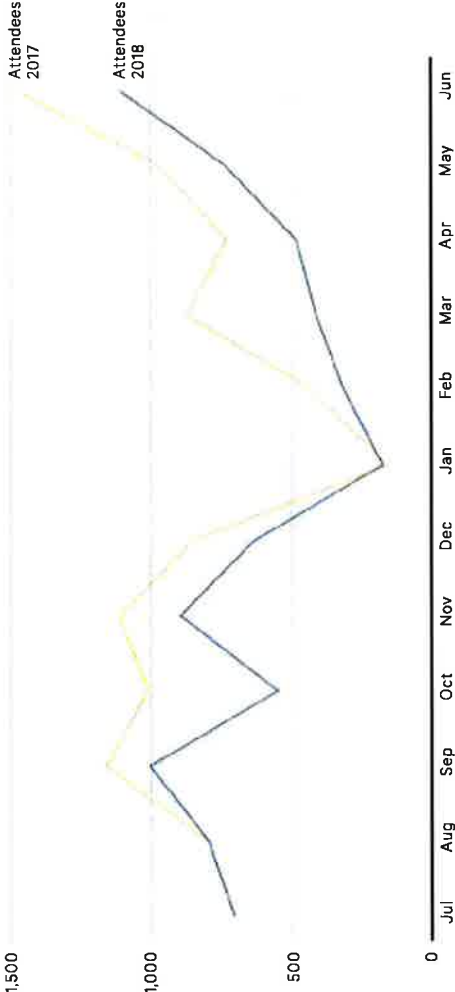
Forum North's overall revenue dropped by

-17% between the 2016/17 & 2017/18 financial years

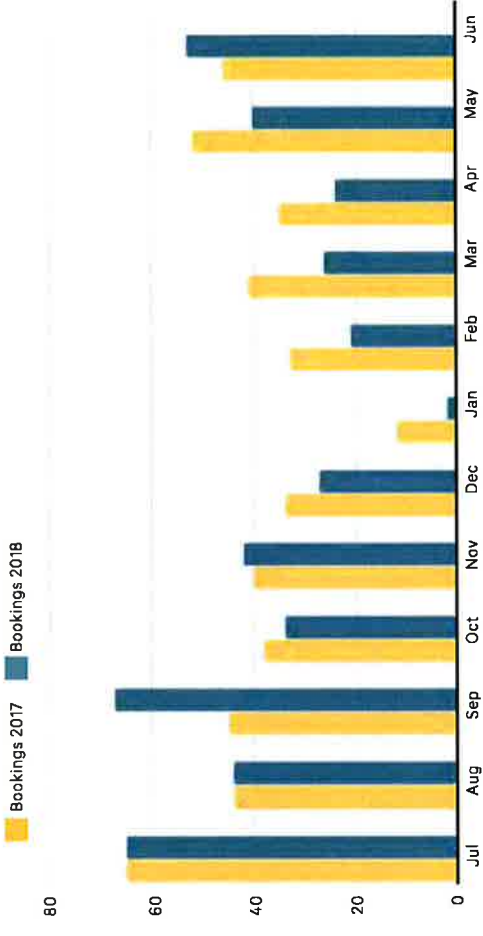


Forum North

Attendance

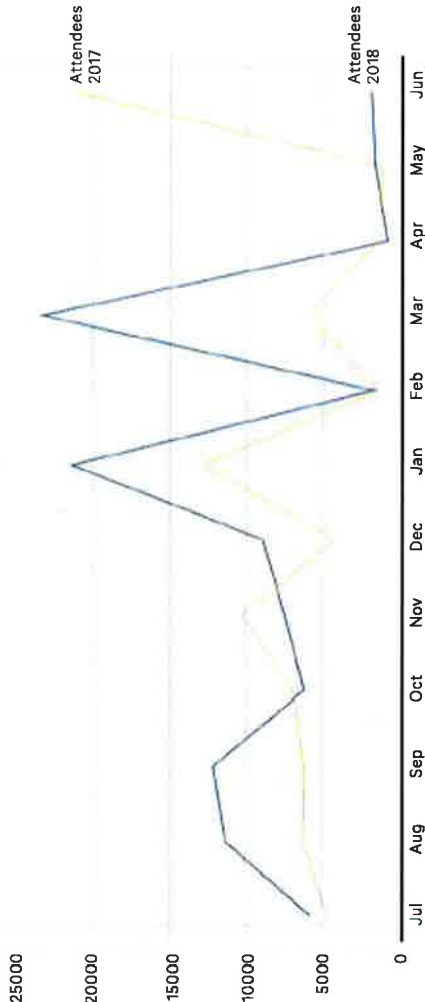


Seasonality of Booking

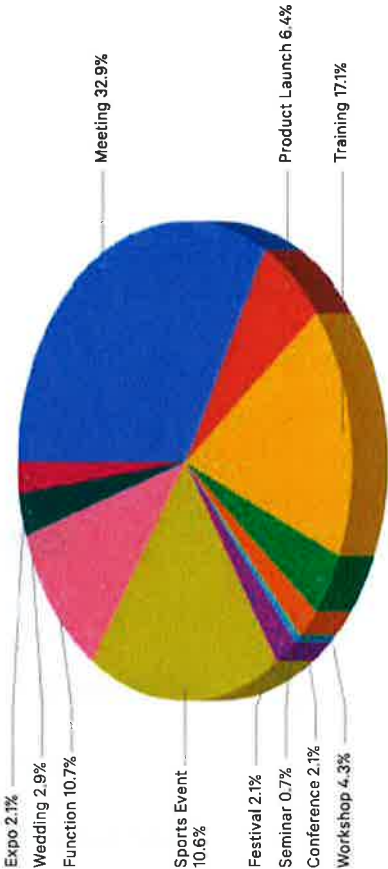


Northland Event Centre (NEC)

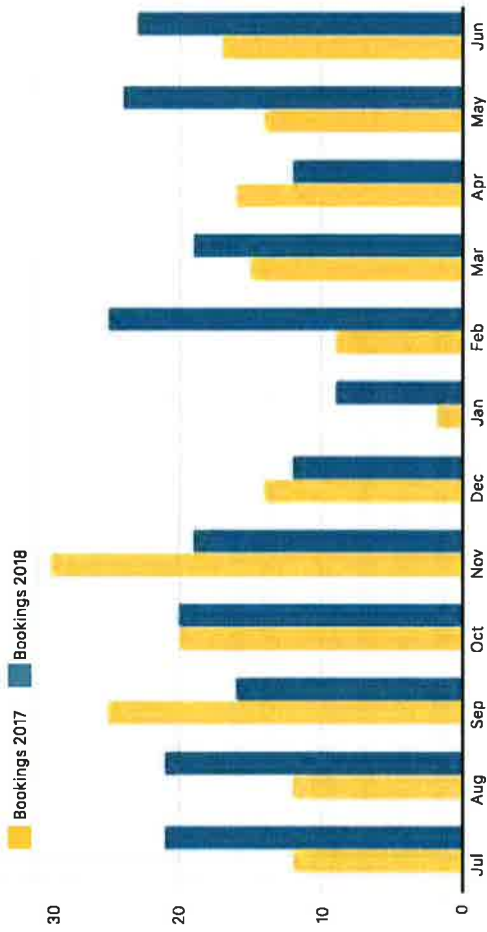
Attendance



Booking Types 2016 - 2017



Seasonality of Bookings



Booking Types 2017 - 2018

