



Victor Harbor Arts and Culture Centre

About the project

Why does Victor Harbor need an Arts and Culture Centre?

The Council considers an Arts and Culture Centre to be an integral part of its aspiration to cultivate a vibrant community, and position Victor Harbor as a regional arts and cultural destination. The Centre aims to be a hub for Victor Harbor's flourishing cultural and artistic activity. It will provide local artists, groups and the broader community with a place to meet, work, exhibit, collaborate and learn.

The City of Victor Harbor plans to refurbish and recast its civic assets to meet the needs of a growing community. The Centre has the exciting opportunity to provide a place to share, celebrate and cultivate arts and culture. A successful facility attracts and hosts a vibrant range of cultural events and celebrations across the year. It should offer a range of inviting and accessible public places and be tailored to embrace and enhance culture that is already present in Victor Harbor.

What is included in the Arts and Culture Centre?

The redevelopment will see the Town Hall, Old Mechanics Institute and Librarian Residence, and Victa Cinema combined to form the new Victor Harbor Arts and Culture Centre.

The concept design includes:

- Proscenium Theatre with seating capacity of 343, with option for an orchestra pit and extended stage
- Flexible Theatre with seating capacity of 166 in a retractable configuration that allows for use in varying modes including cabaret, standing, banquet or convention
- Contemporary gallery space with hanging space of 90 metres including fixed and moveable walls
- Back of house facilities to service two theatres and gallery
- Contemporary cinema upgrade with the upstairs cinema removed and divided into four separate cinemas totaling 246 seats to improve operability and variety
- Public meeting room
- Large flexible tenancy spaces that can be rented out

The Arts and Culture Centre will deliver two distinctly different experiences:

- **A cultural arts / theatre experience:** catering for performing arts, music, exhibitions and more.
- **A cinema experience:** the Victa Cinema will continue to function as a cinema with four cinema boxes upstairs and the flexibility to use the Proscenium Theatre as a cinema in peak periods.

For more detail view the concept plans at www.yoursay.victor.sa.gov.au

How will it benefit me?

The Arts and Culture Centre is designed to be a multi-functional space that provides experiences and opportunities for everyone to enjoy and benefit from.

It provides a flexible space that can be used for a number of different occasions and events that build a vibrant community culture. Imagine a space for large community gatherings that cater for performances, graduation or award ceremonies, exhibitions, conferences and conventions. Importantly, the Arts and Culture Centre will enable the community to continue to experience cinema.

It is proposed that there will be opportunities for local businesses to lease spaces within the Centre, while more broadly restaurants, cafes and retail businesses will benefit from increased visitation to the Town Centre.

The Arts and Culture Centre will also provide a space that caters for education including opportunities for the community to take part in arts, theatre and events related education courses delivered through tertiary education partners. There is also space for conducting artist workshops, lectures, or business seminars. This space will support innovation and collaboration.

What investigations or studies have been undertaken to support the proposal?

ARM Architecture are amongst the most highly respected and experienced cultural and performing arts architects in the country. ARM have led a multi-disciplinary sub-consultant team made up of expert world-leading theatre design consultancy in Schuler Shook, operational / business arts consultant Randall Arts Management, cost estimation from Slattery and structural and building services engineering advice from WSP. This team ensure a balanced approach is considered for all the aspects that contribute to a thriving Arts and Culture Centre.

The concept design is also supported by an independent economic assessment by Ethos Urban.

The Business Case, Cost Estimate and Economic Assessment is available for viewing online at www.yoursay.victor.sa.gov.au

Community involvement

How has the community been involved in this project?

The community has contributed to the development of this project in a number of ways. At the project's inception, direct consultation was undertaken with users of the current performance facilities within Victor Harbor to understand their needs and future opportunities. Following this extensive consultation was undertaken in 2017 to understand the community's views in terms of the need for an Arts and Culture Centre, the design of the facility and potential uses.

This current consultation builds upon all of the work undertaken to date and takes into account the inclusion of the Victa Cinema within this cultural precinct.

Throughout the concept phases the design team and Council have been actively engaged in focused briefings and workshops with many of the key future users that are already passionate advocates for this development, including several local performing arts and music groups, local schools, arts organisations and heritage advisors.



The proposed facility

How has the new concept design addressed feedback received from the community in 2017/18?

The feedback from consultation in 2017 highlighted the types of facilities and activities that should be included in a new venue. The current concept design builds upon previous work, and further develops the design and functional arrangements to better serve the community.

It integrates the design with the Victa Cinema, which was purchased by Council in 2020, and addresses a desire for tiered seating in a performance space, increases capacity, enhances back of house facilities and provides more flexibility of use.

What is proposed for the existing public toilet facilities?

Toilet facilities within the Arts and Culture Centre will be available to patrons during business hours. The project does not retain (or replace) the existing public toilet facilities.

Council is proposing provision for future public toilet facilities within Grosvenor Gardens as a part of the concept design for Stage 5 of the Victor Harbor Mainstreet Precinct, which is currently open for public comment.

What will happen to the Whale and Blubber Mosaic on Coral Street?



The Town Hall Mosaic is a powerful representation of Victor Harbor's active arts community. Situated in a prominent location on Coral Street, it has become a part of the community fabric. The

proposal seeks to maintain the mural by moving it to a prominent location within the Centre, on the

approach to the Proscenium Theatre. In doing this, we can reinforce and display the town's passion for arts to those visiting the new Arts and Culture Centre.

What is the inspiration for the architectural design?

The Victor Harbor Arts and Culture Centre site consists of a layering of Victor Harbor's built history. Beginning with the Old Mechanics Institute and adjoining Librarian's Residence in 1878 – 82, followed by the Town Hall in 1905, with renovations in 1939. Finally, the Victa Cinema in 1923 and its rebirth as the Art Deco Theatre in 1931. Combined, it presents a microcosm of Victor Harbor's heritage.

The Arts and Culture Centre presents an opportunity to dig deeper into Victor Harbor's history, to tell a shared story that speaks of Victor Harbor's broader history. And in doing so, contribute to the next layer of Victor Harbor's rich heritage.

To explore this shared history, we've looked back beyond the history of these buildings alone, back 60,000 years. When you zoom out this far, what you are left with is Victor Harbor's most celebrated and instantly recognisable elements: its geography. More specifically, you find Granite Island, the Bluff and the water that has shaped and connected them.

To bring these ideas into the design of the Arts and Culture Centre, we have understood these distinct parts of the site as elements to be connected and shaped by the new addition. We've drawn fluid geometry through the foyer spaces to tie the site together, while announcing the entrance to the centre with a solid form that could have been shaped by the waves themselves.

This is an outcome that takes advantage of the site's rich history, reaching back to create something that acknowledges and celebrates the full history, not only of the site, but Victor Harbor itself.

Will the cinema still be functional?

The proposal, particularly within the context of the economic business case, has considered contemporary trends in Cinema. These trends demonstrate shifts to smaller capacity cinemas with more screens overall in the venue. This allows greater choice for the movie goer and provides a more attractive proposition for the movie agencies.

With the adaptation and conversion of the lower cinema to a Proscenium Theatre (to be used during the off-peak cinema demand period of February – November), the existing operations will be affected with a reduction of freely available screens. The Level One contemporary conversion is intended to consider this and make more efficient the available capacity and operation to mitigate this loss.

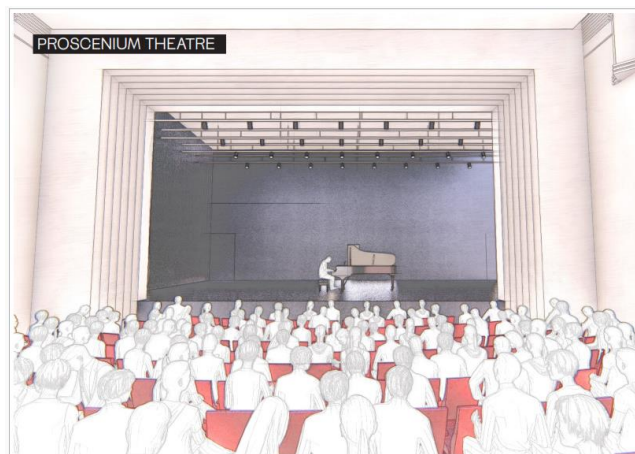
The lower cinema (referred to as the Proscenium Theatre in the concept plans) has been designed to be flexible. It also provides for a drop down screen that can be used as a main theatre especially for the key demand periods observed in attendance data, predominately in the summer holiday periods of late December and January.

Why is Council proposing four dedicated cinemas upstairs?

As described above this is to meet contemporary needs of modern cinemas and to help mitigate a reduced operation capacity with the conversion of the lower cinema to a theatre for most parts of the year.

Does the design meet equal access standards?

Yes, a single consistent floor height has been adopted across the ground floor, which meets the height of the Flexible Theatre and Proscenium Theatre. This provides a continuous accessible path through the Centre, and a dramatically simplified Back of House function for the theatre operators.



The Proscenium Theatre, accessed by patrons via the rear of the auditorium, rakes down from this level for optimal sightlines and allows the stage to sit at the same level as the Back of House. We have wheelchair allocated seating in all venues and equitable lift access.

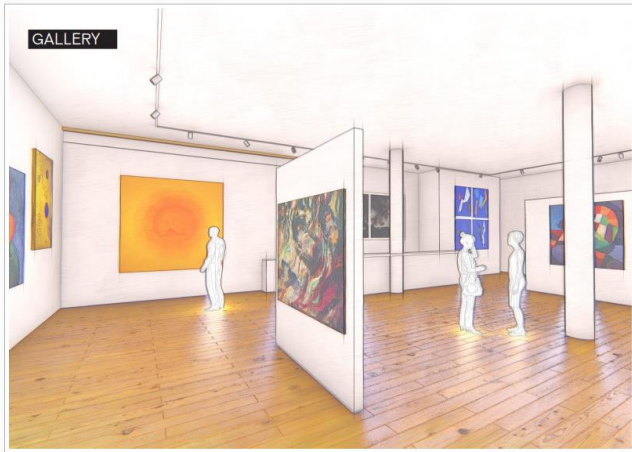
Future operation of the facility

What is the proposed rate for community hire?

Proscenium Theatre: A regular/local hire rate has been assumed (not including casual labour) equivalent to a benchmark of \$2.75 per available seat (based on 340 seats) or lowest (full) daily rate for locals of \$935. The standard / casual / commercial rate hire rate (not including casual labour) is \$1,360/day. According to recent national benchmarking the average daily community rate for the 15 venues sampled whose primary space had less than 500 seats was \$1,030 day.

Flexible Theatre: The rate for locals is proposed to be \$2.20 per seat or \$380/day. Both theatre rates are very competitive in terms of regional alternatives.

There will be multiple rate options developed but for initial modelling purposes we have kept to a minimum of options. Council will consider results of this community consultation prior to a full schedule of rates and charges being approved.



Who will manage the Centre?

The business case developed by Randall Arts Management is based on a Council run model that includes 7.8 full time equivalent (FTE) staff based at the Centre. This excludes a number of food and beverage outlets that are currently proposed to be leased out to private operators.

Other models may be considered in the future.

What commercial shows is this centre likely to attract?

We have forecast between 6-12 'commercial' type performances a year. The model also assumes that the Victor Harbor Arts and Culture Centre will actively program events for a broad range of interests.

Why are there food and beverage areas on site?

The 'Candy Bar' is an essential part of every cinema centre's business model. A significant proportion of the ticket price, regularly more than half, goes to the film distributors for first run blockbusters. An efficient and profitable 'Candy Bar' is an essential part of the experience and business operation.

For live performance and related events, the ready availability of a simple food and beverage offering pre-show, during intervals and sometime post-show is also an essential part of the visitor experience. It also presents a unique

circumstance where fast service is required in concentrated time periods requiring a specific type of management and operation. Sales of food and beverages in the Arts and Culture Centre is also expected to help offset operating costs.

Outside of key/peak operating times arts and cultural centres also strive to be a focus for gatherings, meetings and similar events, otherwise they can appear to lack vitality and accessibility. A welcoming drink and or bite to eat complements and encourages casual encounters between the public and the arts and cultural facility.

Usually an active centre stimulates nearby hospitality businesses and helps develop a thriving precinct that is vibrant day and night.

Will the food and beverage areas be leased to private enterprise?

The Victor Harbor Arts and Culture Centre concept designs proposes multiple outlets with an assumption that some of these will be leased to private operators. Final decisions on this will be considered as the project progresses and detailed operating plans are developed.

Where will people park?

Planning for future car parking in Victor Harbor's town centre is really important in order to support the growth and development of our city. Over the years the Council has strategically acquired land in McKinlay Street for the purpose of providing additional car parking in the short and long term.

To date an additional 66 car parking spaces have been provided in McKinlay Street to cater for short term demand. Council planning also flagged the need for multi-level parking within McKinlay Street in order to future proof Victor Harbor so there is capacity to cater for new and improved facilities like the proposed Arts and Culture Centre.

Social and economic benefits

How will an Arts and Culture Centre benefit the community and local economy?

The Arts and Culture Centre will have impacts on the following:

- Increase number of visitors
- Increase tourism expenditure
- Earn revenue from operations
- Preserve and enhance local built heritage
- Offset existing and planned building maintenance costs
- Potential opportunities for further studies and adult education
- Improve rates of social inclusion
- Improve access to facilities
- Assist Mainstreet Precinct development
- Improve local branding
- Support local artists, community groups and arts related industries

Specifically, estimated impacts, as a result of the direct project, are summarised as:

- An additional 48,000 new visitors, per annum, to the region by 2054
- An additional \$4.8 million of visitor expenditure, per annum, within Victor Harbor by 2054
- Increase rates of social interaction and inclusivity equating to an increase Quality of Adjusted Life Years (QALYs) to a value of \$4,670,818 single year benefit
- Save residents \$146,366 of travel time per annum and \$137,606 of vehicle operating costs per annum

Further details are available in the Economic Assessment developed by Ethos Urban for this project.

What benefit does the location have to the town centre?

The project will contribute to the vitality and diversity of activity within Victor Harbor's town centre. Delivered in conjunction with Council's other place making initiatives, the project will help

support a diverse range of community events and activities that will see it become an integral part of the town centre. This support to place-making will add to the place-branding opportunities for Victor Harbor which will help increase the town's recognition and visibility as a desirable place to live, work, visit and invest in.

What is the Benefit Cost Ratio?

The project is expected to generate a significant benefit to the surrounding community and economy. The project generates a Benefit Cost Ratio of 1.25 at a discount rate of 7%. This means that for every dollar spent, in construction and operation for this project, that \$1.25 will be injected back into the community.

How many jobs will be created once the new facility is operational?

On completion of the Victor Harbor Arts and Culture Centre, the operational phase is expected to deliver full-time equivalent (FTE) employment of 43 ongoing jobs. When the multipliers are considered, total ongoing economy-wide effects are forecast as full-time equivalent (FTE) employment of 70 jobs supported across South Australia; most will be in the township of Victor Harbor.

How many jobs will be created during the construction period?

The construction phase is expected to directly deliver full-time equivalent (FTE) employment of 28 jobs supported per year over the two-year construction phase.

When the multipliers are considered, total state economy-wide effects over the construction program are forecast to be full-time equivalent (FTE) employment of 93 jobs supported per year over the two-year construction phase.

Further details available in the Economic Analysis developed by Ethos Urban for this project which is available at www.yoursay.victor.sa.gov.au

Costs, funding and revenue

What will it cost to build the Arts and Culture Centre?

The concept plan cost estimate prepared by Slattery lists a total end cost of \$24,386,000 which includes construction costs, consultant fees, furniture, fitting, equipment, audio visual, IT equipment / infrastructure and contingencies allowances. Further details are available in the Concept Cost Estimate developed by Slattery for this project which is available online at www.yoursay.victor.sa.gov.au.

How does the cost compare to the construction of a brand-new centre on a Greenfield site?

Slattery, our cost consultant on the project have direct experience in the delivery of both adaptive reuse and brand-new arts and culture and performing arts centres. Based on national benchmarks of similar type, they have advised a new site will be in the order of \$8,000-10,000/m² for a similar venue. The refurbishment option is notionally less than this due to the adaptive reuse of existing building fabric and structure on site.

How will the construction be funded?

The construction is subject to significant grant funding of at least 50%. Council will require loans for the remaining amount with approximately \$12.2 million required.

Does the Council have the capacity to be taking out a substantial loan for the construction?

Yes – Council has a relatively low level of debt. Currently, loan borrowings (fixed term and variable) total \$10 million with a net financial liability ratio of 57.3% forecast for 30 June 2021. Council's target for this ratio (as per the draft

Long-Term Financial Plan) is a maximum of 100% and the additional loans required will be within Council's target.

What will be the impact on Council rates?

Rates are anticipated to increase specifically for this project for the first three years (two years of construction and first year of operation). See Table below.

Table: Impact on Council Rates (Arts and Culture Centre)				
	Construction		Operating	
Description	Year 1	Year 2	Year 3	Accumulative Total
Average Annual Increase per year (\$)	\$17	\$17	\$53	\$87
Average Annual Increase per year (%)	0.8%	0.8%	2.5%	4.2%

For the purposes of public consultation and the table above – the following assumptions have been applied:

- The construction will be subject to the receipt of significant grant funding
- Council will be required to fund 50% of the construction costs
- Loans will be required of approximately \$12.2 million split across the two years of construction
- Operating costs of the facility have been included as per the Business Case provided by Randall Arts Management
- Depreciation has been based on an average useful life across all assets within the Centre of 50 years
- Operating costs and depreciation have been offset by the costs of the existing facilities (Victa Cinema, Town Hall and Coral Street Art Space) that will form part of the broader facility once developed
- Amounts in the table are above the regular forecast rate increases in each year and assumes that no other offsets are identified.

What will it cost to run the Arts and Culture Centre?

The operating deficit for first five years is projected to diminish over time as follows:

Year	Operating deficit*
1	\$ 523,234
2	\$ 437,769
3	\$ 388,018
4	\$ 317,992
5	\$ 289,909
Ongoing	\$ 289,909

*not including depreciation

The operating deficit for the first five years is projected to diminish over time, plateauing by year five of full operation, by which time the Arts and Culture Centre is projected to have reached a mature stage of operations with an ongoing operating deficit of \$289,909.

How does this compare to similar Centres?

Randall Arts Management (RAM) notes in the business case that: *This is a comparatively modest operating subsidy for a multi-venue, multi-purpose and actively programmed and curated Centre. In other, comparable settings based on our experience and benchmarking we would expect this to be more in the range of \$600,000 - \$900,000 per annum. The reason for the result is the existence of a significant and sustainable cinema business (RAM assumption).*



Community consultation

Council is currently seeking community feedback on the ideas and proposals within the concept design. You can contribute in the following ways:

- **Online** – complete the online feedback form at yoursay.victor.sa.gov.au
- **In writing** – feedback forms can be obtained from the Civic Centre. Written submissions should be addressed to the CEO and posted to PO Box 11, Victor Harbor SA 5211; emailed to localgov@victor.sa.gov.au; or delivered in person to the Civic Centre (1 Bay Road, Victor Harbor).
- **Talk to us in person** – at one of the following locations:
 - Victor Harbor Farmers' Market, Saturday 15 May 2021 from 8am to 12noon
 - Ocean Street Market, Sunday 30 May 2021 from 10am to 4pm
 - Victa Cinema, Monday 31 May 2021 from 12 – 2 pm and 4 – 6 pm.
 - Osmond Terrace Function Centre, Wednesday 2 June 2021 from 12 – 3pm and 4pm – 7pm.

All feedback should be submitted by 5pm on Monday, 7 June 2021.

More information?

Find out more at www.yoursay.victor.sa.gov.au, call the City of Victor Harbor (08) 8551 0500 or contact the project team directly:

Louise Hampel, City of Victor Harbor

- 08 8551 0558 or localgov@victor.sa.gov.au

Philippe Naudin, ARM Architecture

- 08 8423 6081 or vhacc@armarchitecture.com.au

