

# Warrnambool Art Gallery

Updated Business Case





**RP Infrastructure acknowledge the Traditional Owners of the land in and around Warrnambool, the Eastern Maar people and pay our respect to their Elders, past, present and emerging.**

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## **Revision Control**

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## EXECUTIVE SUMMARY

### Overview

Warrnambool City Council engaged RP Infrastructure to develop a Business Case for a new Warrnambool Art Gallery at the existing site on Liebig Street in Warrnambool in Victoria, Australia.

Warrnambool has long term ambitions to be **'Australia's most resilient and thriving regional economy and most liveable regional city'**<sup>1</sup>, and aims to achieve this by implementing a range of social, economic and cultural initiatives including aspirations for a new Warrnambool Art Gallery.

### Need and Benefit

Warrnambool Art Gallery is currently located on Liebig Street in Warrnambool in a facility which was built in 1986 as a memorial to Sir (David) Fletcher Jones OBE. It houses an eclectic and extensive range of artefacts and artworks, which have accumulated since Warrnambool's first gallery opened in 1886. This amassed collection has culminated in approximately 5,000 items with an overall value of \$12 million. The facility offers free entry with some special events and programs requiring paid admission.

The collection has grown over the years and coupled with the desire for Eastern Maar Aboriginal Corporation to have greater opportunity to represent their stories and artefacts, has meant the existing facility has not kept pace with its regional counterparts. **The potential of the Warrnambool Art Gallery as a cultural tourism destination is constrained by its existing building footprint, which limits operational flexibility, the opportunity to present larger more interactive exhibitions, and provide social and engaging spaces for public programs, events and functions.** The existing building does not provide sufficient storage for an expanded collection, safe loading of touring exhibitions or adequate administration space. The Gallery is the primary substantial visual art institution in Southwest Victoria. The size of the current facility does not reflect the potential catchment area (approx. 120,000 people), which could benefit from a stronger and expanded facility and exhibition offering.

**Regional Art Galleries can significantly contribute to economic growth of regional areas**, and accordingly several facilities across Victoria have recently been redeveloped including Shepparton Art Museum and Gippsland Art Gallery. Bendigo Art Gallery has plans for an expansion of their existing facility, which over the last three financial years has averaged annual attendances of 150,000 visitors with 49% of visitors from Melbourne, 30% local region, 10% interstate, and 1% international.

A new Warrnambool Art Gallery would support various policies and priorities across Federal, State and Regional level but **investment is required to continue to grow its connection with First Nations Peoples, develop its reputation as the cultural and creative destination of choice for the local community, and attract regional, interstate and national visitors and the economic impact this visitation brings to a region.**

### A New Warrnambool Art Gallery – Creating a Cultural Destination with a Precinct

A redevelopment of the Warrnambool Art Gallery provides an extraordinary opportunity to create a cultural destination within the current Warrnambool central business district. The existing setting at Liebig Street sprawling across the Civic Green will allow for an ideal connection between open and indoor spaces and a vastly larger, state-of-the art contemporary building. This will improve the cultural infrastructure within Warrnambool, which together with the nearby Lighthouse Theatre, recently redeveloped Library and Learning Centre, and surrounding hospitality and retail offering, **creates a cultural precinct that can bring critical mass of attraction to the city centre.**

**The new Warrnambool Art Gallery can accommodate 3,100 square metres (sqm) of space including 884 sqm of exhibition space, front of house, Eastern Maar spaces, improved back of house and staff accommodation with underground carpark and loading.** The intention for a new Warrnambool Art Gallery is to utilise Liebig Street and Civic Green as part of the redevelopment to create diversity in its attraction. Four different massing studies were explored to test the opportunity for change. The preferred response comprises of three levels of a basement, ground and level 1 spread across the site from Smith to Timor Streets to bridge the transition from residential to major shopping strip and set back along Liebig Street. The redevelopment would retain the open space of Civic Green yet have a commanding presence to identify its location and significance within the Warrnambool civic precinct. The design allows for separation of the First Nations spaces and

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<sup>1</sup> Warrnambool 2040  
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maximises the potential for public programs, exhibitions and food and beverage opportunities. Appropriate parking (ground level and basement) would be provided with access from Smith Avenue. The new building will be set back from the corner of Timor and Liebig Streets and maintain existing tree canopy where possible, whilst maximising vistas and a connection to the heart of Warrnambool's city centre, where there is diverse mix of professional services, retail, and dining experiences. The response will respectfully address the two existing heritage structures within the site. Having an established green space in front of the gallery will provide an effective forecourt, allowing for people to come and enjoy the space, new building and cafe/restaurant offers that could be incorporated within the gallery. The preferred option is Strategy 2 and is represented in the diagrams below.



**Figure 1: Strategy 2 Site Plan**



**Figure 2: Strategy 2 Massing Study**

## Visitation, Costs and Benefits

**Visitation is a key metric for the economic impact of a new art gallery.** The base case of visitors to the existing Warrnambool Art Gallery is an average of 55,100 visitors each year. The forecast estimated for the first year of operation of a new Warrnambool Art Gallery is **72,580 visitors**. Assuming a modest, locally based flow of visitors and an increasing awareness of the new facility among regional and metropolitan visitors, this estimate grows to **116,000 in Year 5**. Achievement of these visitation numbers is reliant upon Warrnambool Art Gallery being a landmark facility within a wider marketed Warrnambool cultural and civic precinct, delivers programs which invite participation from the wider Victorian, national and international community, provides quality food and beverage experiences, and has a program of attractions within the Civic Green. Extensive marketing campaigns will be vital to attracting greater visitor interest in Warrnambool as a tourist destination including the use of all types of media and creating a connection with the Great Ocean Road tourist operators.

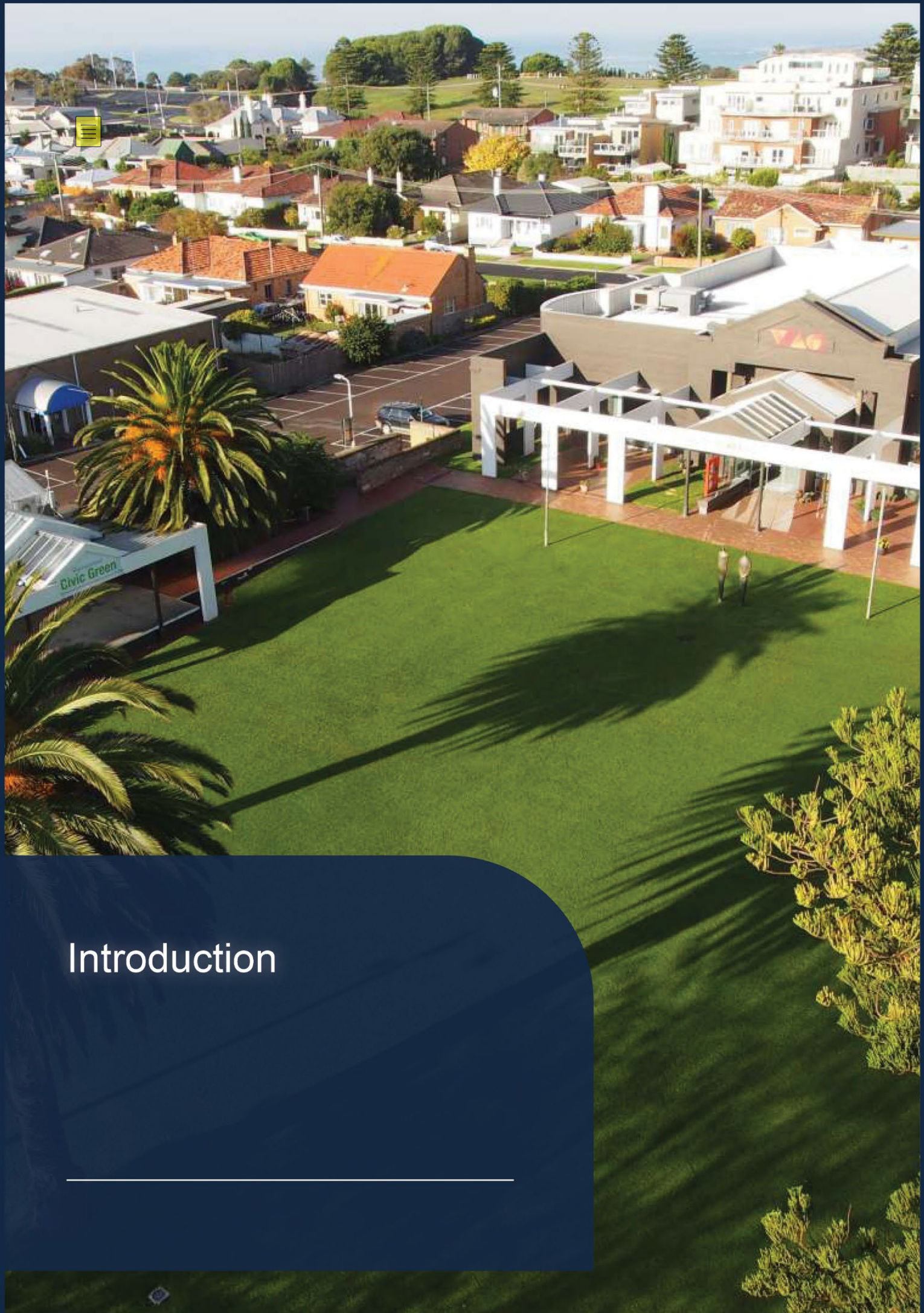
The estimated **capital cost for the investment of a new Warrnambool Art Gallery is \$52.5 million excluding escalation and GST.**

The potential economic benefits include the economic contribution generated through construction, additional operational expenditure of a new facility and additional tourist expenditure across both Warrnambool and Victoria. Through construction, **108 new positions will be created in Warrnambool with \$75.7M in economic activity**. The economic activity through operational expenditure and visitor spending will support **81 positions in Warrnambool and \$13.5 million of expenditure per year by 2030**. The **Benefit Cost Ratio** that monetises benefits and compares against the costs **indicates a positive rate of 1.16 and Net Present Value of \$9,813,940**, which demonstrates an economically viable project.

## Summary

A new Warrnambool Art Gallery at the Liebig Street site will **contribute to the economic growth of Warrnambool and the region through increased visitation, expenditure, and additional jobs to create a community asset that can become a landmark tourist destination within a wider civic and cultural precinct**. A new Warrnambool Art Gallery is a long-term investment that, together with the Lighthouse Theatre, new Library and Learning Centre, existing hospitality and retail offerings can create a hub of activity to provide critical mass to attract the Great Ocean Road tourist market and regional visitors.





# Introduction

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## 1 INTRODUCTION

### 1.1 Client

This Business Case is for Warrnambool City Council and will be shared with Regional Development Victoria and other Government stakeholders.

### 1.2 Purpose

The purpose of this Business Case is to identify the problems with the existing Gallery and to determine the need and viability of a new facility, to inform decision-making about the future of the Warrnambool Art Gallery. The design analysis and assumptions build upon the Feasibility Study by SMA Tourism and Lyons Architects in July 2021 and consideration of a facility at Cannon Hill in 2023.

The format of this document is based on the core principles of Department of Treasury and Finance (DTF) guidelines for a Business Case.

With Warrnambool Art Gallery being the “*primary visual art institution servicing south-west Victoria*”, the brief for this Business Case is to:

- i. Identify the need for change;
- ii. Establish social and economic benefits including cost benefit ratio, which could be realised through investment; and
- iii. Undertake a massing study across the existing site.

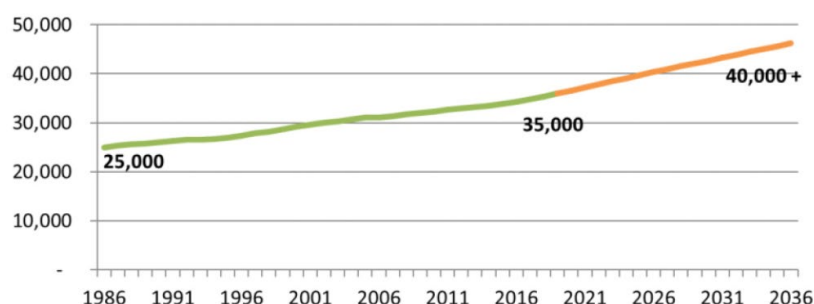
### 1.3 Warrnambool City Council

Warrnambool is a picturesque and vibrant coastal city, situated close to the Great Ocean Road and 270km from Melbourne via the Princes Highway. It is the largest city in the Great Ocean Road region and Victoria’s largest coastal city (outside of Port Philip Bay)<sup>2</sup>. Warrnambool City Council is the Local Government Area covering 120sqkm and contains the City of Warrnambool, which has a population of 35,406<sup>3</sup>, and the small towns of Allansford, Woodford and Bushfield.

Warrnambool’s population is growing consistently and is forecasted to expand to over 40,000 by 2040 – refer to Figure 3.

#### What size and/or rate of growth for Warrnambool? Planning for a population of 50,000 by 2040.

Historic and Projected population, Warrnambool 1986 to 2036



source: ABS Regional population growth Cat. 3218.0 Forecast ID Warrnambool City Council

Figure 3: Warrnambool Historical and Forecasted Population Growth

Significant natural features include the estuaries of the Merri and Hopkins rivers and the expansive Lady Bay, which in winter and spring is a nursery for Southern Right Whales.

<sup>2</sup> <https://www.warrnambool.vic.gov.au/city-information>, 6 February 2023.

<sup>3</sup> ABS 2021



Prior to the arrival of Europeans, Warrnambool was home to a significant indigenous population of the Eastern Maar people, who identify as Maar, Eastern Gunditjmara, Tjap Wurrung, Peek Whurrung, Kirrae Whurrung, Kuurn Kopan Noot and/or Yarro waetch (Tooram Tribe), amongst others.

Warrnambool generates a gross regional product of circa \$1.6 billion, which accounts for over 20 per cent of the Great South Coast region's economic output despite the municipality covering less than one per cent of the region's total area.

Tourism is another major driver of the city's economy. The city is positioned within the Great Ocean Road region and home to the popular Flagstaff Hill Maritime Village and Lake Pertrobe foreshore natural attractions. Warrnambool's coastal location leads to strong seasonal visitation that can see increases in visitors in the Christmas/New Year Eve holiday period in the order of an additional 10,000 people<sup>4</sup>. This seasonality can be an important factor for infrastructure investment as a permanent attraction that is available and activated all year round. This provides annual revenue throughout the year that is not reliant on weather and holiday periods.

Tertiary education providers Deakin University and South West TAFE have campuses in Warrnambool, which along with bringing students to the city, provide local people with opportunities to pursue education and vocational training.

Warrnambool City Council is also a major employer and provides a range of community facilities and services including the aquatic centre AquaZone, Warrnambool Art Gallery, Warrnambool Stadium, the Lighthouse Theatre, Surfside Holiday Park, Flagstaff Hill Maritime Village, and new Library and Learning Centre.

## 1.4 Proposed Site

The previous work undertaken by SMA Tourism and Lyons Architects Feasibility Stage included an assessment of potential sites for establishment of a new Warrnambool Art Gallery. This is summarised as follows:

**Table 1: Potential sites for a New Warrnambool Art Gallery**

Location	Site Assessment
The former Warrnambool Post Office	limited adaptation possible
The Warrnambool Library	limited adaptation possible
Existing Facility	adaptation possible but does not drive best value in the medium to long term
Flagstaff Hill	overdevelopment and cultural heritage sensitivities
New build on existing Liebig Street site	new build in a key strategic location
New build on Cannon Hill site	new build with unique scenic location which defines Warrnambool

Based on the site attributes and following a series of community engagement programs, Council commissioned the development of a Business Case for a new Warrnambool Art Gallery at Cannon Hill. This work identified that the costs associated with a design that had minimal impact on the hill contour were significant and this impacted any positive return on investment. Based on this advice, Council agreed to exclude Cannon Hill as an option for a new Art Gallery and have pursued redevelopment of the existing site which includes the Civic Green as part of the overall site analysis

<sup>4</sup> The Standard, Massive population growth as peak tourist season hits. Dec 2018  
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# Case for Change

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## 2.1 Existing Warrnambool Art Gallery

The Warrnambool Art Gallery is a free public art gallery which is owned and operated by the Warrnambool City Council. The gallery program is presented with the assistance of the Victorian Government through Creative Victoria.

Established in 1886, the Gallery offers a diverse collection, from elegant European salon paintings to the Avant-garde modernism of the Angry Penguins. Artworks range from romanticised colonial landscapes of Eugene Von Guerard and Louis Buvelot, to contemporary Australian printmaking by Juan Davila, Barbara Hanrahan and Ray Arnold. Each step of the Collection mirrors a time of development and expansion. It shows a reverence for the landscape and the people, their aspirations, industry and endeavours, alongside contemporary installations and multi-media exhibitions presented by LGBTIQ+ artists and curators.

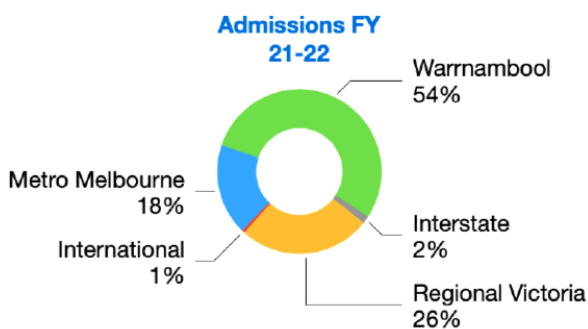
For the past 135 years, the Warrnambool Art Gallery has facilitated rich experiences for audiences both through its collection and through an inspired program of exhibitions and events in and beyond the Gallery. Presenting a professional program of local, Australian and international creative works and cultural stories, the Gallery's mission is to uphold and transform the cultural life of south-west Victoria. Importantly, the Gallery shares a mandatory obligation under the Aboriginal Heritage Act 2006 and Aboriginal Heritage Amendment Act 2016, to register Victorian Aboriginal collection items in its possession with Aboriginal Victoria. For this reason, Warrnambool Art Gallery is attracting significant donations of Aboriginal artefacts, which it needs to preserve and display in appropriate conditions.

Located on Liebig Street, the current facility was built in 1986 as a memorial to Sir (David) Fletcher Jones OBE. This amassed collection has culminated in approximately 5,000 items with an overall value of \$12 million<sup>5</sup>. As the collection has grown over the years, the existing facility has not kept pace with its regional counterparts and investment is required to allow Warrnambool Art Gallery to compete for the economic benefits of regional tourism, continue to grow its connection with First Nations people and stories, and develop its reputation as the destination for the local community to visit.

## 2.2 Current Visitation Metrics

- It is estimated that around 25% of visitors to **Warrnambool visit the Warrnambool Art Gallery.**
- The local population generates over 50% of admissions to the Gallery. Based on observation, it is estimated about 20% of local admissions are people visiting more than once.
- People from “**regional Victoria**” generate around **25% of admissions to Warrnambool Art Gallery.**
- Interstate and International visitors generate a small share of visits. This level of international visitation is generally consistent with other cultural attractions / venues.

Figure 4: Current visitation



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<sup>5</sup> Confirmed by Warrnambool Art Gallery  
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## 2.3 Stakeholder identification and consultation

Stakeholder consultation was limited to Warrnambool City Council and Warrnambool Art Gallery as part of this Business Case; however, consultation was undertaken in earlier studies and investigations into the future of the Warrnambool Art Gallery. This is discussed further below.

The key stakeholders identified under Figure 5 are those which have a regular involvement with the project and have been engaged to ensure current challenges and problems are captured; technical and sector data is collected; and historical information is included.



**Figure 5: Stakeholder Identification**

### 2.3.1 Warrnambool Art Gallery

The organisation needs to implement the vision for the future of the Art Gallery and ensure it is placed to act as an informed client in any future redevelopment. This will require a significant change management process to bring the organisation from its current state to one that is responsible for a landmark regional Art Gallery. Crucially, this will involve program development, marketing and engagement strategy that propels the new Art Gallery onto the interstate and international tourist trail and captures the required increase in visitation.

### 2.3.2 Warrnambool City Council

Warrnambool City Council as asset owners are responsible for the day-to-day operations and long-term success of the facility. The financial viability of a new asset is a critical success factor for Council, and they are leading the proposals for a new Art Gallery.

### 2.3.3 Easter Maar Aboriginal Corporation

In July 2011 the Eastern Maar and Gunditjmara peoples were recognised as the native title holders for an area of their Traditional Country in south-west Victoria between the Shaw and Eumerella Rivers, and from Yambuk in the South, to beyond Lake Linlithgow in the North. The Eastern Maar are Traditional Owners of land encompassing Warrnambool, Port Fairy and Great Ocean Road areas, stretching 100m out to sea from low tide and including the iconic Twelve Apostles. Eastern Maar is a name adopted by the people who identify as Maar, Eastern Gunditjmara, Tjap Wurrung, Peek Whurrung, Kirrae Whurrung, Kuurn Kopan Noot and/or Yarro Waetch (Tooram Tribe) amongst others.

Eastern Maar Aboriginal Corporation (EMAC) is the professional organisation that represents the Eastern Maar People of south-west Victoria and manages their Native Title rights and interests. The Registered Aboriginal Party for Eastern Maar Country is currently negotiating a Recognition and Settlement Agreement under the Traditional Owners Settlement Act 2010. EMAC has a Board of Directors of Traditional Owners and is a registered organisation under the Corporations (Aboriginal and Torres Strait Islander Peoples) Act 2006.

Eastern Maar Aboriginal Corporation are critical to the design, programming and storage of their artefacts and stories. Consultation has occurred throughout Council's feasibility stage assessment for a new Art Gallery.

A workshop was held in May 2021 with 18 members of the local Aboriginal community. The purpose was for Council to receive feedback from First Nations Peoples on the proposed options assessed under the feasibility study, but also to establish specific cultural considerations which First Nations peoples felt needed to be incorporated into a new Warrnambool Art Gallery. These reflections identified the current strengths which the existing Gallery had developed directly with Eastern Maar people specifically through engagement and thereby establishing strong positive working relationships into the future.

#### 2.3.4 Regional Development Victoria

Regional Development Victoria has provided support, guidance, and funding to date for the project and will be central to secure any future funding for the project from State Government.

#### 2.3.5 Flagstaff Hill Maritime Museum

Flagstaff Hill Maritime Village is currently developing proposals for a reimagination of the precinct due to declining visitation. Although the service offering is different to the Warrnambool Art Gallery, both facilities will provide opportunity for new food and beverage outlets and functions and event spaces. It is important the two cultural attractions collaborate to ensure they are providing complimentary attractions rather than competing for the same market audience.

#### Other Stakeholders

Other stakeholders will have an interest and potential to influence the outcomes for a new Warrnambool Art Gallery. These stakeholders include:

- Friends of Warrnambool Art Gallery; will be significantly interested in the outcome of Warrnambool Art Gallery Business Case, its potential new layout and capacity.
- Warrnambool Art Gallery Foundation; responsible for fundraising and will have critical role in the funding strategy for any new Warrnambool Art Gallery.
- Warrnambool local artists; potential to create advisory group in relation to the project, which consists of local artists that can review designs/programming as project develops.
- Great Ocean Road Regional Tourism; as official tourism destination for all things related to the Great Ocean Road.
- Regional Arts Victoria; has provided a Creative Strategy for the region and will be a long-term supporter of a new Warrnambool Art Gallery
- Creative Victoria; A new Warrnambool Art Gallery will need to support the actions expected of Creative State 2025.
- Local community: There is a strong community connection to the existing Art Gallery. Although preliminary community consultation identified support for a new gallery at Cannon Hill, subsequent feedback was that the existing site would be preferred.

A deliberative Community Engagement Strategy will be developed in accordance with the requirements of the Local Government Act 2020<sup>6</sup> (LGA) Community Engagement process as the project progresses.

## 2.4 Constraints of Existing Facility

The current facility is constrained and directly impacting the ability to deliver contemporary programming expected of a regional Art Gallery.

The issues faced at the existing facility are summarised at Table 2 below and described in detail at Appendix 2. This assessment uses an opportunity cost methodology to determine the scale of investment required before benefits could be realised. Table 2 summarises the existing problems, the missed opportunity and the intervention required to realise the opportunity. Only those with the highest intervention requirement are identified below.

The assessment considers a scale with 1 being minimal effort required before benefit is realised and 5 being extreme intervention needed to realise any benefit.

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<sup>6</sup> Local Government Act 2020  
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**Table 2: Current Constraints and Impact**

No.	Evidence of Problem	Opportunity Identification	Investment Required	Benefit Realised	Intervention Classification	Intervention Required to Existing Gallery (Retain or New) to Realise Opportunity
1	Civic Green acts as a central point for locals but Warrnambool Art Gallery doesn't have a strong frontage driving visitation	Existing building lacking in landmark frontage to attract visitors from Civic Green	5	5	E	New
2	Poor infrastructure and rigid layout	No flexibility or required functional layout to capitalise on touring shows to improve visitation	5	5	E	New
3	Lack of flexible spaces	Create opportunity for artist studio in residence and/or making spaces and/or programming spaces and/or educational spaces to provide exceptional interactive flexible functions	4	5	E	New
4	Uninviting arrival making for low experiential factor	Memorable experience due to high quality environment	4	5	E	New
5	Rigid and outdated climatic systems and controls	Quality climatic conditions to improve exhibition content potential	4	5	E	New
6	Severe back of house storage capabilities	Improved loading, storage, security and workshops to increase load capacity and Aboriginal Keeping Place	4	5	E	New
7	No airlock provisions	Obtain quality standards and certification	3	5	E	New
8	Parking restrictions for touring buses or school trips	Capture short stay tourist trips and provide platform for educational stays for local community	4	5	E	New

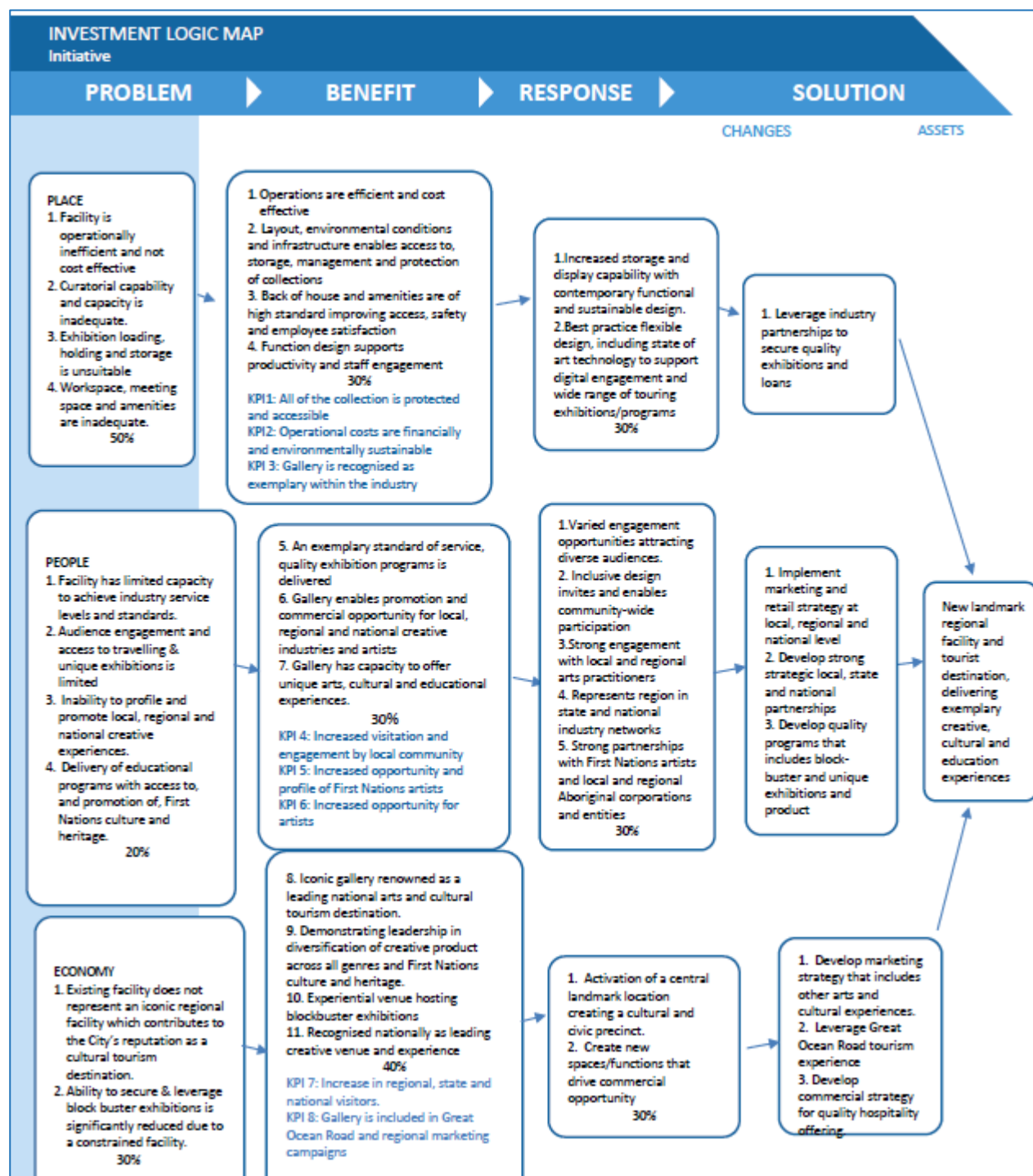
In addition to the facility constraints noted above and although strong connections have been made with Eastern Maar Aboriginal Corporation, meaningful Connection to Country and opportunity to place Aboriginal stories at the heart of Warrnambool are limited in the current layout.

Further to the existing facility constraints described above, wider operational impacts are affecting the success of the Warrnambool Art Gallery, and this is articulated in the Investment Logic Map (ILM) as the basis of the Case for Change included in Figure 6 below and provided in detail in Appendix 1.

The ILM analyses the current problems, identifies potential benefits, and how they can be realised through responses that relate to both an asset and operational change.



Figure 6: Investment Logic Map (ILM)



The output of the ILM process identified three prominent themes, **Place, People and Economy**, which further develops the problems facing not just the existing facility as outlined in the opportunity matrix, but overall operations of the Warrnambool Art Gallery and its ability to impact its community and visitor economy.

### 1. PLACE

Facility is operationally inefficient and not cost effective  
Curatorial capability and capacity is inadequate  
Exhibition loading, holding and storage is unsuitable  
Workspace, meeting space and amenities are inadequate.

### 2. PEOPLE

Facility has limited capacity to achieve industry service levels and standards  
Audience engagement and access to travelling & unique exhibitions is limited  
Inability to profile and promote local, regional and national creative experiences.  
**Delivery of educational programs with access to, and promotion of, First Nations culture and heritage.**

### 3. ECONOMY

Existing facility does not represent an iconic regional facility which contributes to the City's reputation as a cultural tourism destination  
Ability to secure & leverage block buster exhibitions is significantly reduced due to a constrained facility

These three themes of **Place, People and Economy** are driving the need for investment in a new Warrnambool Art Gallery and the benefits associated with responding to these problems are described in Section 2.5.

## 2.5 Benefits to be delivered by a New Art Gallery

The collection held by the Warrnambool Art Gallery has a rich extended history, spanning three centuries. However, as detailed in the previous section, the current facility does not meet contemporary art gallery standards, either for display or conservation, and poses a serious risk to the safety of the existing collection.

Moreover, it is underserving as a core Council function within the city's cultural capital required to contribute to a thriving creative industry, connected community and attracting visitors.

For these reasons, Warrnambool City Council is investigating the potential for a new Warrnambool Art Gallery.

The advantages to delivering at the existing site are as follows:

- A central destination within the CBD with connection to well-loved public community space and existing fabric of the surrounding businesses.
- An expanded facility on the existing location that creates further growth opportunities for local and regional creative sector.
- A new landmark attraction to integrate with existing civic and cultural assets within Warrnambool to create a precinct that can generate visitation from regional, state and national tourists.

Public Galleries Association of Victoria prepared a submission to the Infrastructure Priorities for the Regions in 2020 that outlined how Regional Galleries are Transforming Economies and gave specific examples of Bendigo Art Gallery and the success of the Archibald Prize.

Bendigo Art Gallery has established a national profile for presenting high quality international exhibitions including the Golden Age of Couture in 2008, Grace Kelly: Style Icon in 2012, Marilyn Monroe in 2016, and more recently Tudors to Windsors: British Royal Portraits in 2019. The Elvis: Direct from Graceland exhibition in 2022 was the most successful exhibition for Bendigo Art Gallery with 219,000 visitors, 86% of ticket buyers were from outside of Bendigo<sup>7</sup>. Economic impact analysis indicates that through these 'blockbuster' exhibitions,

<sup>7</sup> <https://www.abc.net.au/news/2022-07-13/elvis-exhibition-at-bendigo-art-gallery-attracts-200-000/101233804>  
[rpinfrastructure.com.au](https://www.rpinfrastructure.com.au)

the gallery has made a significant contribution to the Greater Bendigo and Victorian economies as seen in Table 3.

**Table 3: Economic impact of Blockbuster Touring Exhibitions at Bendigo Art Gallery**

Exhibition	Greater Bendigo	Victoria
Grace Kelly: Style Icon (2012)	\$16.3M	\$2.8M
Bendigo Art Gallery & Twentieth Century Fox Present Marilyn Monroe (2016)	\$13.2M	\$2.6M
Tudors to Windsors: British Royal Portraits (2019)	\$5.5M	\$3.1M

Over the last three financial years, Bendigo Art Gallery has averaged annual attendances of 150,000+. It has a growing regional and international audience, with on average 49% of visitors from Melbourne, 30% local region, 10% interstate and 1% international<sup>8</sup>.

Geelong Gallery presented the Archibald Prize in 2018 and 2019. This highly popular exhibition tours to galleries across regional Victoria every year, with galleries bidding to secure presentation rights for two consecutive years. In 2018, Geelong Gallery welcomed 58,000 visitors to the Archibald Prize and generated \$7.2m for the local economy. While in 2019, the Gallery welcomed 76,560 visitors to the Archibald Prize and generated \$8.03 million for the local economy. Significantly, 87% of audiences in 2019 travelled to Geelong specifically to see the Archibald Prize.<sup>9</sup>

The infrastructure investment in a new cultural asset for the City of Warrnambool and wider South-West region will bring benefits to the community, city, regional and State. The benefits from the ILM with Key Performance Indicators to measure the desired outcomes for the local community, Warrnambool City Council and State Government are summarised below.

### 2.5.1 Benefits Summary and Key Performance Indicators

A thriving regional Art Gallery in a central location as part of a civic and cultural precinct with various attractions for tourists and locals alike can deliver a range of benefits as outlined in the ILM and detailed below:

#### Place

1. Operations are efficient and cost effective.
2. Layout, environmental conditions and infrastructure enables access to, storage, management and protection of collection.
3. Back of house and amenities are of high standard improving access, safety, and employee satisfaction.
4. Functional design supports productivity and staff engagement.

A new Warrnambool Art Gallery will require quality environmental controls throughout the exhibition spaces and importantly in the back of house storage and conservations areas, to ensure the collection is maintained to the level required for the collection to continue to acquire and improve partnering opportunities with exceptional collecting institutions by complying with the technical requirements of loan agreements. An efficient, flexible and functional layout will allow for easy install of variety of exhibition types including touring exhibitions/ program and digital programs.

The associated Key Performance Indicators for this theme of Place are:

**KPI1: All the Collection is protected and accessible.**

**KPI2: Operational costs are financially and environmentally sustainable.**

**KPI3: Gallery is recognised as exemplary within the industry.**

<sup>8</sup> Public Galleries Association of Victoria Submission, Infrastructure Priorities for the Regions, Page 4, 6 February 2022

<sup>9</sup> Public Galleries Association of Victoria Submission, Infrastructure Priorities for the Regions, Page 4, 6 February 2022

## People

5. An exemplary standard of service, quality exhibition programs is delivered.
6. Gallery enables promotion and commercial opportunity for local, regional and national creative industries and artists.
7. Gallery has capacity to offer unique arts, cultural and educational experiences.

A new facility will provide best practice flexible design and technology to deliver programs and exhibitions that reflect First Nations and diverse communities. Collaboration with Eastern Maar Aboriginal Corporation to deliver culturally safe spaces and a keeping place will be critical to long term community engagement. The range of flexible spaces in the new Art Gallery will provide the local community with opportunities to engage with creative arts and have a connection with range of stories and programs being offered by the creative organisations. This is identified as critical in the Regional Arts Victoria South West Creative Industries strategy.

The associated Key Performance Indicators for this theme of People are:

**KPI4: Increased visitation and engagement.**

**KPI5: Increased opportunity and profile of First Nations artists.**

**KPI6: Increased opportunity for local artists.**

## Economy

8. Iconic gallery renowned as a leading national arts and cultural tourism destination.
9. Demonstrating leadership in diversification of creative product across all genres and First Nations culture and heritage.
10. Experiential venue hosting blockbuster exhibitions.
11. Recognised nationally as leading creative venue and experience.

An investment in a new Art Gallery will provide functions that can contribute to commercial revenue and include car parking and food and beverage options expected of a cultural tourism destination. A new Warrnambool Art Gallery must attract both locals and tourists to drive the visitor economy.

The associated Key Performance Indicators for this theme of Economy are:

**KPI7: Increase in regional, interstate and national visitors.**

**KPI8: Gallery is included in Great Ocean Road and regional marketing campaigns.**

## 2.6 Strategic Alignment for a new Warrnambool Art Gallery

The development of a new Warrnambool Art Gallery is an opportunity to deliver upon Federal, State, regional and local priorities that focus on community well-being, growing the creative industries and in particular providing opportunities for First Nations participation and long-term economic growth.

There is strong alignment with varying public policies at Federal, State, regional and local level that contribute to the case for investment in a new Warrnambool Art Gallery.

### 2.6.1 Federal Context

Regional tourism is a vital sector of the Australian economy and key to the sustainability and vibrancy of many of our communities. Prior to flooding, bushfires and COVID-19, Tourism Research Australia reported that nearly half of the nation's tourism expenditure (44 cents in every tourism dollar) occurred in regional Australia. During the 2017-18 financial year this contribution provided \$51 billion to regional visitor economies. At that time, this meant around one-third of tourism-related businesses, and more than half of the country's tourism workforce was employed in regional Australia. Tourism itself accounted for 4% of economic output and 8% of jobs in regional Australia<sup>10</sup>.

<sup>10</sup> [https://treasury.gov.au/sites/default/files/2021-05/171663\\_australian\\_regional\\_tourism\\_ltd.pdf](https://treasury.gov.au/sites/default/files/2021-05/171663_australian_regional_tourism_ltd.pdf)



Tourism Australia's Corporate Plan 2021/22 - 2024/25<sup>11</sup> has seven strategic priorities including no.4 to **Elevate and champion indigenous tourism**.

In 2017, the Uluru Statement from the Heart called for three things: Voice, Treaty and Truth. In May 2022, Federal Labour was elected on a promise to implement the Uluru statement in full. Implementation of the Voice, Treaty and Truth will significantly increase interest in Indigenous understanding and storytelling. This is a key commitment across all levels of Government.

## 2.6.2 State Context

### Creative Victoria

Creative Victoria is the State Government's body dedicated to championing, growing and supporting Victoria's creative industries. Creative Victoria has released its Creative State 2025 strategy post the Covid-19 pandemic to prioritise '...placing creativity at the heart of Victoria's recovery and prosperity.'

The strategy sets out 25 actions to deliver on its vision and five interconnected objectives over the next four years. The key actions of consideration for this investment are:

**Table 4: Alignment of New Warrnambool Art Gallery with Creative State 2025**

	CreativeState2025	Achieve	Contribution of a new Warrnambool Art Gallery
<b>D</b>	<b>Objective D: Equitable access to the creative industries – Victorians have access to high-quality and diverse creative and cultural experience, wherever they live; our world-class cultural attractions welcome all.</b>		
<b>16.</b>	Ensuring continued access to high-quality creative experiences across Victoria through regional and outer-metropolitan touring.	X	High-quality spaces that are capable of hosting touring exhibitions that would attract regional audiences
<b>18.</b>	Enhance regional Victoria's creative infrastructure.	X	Significant investment has been focused on Geelong, Bendigo, Shepparton and Ballarat; however, a new Warrnambool Art Gallery provides an opportunity to create a cultural hub in wider area of Western Victoria that has potential to connect with the Great Ocean Road attractions and the surround aboriginal attractions including Budj Bim cultural centre.

Creative State 2025 identifies several enablers to achieving these Goals and Actions including the Infrastructure Pipeline as noted below:

***'Infrastructure pipeline Victoria's creative industries are enabled by a state-wide ecosystem of state-owned, local government-owned and privately held facilities. Creative State 2025 will leverage the investment in these cultural spaces by supporting the people and programs within them. In addition, Creative Victoria will develop a pipeline of state-wide infrastructure investment opportunities and, with partners across departments and agencies, embed creative industries spaces, programs and opportunities across major new civic and transport projects'***<sup>12</sup>.

<sup>11</sup> [https://www.transparency.gov.au/sites/default/files/reports/2021-22\\_corporate\\_plan\\_tourism\\_australia.pdf](https://www.transparency.gov.au/sites/default/files/reports/2021-22_corporate_plan_tourism_australia.pdf)

<sup>12</sup> CreativeState2025, Creative Victoria, Page 26

## 2.6.3 Regional Context

### Regional Development Victoria



Warrnambool is within the Great South Coast region of Victoria with five municipalities including City of Warrnambool. Regional Development Victoria (RDV) is the Victorian Government's lead agency responsible for rural and regional economic development.

**Figure 7: Regional Development Victoria's Nine Regional Partnerships**

The Great South Coast Regional Partnerships Roadmap for Outcomes in the region identifies five Outcomes the State is working towards; ***Economy, Education and Training, Environment & Culture, Health & Wellbeing, Transport Networks & Infrastructure*** as outlined in the Figure 8 below.

A new Warrnambool Art Gallery would contribute to three of the five Outcomes as outlined below:



#### Economy

A **strong** and **diverse** Great South Coast economy with more local jobs and a growing workforce

#### Economy

A new Warrnambool Art Gallery will contribute to local jobs during construction and once operational through the additional staff required to develop programs, manage events, collection, and exhibitions.



#### Environment & Culture

A **thriving** arts and culture industry, and a **sustainable** environment with a celebrated natural beauty.

#### Environment & Culture

A new Warrnambool Art Gallery will contribute to a thriving arts and culture industry through rotating program of exhibitions and potential for local and regional artists.



#### Health & Community Wellbeing

A **healthy, safe, and resilient** Great South Coast Community.

#### Health & Community Wellbeing

A new Warrnambool Art Gallery will be a central hub for the community to celebrate its culture and history as well as look to the future.

**Figure 8: Outcomes achieved by a new Warrnambool Art Gallery**

Regional Development Victoria provides funding for capital infrastructure projects throughout the nine regions it is responsible for through the Regional Infrastructure Fund and Investment Fast Track Fund, which is the subject of funding for works to date on this project.

## Regional Arts Victoria

Regional Arts Victoria is an independent, not-for-profit, membership-based organisation working in long-term partnerships with every level of government, fostering contemporary and innovative regional cultural practice. They advise and impact on decision-making across multiple portfolios and levels of government.

Regional Arts Victoria engaged Future Tense in 2021 to develop a Creative Industries Strategy for south-west Victoria. This included consultation with many partners that are involved with the creative industries in the region.

Subsequent to this, Regional Arts Victoria and Future Tense developed a South West Creative Infrastructure Pipeline Report in April 2022 that identified a range of infrastructure needs for the region to support the South West Creative Industries Strategy.

The creative infrastructure needs identified through the Report are outlined below in Table 5:

**Table 5: South West Creative Industries Strategy Infrastructure Pipeline report needs.**

Need	Current Gaps	What's Needed
<b>First Peoples cultural visibility</b>	<ul style="list-style-type: none"> <li>Relationship between Traditional Owner group and Councils need to be strengthened.</li> <li>There is limited support for promoting significant First Peoples events or initiatives.</li> <li>Organisations are operating in silos with minimal or no support to connect with the wider sector.</li> </ul>	<p>Projects that actively promote and celebrate First Peoples' culture, raising awareness and encouraging engagement.</p> <p>This is an important step in addressing an enduring culture and cultural expression of the First Peoples of the region that has been historically overlooked. It also supports larger goal of establishing the south-west Victoria as a cultural tourism destination. This is also a direct objective of the South West Creative Industries Strategy.</p>
<b>Culturally safe spaces for Indigenous communities</b>	<ul style="list-style-type: none"> <li>First Peoples run or led community and cultural spaces are extremely limited.</li> <li>There is an absence of suitable governance protocols around cultural safety in non-Aboriginal run institutions.</li> </ul>	<p>For a space to be culturally safe it needs to be controlled and operated by Indigenous communities. Creating these spaces will allow Indigenous practices to flourish in a self-determined environment. This is also a direct objective of the South West Creative Industries Strategy.</p>
<b>Professional facilities for touring shows</b>	<ul style="list-style-type: none"> <li>Facilities and equipment at the region's major cultural institutions don't meet industry standards.</li> <li>This prohibits many major shows from coming to the region, impacting audiences and sector.</li> </ul>	<p>Projects that create or upgrade existing spaces to accommodate professional tours (across all practice types). This is essential for establishing a viable touring circuit in south-west Victoria.</p>
<b>Visual Arts presentation spaces</b>	<ul style="list-style-type: none"> <li>Council galleries are limited in their amount of local programming they can accommodate.</li> <li>Limits private and community spaces available.</li> </ul>	<p>Projects that increase presentation opportunities for local artists.</p>

A new Warrnambool Art Gallery will support the needs identified in the report through:

- i. **First Peoples cultural visibility:** creating strong connection to the Eastern Maar community and establishing Great South West region as a cultural tourism destination.
- ii. **Cultural safe spaces for indigenous communities'** inclusion of spaces for First Nations to participate in creative industries.
- iii. **Professional facilities for touring shows:** inclusion of larger and flexible exhibitions spaces that offer high quality technical and environmental conditions expected of a touring exhibition program.
- iv. **Visual arts presentation spaces:** increased capacity for local and regional artists to present work and engage with wider audiences.
- v. **Professional storage and archival facilities:** back of house storage and conservation facilities that will ensure the important collection of works are maintained for future generations. This will also relate to storage of First Nations collections items.
- vi. **Creative practitioner gathering spaces:** seminar and studio spaces that can be shared between creative artists.
- vii. **Youth engagement spaces:** project spaces where youth can connect and create in a safe environment.

A New Warrnambool Art Gallery was identified in the South West Victoria Creative Industries Strategy as a priority project with the best opportunity to positively impact on the region's creative industries sector.

**Figure 9: Extract of new Warrnambool Art Gallery South West Victoria Creative Industries Strategy Infrastructure pipeline.**

#### 4 New Warrnambool Art Gallery facility (Warrnambool)

TYPE: New opportunity

ABOUT: A new fit-for-purpose facility allowing the Gallery to expand its programming, better engage with the community, properly manage its collection, and establish a dedicated First Peoples gallery

NEEDS ADDRESSED: First Peoples cultural visibility, culturally safe spaces for Indigenous communities, professional facilities for touring shows, visual arts presentation spaces, professional storage and archival facilities, creative practitioner gathering spaces, and youth engagement spaces

DRIVING STAKEHOLDER: Warrnambool City Council

INDICATIVE COSTING: \$40,000,000 (taken from feasibility study)

READINESS FOR FUNDING: 1–2 years

SOURCES OR MODELS OF FUNDING: Local, state and federal governments

NEXT STEPS FOR THE PROJECT: Confirmation of a preferred option and development of a business case for funding

Figure 4: Exterior of current Warrnambool Art Gallery





## 2.6.4 Local Context

### Warrnambool City Council Community Vision

Warrnambool City Council developed its long-term vision for the future – Warrnambool 2040 (W2040) - identifying four themes: Our Economy, Our People, Our Place and Our Environment, and nineteen Goals.

These guiding themes have been developed with the community and a new Warrnambool Art Gallery would contribute to a range of these goals as outlined in Table 6 below.

**Table 6: Alignment of new Warrnambool Art Gallery with Warrnambool 2040 Goals**

	Warrnambool 2024	Achieve	Contribution of a new Warrnambool Art Gallery
<b>Our People</b>			
1	A Welcoming and inclusive city	✓	Additional spaces for diverse and inclusive programming that represents all people.
4	Value local Aboriginal identity and culture	✓	Additional opportunity for First Nations art, stories and celebration to be appreciated by local First Nations a wider audience.
5	A learning community	✓	Additional spaces for shared learning and educational programs across all ages and abilities.
<b>Our Economy</b>			
7	Grow a resilient and diverse economy	✓	Additional jobs during construction, through operations and create new opportunities for creative industries across both Warrnambool and Victoria.
8	Foster a creative and collaborative culture	✓	Offer new and enhance opportunities for creative industries to connect with its community.
<b>Our Place</b>			
13	Has accessible, high-quality public spaces and facilities	✓	Benchmark regional Art Gallery that represents the new Warrnambool as a destination to visit, work and live.
<b>Our Environment</b>			
14	ZERO WARRNAMBOOL – innovative solutions for zero net emissions	✓	Deliver sustainable design, energy efficient operations and provide an opportunity to demonstrate the possibilities of Zero Carbon and all other sustainable goals of W2040



A scenic view of a park. In the foreground, there's a dark blue semi-circular overlay containing the text 'New Warrnambool Art Gallery'. Below the text is a thin white horizontal line. The background shows a lush garden with various plants, including a large palm tree on the left. A stone wall runs across the middle ground, with a pond visible to the right. The trees are mostly green, but some have yellow and orange autumn foliage. The sky is overcast.

# New Warrnambool Art Gallery

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## 3 THE NEW WARRNAMBOOL ART GALLERY

### 3.1 New Warrnambool Art Gallery at Liebig Street Vision

The redevelopment of the Warrnambool Art Gallery is an opportunity to redefine the organisation and set new goals for its future direction.

The vision and aspirations that provide direction for a new Warrnambool Art Gallery at Liebig Street are:

- Increase visitation to Warrnambool by creating a civic and cultural precinct delivering critical mass of attractions;
- Provide an iconic architectural landmark that celebrates the cultural richness of the collections, connection to Civic Green, and the local history and creativity of visual art in all its forms;
- Deliver broader programs for the south-west region that engages with all communities;
- Place for local artists to work, promote local creative industries and display the work produced;
- Provide greater accessibility to the collections of Warrnambool Art Gallery and those of other lending institutions; and
- Contribute to ongoing First Nations reconciliation as a place for collection, stories and shared learning.

### 3.2 Functional Brief

#### 3.2.1 Objectives

The objectives of the Warrnambool Art Gallery are:

1. To offer a relevant and diverse range of local, national and international exhibitions and public programs which engage new and existing audiences and provide a balance of themes that connect the community.
2. To make the Warrnambool Art Gallery a place for all artists for all genres and backgrounds including First Nations artists.
3. To develop, care and display the Warrnambool Art Gallery collection.
4. To improve financial sustainability through new revenue opportunities, organisational efficiency and effectiveness, and sustainable building solutions.
5. To improve the back of house storage to allow Warrnambool Art Gallery to continue to acquire new items and meet the technical requirements of loan agreements.
6. To explore and develop programming links with other arts organisations, festivals and business partners.
7. To provide security of exhibitions through appropriate display arrangements.
8. To provide fair and equitable access to all members of the community.
9. To ensure the safety of visitors and staff.
10. To support and develop staff so that they have the skills, leadership, and knowledge to deliver the Warrnambool Art Gallery's purpose.
11. To provide important public relations and information functions for the community.
12. Connection with Eastern Maar community and provide a place for collection, storage, and reflection.
13. To deliver a food and beverage offering that attracts locals and wider community.

14. To embrace the connection to existing businesses and attractions and maximise opportunity for connection to the Civic Green.
15. To provide necessary on-site parking for coaches, loading vehicles, buses and cars that maximise operations and accessibility.

### 3.2.2 Functional Areas

Based on research, best practices and comparative analysis, a contemporary Art Gallery is expected to provide the following key functional areas:

- **Back of House:** storage, workshops, loading bay, security, staff administration and amenities
- **Front of House:** entry, food and beverage, retail, bookable public spaces
- **Gallery spaces:** galleries and ancillary programming spaces
- **External areas:** parking, external landscape, public art

The proposed functional areas required in the new Warrnambool Art Gallery are included below. This has been prepared by Francis-Jones Carpenter (FJC). The needs of the Eastern Maar Aboriginal Corporation are nominated separately as the intent for these areas may be designed with discrete access and security requirements, but subject to further consultation with stakeholders.

**Table 7: Functional Spaces and Areas**

Functional Requirement	Area m <sup>2</sup>	+35% Gross space	% of Brief	Existing area m <sup>2</sup>
External Spaces incl Civic Green	1950			1575
Front of House	607	819	26%	
Eastern Maar spaces	315	425	14%	
Exhibition spaces	655	884	29%	
Staff spaces and Back of House	719	971	31%	
<b>Total Estimated Gross Floor Area</b>	<b>2,296</b>	<b>3,100 (excluding external areas)</b>		1,590

### 3.2.3 Functional Layout – Arrival and Access

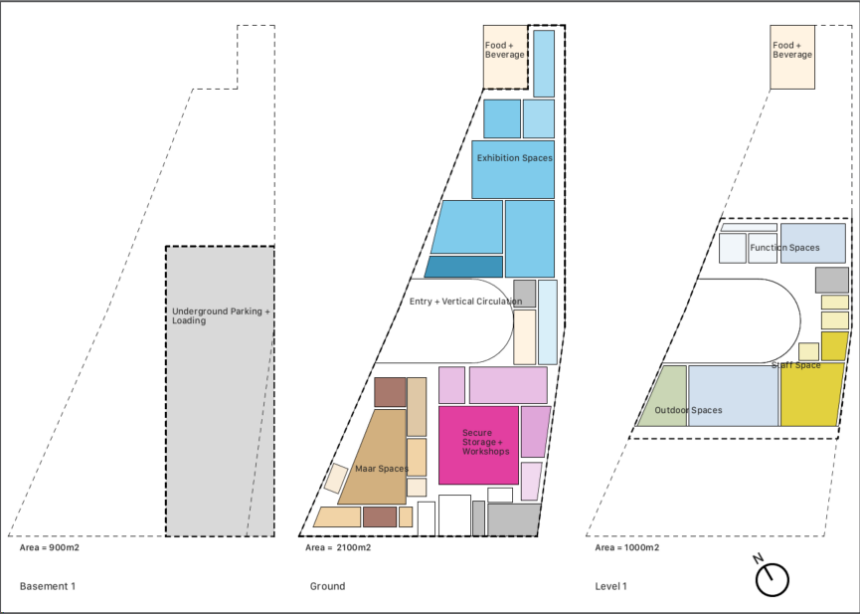
FJC has conducted site analysis and massing study for the existing site which is included in Appendix 5.

The typical functional layout has three levels comprising of underground basement parking and loading, ground level entry, exhibition, Maar spaces and secure storage and workshops with smaller footprint to level 1 for staff and functional spaces. Ground and level 1 would make a physical or visual connection with the outside. To either side of the vertical circulation between the levels, the functional requirement is for five core zones:

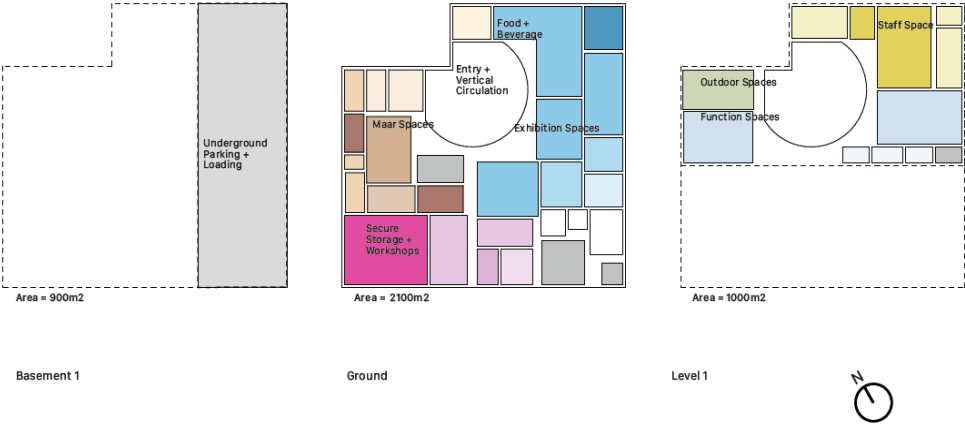
- i. Maar spaces
- ii. Exhibition spaces
- iii. Secure storage & workshops
- iv. Staff spaces
- v. Function spaces

The layouts respond to the importance of connection to Civic Green and respects the main thoroughfare of Liebig and Timor Streets. Exhibitions and back of house would be at ground floor, together with Easter Maar space that allow for separate/discrete access. The staff amenities and function spaces would be on Level 1 overlooking Civic Green. Back of house access would be from Smith Avenue with car parking either at grade or to the basement via Smith Avenue.

Figure 10: Preliminary Functional Arrangement Plan for Strategy 1 and 2



Strategy 1



Strategy 2



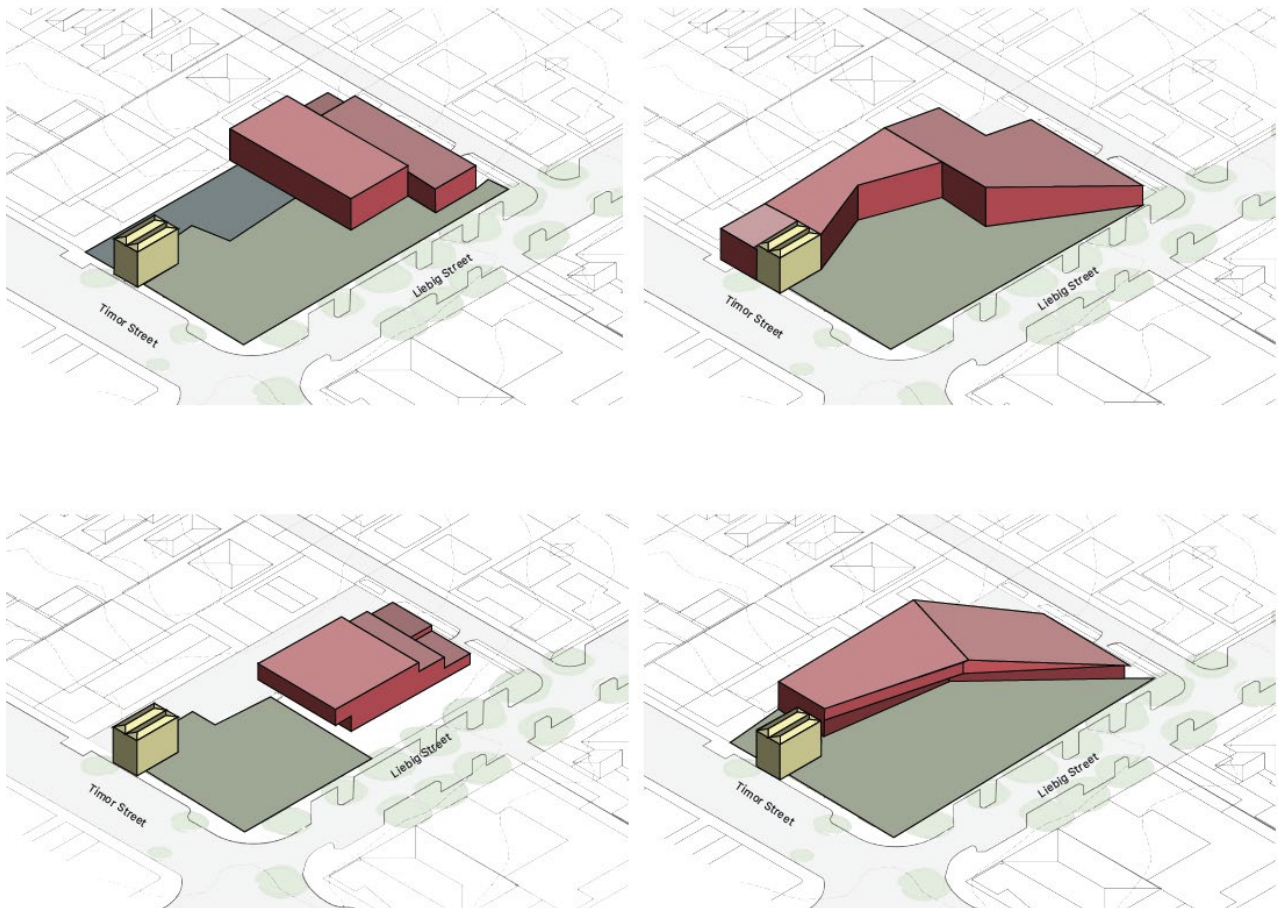
### 3.3 Massing Study

FJC has undertaken massing studies to test the functional layout to the existing site's opportunities and constraints. The massing study key criteria were to:

- Create greater connection to Timor and Liebig Streets to enhance the Art Gallery's presence as a landmark within central Warrnambool.
- Invigorate Civic Green and improve functionality and accessibility to the public open space.
- Maintain connection from Timor Street through to Smith Avenue.
- Respectfully respond to existing heritage buildings on the site.
- Allow for car parking and efficient loading for larger vehicles.
- Address the low-level residential setting of Smith Avenue.
- Use the northerly aspect to enhance natural light and amenity.

FJC prepared 4 massing options in response to the above criteria as outlined below:

**Figure 11: Initial massing studies**

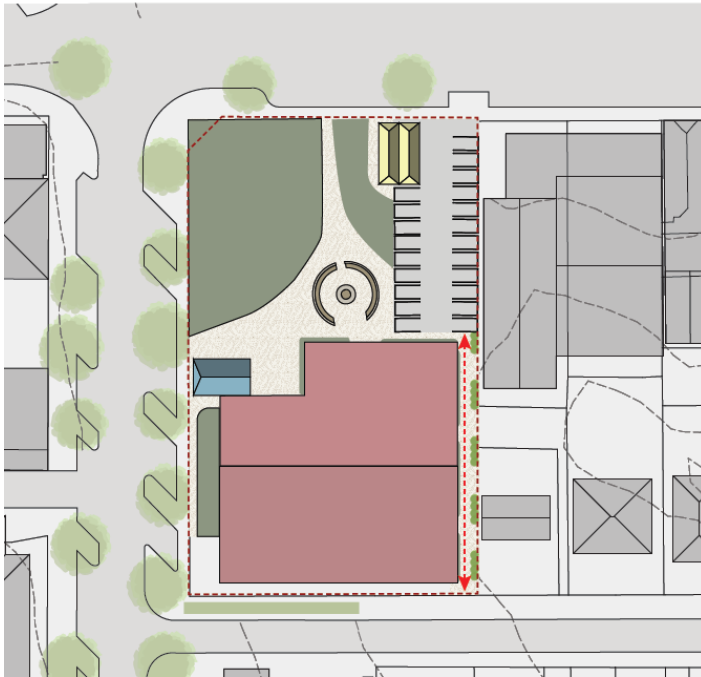


Upon review with Warrnambool Art Gallery and Council representatives, FJC progressed two strategies for detailed analysis being options 3 and 4 in the figure above. Site analysis, functional brief and layout together with the massing studies with multiple views for Strategies 1 and 2 are included in Appendix 5 for a more detailed review.

#### 3.3.1 Massing Strategy 01

FJC's proposed massing strategy 01 maintains the existing footprint of the Art Gallery and creates greater presence in height and built form whilst again maintaining the street frontage of Liebig Street. The rear boundary along Smith Avenue is angled to minimise impact on the residential streetscape and car parking is along Timor Street as the main thoroughfare for vehicle traffic.

**Figure 12: Strategy 1 site plan**



The key attributes of Strategy 01 are:

- Directs pedestrian traffic towards Liebig Street and Timor Streets.
- Lower roof towards Smith Avenue reduces overshadowing.
- Preferences northern aspect of site.
- Treats Timor Street heritage as separate building.
- Has greater presence on site.
- Opportunity to retain existing Warrnambool Art Gallery heritage portion as part of the new build.
- Inclusion of yarning circle.
- Retains green areas of site for market use.
- Entrances can converge to a large central atrium.

**Figure 13: Strategy 1 Massing model from corner of Timor and Liebig Streets.**



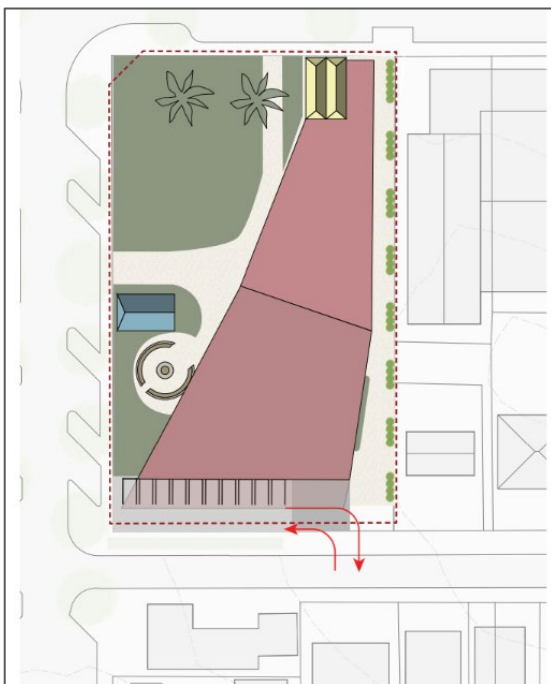
**Figure 14: Strategy 1 Massing model from corner of Timor and Liebig Streets.**



### 3.3.2 Massing Strategy 02

Massing Strategy 02 provides two points of arrival – one from Timor St adjacent the heritage building to celebrate this heritage asset, and one centrally off the Civic Green to create strong connection between indoor and outdoor spaces. It provides a larger footprint than the existing building and aims to have a greater presence to Timor and Liebig Streets to be a recognisable from these main streetscapes.

**Figure 15: Strategy 2 site plan**



The key attributes of Strategy 2 are:

- Pitched roof towards Smith Avenue to reduce overshadowing.
- Takes advantage of Northerly aspect of site.
- Connects existing Heritage to new building.
- Has greater presence on site and to main street frontages.
- Opportunity to retain existing Warrnambool Art Gallery heritage portion as a pavilion.
- Inclusion of yarning circle.
- Retains green areas of site for market use.
- Includes pedestrian connection between Timor St and Smith Avenue.
- Has basement car parking and efficient loading to the rear off Smith Avenue.

The design for Strategy 2 has considered on-grade carparking for up to 10 spaces and basement carparking facilities for approximately 20 cars. The existing open on grade public carpark to the east of the current gallery running between Smith and Timor Streets has 62 car spaces.



**Figure 16: Massing strategy view from the corner of Timor and Liebig Streets**



**Figure 17: Massing strategy 2 view from Timor St**



Upon review of both strategies, the project team identified Strategy 02 as the preferred option because it has greater presence on the site to Timor and Liebig Streets, angles pedestrian traffic towards Liebig Street with pedestrian access across the site, takes advantage of the northerly aspect of the site, contains the existing heritage to the new building and existing Warrnambool Art Gallery heritage portion as a pavilion, creates an accessible and versatile green civic space and ultimately provides a larger Art Gallery for variety of exhibitions and programs.



### 3.4 Architectural Benchmarks

The following benchmarks have been selected, from an architectural stance, to show specific characteristics from exemplar galleries which excel in either a specific function, or which possess high quality features to act as a visitor drawcard. It is important to understand how these success factors can be identified for consideration at Liebig Street.



#### Auckland Art Gallery | Toi o T ā maki, Auckland New Zealand

- location is a similar landscape context, a public park to its 'back' and the front entry set down three floors.
- project had to consider the impact on significant view shafts from around the city.
- The gallery needed an indigenous voice both as a building and for the collection of works.
- Facility is a destination that serves cafe / members club rooms / functions.
- Youth engagement spaces were required.
- Conservation, workshop and storage were key requirements and site access very limited this included access to the secure loading area.
- Strong community objections to the project and now a much-loved community and national asset.





## Auckland War Memorial Museum | Te Ao M ā rama, Auckland New Zealand

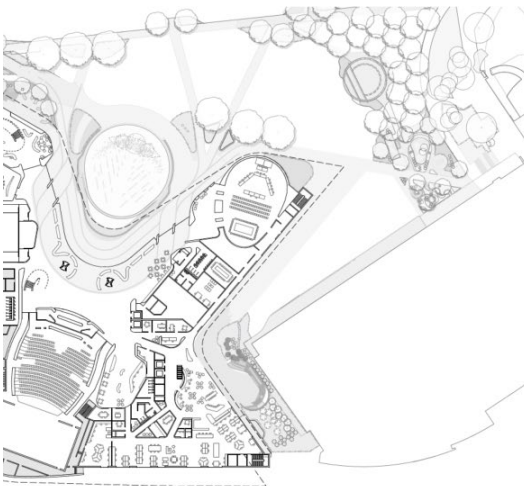


- Highly sensitive landscape context being visible in the round from many locations in the city.
- The gallery needed an indigenous voice both as a building and for the collection of works.
- Ceremonial spaces required for powhiri.
- Masterplan of the project had to consider the impact on significant view shafts from around the city.
- Facility is a destination that serves cafe / members club rooms / functions.
- Youth engagement spaces were required including lunch facilities for touring school groups.
- cultural requirements to accommodate sharing food and gathering space during the visit.
- Conservation, workshop and storage.



## Port of Sale Cultural Hub Sale VIC

- Regional gallery context.
- Similar scale collection and storage requirements.
- Destination facility - cafe / functions / visitor centre.
- Investment in the facility significantly improved visitation to the area in the first year.
- Galleries can accommodate touring exhibitions conditions including the Archibald > 100m linear wall exhibition space.
- On site parking requirements considered RV's, buses and cars.
- Buses from cruise ships and school groups needed to be considered as to how they access the building but also not overwhelm the arrival experience for other users.



## Bunjil Place | Narre Warren VIC

- Whilst the Bunjil Place example is larger in scale (due to the multi discipline accommodations), the gallery area and facilities in support of the gallery are relevant in the capability to house touring exhibitions and has been used in this context.
- Galleries can accommodate touring exhibitions conditions including the Archibald > 100m linear wall exhibition space.
- Destination facility - cafe / functions / visitor centre.



## Tasmanian Museum and Art Gallery | Hobart TAS

- Similar Gross Floor Area when consideration given to the heritage requirements that set many of the spatial requirements.
- Ceremonial space required in the arrival sequence.
- Captivating internal fit out with features which are “Instagram-able”.





## 3.5 Landscape Benchmarks

The inclusion of Civic Green as an established green space in front of the gallery provides for an effective forecourt, allowing for people to come and enjoy the space, new building and cafe/restaurant offers that could be incorporated within the gallery.

The following benchmarks have been selected, from a landscaping perspective, to show specific characteristics from exemplar public realm projects and are seen to provide opportunities that can be considered within the Civic Green area such as landscaping opportunities, informal amphitheatre, sculpture garden, seating and outdoor child enrichment zones with ties into the gallery.

### 3.5.1 Nunawading Community Hub



The new community centre is designed with a variety of spaces to learn, meet and collaborate, offering different indoor and outdoor environments, and catering to different cultural and ethnic backgrounds. The hub includes the surrounding landscape, incorporating the old school oval and schoolhouse. The oval has been converted into a new community park overlooking Tunstall Park, located on the traditional land of the Wurundjeri people of the Kulin nation.

### 3.5.2 Monash University Museum of Art (MUMA Sculpture Garden)



The Ian Potter Sculpture Court, nestled in the arc of the redesigned and refurbished Monash University Museum of Art (MUMA) in Melbourne's Caulfield, is both sculpture garden and part of the public realm of the campus. Completed several years ago by Kerstin Thompson Architects, Simon Ellis Landscape Architects and Fiona Harrison, the courtyard received an urban design award from the Australian Institute of Landscape Architects in 2011.

### 3.5.3 Orange Regional Museum



The Museum creates a new cultural precinct by integrating a new structure into an existing site alongside the public library and art gallery, layering the program into 3 parts: Building + Landscape + Events. The building envelope maintains a line-of-sight to the gallery while creating a new civic square, event space and cafe to house new and existing art and sculpture. The resolution of the complex, angular geometry was critical for a building with a minimal material palette of concrete,

glazing, metal panels and grass and a continuous concrete-edge beam that wraps the entire facade, accentuating the form. Seating stairs create an amphitheatre and provide access to the sloping landscaped roof, a defining feature that rises from the existing lawn to provide a public green space and vantage point across Orange. Blurring the distinction between architecture and landscape, the grassed area was designed for flexible use as an outdoor exhibition area or simply an area for visitors to relax. Recipient of the 2017 Sulman Medal for Public Architecture in the NSW Architecture Awards, Orange Regional Museum creates a new cultural precinct by integrating a new structure into an existing site alongside the public library and art gallery.



### 3.5.4 The Mint



The Mint project is the transformation of one of Sydney's oldest and most precious historical sites on Macquarie Street into a new, meaningful public place formed and characterised as much by the carefully inserted contemporary buildings as the conserved and adapted heritage structures.

## 3.6 Benchmark Art Galleries Key Metrics

The following facilities have been identified as benchmarks for comparison to the proposed new Warrnambool Art Gallery as they are located regionally, focused on visual art, were developed to drive economic outcomes for the region and have had recent successes.

### 3.6.1 Shepparton Art Museum

Shepparton Art Museum is a good example of a new regional cultural investment. Shepparton Art Museum was opened in 2021 with a capital cost in the order of \$50 million and in the first year of opening received 52,331 visitors, an uplift from 34,914. The original Business Case indicated a capital cost of \$35 million with total development cost of \$47.35 million. It is interesting to note the Business Case indicated a new Shepparton Art Museum could generate up to 100,000 in Year 5 of operation.



The funding strategy was:

- \$15.35m – Greater Shepparton City Council.
- \$10m – State Government.
- \$15m – Federal Government.
- \$7m – SAM Foundation.

Shepparton City Council are currently requesting funding of \$2.5 million to complete landscaping, parking, and specialist equipment as Stage 2 of the redevelopment of the Museum.

### 3.6.2 Bendigo Art Gallery



Bendigo Art Gallery as mentioned earlier (Section 2.5) is a strong candidate for exemplar regional Gallery. Over the past 10 years the Gallery has significantly expanded its programming and recently averaged 150,000 visitors a year. In 2022 visitation has been in excess of 200,000 when major exhibitions such as *Elvis: Direct from Graceland* have been staged.<sup>13</sup> A redevelopment of the entire site has been costed at \$48M will deliver a multi-storey building that enhances the capacity for major exhibitions and visitor attractions and creates

new engagement and public spaces for the regional community. Most of the funding support will be sought from the State and Federal governments (up to \$31M), together with funding commitments from the City of

<sup>13</sup> <https://vic.liberal.org.au/news/2022-09-14-guy-davis-schade-securing-the-future-of-bendigo-art-gallery>

Greater Bendigo, Bendigo Art Gallery Board and fundraising through philanthropic donations. It is understood the project still requires \$15 million in funding to progress the full scope.

The existing Bendigo Art Gallery is approximately 2,700 sqm<sup>14</sup> with redevelopment looking to add 1,600 sqm. It has a strong touring exhibition program and has large portion of visitors from metropolitan Melbourne. As indicated in Section 2.5, blockbuster exhibitions contributed between \$6M - \$16M to the Greater Bendigo region.

### 3.6.3 Rockhampton Museum of Art

Rockhampton Museum of Art (RMOA) recently opened the doors to a new \$36 million (construction value) art gallery in early 2022, has exceeded expectations for visitor numbers. It has been awarded the prestigious Sir Zelman Cowen Award for Public Architecture in 2023. Commentary in the press indicates:



*"The benefits of the project clearly outweigh the costs. This is a project that will spark an urban renaissance in our CBD and see our arts and culture scenes continue to expand for generations to come."*

*"The project supported 115 jobs during construction and will create another approximately 200 ongoing jobs."*

The early Business Case data indicates that the new Rockhampton Art Gallery would more than double the visitation numbers per year from 41,000 to 90,000 initially and increasing overtime. The new facility will be six times the existing with approximately 4,700m<sup>2</sup> for the new Art Gallery.

### 3.6.4 Newcastle Art Gallery

Newcastle City Council is investing \$40 million in an extension to their existing art gallery of an additional 1,600 sqm. The City of Newcastle contributed \$16.5 million to the project with a bequest in 2020 of about \$10 million. Further funding is still required.

### 3.6.5 Bundanon Art Gallery



Bundanon Trust recently opened the new Bundanon Art Gallery to house the collection of Arthur Boyd. There are aspirations the Art Gallery will become a regional tourism destination with \$22.5 million funding from Government and \$10.3 million from State.

The summary of these benchmark Art Galleries is below in Table 8.

<sup>14</sup> <https://aumuseums.com/vic/goulburn/bendigo-art-gallery>

**Table 8: Benchmark Australian Regional Art Galleries**

BENCHMARK REGIONAL ART GALLERIES KEY PARAMETRES						
Facility	Base Visitation	Opened	Year 1 Visitation	Visitor Uplift	Size	Capital Costs
<b>Shepparton Art Museum</b>	34,914	2021	52,331	50%	5,300 sqm 800 sqm gallery	\$50M
<b>Bendigo Art Gallery</b>	150,000	TBC	Data note available	Data note available	2,754 sqm Redevelopment to add 1,600 sqm and 600 sqm of galleries	Redevelopment - \$48M
<b>Rockhampton Art Gallery</b>	41,000	2022	90,000	120%	4,700 sqm increase from approx. 800 m <sup>2</sup>	\$36M
<b>Newcastle Art Gallery</b>	77,000	2024	Data note available	Data note available	Additional 1,600 sqm	\$40M
<b>Bundanon Art Gallery</b>	<b>12,500</b>	2022	Forecast 55,500 (by Year 7)	Data note available	New	\$36M (Business Case forecast of \$24M)

The proposal for the new Warrnambool Art Gallery is 3,200 sqm of facility that is comparable to other regional facilities. The above data in relation to benchmark facilities visitation and capital costs provide good point of reference for the forecast visitation and capital costs for the proposals outlined in subsequent suggestions.





# New Warrnambool Art Gallery Impacts

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## 4 LIEBIG STREET IMPACTS

### 4.1 Liebig Street Visitation Forecast

Visitation to an Art Gallery is a key performance indicator that is often used to measure several impacts including economics, engagement and growth.

In Australia it is widely recognised that cultural tourism is growing and has been over the last 10 years. Cultural tourism is growing globally and outperforming the international tourism market as a whole. A survey of 69 countries by the United Nations World Tourism Organisation in 2018<sup>15</sup> found that:

- cultural tourism has grown by 23% over the past five years, compared to total global tourism growth of 19%;
- the overall growth in tourism between 2010 and 2014 is much larger for those countries that specifically feature cultural tourism in their marketing policy (66%); and
- in recent decades, tourism and culture have become inextricably linked, partly due to the increased interest.

Environmetrics Pty Limited were commissioned to prepare a visitation forecast for the proposed new Art Gallery at Cannon Hill. The purpose of the visitation forecast is to identify the likely number of visitors that will contribute to the economic impact of the new Art Gallery. This forecasting has been based on a post COVID “new normal” scenario and considers previous work undertaken including data and assumptions from previous studies. The forecasting is based on the source or geographic location from where visitors are coming, i.e., from Warrnambool, Regional Victoria, Metro Melbourne, Interstate, or internationally, and is averaged seasonally across a calendar year.

In the event Cannon Hill and Liebig Street new Warrnambool Art Gallery proposals are to be compared, the previously prepared visitation forecast is maintained in this Business Case to provide a consistent baseline for economic evaluation of the two options.

#### 4.1.1 Visitation Model

The Environmetrics model used to calculate visitation is driven by the “perceived value” of an attraction by a visitor which is not just measured by the cost of accessing it but also by the time and energy taken to access and enjoy the experience.

In developing the visitation forecast, new galleries and museums tend to have one of two patterns of visitation after opening. The first pattern sees an initial “boom” in visitor numbers for a few years and then a drop down to a more stable level. The second sees an initial modest level of visitation that can rise to a stable level. Major venues in capital cities have shown the “boom” pattern and some have seen the slower rise pattern.

Examples are the original Powerhouse in Sydney, which followed pattern one of a ‘boom’ and the nearby Australian National Maritime Museum that followed pattern two with progressive increase in visitation. The museums differed on their exhibition impact which can contribute to the likely pattern of visitation. MONA in Hobart is an example of a most unusual venue and collection. Because of geographic constraints, MONA began with a more modest, locally based flow of visitors, but had significant exhibition impact that generated the “perceived value” to draw increasing flows of visitors from across Australia and other countries. While the plan for Warrnambool Art Gallery and surrounding attractions are to produce civic and cultural precinct that offers a far richer and exciting experience than what exists now, it is anticipated that the visitation flow is more likely to follow the second pattern. That is, a relatively modest first couple of years until a critical mass of word-of-mouth and media put a trip to Warrnambool Art Gallery on the “must see” agenda for diverse kinds of groups in the community.

#### 4.1.2 Survey Feedback

To inform the analysis, Environmetrics conducted an online survey, sampling 500 Victorians and 100 South Australians, aged 18 years and over. The findings from this survey have informed the views on the opportunities and constraints for increasing the visitation numbers to Warrnambool and the proposed new Art Gallery development.

<sup>15</sup> Culture and Tourism Synergies, 2018, UNWTO (Warrnambool Art Gallery Feasibility Study page 5, July 2021 SMA Tourism.

The key findings from this research are:

- There is a major opportunity to capture additional visitor numbers by “**out of town**” visitors by providing **an interesting destination** and experience that is in addition to the existing “natural” attributes of the area.
- The existing structure of the Day Tour industry to **the Great Ocean Road** could be re-structured to include Warrnambool as an overnight stay destination, providing not only additional visitation to the Art Gallery, but also an opportunity to drive demand for accommodation and meals and therefore the increase visitor spend in the region.
- There is untapped demand for a wider range of leisure / tourism activities than what has traditionally been on offer at Warrnambool; Twenty six percent of the survey sample are **interested in “the now”**. They are not interested in history, back-of-house experiences, or culture. They are interested in seeing what is here to see, taste and experience—sightseeing, physical activities, theme parks/zoos/botanical gardens and eating and drinking are high on their list of priorities. This market is a real opportunity as 40% of them have been to Warrnambool in the last 5 years and a new reactivated Warrnambool Art Gallery would provide the ‘thing to do now’.
- Focus on **Aboriginal Art & Culture**, set within the overall Gallery’s wider offering. Australians’ interest in, and attendance at, First Nations arts and craft activities has continued to increase in recent years. The Australia Council’s National Arts participation survey found that nearly half of all Australians are actively interested in First Nations arts (47%) and seven million attended in 2016 – a record level of attendance and double that of 2009<sup>16</sup>
- At least half of the people visiting Warrnambool from Regional and Metro Victoria have a range of interests, notably food and wine. Therefore, if a new Art Gallery included **quality Food & Beverage offers**, then this will act as a material draw and increase in visitation based on the survey respondents (over 50% of total sample). There is a strong argument that this secondary element to the core function of the Gallery can produce supplementary revenue streams, regardless of such visitation numbers holding an interest in art.

#### 4.1.3 Current visitor profile

The economic contribution study estimates the impact of the new Art Gallery against existing operations. To inform this study, a visitor forecast is required as the baseline for the existing Art Gallery to which the new Art Gallery is compared.

The baseline visitor profile is outlined below and is based upon the Financial Year 2021/22 actual numbers. To provide a realistic basis for economic contribution, the local visitors from Warrnambool of 33,359 has been reduced by 20% to allow for likely repeat visitors. For the purposes of the economic analysis, it is assumed that visitors generally contribute to the economy in their first visitor.

Current sources of visitors to the existing Warrnambool Art Gallery are included in Table 9 below.

<sup>16</sup> Australia Council 2017, Connecting Australians: Results of the National Arts Participation Survey, June 2017, Sydney. <https://www.australiacouncil.gov.au/research/connectingaustralians>

**Table 9: Visitor type as base case in 2022**

Information		Source of information	Notes
Admissions to Warrnambool Art Gallery	61,776	Admissions from Warrnambool Art Gallery Annual Report	FY2021/22 with feedback from Warrnambool Art Gallery staff
Warrnambool	26,687	Admissions from Warrnambool Art Gallery Annual Report and % breakdown from Warrnambool Art Gallery	Warrnambool admissions of 33,359. Reduce admissions by 20% to remove repeat visitors – expenditure on first visit
Metro Melbourne	11,120	% breakdown from Warrnambool Art Gallery	Assume 1 visitor per person
Regional Victoria	16,062	% breakdown from Warrnambool Art Gallery	Assume 1 visitor per person
Interstate & International	1,236	% breakdown from Warrnambool Art Gallery	Assume 1 visitor per person
<b>Estimated visitors to Warrnambool Art Gallery</b>	<b>55,105</b>		

From the above table, regional visitors are the largest segment outside of Warrnambool visitors that drive visitation. Arts daytrips to regional areas have increased at a higher rate than arts daytrips to metropolitan areas. Regional areas are drawing almost as many Australians on arts daytrips as metropolitan areas. Moreover, since 2014 regional arts daytrips have increased at a higher rate than both metropolitan arts daytrips and daytrips overall<sup>17</sup>.

International tourists do not need to be the primary driver for the future of Warrnambool Art Gallery as its connection to community and its region is as critically important for improving the wellbeing of its community, however international tourists are the segment that can bring the most potential economic output due to the additional visitor spend and time in the region.

#### 4.1.4 Visitor Forecast

A number of drivers will impact the potential visitor profile to a new Warrnambool Art Gallery. The overall flow of visitors into Warrnambool will play an important role in affecting the number of visitors to Warrnambool Art Gallery. Clever marketing, and the development of new product opportunities in Warrnambool will probably drive the overall numbers up. New competitive offers outside Warrnambool might pull the same numbers down.

Environmetrics has taken account of improved transport links between Warrnambool and Melbourne. While these can lower the time and energy components of the leisure budget which drives visitors to art galleries, they do not themselves generate visits. Visits are driven by the “exhibit impact” and “ambience”. So, for the modelling, Environmetrics has made educated assumptions based on past history as reported in the Destination Action Plan for Warrnambool relating to “The five-year visitation trends for the region and Warrnambool are relatively flat”, that there will be a post-COVID lift in the overall visitation pattern for Warrnambool but not a dramatic upward trend in the medium term. This is assumed to be consistent with the visitation pattern that is likely to be gradual steady growth rather than a boom on opening.

The key assumptions that are driving the visitation forecast for a new Warrnambool Art Gallery are:

1. Warrnambool Art Gallery becomes a focus for the Warrnambool community.
2. Design of Warrnambool Art Gallery provides an opportunity to connect with Civic Green and spend time in the spaces.

<sup>17</sup> SMA Tourism, Warrnambool Art Gallery Feasibility Study, July 2021, Page 6



3. Programs are delivered that invite participation from the wider Victorian community.
4. The offer includes quality food and beverage experiences.
5. New Warrnambool Art Gallery becomes a major destination within the wider Warrnambool civic and cultural precinct.
6. Extensive marketing and media campaign puts Warrnambool Art Gallery on the must-see list for visitors particularly tourists on tours to the Great Ocean Road.

The following visitation forecasts are based on an extensive marketing strategy for Warrnambool as a whole, based on the increased critical mass of attraction around Warrnambool (i.e., Flagstaff Hill, Lake Pertobe, Library and Learning Centre and Lighthouse Theatre), the re-structuring of the current regional one-day tours to Great Ocean Road, improved transport links between Melbourne and Warrnambool, and targeted marketing campaigns to key interest groups.

The visitation analysis and assessment for a new Warrnambool Art Gallery has been based on the following source data:

1. ABS Tourism Data, Victorian Tourism Reports', 2015 – 2017 Destination Action Plan for Warrnambool and the 2018 Shipwreck Coast Masterplan.
2. Review of benchmark facilities.
3. Admissions data from the existing Warrnambool Art Gallery.
4. Admissions data from Flagstaff Hill Maritime Village, the Warrnambool Visitor Centre, and Warrnambool Council to develop a historical picture of visitational trends to Warrnambool.
5. Survey feedback.

The visitation forecast is outlined below and assumes a range of uplifts to reflect the assumptions above. The visitor profile from Bendigo Art Gallery has been provided as a point of reference to demonstrate how the new visitor forecast would compare.

**Table 10: Comparison of Actual and Forecast Visitor Numbers**

Visitor Source	Current visitors	Cautious Year 1	Optimistic Year 1	Year 5	%	Basis
Warrnambool	26,600	30,000	31,000	31,000	27%	20% uplift from existing. Large portion of population already visit Warrnambool Art Gallery so not expected to significantly increase
Regional Victoria	16,000	21,000	25,000	35,000	30%	35 - 55% uplift from existing to consistently build over time. Bendigo has 30% regional visitors
Metro Melbourne	11,100	13,000	14,000	40,000	34%	25- 30% uplift from existing but will significantly increase with awareness. Bendigo has 49% from Metro Melbourne which is closer destination than Warrnambool
Interstate	930	1,400	1,700	8,000	7%	Consistent with similar Art Galleries – Bendigo has 10% interstate
International	310	600	880	2,000	2%	Consistent with similar Art Galleries – Bendigo has 1% international
<b>Total visitors</b>	<b>55,000</b>	<b>66,000</b>	<b>72,580</b>	<b>116,000</b>		

The visitation analysis indicates that a new art gallery would provide a base case uplift from **current visitation of 55,100 to 116,000 within a 5-year period**, with significant increase from visitors from the current uncaptured out-of-town visitor market. This increase in visitation is seen as being relatively modest within the first couple of years, until critical mass of word of mouth and media put a trip to the new Art Gallery on the “must see” agenda for visitors.

The ‘break through’ in converting tourists to travel to Warrnambool will be dependent on a range of activities including:

- **creating a critical mass of cultural attractions;** the potential development at Flagstaff Hill and investment in new Warrnambool Art Gallery starts to build this momentum; the inclusion of Budj Bim National Park on the World Heritage Register and Port Fairy Folk Festival draws together a regional program of attractions and activities in the area.
- **Working with regional partnerships to develop a strategic marketing strategy to target international and interstate tourists.**
- **Warrnambool Art Gallery providing a changing exhibition program and that taps into the international market’s interests and expectations (similar to Bendigo Art Gallery).**
- **Landmark architectural building that resonates with high quality civic building people wish to see and which has social media attraction to share.**

It is important that all of the above presented “breakthrough” recommendations are implemented and backed by Warrnambool City Council in order to achieve the stated visitation uplift. Refer to Appendix 8 for detailed visitation analysis.

However, it must be understood that the potential of a new Warrnambool Art Gallery cannot be achieved/maximised without broader marketing and operational changes. A list of suggestions to support the growth in visitation that Warrnambool has to offer are included in Table 11 for Council to assess further in creating an action plan for economic marketing strategy.

**Table 11: Attributes to Harness Increased Visitation**

Warrnambool Attributes for International Tourism “Sell”	Areas to Harness for Increased Visitation
Access to beach	Be a strong advocate for what Warrnambool has to offer which other regional counter parts do not possess.
Lake Pertobe / Holiday Park	% of seasonal visits; create promotional activities which “sell” and act as a natural draw of visitation to other parts of Warrnambool.
History of Warrnambool	Macro level of Warrnambool’s rich history and culture – Warrnambool Art Gallery is part of a much wider segment.
Shipwrecked Map	Warrnambool is not listed on all shipwrecked maps.
Access to Great Ocean Road “club”	Need to harness a greater percentage of the 6.6M domestic and international tourists to GOR/\$1.5B estimated spend – more than just a landmark Art Gallery – explore links with tour buses to do overnight stays. Links with car hire companies to convert day trips to overnight stays.
Deakin University	Continue to develop pre-existing relationships and specifically Warrnambool Art Gallery Memorandum of Understanding/Partnership with Deakin University.
Food & Beverage / Retail	Engage with local businesses to continue to grow the combined \$274.85M (2021-22) dining and entertainment sector to meet international tourism dwell time.

Sources; <https://corporate.visitvictoria.com/resources/regional-insights/great-ocean-road>

<https://www.deakin.edu.au/business-and-community/community-engagement/warrnambool/local-partnerships>

<https://www.warrnambool.vic.gov.au/warrnambool-economic-data>

## 4.2 Capital Expenditure

WT Partnership has developed an updated cost estimate for the Warrnambool Art Gallery at Liebig Street based on the massing study and design response developed by FJC. At this early stage of the design process, WT Partnership have used benchmark projects and relevant costs per square metre to calculate the current day costs. The Cost Plan Summary and associated comments is included in Appendix 3.

**A new build across the existing Liebig Street site will require an investment of \$52.5 million.** Table 12 below provides the cost estimate for the Liebig Street Massing Strategy 2:



**Table 12: Massing Strategy 02 Elemental Order of Cost**

	<i><b>Liebig St</b></i>
<b>Demolition</b>	\$432,495
<b>Heritage Works</b>	\$1,245,000
<b>Site Works</b>	\$187,180
<b>Basement</b>	\$1,520,115
<b>Structure</b>	\$6,002,000
<b>Building Fitout</b>	\$15,501,900
<b>Extra Over Allowances</b>	\$2,023,000
<b>Site Services &amp; Infrastructure</b>	\$954,775
<b>External Works &amp; Landscaping</b>	\$1,209,225
<b>Subtotal Construction Costs</b>	\$29,075,690
<b>ESD Initiatives</b>	\$872,271
<b>Design Development Contingency</b>	\$2,994,796
<b>Construction Contingency</b>	\$3,294,276
<b>Preliminaries &amp; Margin</b>	\$9,058,968
<b>Staging</b>	Excluded
<b>Total Current Day Construction Costs</b>	<b>\$45,296,000</b>
<b>Authorities Fees &amp; Headworks Charges</b>	\$905,920
<b>Consultation Fees</b>	\$5,544,079
<b>Decanting and Relocation Costs</b>	\$500,000
<b>Temporary site Operation Costs Incl. Leasing</b>	\$250,000
<b>Estimated End of Day Project Costs</b>	<b>\$52,496,000</b>

The Cost Estimate currently excludes a range of items which are detailed in Appendix 3; however, the following are items that require particular action:

- Contamination and or removal of hazardous materials including site remediation: site investigations are required to verify whether any hazardous materials such as asbestos are present within the existing gallery especially in consideration to its demolition.
- Latent and unforeseen ground conditions: a desktop geotechnical investigation has not been sighted and reviewed with intrusive borehole testing required to verify the ground conditions as this is a risk to the project with the construction of a basement.
- Removal, modification or trimming of surrounding trees on site has not been allowed for and will require further investigation via a trained arborist noting there are a number of established and protected trees that may be impacted by new access and egress points into the site.
- Allowance for any significant external public art or sculptures; this may be subject to a design competition or particular engagement that can be undertaken as a separate procurement activity by Council.
- Excludes full fit out to food and beverage spaces; this is often completed to cold shell only (base building services are capped off at the perimeter of the area) as leaseholder will take responsibility to fit out the spaces. This is subject to the commercial arrangement to be agreed with Warrnambool City Council.

- Electrical upgrades: as the new build will be significantly larger than the current facility, there may be need for upgrades to electrical infrastructure.. Art Galleries are generally high energy consumers and although sustainability initiatives will be implemented, and suitable cost allowances have been made within the cost estimate the electrical demand.

One of the most critical factors in the success of the new Warrnambool Art Gallery is the services flexibility, environmental controls, and quality of the gallery fit out to deliver different exhibition types that consistently attract and engage with audiences. To ensure the exhibition spaces have the necessary cost allowances to deliver this, WT Partnership has provided benchmark projects and their associated cost/sq metre (excluding Contractor Preliminaries, Contingencies). These benchmarked costs are not escalated from time of project completion.

Table 13 below provides relevant benchmarks for art galleries/cultural facilities across Australia.

**Table 13: Gallery benchmark costs/sq metre**

GALLERY SPACE / EXHIBITION	Construction Cost \$/m2 (Not escalated)	Construction Cost rate applied for Warrnambool Art Gallery space (\$/m2)
National Library	6,851	8,800
Regional Museum	7,189	
War Memorial	8,704	
Sports Museum	Ranging 3200-6300	
New Museum	Ranging 6700-8990	
Museum – Specific Gallery	7,649	

The above benchmarking exercise provides confidence that reasonable allowances have been made to deliver a fit for purpose gallery that is required for a significant uplift in visitation.

#### 4.2.1 Escalation

The Cost Estimate provided in Appendix 3 does not include for future cost escalation beyond November 2023 as the delivery program is still to be agreed and escalation forecasts are subject to so much variation any escalation allowance would be arbitrary. Please note for the purposes of the Economic Impact Assessment, current day rates are required, and escalation is excluded.

Cost escalation risk however should be a key consideration for Council when considering project timelines and an overall suitable project budget for a successful delivery of the proposed Warrnambool Art Gallery.

In the previous decade, construction cost escalation across Building and Infrastructure sectors was relatively muted since the Global Financial Crisis of 2008-09. It was certainly well below the levels seen through much of the 2000s in most Australian states.

However, as the world emerged from the worst of the COVID-19 pandemic, escalation significantly increased in 2021 and into 2022. This was via a 'perfect storm' of events, including:

- Construction focused stimulus from both State and Federal Governments.
- Disrupted supply chains globally.
- The effects of sector underinvestment over many years.
- Labour shortages in local markets including ongoing hit to capabilities from limited immigration.
- Geopolitical tensions in Europe.
- Energy price rises.

- Extended draw on labour and materials via rebuilding efforts from recent natural disasters on the East coast of Australia.

The past two years have seen almost unprecedented cost increases in the construction market throughout Australia, including Victoria. Whilst WT Partnerships believe these cost escalation levels will begin to soften in 2023 and into 2024, they are still likely to remain above those levels experienced over the past 10-15 years prior. Following this volatile period, it is expected that construction costs will return to more stable and predictable conditions in line with longer-term historical trends.

WTP's cost escalation forecast percentage increases for building construction works in Victoria are tabled below.

**Table 14: Forecast construction escalation.**

YEAR	FORECAST INCREASE
2022	9-11%
2023	4-6%
2024	3-4%
2025	3.5-4%
2026	3.5-4%
2027	3.5-4%

**The escalation factor in each year is cumulative and compounds, with projects commencing construction in later years experiencing a greater cost escalation factor.**

On this basis, we have included sensitivity analysis about the construction cost escalation that would apply to the current day costs depending on commencement of construction (award of a Building Contract) as outlined in Table 15 below.

**Table 15: Construction Escalation Impact**

Current Day Costs November 2023	Construction Contract executed 2026 – 14%	Construction Contract executed 2027 – 17.5%
\$52,496,000	\$59,845,440	\$61,682,800

The above advice is given based on information available at this date. The current volatile nature of the construction industry and global conditions means that specific local effects may vary. The cost escalation will be reviewed and tested in future cost estimates.

#### 4.2.2 Operating Costs

WT Partnership has prepared a high-level operational lifecycle benchmark for inclusion within the financial and economic analysis and to provide Council with realistic expectation of ongoing costs associated with a new investment of this scale. The benchmarking report is included in Appendix 9 for further review.

WT Partnership has estimated an operating budget in the order of \$357,700 per annum for expenses based on benchmark projects and excludes lifecycle replacement works and staff costs. The lifecycle costs associated with the new Warrnambool Art Gallery represent the replacement costs associated with the building elements as they require progressive maintenance and replacement throughout a 30-year operational period. WT Partnerships have forecast an estimated lifecycle expenditure in the order of \$13 million which equates to approximately \$436K per annum.

For the purposes of the economical evaluation due to the early stages of the design, operating costs of \$761,406 has been covering both operating and lifecycle costs with an additional \$1,000,000 for salary and direct costs consistent with the previous Business Case.



### 4.3 Financial analysis

A Cost Benefit Analysis (CBA) has been used in conjunction with the Economic Impact Assessment in the next section to analysis the financial and economic impact of new Warrnambool Art Gallery. The CBA includes the following monetised benefits and compares this against the costs. This analysis also compares the Base Case (existing Warrnambool Art Gallery) with Project Case: New Warrnambool Art Gallery at Liebig Street.

The Economic Contribution Study is included in Appendix 4 and summarised in subsequent sections.

The core benefits included within the CBA are detailed below:

#### Core economic benefits

- Amenity benefit of paid educational and venue hiring services assumed to equal at least as much as the cost to hire the facility.
- Visitor spending benefit: The new Warrnambool Art Gallery is expected to see an increase of 17,480 visitors by 2029. This will see additional visitor spending.
- Residual value of new Warrnambool Art Gallery building: This is the value of the new Warrnambool Art Gallery at the end of the evaluation period. This assumes a building asset lifespan of 60 years. Assuming a 30-year analysis period, this means that half the capital costs is realise at year 30.

#### Additional economic benefits

- Construction spending benefits: Additional economic activity generated through the spending on construction (this only includes the flow on effects of the construction expenditure as a benefit. The direct construction expenditure is classified as an economic cost).
- Operation spending benefit: Additional economic activity generated through the increase in operational and renewal expenditure (this only includes the flow on effects of the additional operational expenditure as a benefit. The direct operational expenditure is classified as an economic cost).

Table 16 presents the results of the core CBA for Victoria and associated Net Present Value based on a period of 30 years and 7% discount rate.

**Table 16: Cost Benefit Analysis Results**

Cost Benefit Results		30-year NVP (7% discount rate, 30 yrs)
<b>Project Benefits</b>		
<b>Benefit of Warrnambool Art Gallery paying users (excl. exhibitions)</b>		\$2,062,331
<b>Visitor spending benefit for Victoria</b>		\$66,027,062
<b>Residual value of new Warrnambool Art Gallery building</b>		\$2,997,382
<b>Total incremental benefits</b>		\$71,086,776
<b>Project Costs</b>		
<b>Capital costs</b>		\$46,911,423
<b>Incremental operational costs</b>		\$14,367,413
<b>Total incremental costs</b>		\$61,272,836
<b>Results</b>		
<b>Net Present Value</b>		\$9,813,940
<b>Benefit Cost Ratio</b>		1.16

Based on the results above, the development of a new Warrnambool Art Gallery is an economically viable project.

## 4.4 Economic impacts

The Economic Contribution Study assesses the economic contribution of a new gallery at Liebig Street and how this impacts the Warrnambool City region, the Great South Coast region and the state of Victoria. Tourism is very important to the Australian economy - Australia's regions are front and centre of tourism experiences in the country, with 44 cents of every tourism dollar spent in regional destinations. While tourism jobs can be found right across the nation, tourism jobs are a mainstay of employment in parts of regional Australia, comprising as many as six in ten jobs<sup>18</sup>.

The development and expansion of the new Warrnambool Art Gallery site and service offering will generate three types of economic activity:

- Economic contribution generated through construction.
- Economic contribution generated by the additional operational expenditure of a new facility.
- Economic contribution generated through additional tourist expenditure.

The results of the assessment are summarised below.

### 4.4.1 Economic Contributions Generate Through Construction

<sup>18</sup> The Value of Tourism, Deloitte Access Economics, June 2021, <https://www2.deloitte.com/au/en/pages/economics/articles/value-of-tourism.html>

At the peak of construction, the new build will support:

- 32 direct jobs and \$34.7 million economic impact.
- 76 supply chain and consumption jobs and \$41 million within Warrnambool City.

When we consider the effects across the whole of Victoria, the project will support a total of:

- 43 direct construction jobs and \$47.4 million economic impact.
- 149 supply chain and consumption jobs and \$89 million in economic impact.

#### 4.4.2 Economic Contribution through operations to Warrnambool

The new Warrnambool Art Gallery at Liebig Street will increase local expenditure through operations and services and economic impact of additional visitor spending. For the purposes of the economic assessment, the following visitor spending assumptions have been made:

- It is assumed that overnight visitors spend no more than one night per trip in Warrnambool.
- Average spending per trip has been source from Tourism Research Australia.
- It is assumed that local visitors (i.e., those from Warrnambool visiting the New Warrnambool Art Gallery spend only one tenth of the average spend of someone visiting from outside the region.

Spending per trip and total base case and project spending is outlined in table 17 below.

**Table 17: Visitor forecast and spending assumptions.**

	Warrnambool Art Gallery visitors in 2022 (Sourced from Environmetrics)	Average spend per trip (sourced from TRA in 2023 dollar terms)	Total Spend Base Case
<b>Domestic Day (Locals)</b>	25,700	38	\$965,488
<b>Domestic Day (Intrastate)</b>	27,100	188	\$5,090,415
<b>Domestic Overnight</b>	950	154	\$146,190
<b>International overnight</b>	310	74	\$22,928
	Warrnambool Art Gallery visitors in 2029 (OP2) (Sourced from Environmetrics)	Average spend per trip (sourced from TRA in 2023 dollar terms)	Total Spend 2029
<b>Domestic Day (Locals)</b>	31,000	31	\$976,272
<b>Domestic Day (Intrastate)</b>	39,000	157	\$6,141,063
<b>Domestic Overnight</b>	1,700	154	\$261,604
<b>International Overnight</b>	880	74	\$65,085

The summary of the economic impact is:

- By 2030, the new Warrnambool Art Gallery will generate an additional \$13.5 million per year in local economic activity for Warrnambool City.
- An additional 81 FTE positions per year in Warrnambool City by 2030.

**Table 18: Total Economic Contribution to Warrnambool**

CONTRIBUTION TO WARRNAMBOOL	Existing Warrnambool Art Gallery (Base Case) 2022	New Warrnambool Art Gallery 2030	CHANGE
<b>Employment</b> Number of FTE positions per annum	30	81	51 FTE positions per year by 2030
<b>Output</b> The total dollar spends on goods and services	\$5.1 million	\$13.5 million	\$8.4 million expenditure per year by 2030

#### 4.4.3 Contribution to Victoria

The economic contribution of the new Warrnambool Art Gallery on the Victorian economy captures the operational and visitor expenditure which will be realised both within Warrnambool city and the rest of the state.

- By 2030, the new Warrnambool Art Gallery will generate an additional \$25.3 million per year in operational and tourism expenditure.
- This additional expenditure will support an additional 127 FTE positions per year in Victoria by 2030.

**Table 19: Total Economic Contribution to Victoria**

CONTRIBUTION TO VICTORIA	Existing Warrnambool Art Gallery (Base Case) 2022	New Warrnambool Art Gallery 2030	CHANGE
<b>Employment</b> Number of FTE positions per annum	48	127	79 FTE positions per year by 2030
<b>Output</b> The total dollar spends on goods and services	\$9.8 million	\$25.3 million	\$15.5 million expenditure per year by 2030

#### 4.5 Uncertainties

Additional economic activity identified in the Economic Impact Assessment (above) have been considered as a sensitivity test to understand their impact on the outcome. These benefits include:

- The construction economic impacts: Additional economic activity generated through spending on construction. (Note, this only includes the flow on effects of the construction expenditure as a benefit as the direct construction expenditure is classified as an economic cost).



- The operation spending benefit: Additional economic activity generated through the increase in operational and renewal expenditure. (Note, this only includes the flow on effects of the additional operational expenditure as a benefit as the direct operational expenditure is classified as an economic cost).

The results, taking into account all possible indirect and direct effects on the economy, a number of tests to changes in costs and demand, and different discount rates are summarised below.

Table 20 below indicates the results to several sensitivities compared to the NPV and BCR outlined in Table 16, such as including indirect construction and operational benefits, an increase and decrease in costs and benefits, and a 4% and 10% discount rate that can be used to demonstrate how finances may change across the project.

**Table 20: Cost Benefit Analysis Results – Sensitivities**

Sensitivity Results	NPV	BCR
Including indirect construction and operational benefits	\$9,813,940	1.16
Including indirect operational benefits	\$9,813,940	1.16
Increase Tourism Benefits +10%	\$16,416,647	1.27
Increase Tourism Benefits +20%	\$23,019,353	1.38
Increase CAPEX by +20%	\$50,130,902	1.76
Decrease CAPEX by -20%	\$67,696,518	2.44
Increase benefits +20%	\$24,031,296	.39
Decrease benefits -20%	(\$4,403,415)	0.93
4% discount Rate	\$42,774,472	1.61
10% discount rate	(\$7,379,033)	0.87

## 4.6 Social Impacts

Regional art galleries play a significant role in ensuring the liveability, sustainability, and wellbeing of local communities in regional Victoria. Life-long learning and building social capital can be delivered through varied programming on offer.

### 4.6.1 Opportunities for Public Programming to promote diversity and inclusion

Warrnambool Art Gallery has delivered a range of programs that promote diversity and inclusion.

Girls Are Full Steam Ahead for female-identifying students in rural and regional south-west Victoria to change the prevailing perception by girls that ‘...STEM (Science, Technology, Engineering, Math) is not for me’. The project featured focus groups and workshops with Girl Geek Academy, Robotics Academy, Code Like a Girl, Tech Girls Are Superheros and local design company Lovelock Studio. Warrnambool Art Gallery has since established a Girls Steam Club, enabling project participants to meet regularly and extending the legacy of the project.

Warrnambool also has strong connection to the Pride Festival. Victoria’s Pride event locations span across the state including Wangaratta, Ballarat, Morwell, Kyneton, Castlemaine and including Warrnambool and are generally enjoyed by tens of thousands of attendees<sup>19</sup>.

Previous examples of broad engagement with the community include:

#### 1) LGBTQIA+

<sup>19</sup> <https://www.gayletierney.com.au/victorias-pride-celebrated-in-warrnambool/>

Partnership with Brophy Family Youth Services to present two events as part of exhibition *Self-Creation*.  
<https://www.thewag.com.au/exhibition/self-creation>

2022: Exhibition Launch Party at the Dart and Marlin (150+ people in attendance):

<https://www.thewag.com.au/event/exhibition-launch-party>

2023: Self-Created Pride Party, as part of midsumma Festival (150+ people):

<https://www.thewag.com.au/event/self-created-pride-party>

Event partners Brophy, have since reported numerous regional local councils are looking at Warrnambool Art Gallery as benchmarks for successful models for engagement with LGBTQIA+ community.

- 2) **2022: Public outdoor event entitled, 'En Plein Air'** hosted 27 artists including, but not limited to, Kenny Pittock, Grant Nimmo, Rick Amor and Michelle Hamer. Artists responded to the internationally significant Tower Hill Wildlife Reserve, in partnership with Worn Gundidj. Audiences of 800.
- 3) **2020: South West Victorian Aboriginal art and culture:** Warrnambool Art Gallery in conjunction with Deakin University and with financial support from Lyndoch Living announced the recipient of a fully funded PhD scholarship worth \$84,000 over 3 years that will explore South West Victorian Aboriginal art and culture in October 2020. Torres Strait Islander woman Melissa Alexander, will produce a poem that will reflect the role of the Warrnambool Art Gallery collection in the community as individual pieces of history and culture that placemark the missing voices of Aboriginal and Torres Strait Islander Australians.

## Future Examples of Diversification

- 1) 23/24: Exhibition *LISA GORMAN + MIRKA MORA*
  - a. Significant tourist driver.
  - b. Conversations have begun with Public Transport Victoria, alongside accommodation and hospitality venues in Warrnambool to increase partnership and increase tourism through development of tourist packages.
- 2) 2023: Partnership with Heide Museum of Modern Art: <https://www.heide.com.au/exhibitions/paul-yore-and-albert-tucker/>
  - a. Instigation of touring exhibition, developed by Warrnambool Art Gallery thus, Increasing Warrnambool Art Gallery's presence and outreach in Metropolitan locations. Thus increasing brand awareness.
  - b. This will become an ongoing national endeavour.
- 3) Focus will be placed on mainstreaming history and artistic expression from LGBTQIA+, Indigenous, and artists from marginalised settings, at a local, national and international level. For example,
  - a. <https://www.thewag.com.au/exhibition/self-creation>
  - b. <https://www.thewag.com.au/exhibition/love-message-message-death>

A new Warrnambool Art Gallery will provide a destination and flexible spaces whereby these types of programs and events can be expanded and enhanced thereby contributing to the local Warrnambool and Victorian community.

### 4.6.2 Aboriginal reconciliation

As outlined through all sections of 2.7, there is a strong drive towards further recognition of Aboriginal people across Australia and Warrnambool City Council is currently drafting its Reconciliation Strategy.

The Advancing the Treaty Process with Aboriginal Victorians Bill 2018 ('Advancing the Treaty Bill') was introduced in the Legislative Assembly by the Minister for Aboriginal Affairs, Natalie Hutchins, on 7 March 2018. In Victoria, Members of Parliament have acknowledged that:

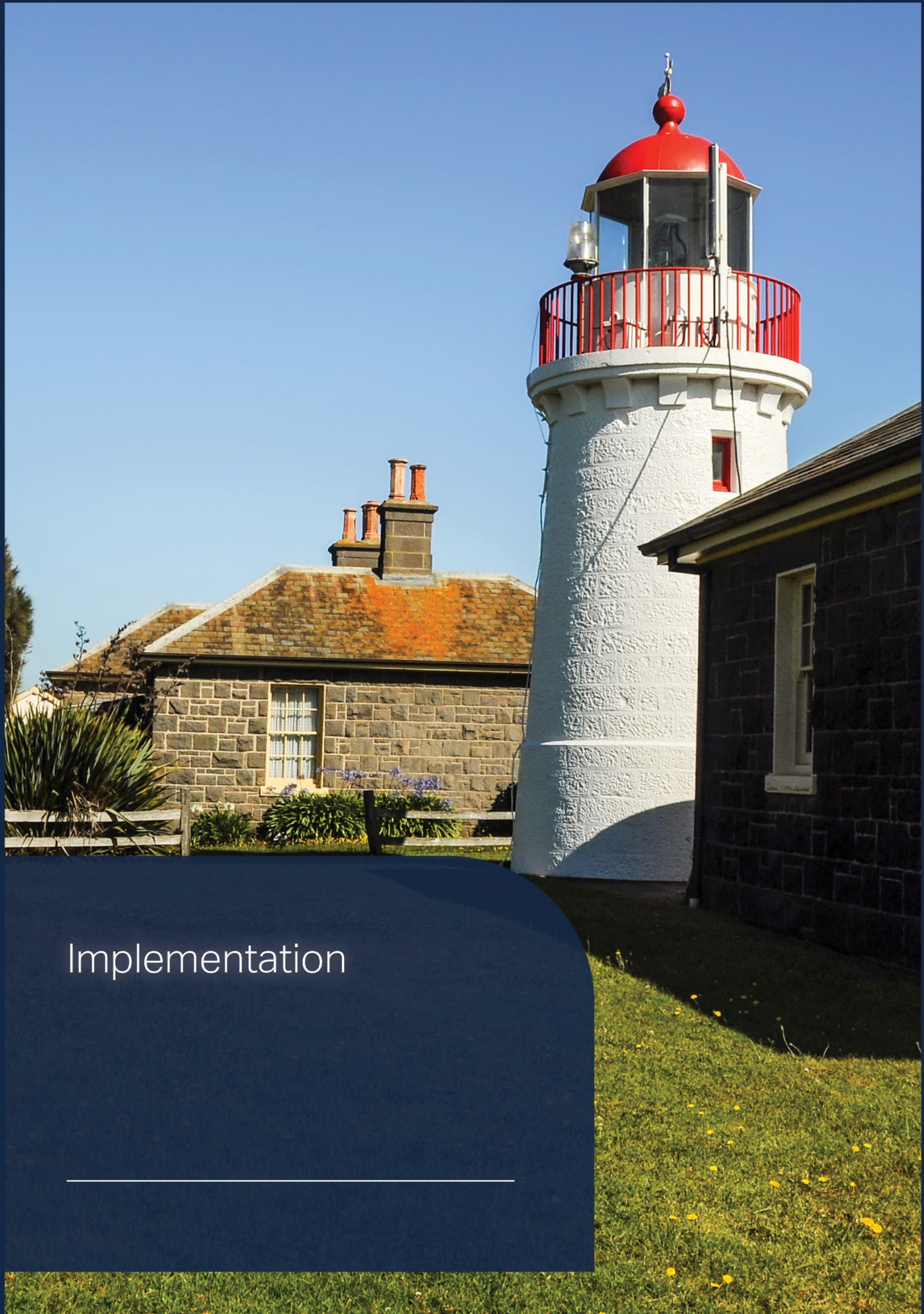
- Aboriginal and Torres Strait Islanders endured 'catastrophic outcomes' as a result of European settlement;
- the 'recognition of these injustices' is important; and
- Indigenous communities continue to face extreme disadvantage in comparison to the broader community.<sup>20</sup>

<sup>20</sup> <https://www.parliament.vic.gov.au/publications/research-papers/download/36-researchpapers/3861-advancing-the-treaty-process-with-aboriginal-victorians-bill-2018>

Across the City of Warrnambool there were 555 individuals who self-identified as Aboriginal or Torres Strait Islander in the 2016 Census. This represented 1.8% of the City's population or twice the share of the Victorian population who self-identified as Aboriginal or Torres Strait Islander. The Glenelg-Southern Grampians statistical area west of Warrnambool had a higher 2.2% share who self-identified as Aboriginal or Torres Strait Islander.

Together with the surrounding Budj Bim development and Tower Hill, Warrnambool and the immediate region is becoming a focus for Aboriginal recognition, with the new Warrnambool Art Gallery putting Eastern Maar collaboration as a key priority.





Implementation

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## IMPLEMENTATION

### 5 Implementation

The following section outlines key considerations for the implementation of a new Warrnambool Art Gallery at Liebig St.

#### 5.1 Environmental Impacts

The existing Warrnambool Art Gallery is located on Liebig St and was built in 1986 adjacent the Civic Green public open space. The key environmental impacts to be considered in the demolition of the existing building and construction of new Art Gallery integrating the Civic Green are:

- Detailed geotechnical investigations to understand soil conditions.
- Environmental site investigation to understand any ground contamination.
- Archaeological investigations and Cultural Heritage Management Plan to understand potential for significant First Nations connection.
- Any site specific investigations relating to biodiversity.
- Hazardous material assessment of the existing building to confirm if material is present.

These investigations are required in the next stage of the project and will inform the design the new Art Gallery.

#### 5.2 Detailed project schedule

Refer to Appendix 6 for a detailed master program that includes all stages necessary (that we are aware of at this stage of the project) to fund, design and deliver a new Warrnambool Art Gallery.

A range of assumptions have informed the development of this program as an example and if Council were to pursue the project, the program could include:

- Full Business Case and application to Department of Treasury and Finance in late 2024 after community consultation on the preferred concept scheme;
- Assume design team to commence in July 2025 and design stages to take approximately 20 months;
- Design team to be novated with some type of early contractor procurement with the Contractor to then take responsibility for completion of design;
- Assume design development stage continues during statutory planning approval process;
- No allowance for design competition to appoint a design team, assume a typical procurement process;
- Allowance of approximately 16 months for construction;
- Allowance of 4 months for Warrnambool Art Gallery to install exhibitions, commission, recruit and train staff; and
- Program includes for Christmas shutdowns of approx. 3 weeks but not rostered days off (RDO) at this stage.

These assumptions and durations within the master program are subject to review and change as further information becomes available about the site, design, funding, statutory processes, procurement and community feedback.

#### 5.3 Critical path activities and key milestones

The critical path activities that affect the commence of stages of the project are:

- Project doesn't commence until all funding streams and phasing is confirmed.
- Completion of schematic design to allow for planning application submission.
- A construction contract cannot be executed without prior statutory planning approval.

- Works cannot commence on site until contractor procurement is complete.
- Construction – Warrnambool Art Gallery cannot install exhibitions until the facility has reached Practical Completion (i.e., works are complete in accordance with the contract and the facility can be safely occupied) and all environmental conditions are commissioned.

**Table 21: Indicative Key Milestones for new Warrnambool Art Gallery**

<b>Milestone Task</b>	<b>Milestone Forecast Completion Date (Indicative Only)</b>
<b>Council Funding Determination / Endorse Next Steps</b>	December 2023
<b>Full Business Case and DTF Submission</b>	December 2024
<b>Funding Confirmed</b>	July 2025
<b>Schematic Design</b>	November 2025
<b>Design Development</b>	March 2026
<b>Construction Tender</b>	September 2026
<b>Planning Approvals</b>	August 2026
<b>Construction Documentation</b>	October 2026
<b>Building Works Practical Completion</b>	<b>February 2028</b>
<b>Exhibition Install and Opening</b>	<b>May 2028</b>

## 5.4 Project schedule risk assessment

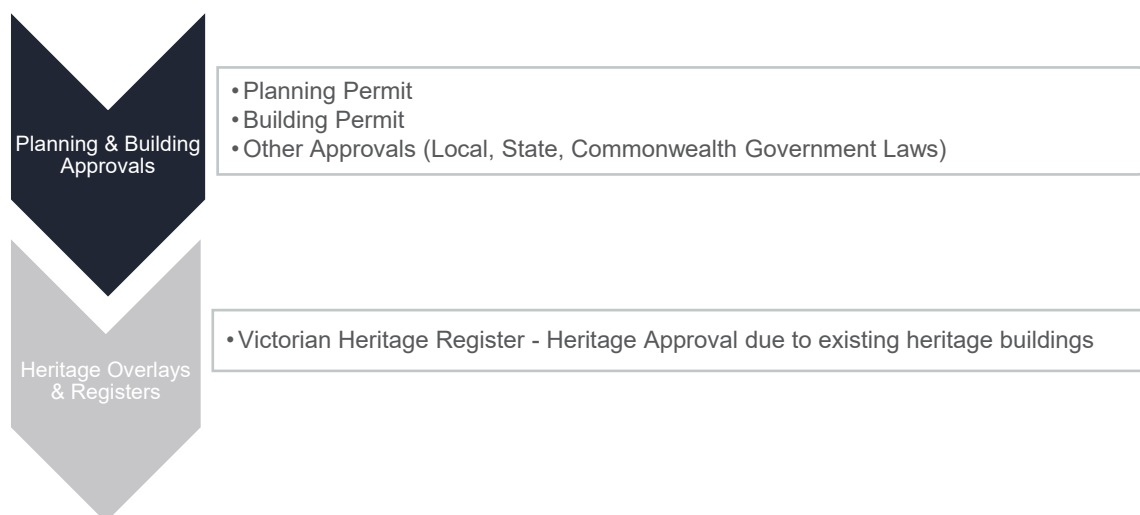
A detailed Risk Register is included in Appendix 7. At this stage of the project the following risks are anticipated to be high and will need to have a risk management and mitigation strategy applied:

1. Site conditions: a detailed geotechnical investigation, environmental investigation, Cultural Heritage Management Plan and site infrastructure assessment will be required to determine all potential site constraints that could either impact design, delay program or significantly increase costs. Mitigation at this stage is to include contingencies for design and construction and conservative approach to costing site conditions.
2. Planning compliance: early discussions are required with Council to understand whether other approvals are required such as planning permits or building approvals with consideration that the proposal is planning to
3. Secure funding: main risk will be securing the necessary funding for the project.
4. Certainty of budget: as the design is in its infancy the budget will be subject to progressive reviews as the project progress. Mitigation at this stage is to include 15% design contingency and 10% construction contingency with additional allowances for in ground conditions.
5. Consultation and support from Eastern Maar Aboriginal Corporation: consultation is to continue in a structured process with the Eastern Maar Aboriginal Corporation and other First Nations representatives.
6. Adjacent residential area: consideration needs to be given to provisions of items not limited to the following: noise controls, maintaining access, parking, overlooking requirements when building in close proximity to residential zones noting Smith Avenue is a residential street. This will need to be considered in terms of construction and once the building is occupied to minimise impacts to local residents.
7. Heritage: risk will be ensuring that heritage permits are secured before any changes are made to any existing heritage dwellings across the site, proper controls are in place and new design is sensitive to existing heritage to not harm the heritage significance.

## 5.5 Statutory processes

A number of statutory processes must be complied with for this project and are identified below in Figure 22. At this stage we are not aware of any cultural heritage issues to be addressed in lieu of standard planning requirements.

**Table 22: Key statutory processes to be considered.**



## 5.6 Funding sources

At this stage a Funding Strategy is being prepared by a specialist consultant. It is likely that funding will be considered from:

1. Council – as a Council asset, Warrnambool City Council will be expected to significantly contribute to the new infrastructure asset. This contribution would be capped in line with Council's financial capacity.
2. State – Victorian Government will need to contribute in accordance with the State Context basis as outlined in Section 2.6.
3. Federal – Federal Government often contributes to assets such as this when there is demonstrated economic basis, and the project satisfies the Governments current priorities. There are a number of new funding initiatives that may be considered by Council.
4. Philanthropic – Council would need to identify opportunities for philanthropic funding and engage accordingly.





## Next Steps

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## 6

### 6.1 NEXT STEPS FOR THE WARRNAMBOOL ART GALLERY

In the event Council wish to proceed with a new Warrnambool Art Gallery at Liebig Street:

- Council may wish to undertake consultation on the options for Civic Green with the community.
- Discussions will need to continue with Regional Development Victoria about the need for a Full Business Case for submission to State Government and other funding partners which will need to consider more detailed financial analysis of construction, operational, exhibition renewal and other asset related costs.
- Council will need to consider the project within its Capital Plan.

# 1

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## Appendix 1

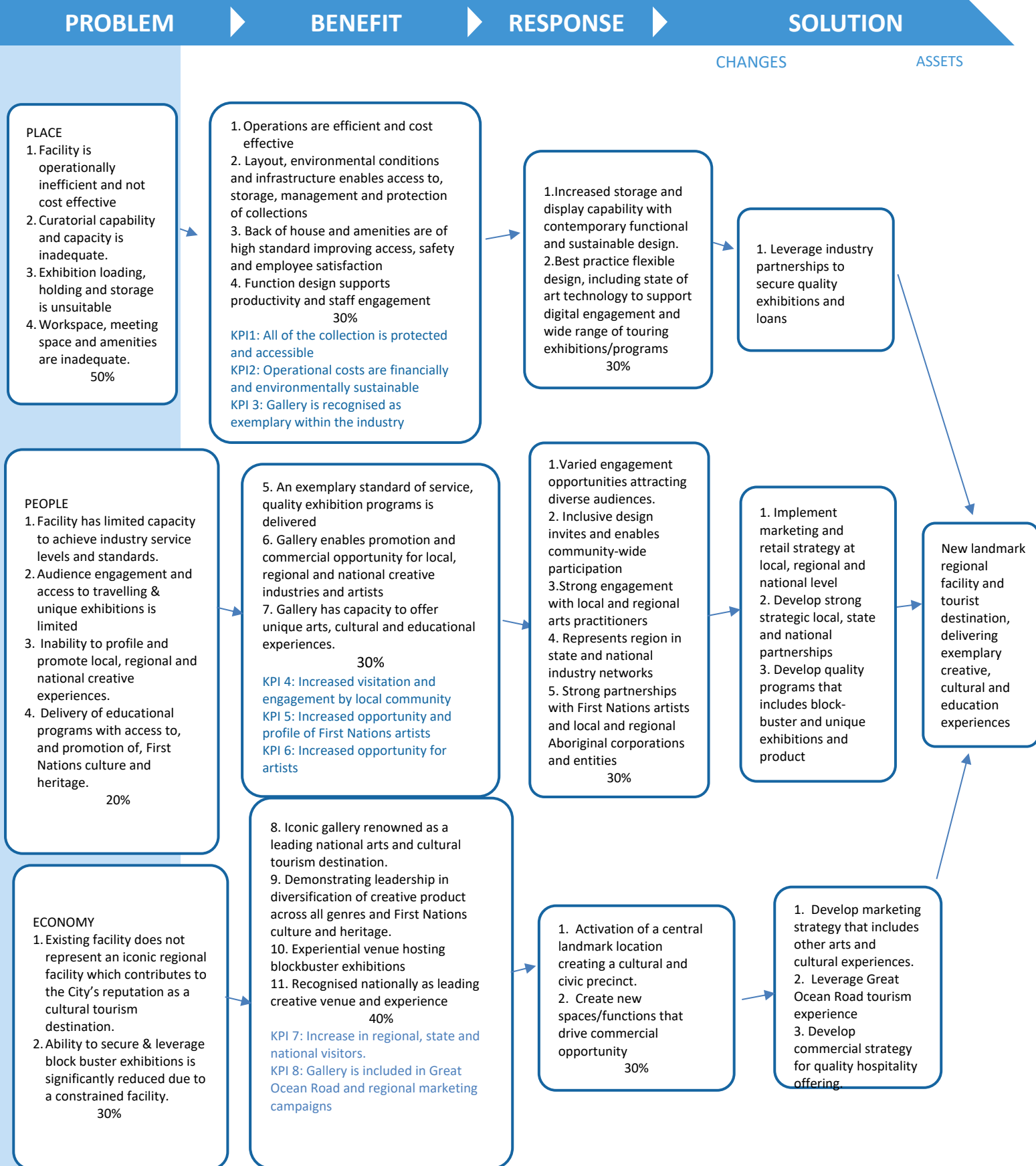
### Investment Logic Map

## Warrnambool Art Gallery

## Case for Change

## INVESTMENT LOGIC MAP

## Initiative



# 2

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## Appendix 2

### Opportunity Cost Methodology



Warrnambool Art Gallery - Opportunity Cost Assessment

PROJECT	Warrnambool Art Gallery	PROJECT NO.	20232045
		DATE	25/01/2023

No.	Evidence of Problem	Impact (Time, Cost, Quality)	Opportunity Cost Identification	Investment Required	Benefit Realised	Intervention Classification	Intervention Required to Existing Gallery ( <u>Retain</u> or <u>New</u> ) to Realise Opportunity Cost
1	Civic Green acts as a central meet point for locals but not reflected in direct visitation to Warrnambool Art Gallery	Time; Quality & Cost	Exisiting building lacking in "pull factor"	5	5	E	New
2	Existing front of house has never had a café function	Time & Cost	Captalise on secondary revenue streams	3	3	H	New
3	Existing retail shop does add to the revenue stream but is minimal	Time & Cost	Marketing rebrand and better merchandise offering to be distinct from rest of town retail pitch	1	2	L	Retain
4	Current WAG staff numbers consist of 5 full time with 4/5 casual - unable to support additional shows due to budget constraints	Quality	Hiring volunteers to increase total number of events held per annum to increase collection based shows and variety and therefore increase variety for target audiences to visit/attend gallery	1	2	L	Retain
5	Poor infrastructure and rigid layout	Time; Quality & Cost	Captalise on touring shows and therefore losing out on increase in variety and therefore reason for audiences to visit/attend gallery	5	5	E	New
6	Lack of flexible spaces	Time; Quality & Cost	Create opportunity for artist studio for roaming stints in residence and/or making spaces and/or programming spaces and/or educational spaces to provide exceptional interactive flexible functions and therefore quality on offer	4	5	E	New
7	Uninviting arrival making for low experiential factor	Time; Quality & Cost	Memorable experience due to high quality environment	4	5	E	New
8	Rigid and outdated climatic systems and controls	Cost & Quality	Quality climatic conditions to preserve one of one exhibitions for longer	4	5	E	Retain
9	Minimal audio visual infrastructure	Cost & Quality	Variety of collections to showcase and catering for wider target audiences	3	4	E	Retain
10	Severe back of house storage capabilities	Cost & Quality	Act as a holding facility for other galleries and loan offerings to temporarily showcase	4	5	E	New
11	No functional back of house workspace	Quality	Improved working conditions to create positive working environment	2	4	H	New
12	No airlock provisions	Cost & Quality	Obtain Grade A gallery quality standards and certification	3	5	E	New
13	Conservation of pieces/collections offsite	Quality	Improved capabilities to partner with exceptional collections to host temporarily	3	5	E	New
14	Parking restrictions for touring buses or school trips	Cost & Quality	Capture short stay tourist trips and provide platform for educational stays for local community	4	5	E	New
15	Lack of knowledge what is showcased within gallery	Cost & Quality	Brand dissemination to target increased audience	1	3	M	Retain

Intervention Classification

Likelihood	Consequence 0	Insignificant 1	Minor 2	Moderate 3	Major 4	Significant 5	Description
Minimal	1	L	L	M	H	H	Minimal effort before benefit is seen
Small	2	L	L	M	H	E	Small intervention with a minimal level of reorganisation before benefit is seen
Reasonable	3	L	M	H	E	E	Reasonable intervention with a medium term disruption to exisiting operations
Major	4	M	H	H	E	E	Major intervention with medium to long term disruption to exisitng operations
Extreme	5	H	H	E	E	E	Extreme intervention with long term impact to operations before any benefits can be realised
		Category 1	Category 2	Category 3	Category 4	Category 5	Please reference Consequence Category

Investment Required

Rating	Level of Investment Required (\$)	Description
5	Extreme	Expected to occur in most circumstances
4	Major	Will probably occur
3	Moderate	Might occur
2	Minor	Could occur
1	Insignificant	May occur only in exceptional circumstances

Consequence Measures

Rating	Descriptor	Impact		
		Cost	Time	Quality
5	Catastrophic	Over \$500,000	Delay over 3 months	Exceptional impact
4	Major	Over \$250,000	Delay over 2 months	Significant impact
3	Moderate	Over \$50,000	Delay over 1 month	Moderate imoact
2	Minor	Over \$10,000	Delay over 2 weeks	Minimal impact
1	Insignificant	Less than \$5,000	Delay less than 1	Minor impact

# 3

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Appendix 3  
Liebig Street Cost Estimate



1 November 2023

Stephanie Hope  
RP Infrastructure  
Level 7  
550 Bourke Street  
MELBOURNE VIC 3000  
stephanie.hope@rpinfrastructure.com.au

Dear Stephanie

**WARRNAMBOOL ART GALLERY**

**ESTIMATE NO.3 - BUDGET ESTIMATE NO.3**

We are pleased to confirm our Budget Estimate No. 3 dated 1 November 2023, for the above project.

Please do not hesitate to contact us to discuss any aspect which requires clarification or amendment to the assumed scope of works on our part.

Yours sincerely

**STEWART LYONS**  
Associate Director  
WT

WT REF: PR-016482-02 - EST 3 (BUDGET)





# WARRNAMBOOL ART GALLERY

ESTIMATE NO.3 - BUDGET ESTIMATE NO.3

1 November 2023



## CONTENTS

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2	PROJECT DEFINITION	2
3	SCHEDULE OF AREAS	2
4	DOCUMENTATION	4
5	SPECIFIC INCLUSIONS	4
6	SPECIFIC EXCLUSIONS	4
7	CONCLUSION / DISCLAIMER	6

## APPENDICES

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APPENDIX A ESTIMATE NO. 3 – BUDGET ESTIMATE NO.3

# 1 ESTIMATE SUMMARY

We estimate the Total Project Cost in the amount of **\$52,496,000 (Excl GST)** at current day costs of November 2023.

The high-level Budget Estimate No. 3 is summarised as follows:

	GFA (M <sup>2</sup> )	GFA (\$/M2)	\$ (EXCL GST)
Construction Works	4,366	6,660	29,075,690
ESD Initiatives (Targeting 6 Star Green Star Only – Net Zero Carbon Offset Allowances Excluded) – 3%			872,271
Design Development Contingency – 10%			2,994,796
Construction Contingency – 10%			3,294,276
Preliminaries & Margin – 25%			9,058,967
Staging			Excl
<b>Total Current Day Construction Cost (Excl GST)</b>	<b>4,366</b>	<b>10,375</b>	<b>45,296,000</b>
Authorities Fees – 2%			905,920
Consultant Fees – 12%			5,544,080
Project Director Fees			Excl
Warrnambool City Council Internal Costs			Excl
Client / Project Contingency			Excl
Decanting & Relocation Costs			500,000
Temporary Site Operation Costs Incl. Leasing			250,000
Cost Escalation			Excl
<b>ESTIMATED TOTAL END OF DAY PROJECT COST AS AT NOVEMBER 2023 (EXCL GST)</b>	<b>4,366</b>	<b>12,024</b>	<b>\$52,496,000</b>

Unless flagged otherwise in this report, our estimate does **NOT** take into account any additional costs or programme delays as a result of any future COVID-19 restrictions including delay or disruption to material supply.

## 2 PROJECT DEFINITION

The project comprises the redevelopment of the existing Warrnambool Art Gallery at the current Liebig Street site location comprising the following:

- Demolition of existing Gallery Building and Structure
- Heritage refurbishment and protection works for both the Liebig Street (Shipwright) & Timor Street (Saddlery) Heritage Buildings
- Permanent & Temporary Gallery Exhibition Spaces
- Maar Exhibition & Gallery Spaces
- FOH Facilities including Function & Observation Spaces
- Staff Workplace & BOH Facilities
- Bar / Servery, Food & Beverage and Retail Spaces comprising Cold Shell Provisions Only (Tenant Fitout excluded)
- Basement Carparking Facilities for approximately 25-30 cars
- Civil Green, Public Realm and Hard/Soft Landscaping to External Areas

## 3 SCHEDULE OF AREAS

The estimate is based on the following schedule of areas and functions.

### 3.1 GROSS FLOOR AREA

FECA	M <sup>2</sup>
Basement	900
Ground Floor	2,100
Level 1	1,000
<b>TOTAL FECA</b>	<b>4,000 M<sup>2</sup></b>
GFA	M <sup>2</sup>
FECA	4,000
UCA	366
<b>TOTAL GFA</b>	<b>4,366 M<sup>2</sup></b>



### 3.2 FUNCTIONAL AREAS

BUILDING WORKS	M <sup>2</sup>
Amenities	30
Bar/Servery, Food & Beverage and Retail (Cold Shell)	95
Basement Carparking	900
BOH & Storage	160
Circulation	804
FOH	42
Foyer	150
Function	150
Gallery Spaces – Family Learning, Public Programming Space, Project Space Permanent & Temporary Collection	615
Gallery Spaces – Maar Nations	200
Gallery Spaces – Maar Interpretive Storage & BOH	115
Observation Area	50
Seminar	90
Staff Areas & Staff BOH	499
Visible Collection Storage	100
UCA Undercroft	366
<b>TOTAL</b>	<b>4,366 M<sup>2</sup></b>

WTP Australia Pty Ltd (WT) has calculated the Gross Floor Area (GFA) as defined by the *Australian Institute of Quantity Surveyors (AIQS) Australian Cost Management Manual*. This convention provides consistency of the measurement process and assists benchmarking of comparable projects.

WT's GFA differs from the *Property Council of Australia's* Gross Floor Area and the *City of Melbourne Planning Scheme Amendment C262* Gross Floor Area definitions which are used for the calculation of the Site Plot Ratio. Such areas should be quantified separately as per the required authority's definitions where required.

Refer Appendix A for detailed schedule of areas.

## 4 DOCUMENTATION

This estimate is based on the following documentation:

- Architectural Concept Documentation prepared by FJC Architecture dated 4 October 2023 and received by WT on 5 October 2023

## 5 SPECIFIC INCLUSIONS

The Estimate is inclusive of the following allowances:

- Contractor Preliminaries, Supervision & Margin – 25%
- ESD Initiatives (Targeting 6 Star Green Star Only – Net Zero Carbon Offset Excl) – 3%
- Design Development Contingency – 10%
- Construction Contingency – 10%
- Authority Fees – 2%
- Consultant Fees – 12%
- Decanting & Relocation Costs (Budget Allowance Only) - \$500,000 (Excl GST)
- Temporary Site Operation Costs Incl. Leasing (Budget Allowance Only) - \$250,000 (Excl GST)

## 6 SPECIFIC EXCLUSIONS

The estimate excludes the following:

- Demolition in excess of allowances listed in this estimate
- Contamination and or removal of hazardous materials including site remediation (e.g. asbestos, PFAS, etc.)
- Abnormal and unforeseen ground conditions (e.g. rock excavation, poor soil, water table issues, etc.)
- Piled foundations unless otherwise noted in the estimate
- Archaeological dig including remediation of indigenous / heritage artifacts
- Works outside of the site boundary unless noted otherwise
- Protection of adjoining properties and footpaths
- Underpinning of adjacent structures
- Artwork and sculptures (including external public features and street furniture unless noted otherwise)

- Warm Shell or Fitout to the Bar, Retail and Food & Beverage; the estimate allows only for Cold Shell Provisions with future fitouts to be completed by Tenant
- Solar PV Panels outside of specifically noted on drawing; assuming 80kW system to be sufficient
- Gas services to buildings
- Electrical substation allowances
- External undercover structures in excess of nominated allowances
- Loose furniture, fittings and equipment including window furnishings
- Carparking ticketing equipment or vehicle recognition technology
- Object conservation works
- Object acquisition
- Raised platforms to seminar
- Removal, modification or trimming of surrounding trees on site
- Wet or hydraulic fire protection systems. The estimate allows for dry fire protection only
- Fire protection to external of building
- LED screening or projections on facades
- Commercial kitchen or bar equipment
- Specialist storage racking
- Traffic management required to facilitate major construction or associated infrastructure works
- Climate controlled humidity HVAC systems to all Gallery spaces; the estimate allows only for the Permanent & Temporary Gallery Spaces
- Smart whiteboards in offices
- Staging of the works
- Adjoining owner issues
- Project Director Fees
- Warrnambool City Council Internal Costs
- Client or project contingency
- Decanting and relocation costs outside of nominated budget allowance; subject to further investigation by WAG and Warrnambool City Council
- Temporary site operation costs and leasing costs outside of nominated budget allowance; subject to further investigation by WAG and Warrnambool City Council
- Work out of normal working hours

- Client insurance and permit fees or charges
- Finance and legal costs
- Client or financier contingency
- Marketing or leasing costs
- Cost escalation beyond November 2023 (current-day estimate provided)
- GST
- Unless flagged otherwise in this report, our assessment of the Cost and Programme to complete the project does **NOT** take into account any additional costs or programme delays as a result of COVID-19 restrictions which have not been claimed or approved.

## 7 CONCLUSION / DISCLAIMER

We highlight that due to the preliminary nature of the documentation, our Estimate should be viewed as indicative and a preliminary opinion of the probable order of cost based on a concept without definition of design scope or quality.

Where WT has not been provided with sufficient information, we have made assumptions and allowances which will require detailed review once the design is developed.

Please review the detail of our Estimate, in particular the many assumptions as to scope, quality, performance and finishes of the current design intent to ensure it generally reflects your requirements.

The estimate has been prepared expressly for RP Infrastructure for the purpose of preparing a preliminary concept assessment and is not to be used for any other purpose or distributed to any third party.





# APPENDIX A

ESTIMATE NO. 3 – BUDGET ESTIMATE NO.3

# WAG | Warrnambool Art Gallery

Estimate No.3 - Budget Estimate No.3 - November 2023

FJC Studio Presentation - Strategy 2



Ref	Description of Works	Unit	Qty	Rate	Total
1.0	Demolition	Site Area	5,348	81	432,495
1.01	Treatment of contamination, removal of hazardous materials including asbestos and PFAS and site remediation				Excluded
1.02	Allow for removal, modification or trimming of surrounding trees on site				Excluded
1.03	Demolition of existing Gallery Building and Infrastructure	m2	1,122	250	280,500
1.04	Demolition of existing Stage and Adjoining Building (excl. Heritage Structures)	m2	218	250	54,500
1.05	Demolition of existing Carpark and retaining wall	m2	1,495	40	59,800
1.06	Extra over allowance for removal of hard / soft landscaped areas	m2	2,513	15	37,695
2.0	Heritage Works	m2	283	4,399	1,245,000
2.01	Upgrading of existing heritage structures including strengthening of existing floors				Excluded
2.02	Liebig Street (Shipwright) Heritage Building - Allow to retain and protect heritage façade during demolition works including partial / careful demolition and refurbishment of existing elements from heritage front and needle / propping during construction works	m2	190	2,000	380,000
2.03	Timor Street (Saddlery) Heritage Building - Allow to retain and protect heritage façade during demolition works including partial / careful demolition and refurbishment of existing elements from heritage front and needle / propping during construction works	m2	308	2,000	615,000
2.04	Timor Street (Saddlery) Heritage Building - Allow for partial / careful demolition to internal heritage finishes (assuming existing flooring and structures to remain as per original construction - subject to Heritage Consultation)	m2	200	500	100,000
2.05	Timor Street (Saddlery) Heritage Building - Allow for specialist sanding and sealing to internal heritage flooring	m2	200	250	50,000
2.06	Timor Street (Saddlery) Heritage Building - General allowance for interfacing and to make good / create new junctions between existing and new structures	Item	1	100,000	100,000
3.0	Site Works	m2	5,348	35	187,180
3.01	Allowances for abnormal and unforeseen ground conditions (e.g. rock excavation, poor soil, water table issues, contaminated soils, etc.)				Excluded
3.02	Archaeological dig including remediation of indigenous / heritage artifacts				Excluded
3.03	Clearance of site and stripping of vegetation	m2	5,348	10	53,480
3.04	Bulk earthworks and to cut and fill site to required levels (incl. landscaping areas)	m2	5,348	25	133,700
4.0	Basement	m2	900	1,689	1,520,115
4.01	Assumed 2700 deep basement	Note			
4.02	Basement ramp included elsewhere; refer External Works & Landscaping	Note			
4.03	Allow for water tables issues including dewatering and removal of wet spoil				Excluded
4.04	Dry basement structures incl. cementitious waterproofing additives (Xypex)				Excluded
4.05	Foundation piling - based on GFA				Excluded
4.06	Underpinning of adjacent structures				Excluded
4.07	Temporary access ramps during basement construction	Item	1	50,000	50,000
4.08	Basement excavation including removal of excess spoil off-site	m3	2,430	80	194,400
4.09	Shotcrete retention wall system; based on 18m x 50m perimeter	m2	367	230	84,456
4.10	Allow for retention soldier piles at 1800cntrs; based on 600dia piles x 5m total depth (2.7m deep basement level + 2.3m ground extension)	No	76	2,970	224,400
4.11	Allow for bar reinforcement for shotcrete and soldier pile connections	m2	367	100	36,720
4.12	Allow for capping beam to perimeter of retention system	m	136	1,000	136,000
4.13	Allow for ground anchors; based on 1 No. per soldier pile (assumed non-permanent)	No	76	1,600	120,889
4.14	Basement foundations including pad and strip footings	m2	900	250	225,000
4.15	Reinforced concrete slab on ground	m2	900	220	198,000
4.16	Allow for lift pit	Item	1	50,000	50,000
4.17	Structural columns - based on Basement FECA	m2	900	100	90,000
4.18	Allow for core / shear walls - based on Basement FECA	m2	900	100	90,000
4.19	Reinforced concrete staircase	m/r	3	7,500	20,250
5.0	Structure	m2	3,466	1,732	6,002,000
5.01	Allow for foundation piling - based on GFA				Excluded
5.02	Underpinning of adjacent structures				Excluded
5.03	Transfer slabs				Excluded
5.04	Foundations	m2	1,200	200	240,000
5.05	Reinforced concrete slab on ground	m2	1,200	220	264,000

WAG | Warrnambool Art Gallery

Estimate No.3 - Budget Estimate No.3 - November 2023  
FJC Studio Presentation - Strategy 2



Ref	Description of Works	Unit	Qty	Rate	Total
5.06	Reinforced concrete suspended slab - to Level 1 and above Basement	m2	1,900	500	950,000
5.07	Ditto to UCA Undercroft - based on South & West Façade x 3m width	m2	366	500	183,000
5.08	Structural columns - based on Ground Floor + Level 1 FECA	m2	3,100	100	310,000
5.09	Allow for core / shear walls - based on Ground Floor + Level 1 FECA	m2	3,100	100	310,000
5.10	Feature Staircase from Ground Floor to Level 1	m/r	5	50,000	250,000
5.11	Suspended concrete roof structure	m2	1,850	500	925,000
5.12	Reinforced glass roof structure; assumed 250m2	m2	250	2,000	500,000
5.13	Integrated Façade System to West Elevation (facing Plaza); based on avg. 7.5m height	m2	600	1,800	1,080,000
5.14	Façade to all other perimeter walls; based on avg. 7.5m height	m2	990	1,000	990,000
6.0	Building Fitout	m2	4,366	3,551	15,501,900
6.01	Based on standard mechanical heating and cooling systems. Museum grade humidity and climate controlled HVAC systems included elsewhere - refer 'Extra Over Allowances'	Note			
6.02	Amenities	m2	30	4,300	129,000
6.03	Bar/Servery, Food & Beverage and Retail (Cold Shell)	m2	95	2,500	237,500
6.04	Basement	m2	900	1,000	900,000
6.05	BOH & Storage	m2	160	1,700	272,000
6.06	Circulation	m2	804	2,700	2,170,800
6.07	Front of House Spaces	m2	42	3,700	155,400
6.08	Foyer	m2	150	3,800	570,000
6.09	Function	m2	150	3,600	540,000
6.10	Gallery Spaces - Family Learning, Public Programming Space, Permanent Collection, Project Space, Temporary Collection	m2	615	8,800	5,412,000
6.11	Gallery Spaces - Maar Nations	m2	200	8,800	1,760,000
6.12	Gallery Spaces - Maar Interpretive Storage, BOH	m2	115	8,800	1,012,000
6.13	Observation Area	m2	50	1,000	50,000
6.14	Seminar	m2	90	5,400	486,000
6.15	Staff Areas & Staff BOH	m2	499	2,400	1,197,600
6.16	Visible Collection Storage	m2	100	3,900	390,000
6.17	UCA - Undercroft	m2	366	600	219,600
7.0	Extra Over Allowances	m2	4,366	463	2,023,000
7.01	Museum grade climate controlled humidity HVAC systems to the following Gallery Spaces: Permanent Collection & Temporary Collection	m2	400	1,000	400,000
7.02	Allow for passenger lift	Item	1	150,000	150,000
7.03	Allow for dock leveller to Loading Bay	Item	1	75,000	75,000
7.04	Solar PV Panels to Rooftop	Item	1	500,000	500,000
7.05	Roof access and protection infrastructure	m2	1,850	80	148,000
7.06	Allowance for Building Signage	Item	1	250,000	250,000
7.07	Allowance for Audio Visual Equipment	Item	1	500,000	500,000
7.08	Green rooftop including all associated membranes, growing medium and planting of small shrubs and plants				Excluded
7.09	LED screening or projections on facades				Excluded
7.10	Allow for raised platforms to seminar spaces				Excluded
7.11	Allow for artwork and sculptures				Excluded
7.12	Allow for commercial kitchen or bar equipment				Excluded
7.13	Allow for specialist storage racking				Excluded
7.14	Fire protection to external of building				Excluded
7.15	Loose furniture, fittings and equipment including window furnishings				Excluded
8.0	Site Services & Infrastructure	m2	3,065	312	954,775
8.01	Allowances assited from information provided in the Infrastructure Services Report completed by CSE Group dated 12 May 2021 - refer drawing C-01 [A]	Note			
8.02	Stormwater mains	m2	3,065	25	76,625
8.03	Sewer	m2	3,065	25	76,625
8.04	Water	m2	3,065	15	45,975
8.05	Power	m2	3,065	30	91,950

# WAG | Warrnambool Art Gallery

Estimate No.3 - Budget Estimate No.3 - November 2023

FJC Studio Presentation - Strategy 2



Ref	Description of Works	Unit	Qty	Rate	Total
8.06	Communications & Data	m2	3,065	25	76,625
8.07	External lighting to site	m2	3,065	75	229,875
8.08	Extra over for stormwater detention systems to hardscaped areas	m2	1,571	100	157,100
8.09	Allow for electrical kiosk	Item	1	100,000	100,000
8.10	Connections to existing facilities	Item	1	100,000	100,000
8.11	Water break tanks and fire booster set assembly				Excluded
9.0	External Works & Landscaping	m2	3,065	395	1,209,225
9.01	On-grade asphalt carparking and road including kerb and gutters	m2	320	150	48,000
9.02	Concrete carpark ramp leading to Basement Level	m2	99	500	49,500
9.03	Yarning circle including feature paving and in-built furniture / seating	m2	165	1,000	165,000
9.04	Hard landscaping comprising combination of exposed aggregate concrete and feature paving	m2	437	500	218,500
9.05	Hard landscaping to rear laneway comprising pedestrian access only	m2	550	250	137,500
9.06	Restoration of civic green including laying new turf and irrigation	m2	1,147	100	114,700
9.07	Soft landscaping and planting of shrubs to remainder of site	m2	347	75	26,025
9.08	New crossovers / modification to existing	No	2	25,000	50,000
9.09	Allow for public art garden and/or street furniture	Item	1	100,000	100,000
9.10	Allow for miscellaneous site wide retaining walls as required	Item	1	100,000	100,000
9.11	Allow for undercover shelter (separate to UCA Undercroft)	Item	1	200,000	200,000
9.12	Relocation, refurbishment or replacement of existing Palm Trees				Excluded
9.13	Make good or upgrade works to existing stage				Excluded
9.14	Works beyond the site boundary				Excluded
Subtotal Construction Cost [Excl GST]		m2	4,366	6,660 \$	29,075,690
	ESD Initiatives (Targeting 6 Star Green Star Only - Net Zero Carbon Offset Allowances Excluded)	%	3	29,075,690	872,271
	Design Development Contingency	%	10	29,947,961	2,994,796
	Construction Contingency	%	10	32,942,757	3,294,276
	Preliminaries & Margin	%	25	36,237,032	9,058,968
	Staging				Excluded
Total Current Day Construction Cost - November 2023 [Excl GST]		m2	4,366	10,375 \$	45,296,000
	Authorities Fees	%	2	45,296,000	905,920
	Consultant Fees	%	12	46,201,920	5,544,079
	Project Director Fees				Excluded
	Warrnambool City Council Internal Costs				Excluded
	Client / Project Contingency				Excluded
	Decanting and Relocation Costs (Budget Allowance Only)	Item	1	500,000	500,000
	Temporary Site Operation Costs Incl. Leasing (Budget Allowance Only)	Item	1	250,000	250,000
	Cost Escalation				Excluded
Estimated End of Day Project Cost - November 2023 [Excl GST]		m2	4,366	12,024 \$	52,496,000





Ref	Description of Works	Unit	Qty	Rate	Total
	<p>We highlight that due to the conceptual nature of the documentation, our Estimate should be viewed as indicative and a preliminary opinion of the probable order of cost. Where WT has not been provided with sufficient information, we have made assumptions and allowances which will require detailed review once the design is developed. Please review the detail of our Estimate, in particular the many assumptions as to scope, quality, performance and materials of the current design intent to ensure it generally reflects your requirements. The estimate has been prepared expressly for Warrnambool City Council for the purpose of a Preliminary Budget Cost Review, delivery option discussions and in support of funding application processes and is not to be used for any other purpose or distributed to any third party</p> <p><u>Please note the following items 'specifically EXCLUDED' from this estimate:</u></p> <ol style="list-style-type: none"><li>Demolition in excess of allowances listed in this estimate</li><li>Contamination and or removal of hazardous materials including site remediation (e.g. Asbestos, PFAS, etc.)</li><li>Abnormal and unforeseen ground conditions (e.g. rock excavation, poor soil, water table issues, etc.)</li><li>Piled foundations unless otherwise noted in the estimate</li><li>Archaeological dig including remediation of indigenous / heritage artifacts</li><li>Works outside of the site boundary unless noted otherwise</li><li>Protection of adjoining properties and footpaths</li><li>Underpinning of adjacent structures</li><li>Artwork and sculptures (including external public features and street furniture unless noted otherwise)</li><li>Warm Shell or Fitout to the Bar, Retail and Food &amp; Beverage; the estimate allows only for Cold Shell Provisions with future fitouts to be completed by Tenant</li><li>Solar PV Panels outside of specifically noted on drawing; assuming 80kW system to be sufficient</li><li>Gas services to buildings</li><li>Electrical substation allowances</li><li>External undercover structures in excess of nominated allowances</li><li>Loose furniture, fittings and equipment including window furnishings</li><li>Carparking ticketing equipment or vehicle recognition technology</li><li>Object conservation works</li><li>Object acquisition</li><li>Raised platforms to seminar</li><li>Removal, modification or trimming of surrounding trees on site</li><li>Wet or hydraulic fire protection systems. The estimate allows for dry fire protection only</li><li>Fire protection to external of building</li><li>LED screening or projections on facades</li><li>Commercial kitchen or bar equipment</li><li>Specialist storage racking</li><li>Traffic management required to facilitate major construction or associated infrastructure works</li><li>Climate controlled humidity HVAC systems to all Gallery spaces; the estimate allows only for the Permanent &amp; Temporary Gallery Spaces</li><li>Smart whiteboards in offices</li><li>Staging of the works</li><li>Adjoining owner issues</li><li>Project Director Fees</li><li>Warrnambool City Council Internal Costs</li><li>Client or project contingency</li><li>Decanting and relocation costs outside of nominated budget allowance; subject to further investigation by WAG and Warrnambool City Council</li><li>Temporary site operation costs and leasing costs outside of nominated budget allowance; subject to further investigation by WAG and Warrnambool City Council</li><li>Work out of normal working hours</li><li>Client insurance and permit fees or charges</li><li>Finance and legal costs</li><li>Client or financier contingency</li><li>Marketing or leasing costs</li><li>Cost escalation beyond November 2023 (current-day estimate provided)</li><li>GST</li></ol>				

# 4

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## Appendix 4

### Economic Contribution Study

# Warrnambool Art Gallery Economic impact report

Client: Warrnambool City Council

Date: November 2023

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*Polis Partners would like to pay our respects to our ancestors and Elders, past and present who are our knowledge holders. We acknowledge our Aboriginal and Torres Strait Islander young people who are our future leaders. We acknowledge and pay respect to those who have gone before and recognise their deep and lasting contributions.*



# Executive summary

The Warrnambool Museum and Art Gallery (WAG) is owned and operated by the Warrnambool City Council and forms an important part of the cultural and recreational make-up of the city.

However, the current WAG building and site is too small, limiting the effective functionality of the front of house exhibition space and back of house storage, logistics and working space. This has significant flow on effects including the inability to meet customer expectations, inefficient use of staff time, ongoing risks to the collection and increasing operating costs (with limited revenue generating activities). As such, a new WAG has been proposed for be developed at the existing site.

**This study assesses the economic contribution of a new gallery and how this impacts the Warrnambool City region, the Great South Coast region and the state of Victoria.** The development and expansion of the new WAG site and service offering will generate three types of economic activity:

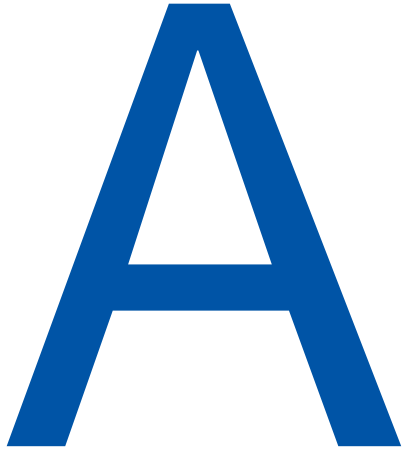
- ▶ economic contribution generated through construction
- ▶ economic contribution generated by the additional operational expenditure of a new facility
- ▶ economic contribution generated through additional tourist expenditure.

The results of the assessment are summarised below.

**Table 1: Total economic contribution (average per annum)**

	Current activity	During construction	Future activity
<b>Contribution to Victoria</b>			
<b>Employment</b>			
Number of FTE positions	48	192	127
<b>Economic output</b>			
Economic activity supported	\$9.8m	\$ 136.4m	\$25.3m
<b>Contribution to (LGA)</b>			
<b>Employment</b>			
Number of FTE positions	40	131	105
<b>Economic output</b>			
Economic activity supported	\$6.7m	\$92.4m	\$17.3m
<b>Contribution to Warrnambool</b>			
<b>Employment</b>			
Number of FTE positions	40	108	81
<b>Economic output</b>			
Economic activity supported	\$5.1m	\$75.7m	\$13.5m

\*Full-Time Equivalent



# Background

This section of the report introduces the Warrnambool Art Gallery project and the key economic impacts that could occur following construction of the new gallery. This includes highlighting current activity at the site, and why the project has been proposed.

# 1. Introduction to Warrnambool Museum & Art Gallery

## 1.1 An introduction to Museum & Art Gallery

The Warrnambool Museum and Art Gallery (WAG) was originally established in 1886 by Joseph Archibald, a retired police inspector, and began with an eclectic mixture of artworks and museum curios. The majority of the early acquisitions included European and colonial artworks. However, the collection today includes more diverse range from modernists Australian and contemporary art to Aboriginal artefacts and historic items of cultural significance.

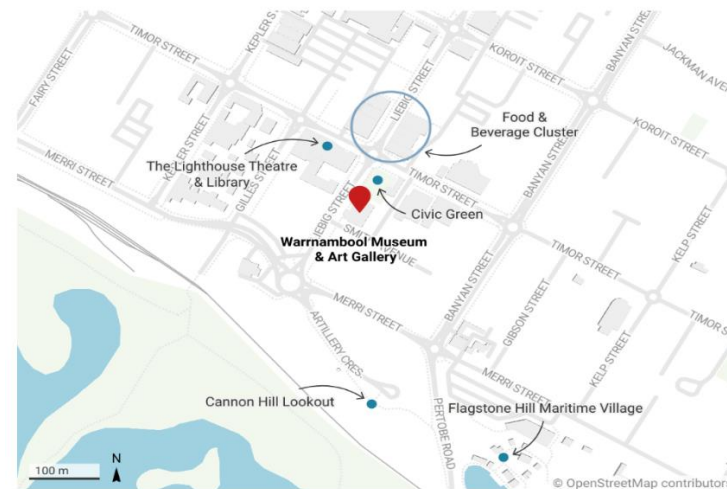
The gallery now houses more than 5,000 historic and artistic artefacts which are valued at approximately \$12 million<sup>1</sup>.

**WAG's mission is to:** uphold and transform the cultural life of Southwest Victoria. WAG promotes social, cultural, and academic interaction with a focus on external partnerships and it also maintains a strong commitment to the visceral power of material experience. The public education and outreach programs deliver unique experiences of visual art, new media, and sonic art, design, popular culture, science technology and art fusions within its five museum standard spaces and in public art projects and education programs beyond the gallery walls.

The gallery forms an important part the emerging Warrnambool cultural and council precinct. The gallery is proximate to the Civic Green (open space parklands and entertainment area) located just to the north, the

Lighthouse Theatre and Warrnambool Library located across the road (Liebig Street), and Cannon Hill lookout and Flagstaff Hill Maritime Village located 200 metres southwest of the facility. A cluster of food and beverage venues are also located within the area (see Figure 1).

**Figure 1 Context Map**



<sup>1</sup> WAG Feasibility Study 2021,

## 1.2 Operation & Visitation

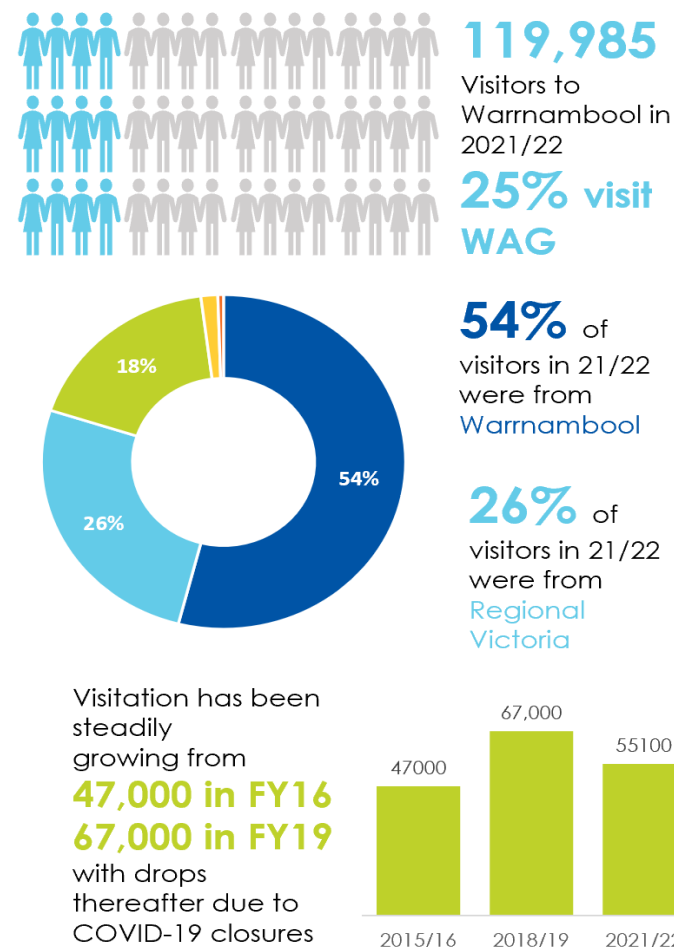
WAG is owned and operated by the Warrnambool City Council and is positioned within the Council's Recreation and Cultural Unit. There are approximately 5 FTE positions managing WAG's day to day operations, with only 3 positions operating full time<sup>2</sup>. WAG also operates an extensive volunteer program with 69 volunteers completing more than 2,951 hours per year. Volunteers provide a variety of services from Front of House to Curatorial and Research.

Currently entry to WAG is free. The gallery therefore relies on other forms of revenue streams including; education and outreach program fees, gift shop revenues, venue hire, memberships, private donations, government grants and the annual gallery operating grant.

In 2018-19, WAG held 29 exhibitions of local, national and international significance. An additional 751 new pieces were created. The gallery also attracted 67,000 visitors. Visitation has been steadily increasing over the last five years with 40 percent growth between 2015-16 and 2018-19. Visitation drops after this period due to Covid-19 restrictions with only 55,100 visitors in 2021/22. Figure 2 summarises key visitor statistics for the WAG for 2021/22.

<sup>2</sup> Please note within the economic impact assessment, 4 FTE positions are employed at the Gallery (3 full time positions and 2 part time positions).

Figure 2 Historic Visitor Statistics





### 1.3 Limitations of the current facility

Limitations of the existing WAG site and building were identified through stakeholder interviews and contributions made through the Council's 2021 WAG Business Unit Summary. Some of the key constraints are summarised below.

- ▶ The location offers limited visibility and access to passing visitors which limits the delivery of a cultural hub. The location does not attract walk-in visitors, is not clearly visible from the surrounding road network, has no distinct entry and has limited parking and no coach drop off.
- ▶ The building has insufficient space to deliver on its objectives. For example, the Maar Nation room is too small to profile local Aboriginal artists, the Family Learning Centre is too small for peak periods, the total exhibition space is not big enough for travelling exhibitions and the back of house area is disjointed and does not function efficiently.
- ▶ The gallery has minimal connection to and use of the surrounding landscape which limits outdoor artistic experiences.
- ▶ There is no room for out of hours exhibitions.
- ▶ The building cannot support additional levels to be constructed on top, meaning expansions may require demolitions and rebuilds.
- ▶ The building has limited sustainable design elements. There is no energy saving devices, no water harvesting and reuse functionality, no museum environment control (preventing the sourcing of many travelling exhibitions) and the age and condition of the building means there are unexpected operating and maintenance costs.

- ▶ Business management and marketing is ineffective at capturing the share of regional city visitation. There is also no current Business plan to innovate or develop additional revenue growth.

The WAG building and site is too small, limiting the effective functionality of the front and back of house. There are significant flow on effects including the inability to meet customer expectations, inefficient use of staff time, ongoing risks to the collection and increasing operating costs (with limited revenue generating activities).

Whilst there are a number of limitations, there are elements of the WAG which would be beneficial to preserve or enhance including the Maar Nation Gallery which has strengthened relationships between the WAG and local Aboriginal people. The Children's Learning Gallery also plays a significant role in introducing and leaning younger generations to artistic experiences and providing valuable education programs particularly during holidays. The WAG should look to maintaining and preserving these elements.

# B

## The project

This section of the report introduces the proposed new gallery, including the timeline and cost of construction as well as the potential future activities at the site.

## 2. The future of the Warrnambool Art Gallery

The future vision of WAG was developed throughout the consultation process with key stakeholders. Key strategic drivers were identified which formed the functional and spatial requirements of a new gallery space. Key strategic drivers for the new site and building includes:

- ▶ mitigate Health & Safety risks & liabilities
- ▶ meeting mandatory obligations under the Aboriginal Heritage Act 2006
- ▶ increased amenity and improved staff amenity
- ▶ optimise how facility is run to maximise staff efficiency and wellbeing
- ▶ provide a platform for creative industries plus educational outcomes
- ▶ build with materials to reduce operational life cycle costs
- ▶ cultural tourism destination recognised as a high quality venue
- ▶ recognised as a South West Regional leader within the Arts sector
- ▶ environmental conditions to display own collection PLUS loans and touring collections
- ▶ first Nations reconciliation strategy
- ▶ increase local engagement.

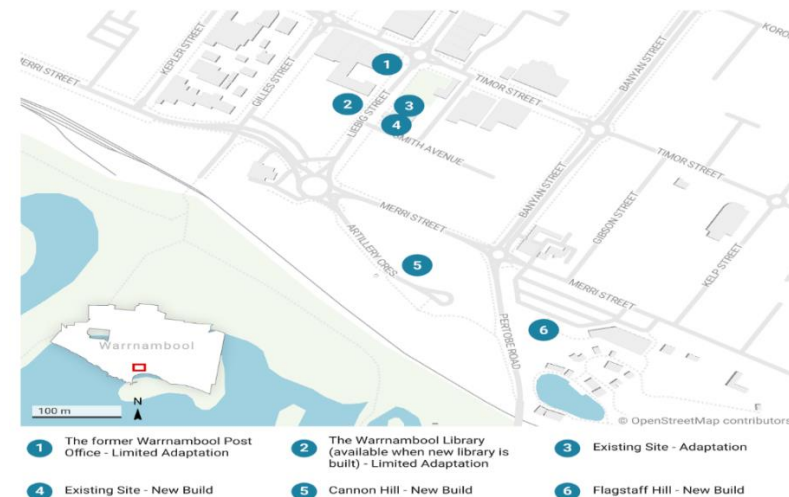
The overall emerging vision outlines a new place which is more connected to the civic and natural setting of Warrnambool, embraces Aboriginal culture and is welcoming, highly functional, flexible and enables space for a range of exhibitions.

Site selection will play an important role in how well the spatial and functional requirements can be optimised. Optimal functional relationships are represented in the figure below. It describes the physical interactions between important spaces to create an efficient layout and maximise flexibility.

### 2.1 Site options

The figure below shows the multiple sites considered for a new WAG as part of the 2021 WAG Feasibility Study

**Figure 3 Site options for new WAG facility**



## 2.2 Project Option Description

The preferred Strategy 2 provides two points of arrival – one from Timor St adjacent the heritage building to celebrate this heritage asset, and one centrally off the Civic Green to create strong connection between indoor and outdoor spaces. It provides a larger footprint than the existing building and aims to have a greater presence to Timor and Liebig Streets to be a recognisable from these main streetscapes.

The key attributes of Strategy 2 are:

- ▶ Pitched roof towards Smith Avenue to reduce overshadowing.
- ▶ Takes advantage of Northerly aspect of site.
- ▶ Connects existing Heritage to new building.
- ▶ Has greater presence on site and to main street frontages.
- ▶ Opportunity to retain existing WAG heritage portion as a pavilion.
- ▶ Inclusion of yarning circle.
- ▶ Retains green areas of site for market use
- ▶ Includes pedestrian connection between Timor and Smith Streets
- ▶ Has basement car parking and efficient loading to the rear off Smith Street

**The following assessment focuses on the economic contribution of the preferred project option.**



### 3. Forecasting, inputs and assumptions

The following section outlines the major assumptions and inputs that were incorporated within the WAG EIA.

#### 3.1 Visitation forecasts

Visitation forecasts were developed based on data collated from ABS tourism data, Victorian Tourism Reports, and the 2018 Shipwreck Coast Masterplan. Admissions data from WAG, Flagstaff Hill Maritime Village, the Warrnambool Visitor Centre and Council were used to develop the following forecasts.

Forecasts were developed for the base case and the project case for the year 2022 and 2029. These are presented in Table 3 below and assumes the

WAG will offer high quality development with involving exhibitions and activities, quality Food and Beverage and spaces for objects and performance. It is also assumed that this investment isn't the "break-through" in solving the Shipwreck Coast tour structure that blocks international visitation to Warrnambool.

It is assumed the base case visitors see no growth between 2029 and 2033, while the project case visitors see a c.11% percent growth per year between 2029 and 2033. The economic evaluation has assumed a 1% growth rate in demand post 2030.

**Table 2 Visitor forecasts (Base case vs Project case)**

Visitor Numbers per annum						
Base Case	2022	Yr 1 2029	Yr 2 2030	Yr 3 2031	Yr 4 2032	Yr 5 2033
International	310	400	400	400	400	400
Interstate	950	1,000	1,000	1,000	1,000	1,000
Victoria (outside of region)	27,100	27,800	27,800	27,800	27,800	27,800
Warrnambool region	25,700	25,900	25,900	25,900	25,900	25,900
Total	<b>54,060</b>	<b>55,100</b>	<b>55,100</b>	<b>55,100</b>	<b>55,100</b>	<b>55,100</b>
Project Case (New Build at Civic Green)	2022	Yr 1 2029	Yr 2 2030	Yr 3 2031	Yr 4 2032	Yr 5 2033
International	NA	880	1,160	1,440	1,720	2,000
Interstate	NA	1,700	3,275	4,850	6,425	8,000
Victoria (outside of region)	NA	39,000	48,000	57,000	66,000	75,000
Warrnambool region	NA	31,000	31,000	31,000	31,000	31,000
Total	NA	<b>72,580</b>	<b>83,435</b>	<b>94,290</b>	<b>105,145</b>	<b>116,000</b>

## 4. Capital & Operation Costs of the new WAG

### 4.1 Capital Costs

Capital costs have been developed by WT Partnerships and assume construction will take place over two years starting in 2026/27 and finishing in 2027/28. It is assumed the new WAG will be operational in 2029.

The estimates exclude project director fees, Warrnambool City Council internal costs, project contingencies and staging costs.

For the purposes of the economic evaluation these costs exclude escalation (different from council budget purposes).

**Table 3 Capital Costs**

	<i>Capital Cost</i>
Demolition	\$432,495
Heritage works	\$1,245,000
Site works	\$187,180
Basement	\$1,520,115
Structure	\$6,002,000
Building fitout	\$15,501,900
Extra over allowances	\$2,023,000
Site Services & Infrastructure	\$954,775
External works & Landscaping	\$1,209,225
ESD Initiatives	\$872,271
Design Development Contingency	\$2,994,796
Construction Contingency	\$3,294,276
Preliminaries & margin	\$9,058,968
Staging	Excluded
<b>Total Current Day Construction Costs</b>	<b>\$45,296,001</b>
Authorities Fees & Headworks Charges	\$905,920
Consultation Fees	\$5,544,079
Decanting and Relocation Costs	\$500,000
Temporary site Operation Costs Incl. Leasing	\$250,000
<b>Total Current Day Project Costs</b>	<b>\$52,496,000</b>

## 4.2 Operational costs

The operating costs for the project case have been sourced from WT Partnerships Operational and Lifecycle benchmarking Report (2023) and have been put together based on several operating assumptions. Table 4 provides the summary of operational costs for the preferred option.

This economic evaluation has used the average lifecycle costs across a 30 year period to estimate the average annual operating costs. Lifecycle costs vary from year to year as key capital goods require replacement or maintenance. The minimum cost \$58,023 occurs in 2032 and the maximum \$1,170,835 occurs in 2052.

It is noted that these values are expressed in real value terms in line with economic theory and guidelines and does not incorporate inflation in costs that will likely occur into the future with respects to operations and maintenance.

**Table 4 Operating Costs**

	Average
<b>Fixed Charges</b>	
Insurance Premiums	\$34,250
Air Conditioning / Ventilation	\$13,250
Cleaning	\$48,850
<b>Operating Expenses</b>	
Utilities	\$28,000
Fire Protection	\$16,900
Pest Control	\$4,350
Lift & Dock Leveller	\$20,000
Maintenance & Window Cleaning	\$83,150
Ground Maintenance	\$76,350
<b>Total (annual operating budget)</b>	<b>\$325,100</b>
Lifecycle costs (Average)	\$436,306
<b>Total (Average incl. lifecycle costs)</b>	<b>\$761 406</b>



## Economic contribution

This section of the report presents the results of the analysis across each phase: current operations, during construction and future operations.



# 5. Economic impacts of Development Option

An economic contribution is defined as the gross change in a region's existing economy that can be attributed to a given industry, policy or event – in this case the development and expansion of the new WAG site and service offering. This project has sought to identify, understand and quantify the economic contribution of construction of the site and future operations to, Warrnambool and Victoria.

Economic impacts are both direct and indirect. Direct impacts relate to the direct spending (i.e. gross value added of activity and the direct operational expenditure of the gallery). Indirect contributions refer to the flow-on effects realised through spending on supply chains and consumption (see Table 5: Economic assessment framework).

Economic impacts of the Warrnambool Art Gallery project include:

- ▶ Economic contribution generated through construction
- ▶ Economic contribution generated by the additional operational expenditure of a new facility.
- ▶ Economic contribution generated through the additional tourist expenditure

Each type of contribution has both direct and indirect effects. Direct contributions relate to the direct spending (i.e. direct capital cost of construction and the direct operational expenditure of the gallery). Indirect contributions refer to the flow on effects which are realised through spending on supply chains and consumption (see Table 5).

This study aims to measure the overall economic impact of a particular activity, event, or project considering both direct and indirect economic contributions. Direct economic impacts are those that can be directly attributed to the activity being studied (i.e. revenue, wages and salaries paid to workers). Indirect economic contributions result from the ripple effects of the activity (i.e. increased demand for goods and services from local businesses and increased tax revenue for local governments).

Table 5: Economic assessment framework

		Direct contribution	Indirect contribution
Total economic contributions	Construction contributions	Gallery activity directly contributes to the economy through worker salaries and production.	Businesses purchasing materials and employees spending salaries generates additional economic activity across the supply chains and through local business.
	Operational contributions	During operations, the project directly contributes to the economy by generating net new employment, purchasing intermediate inputs and through activity that may induce new spending in the region, i.e. tourism.	Flow-on effects are also generated from the additional operational expenses.

It is noted that all jobs and economic contribution associated with Warrnambool are included in the Great South Coast and Victoria results, similarly those additional in the Great South Coast are captured in the Victorian results.

## 5.1 The Gallery's current contribution to the economy

Activity at the Warrnambool Art Gallery supports jobs and contributes to the state and local economies by encouraging tourists and spending in the region. The results of the economic impact assessment are presented in Table 6.

The Gallery is already having a large positive impact on the region, however, as will be demonstrated in later sections this will be improved through the expansion of the gallery.

**Table 6: Economic impact results (annual average)**

Warrnambool	Jobs	Economic contribution
Direct	22	\$2.9m
Flow-on activity	8	\$2.2m
<b>Total</b>	<b>30</b>	<b>\$5.1m</b>
Great South Coast	Jobs	Economic contribution
Direct	30	\$4.1m
Flow-on activity	10	\$2.7m
<b>Total</b>	<b>40</b>	<b>\$6.7m</b>
Victoria	Jobs	Economic contribution
Direct	30	\$4.1m
Flow-on activity	18	\$5.7m
<b>Total</b>	<b>48</b>	<b>\$9.8m</b>

### 5.1.1 Direct economic impact

Each year the Gallery has a direct economic contribution (operating and tourism) of:

- \$4.1 million and 30 jobs in Victoria:
  - o \$4.1 million and 30 jobs in the Great South Coast LGA
  - o \$2.9 million and 22 jobs in Warrnambool.

A large proportion of the economic benefit of the WAG is through tourism related activity.

- \$3.3 million and 25 jobs in Victoria:
  - o \$3.3 million and 25 jobs in the Great South Coast LGA
  - o \$2.3 million and 18 jobs in Warrnambool.

### 5.1.2 Indirect economic impact

Each year the Gallery has an indirect economic contribution of:

- \$5.7 million and 18 jobs in Victoria:
  - o \$2.7 million and 10 jobs in the Great South Coast LGA
  - o \$2.2 million and 8 jobs in Warrnambool.

The proportion of indirect economic activity that is attributable to tourism is:

- \$4.5 million and 14 jobs in Victoria:
  - o \$2.2 million and 8 jobs in the Great South Coast LGA
  - o \$1.6 million and 6 jobs in Warrnambool.

## 5.2 Economic impact during construction

The construction of a new gallery will take two years and result in an increase in economic activity in the region across the construction period. Most of the labour and resulting economic impact will occur with Warrnambool, with some jobs and flow on activity occurring within the local region or across Victoria.

The results of the economic impact assessment are present in Table 7.

**Table 7: Economic impact results (Cumulative 2027-2028)**

Warrnambool	Jobs	Economic contribution
Direct	32	\$34.7m
Flow-on activity	76	\$41.0m
<b>Total</b>	<b>108</b>	<b>\$75.7m</b>
Great South Coast	Jobs	Economic contribution
Direct	39	\$42.4m
Flow-on activity	92	\$50.0m
<b>Total</b>	<b>131</b>	<b>\$92.4m</b>
Victoria	Jobs	Economic contribution
Direct	43	\$47.4m
Flow-on activity	149	\$89.0m
<b>Total</b>	<b>192</b>	<b>\$136.4m</b>

### 5.2.1 Direct economic impact

Across the period of construction, the Gallery has a direct economic contribution of:

- \$47.4 million and 43 jobs in Victoria:
  - o \$42.4 million and 39 jobs in the Great South Coast LGA
  - o \$34.7 million and 32 jobs in Warrnambool.

It is expected that activity will peak in 2028, with operations commencing in 2029.

### 5.2.2 Indirect economic impact

Across the period of construction the Gallery has an indirect economic contribution of:

- \$89.0 million and 149 jobs in Victoria:
  - o \$50.0 million and 92 jobs in the Great South Coast LGA
  - o \$41.0 million and 76 jobs in Warrnambool.

### 5.3 Contribution of the Gallery ongoing (post-2029)

After the new Gallery is constructed, it is expected that tourism will grow driving an increase in economic activity in Warrnambool, and across the wider region and state. Table 8 presents the results from the economic impact assessment.

**Table 8: Economic impact results (annual average)**

Warrnambool	Jobs	Economic contribution
Direct	59	\$7.7m
Flow-on activity	21	\$5.8m
<b>Total</b>	<b>81</b>	<b>\$13.5m</b>

Great South Coast	Jobs	Economic contribution
Direct	79	\$10.4m
Flow-on activity	25	\$6.9m
<b>Total</b>	<b>105</b>	<b>\$17.3m</b>

Victoria	Jobs	Economic contribution
Direct	79	\$10.5m
Flow-on activity	48	\$14.8m
<b>Total</b>	<b>127</b>	<b>\$25.3m</b>

#### 5.3.1 Direct economic impact

Each year the Gallery has a direct economic contribution of:

- \$10.5 million and 79 jobs in Victoria:
  - o \$10.4 million and 79 jobs in the Great South Coast LGA
  - o \$7.7 million and 59 jobs in Warrnambool.

A large proportion of the economic benefit of the WAG is through tourism related activity.

- \$9.0 million and 69 jobs in Victoria:
  - o \$9.0 million and 69 jobs in the Great South Coast LGA
  - o \$6.4 million and 50 jobs in Warrnambool.

#### 5.3.2 Indirect economic impact

Each year the Gallery has an indirect economic contribution of:

- \$14.8 million and 48 jobs in Victoria:
  - o \$6.9 million and 25 jobs in the Great South Coast LGA
  - o \$5.8 million and 21 jobs in Warrnambool.

The proportion that is attributable to tourism is:

- \$12.4 million and 40 jobs in Victoria:
  - o \$5.9 million and 21 jobs in the Great South Coast LGA
  - o \$4.8 million and 17 jobs in Warrnambool.

## 5.4 Summary of economic impact results

The opening of the new Gallery will lead to a net increase in economic activity in Victoria, the Great South Coast LGA and Warrnambool. A summary of results is presented in Table 9.

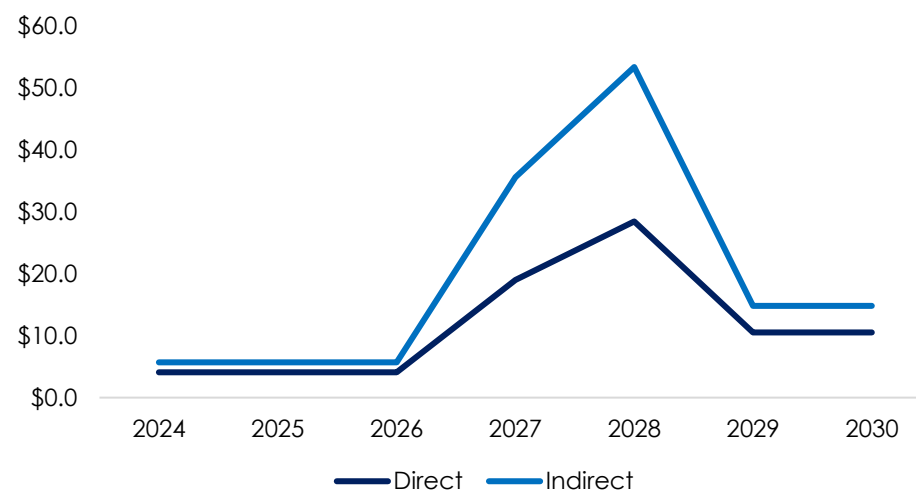
Analysis has estimated the net impact as a gain of \$15.5 million ongoing in economic output across Victoria each year. The proportion of this occurring in the Great South Coast LGA and Warrnambool is \$10.6 million and \$8.45 million respectively.

The impact on employment in Victoria is a gain of 79 jobs. The proportion of the gain that occurs in the Great South Coast LGA and Warrnambool is 64 and 50 jobs respectively.

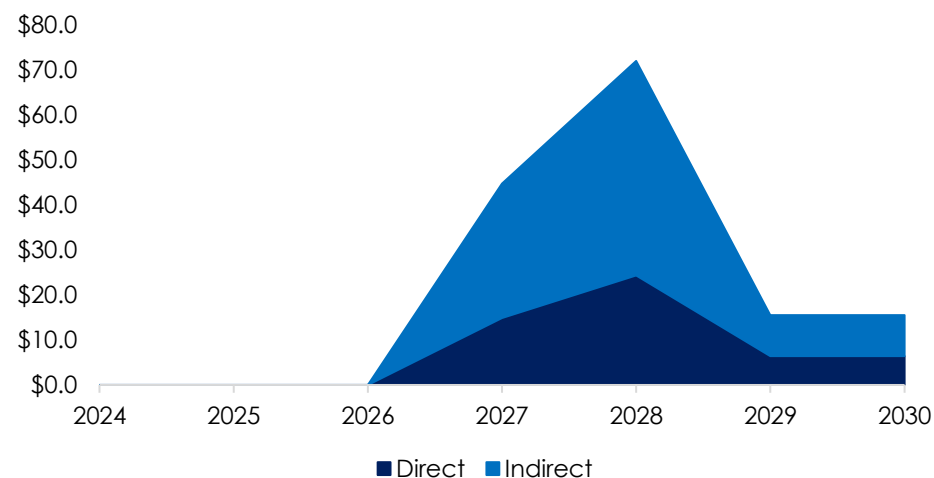
Given the size of the Great South Coast and Victorian economies and the type of economic activity occurring generated by the Gallery, it is likely that almost all of the output remains within the state. A small amount may extend across the Australian economy through the purchasing of goods produced elsewhere and bought in the region by tourists. The scope of this report is limited to Victoria.

Impacts are estimated using the evidence currently available and standard economic methodological structures.

**Figure 4: Direct and indirect impact of the Gallery (Victoria)**



**Figure 5 Change in economic contribution (Victoria)**





**Table 9: Summary of results**

	Current activity (Average per year)			During construction (Average gain per year)			Ongoing operations (Average gain per year)		
	Direct	Indirect	Total	Direct	Indirect	Total	Direct	Indirect	Total
<b>Warrnambool</b>									
Employment (FTE)	22	8	30	32	76	108	59	21	81
Economic output (\$m)	\$2.9	\$2.2	\$5.1	\$35	\$41	\$75.7	\$8	\$6	\$13.5
<b>Great South Coast</b>									
Employment (FTE)	30	10	40	39	92	131	79	25	105
Economic output (\$m)	\$4.1	\$2.7	\$6.7	\$42	\$50	\$92.4	\$10	\$7	\$17.3
<b>Victoria</b>									
Employment (FTE)	30	18	48	43	149	192	79	48	127
Economic output (\$m)	4	\$5.7	\$9.8	\$47	\$89	\$136.4	\$11	\$15	\$25.3



## Cost benefit analysis

This section of the report presents the cost benefit analysis.

## 6. Cost Benefit Analysis

A CBA has been used in conjunction with the above economic impact assessment. This includes the following monetised benefits and compares this against the costs. This analysis also compares the Base Case (existing WAG) with Project Case (new WAG).

### 6.1 Economic benefits

The economic benefits considered within this study, including the core and additional evaluation, include the following:

#### Core economic benefits

- ▶ Amenity benefit of paid educational and venue hiring services assumed to equal at least as much as the cost to hire the facility
- ▶ Visitor spending benefit: The new WAG is expected to see an increase of 17,480 visitors by 2029. This will see additional visitor spending.
- ▶ Residual value of new WAG building: This is the value of the new WAG at the end of the evaluation period. This assumes a building asset lifespan of 60 years. Assuming a 30-year analysis period, this means that half the capital costs is realised at year 30.

#### Additional economic benefits

- ▶ Construction spending benefits: Additional economic activity generated through the spending on construction (this *only* includes the flow on effects of the construction expenditure as a benefit. The direct construction expenditure is classified as an economic cost).

- ▶ Operation spending benefit: Additional economic activity generated through the increase in operational and renewal expenditure (this *only* includes the flow on effects of the additional operational expenditure as a benefit. The direct operational expenditure is classified as an economic cost).

Table 10 presents the results of the core CBA for Victoria. Table 11 shows the results to a number of sensitivities including excluding construction and operational benefits, an increase and decrease in costs and benefits, and a 4% and 10% discount rate.

Table 10 Cost Benefit Analysis Results

Cost Benefit Results	30-year NVP (7% discount rate, 30 yrs.)
<b>Project Benefits</b>	
Amenity benefit of WAG paying users (excl. exhibitions)	\$2,062,331
Visitor spending benefit for VIC	\$66,027,062
Residual value of new WAG building	\$2,997,382
<b>Total incremental Benefits</b>	<b>\$71,086,776</b>
<b>Project Costs</b>	
Capital costs	\$46,911,423
Incremental operational costs (incl. renewal expenditure)	\$14,361,413
<b>Total incremental costs</b>	<b>\$61,272,836</b>
<b>Results</b>	
<b>Net Present Value</b>	<b>\$9,813,940</b>
<b>Benefit Cost Ratio</b>	<b>1.16</b>

Table 11 Cost Benefit Analysis Results – Sensitivities

Sensitivity Results	NPV	BCR
Including indirect construction and operational benefits	\$9,813,940	1.16
Including indirect operational benefits.	\$9,813,940	1.16
Increase Tourism Benefits +10%	\$16,416,647	1.27
Increase Tourism Benefits +20%	\$23,019,353	1.38
Increase CAPEX by +20%	\$50,130,902	1.76
Decrease CAPEX by -20%	\$67,696,518	2.44
Increase benefits +20%	\$24,031,296	1.39
Decrease benefits -20%	-\$4,403,415	0.93
4% discount Rate	\$42,774,472	1.61
10% discount rate	-\$7,379,033	0.87

Based on the results of the cost benefit analysis, the new development of the new WAG is an economically viable project.



This section of the report presents a range of technical data that underpins the analysis.

# Appendices



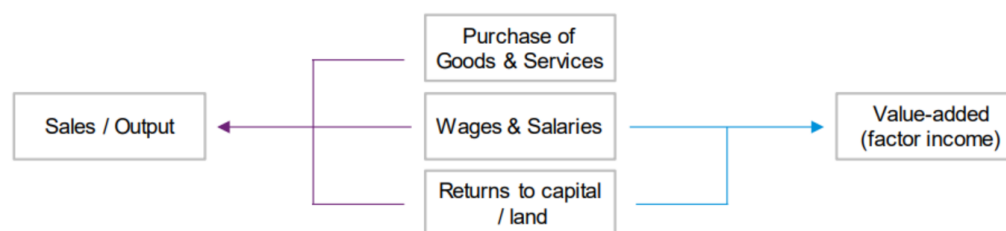
# Appendix A – Study methodology and process

## Introduction

The economic contribution of the Warrnambool Art Gallery is comprised of different elements along the production process. Outputs of the Warrnambool Art Gallery can include 'final goods' including publications and media, 'final services' such as performances or 'intermediate goods and services' such as preparations of sets for film or theatre productions.

A common theme linking the outputs of creative and cultural sectors with other industries is that their production utilises resources of labour and capital as well as intermediate goods and services. An important component of this sectors' wealth and job creation emanates from the creation, utilisation and commercialisation of intellectual property.

The analysis of direct economic contribution of the Warrnambool Art Gallery in this study is based on the following metrics:



- ▶ **Outputs (Economic Impact)** is a measure of the value of goods and services produced by an industry or sector, where the value reflects the cost of inputs: labour, capital and intermediate inputs of goods and services, including imports

- ▶ **Value added** (factor of income) is equivalent to output less goods and services sourced from other suppliers (including imports) and is the sector's contribution to gross state product. By excluding goods and service inputs from other domestic industries and from overseas, 'value added' avoids double counting as it does not include the value-added by other industries.
- ▶ **Employment** refers to the number of people employed. Much of the employment in these industries is part time (including intermittent and project based), which is accommodated in this study by estimating the Full Time Equivalent (FTE) jobs.

Note direct output, value add and employment relate to those impacts that are directly realised as a result of the Warrnambool Art Gallery's operations (as a business or through its alumni). Indirect impacts relate to the flow on economic activity that results from spending and other activity realised by these related/supporting businesses within the broader economy.

## Scope of the analysis

The scope of this study is to determine the economic impact, breadth and reach of the Warrnambool Art Gallery, both in terms of its general business operations as well as that generated and supported by its alumni.

Assumptions incorporated within the calculation of the economic impact of the Warrnambool Art Gallery's is presented in Appendix C.

## Process

An EIA is an analytical approach used to estimate the impacts generated by a particular investment or policy change on the economy.

Four key steps have been taken to prepare an EIA. These include:

1. Base case and investment case definition
2. Modelling scenario definition
3. Direct impact modelling
4. Total economic impact

### 1. Base case and investment case definition

The value of the economic impacts estimated in an EIA are derived from the incremental changes in economic activity that are generated from a given policy or investment activity. This approach ensures that only the net impacts on the economy – which can be reasonably attributed to the policy or investment – are included within the analysis.

For this analysis, the investment case is defined as the status quo; that is, the investment case refers to the 'real life' scenario in which all other investments within the economy are realised with the exception of that and the subsequent operations of the Warrnambool Art Gallery.

### 2. Modelling scenario definition

The incremental changes in economic activity that are generated from an investment activity are not static in nature; rather, they are realised over time, during which the structure of the economy changes in response to the

investment. As such, the modelling of economic impacts is undertaken over a time period that allows the impacts on the economy to be realised.

This analysis considers three primary modelling scenarios:

- ▶ **Economic impact of the construction of the Warrnambool Art Gallery** – To determine the economic impact associated with the construction phase of the new gallery.
- ▶ **Economic impact of the Warrnambool Art Gallery core operations** – To determine the economic impact associated with the expenditure, operation and services provided by the Warrnambool Art Gallery.
- ▶ **Economic impact of the Warrnambool Art Gallery tourism** – To determine the economic impact associated with additional visitors and therefore additional visitor spending within the Warrnambool region due to the construction of a new gallery.

### 3. Direct impact modelling

The specification of direct impacts in an EIA involves identifying the sources of economic impact that are directly attributable to the investment. This generally includes capital expenditure and ongoing maintenance or operational expenditure that is additional to what would be expected in the base case.

In this study, the direct spending of additional visitors is also included. For the purpose of this assessment, the following visitor spending assumptions have been made:

- ▶ It is assumed that overnight visitors spend no more than one night per trip in Warrnambool.

- ▶ Average spending per trip has been source from Tourism Research Australia
- ▶ It is assumed that local visitors (i.e. those from Warrnambool visiting the New WAG spend only one tenth of the average spend of someone visiting from outside the region.

Spending per trip and total base case and project spending is outlined in the table below.

	WAG visitors in 2022 (Sourced from Environmetrics)	Average spend per trip (sourced from TRA in 2023 dollar terms)	Total Spend Base Case
<b>Domestic Day (Locals)</b>	25,700	38	\$965,488
<b>Domestic Day (Intrastate)</b>	27,100	188	\$5,090,415
<b>Domestic Overnight</b>	950	154	\$146,190
<b>International overnight</b>	310	74	\$22,928
	WAG visitors in 2029 (OP2) (Sourced from Environmetrics)	Average spend per trip (sourced from TRA in 2023 dollar terms)	Total Spend 2029 OP 2
<b>Domestic Day (Locals)</b>	31,000	31	\$976,272
<b>Domestic Day (Intrastate)</b>	39,000	157	\$6,141,063
<b>Domestic Overnight</b>	1,700	154	\$261,604
<b>International Overnight</b>	880	74	\$65,085

#### 4. Total economic impact

To model the economic impacts beyond those that directly relate to the Warrnambool Art Gallery, it is necessary to employ a modelling technique that makes use of information about the linkages of the industries within the broader economic context. The starting point for modelling these linkages is the input-output tables published by the ABS.

Input-output tables provide detailed information on the upstream and downstream linkages of each industry in the economy. Upstream linkages refer to the sources of inputs to the industry in question. These linkages may be in the form of intermediate inputs produced by other domestic industries, imported intermediate inputs, labour and other factors of production. Downstream refers to linkages to those economic agents that purchase the industries outputs and sales to other industries that use the outputs.

The calculation of the indirect and total impacts of the Warrnambool Art Gallery has been based on REMPLAN economic impact input-output analysis. Further information based on these metrics can be seen in Appendix C.

It is noted that while these REMPLAN outputs within the analysis do not fully take into account the potential broader economic shocks (including transfers etc.), that may occur as a result of the investment within the Warrnambool Art Gallery. Note input-output modelling is much more suitable for smaller investments (i.e., under a billion dollars)

## Appendix B – REMPLAN methodology

The team at REMPLAN have automated and systematised the process of building and updating region-specific input-output economic models for more than twenty years. These in-house systems, tools and resources incorporate many checks and balances that ensure the consistent and timely delivery of economic analysis software and data.

Place of work employment data from the Census is the basis upon which industry size and composition is estimated at the regional scale. National accounts data is then applied to the employment profile in order to estimate the value of output by industry and the proportions of output spent on wages and salaries.

Detailed place of work employment by industry data (114 sectors) is the basis in REMPLAN for estimating local demand by industry for intermediate goods and services as well as the capacity for the local economy to supply a proportion of those goods and services.

This methodology underpins the economic profiling and impact modelling capabilities in REMPLAN Economy. This framework allows REMPLAN to build and maintain datasets for major capital city CBDs, suburban areas, regional towns as well as rural and remote areas of Australia. REMPLAN estimates of local government areas' Gross Regional Product reconciles with the latest ABS estimates of Gross State Product and Gross Domestic Product.

### REMPLAN Economy Software

REMPLAN economic data incorporates an input-output approach and is innovative in that it takes a complex methodology and provides a software interface that makes it accessible to economic and business development practitioners both with, and without, a formal background in economics.

### Matrices – Understanding Region-specific Industry Sectors and Supply Chain Linkages

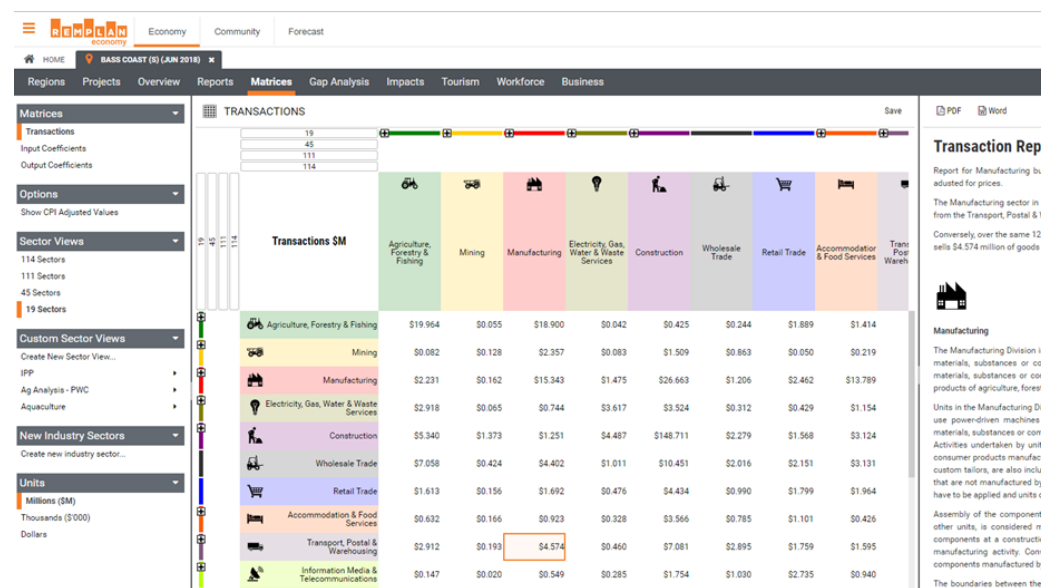
The transactions matrix details all the buying and selling interactions between industry sectors in the selected region, the value of sales to the Household and Government sectors, the value of imports, exports, payments of wages and salaries, payment of taxes and the value of industry sectors' gross operating surpluses.

The transactions matrix (also known as an input/output table or an IO Table) is the core 'ingredient' in REMPLAN and all the graphs, tables, charts and impact modelling draw from the information contained in these tables.

- ▶ The “matrices” tab is about as complex as REMPLAN gets.
- ▶ Shows the data that sits behind the models

The REMPLAN matrix screenshot below illustrates that when selecting a cell, the right-side information pane automatically presents an explanation of the industry interaction from the demand side as well as the supply side.

Matrix representation of data visually describes supply chain linkages in terms of buying and selling patterns between industry sectors:



## Input Output

Since 1999 the team at REMPLAN have automated and systematised the process of building and updating region-specific REMPLAN input-output economic models. An input-output model is an econometric technique which details the interdependent supply chain links between different industry sectors in an economy. This modelling approach was developed by Wassily Leontief (1905-1999), for which he received the Nobel Memorial Prize in Economic Sciences. The input output modelling systems, tools and resources developed by REMPLAN incorporate many checks and balances that ensure the consistent and timely delivery of the REMPLAN economic analysis software and data.

## REMPAN Methodological Approach

- ▶ Place of work employment data from the Australian Bureau of Statistics' (ABS) Census is the basis upon which industry size and composition is estimated at the state or regional scale
- ▶ National accounts data is then applied to the employment profile in order to estimate the value of output by industry and the proportions of output spent on wages and salaries
- ▶ Place of work employment data is the basis in REMPLAN for estimating local demand by industry for intermediate goods and services
- ▶ Place of work employment data is also the basis for estimating the capacity for the local economy to supply a proportion of the intermediate goods and services.

REMPAN economic models have been delivered to economic development practitioners and researchers in government agencies, universities and consulting firms over this 19 year period while being underpinned by a high level of transparency and external review.



Transactions Matrix (IO Table) Structure

REMPAN Economy

About REMPLAN Economy

What does REMPLAN Economy Offer

Strategic Planning

Approaches to I-O Modelling

Assumptions

Transactions Matrix

Using REMPLAN Economy

Logging In to REMPLAN Economy

Home

Regions

Projects

Reports

Matrices

Transactions

Input Coefficients

Output Coefficients

Gap Analysis Module

Impacts

Tourism Analysis Module

Workforce Analysis Module

Information Pane

Help

Chart Styler

Custom Sector View Wizard

Back

◀ Previous ▶ Next

Transactions Matrix Structure

The underlying structure of an input-output model is the transactions table. This table sets out the various economic format with each sector listed in both the rows and columns of the matrix.

The table is able to show both the source of inputs for each sector by reading down the columns and the destination across the rows.

Inputs can be sourced from within the region in the form of intermediate commodities and labour or beyond the region as regional imports.

Outputs from sectors will either go to other sectors within the region, to consumers in the form of final consumption or investment or go beyond the region as regional exports.

It is possible to divide the overall input-output or transactions table into four distinct quadrants.

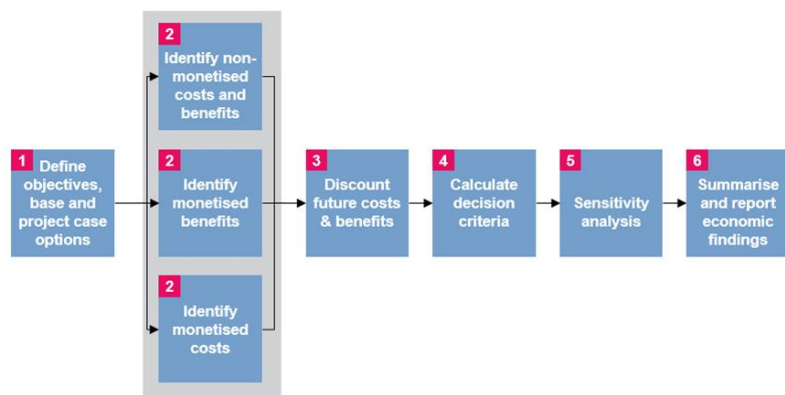
Industry Sector	1 Agric	2 Manuf	3 Serv	Hholds	Govt	Investment	Exports	Total Output
	Q1. Intermediate Sector			Q2. Final Demand Sector				
1 Agriculture	20	40	0	20	0	0	20	100
2 Manufacturing	20	20	10	75	10	10	55	200
3 Services	0	40	10	25	20	5	0	100
Payments for	Q3. Primary Inputs Sector			Q4. Primary Inputs Absorbed by Final Demand				
Hhold Services	40	45	70	5	0	0	0	160
Govt Services	10	15	5	0	0	0	0	30
Imports	10	40	5	0	0	0	5	60
Total Inputs	100	200	100	125	30	15	80	650

# Appendix D CBA Methodology & Assumptions

The economic methodology employed in this study is a Cost Benefit Analysis ('CBA') approach. CBA is a method used to aid decisions about the allocation of resources, expressing both costs and benefits in monetary terms where possible to provide a basis for direct comparison. The method discounts future costs and benefits to a present value, allowing for comparison of alternative courses of action by reference to the net social benefits that they produce for the community as a whole.

The Figure below outlines our preferred CBA approach, fundamentally comparing alternative project options to a defined base case to determine the incremental impact of the project. The CBA methodology and key economic assumptions are detailed below.

**Figure 6 CBA Methodology**



## Economic assumptions

The CBA was undertaken in accordance with *Infrastructure Australia's Guide to economic appraisal Technical guide of the Assessment Framework*. The economic assessment was undertaken considering the following assumptions:

- ▶ The economic analysis has been undertaken based on Calendar years starting from 2023 and ending at 2058.
- ▶ All values represented in real 2023-dollar terms. All monetary values have been taken from either the outputs of the Economic Impact Assessment (i.e. the REMPLAN outputs) or have been sourced from the WAG Feasibility Study Final 2021 WT CAPEX and OPEX reports.
- ▶ Project construction period will commence in 2027 and finish in 2028.
- ▶ Project operations commence within the 2029.
- ▶ The evaluation period is 30 years from the commencement of operations.
- ▶ A discount rate of 7% was used for the core case and a 4% and 10% discount rates were used to conduct sensitivities as requested by the client.

The building asset life is assumed to be 60 years.



# 5

---

Appendix 5  
Liebig Street Massing Study





We would like to acknowledge the traditional custodians of this land and recognise their continuing connection to land, waters and culture.

We pay our respects to their Elders past, present and emerging.





# Agenda

I — Analysis of Site

II — Warrnambool Art Gallery and Civic Green Opportunities

III — Civic Green Forecourt Strategies

IV — Massing Strategies

V — Parking and Loading Strategies

VI — Strategy Comparison on Site

VII — Brief and Functional Arrangements of Preferred Strategy

VIII — Future Agenda

# I - Analysis of Site

Greater Site



# Warrnambool





Greater Site





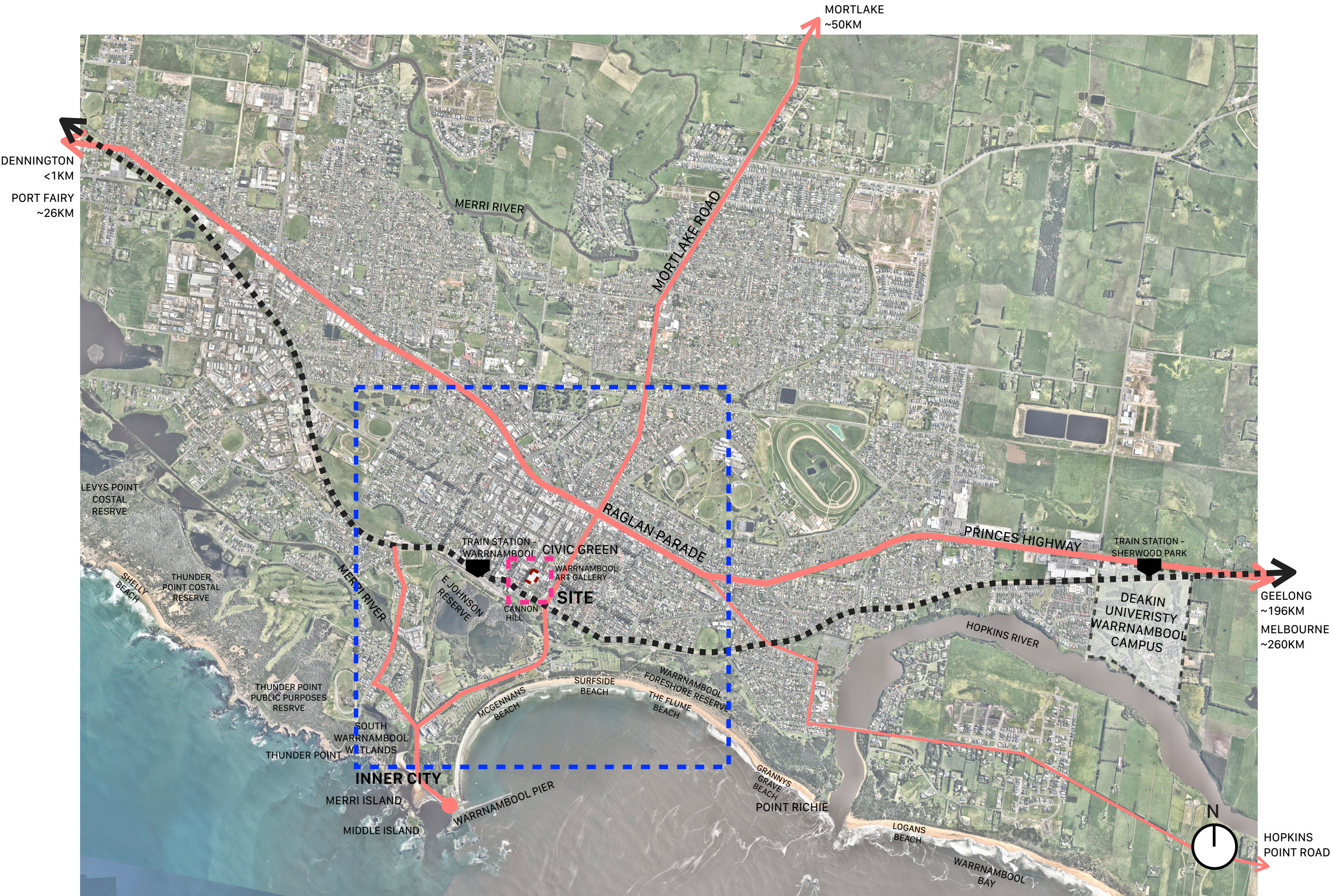
# I - Analysis of Site

## Greater Site Analysis



# Key Traffic Corridors





- Legend:
- Site Location
  - Warrnambool - Inner City
  - Warrnambool - Site (WAG)
  - Major Artieral Road
  - Train Line













## Bus Infrastructure Stops + Routes

Legend:

-  Site Location  
 Warrnambool - Inner City  
 Bus Stop  
 Train Line

### Bus Routes:

-  1 - Warrnambool to Dennington
-  2 - Warrnambool to Gateway Plaza SC
-  3 - Warrnambool to Deakin University
-  4 - Warrnambool to Tower Square
-  5 - Lake Petrobe Loop
-  6 - Warrnambool to Merrivale
-  8 - Warrnambool to Point Fair via Koroit
-  9 - Warrnambool to Allensford



## REGION



## INNER CITY



# Walking Distances

- Legend:
- Site Location
  - Warrnambool - Inner City
  - Train Line
- Walking Distance:
- 5 minutes
  - 10 minutes
  - 15 minutes



REGION

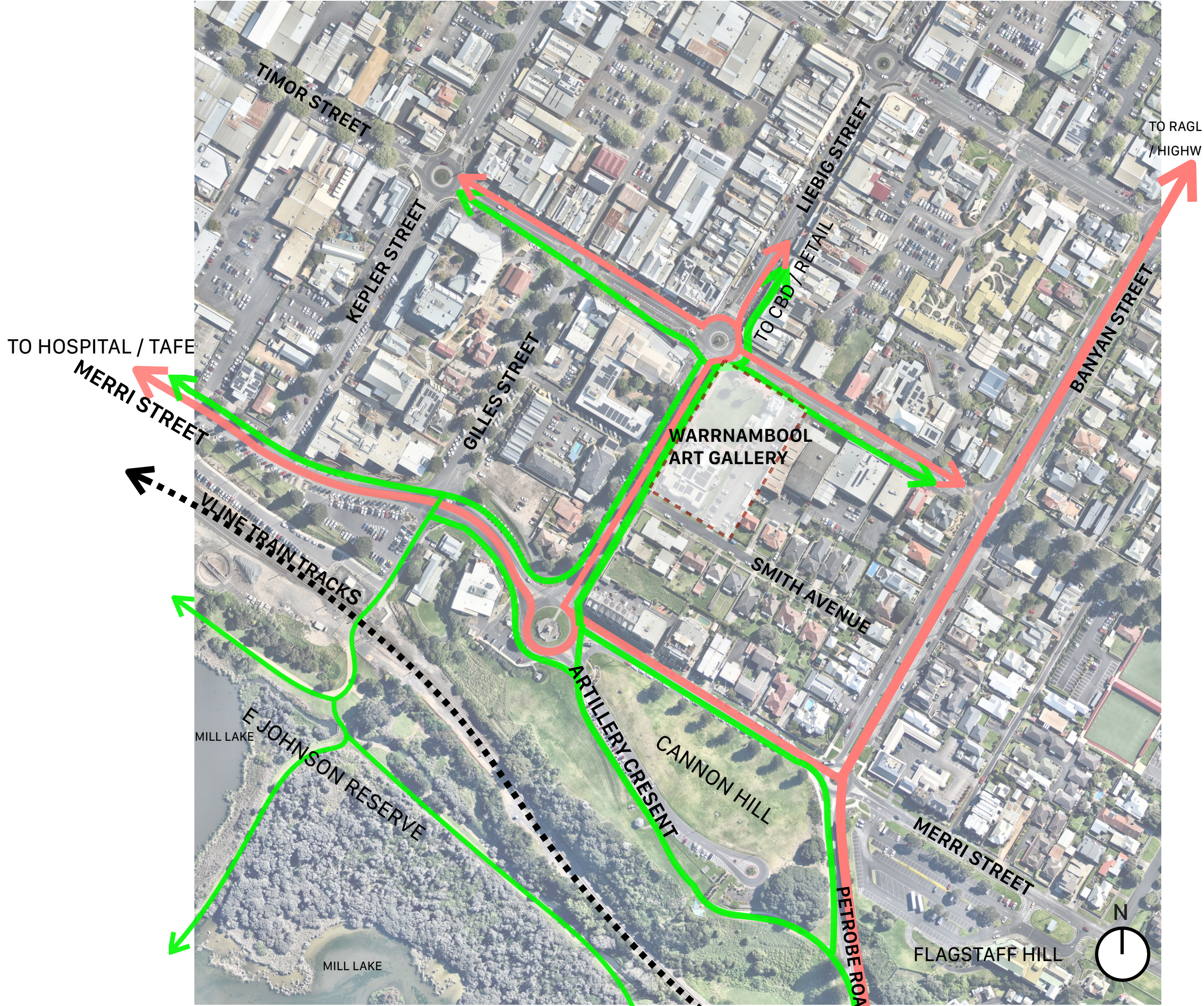


INNER CITY



# Vehicular + Pedestrian Paths

- Legend:
- Site Location
  - Train Line
- Planning Scheme Zones:
- Traffic - Pedestrian/Cycling
  - Traffic - Vehicular





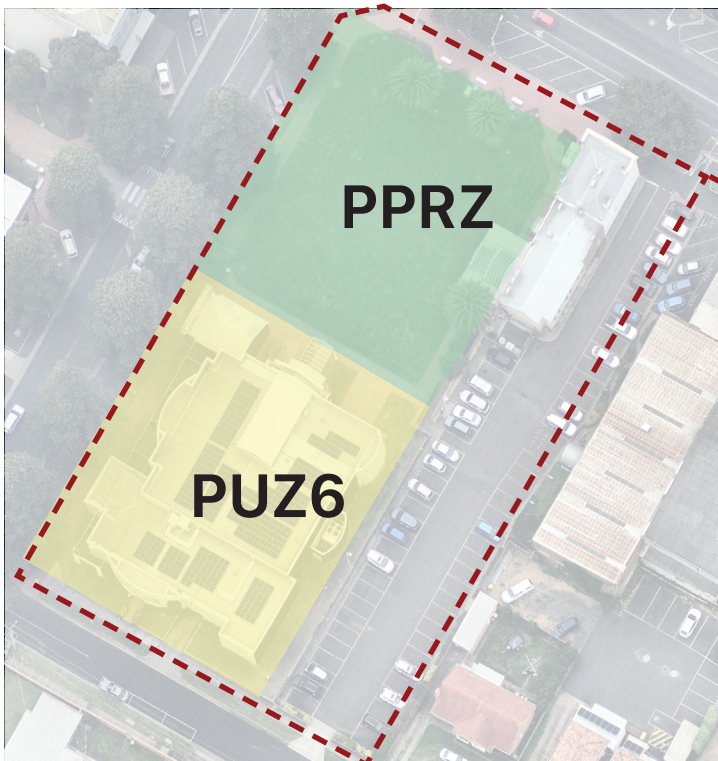
# Local Zoning Areas

Legend:

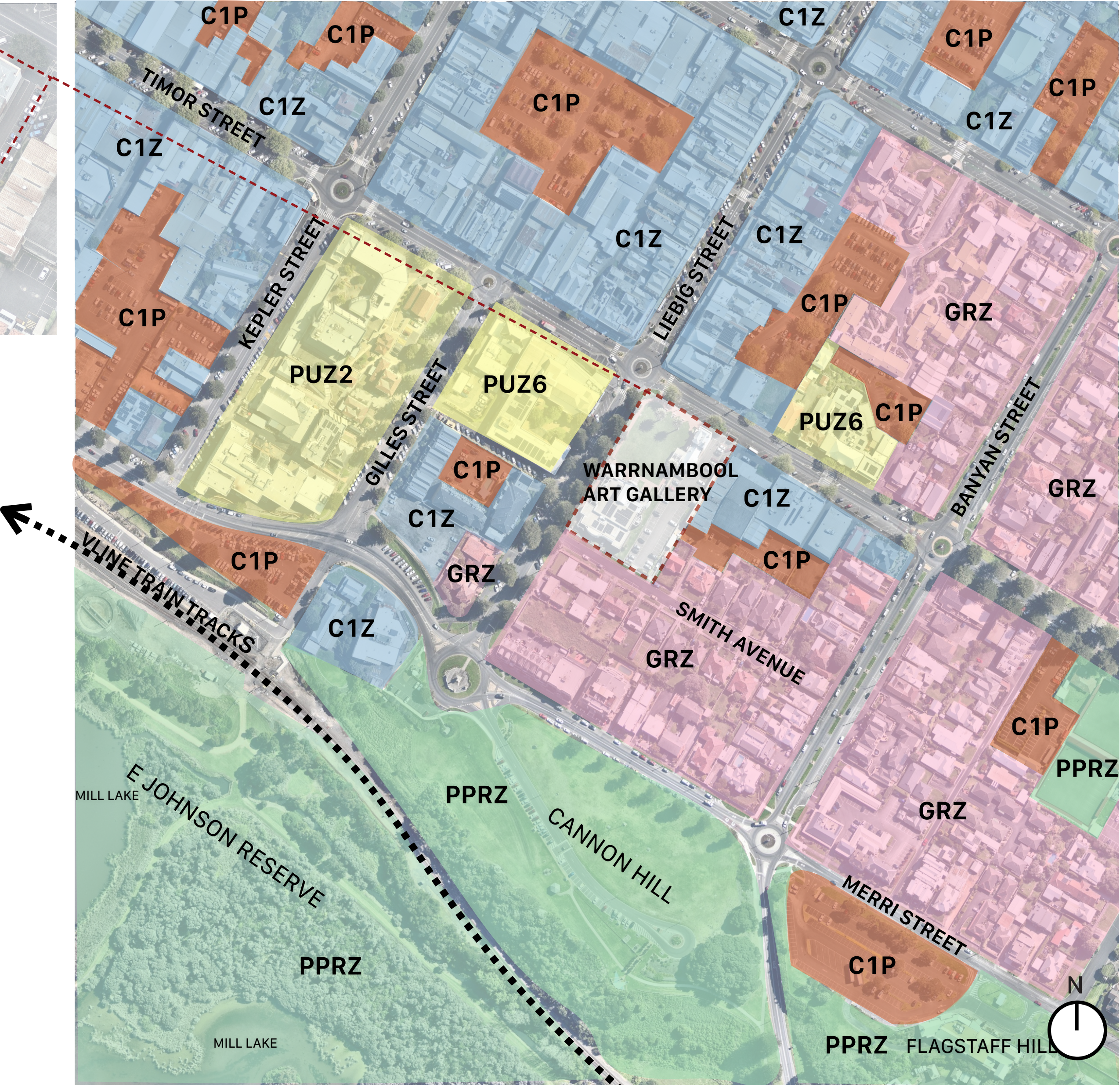
- Site Location
- Train Line

Planning Scheme Zones:

- PPRZ - Public Park + Recreation Zone
- GRZ - General Residential
- C1Z - Commercial 1
- C1P - Car Parking
- PUZ2 - Public Use - Education
- PUZ6 - Public Use - Local



Site Extract





# Public Park + Recreation Zones

Legend:

Site Location

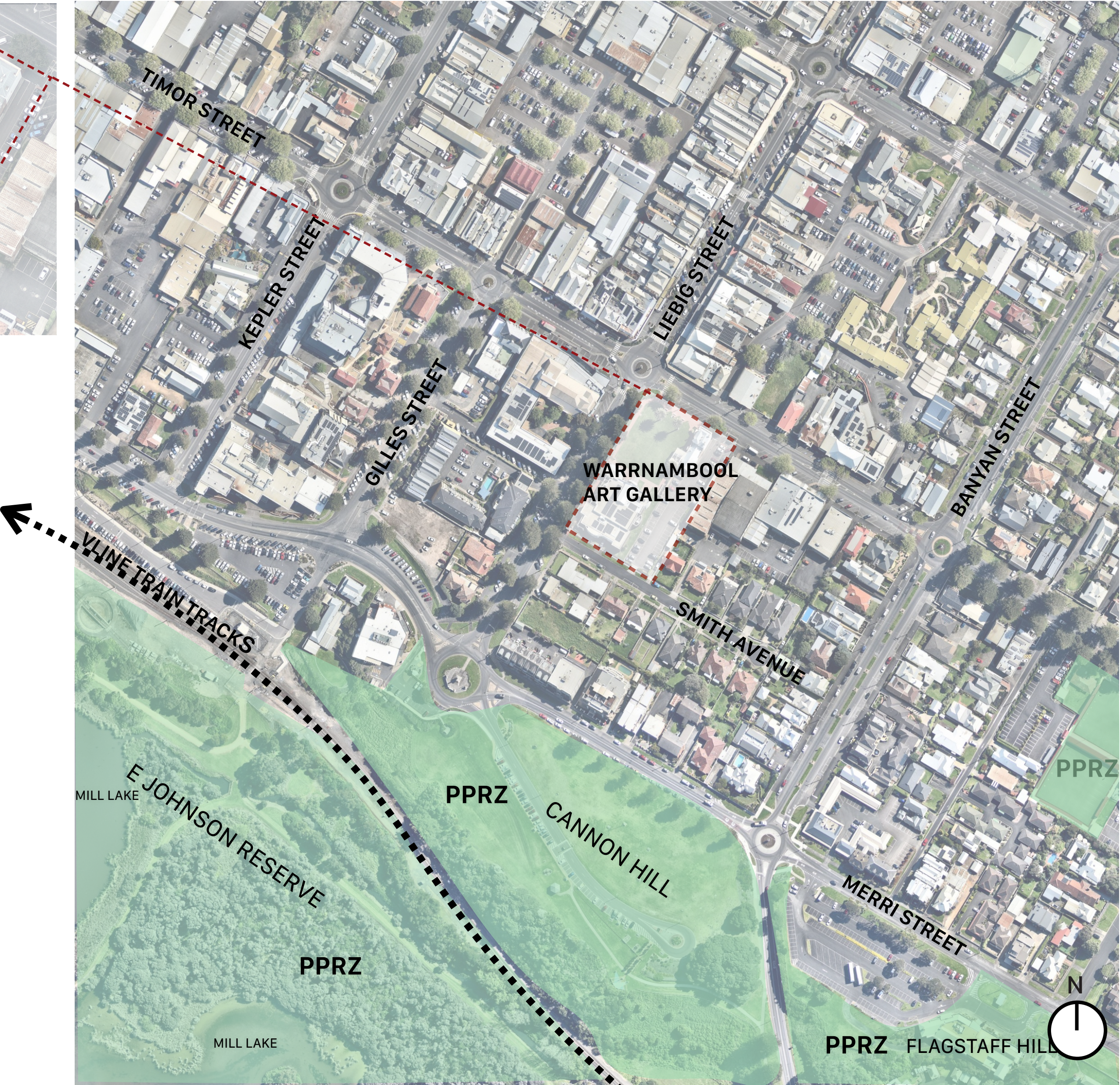
Train Line

Planning Scheme Zones:

PPRZ - Public Park + Recreation Zone



Site Extract





# General Residential Zones

- Legend:
- Site Location
  - Train Line
- Planning Scheme Zones:
- GRZ - General Residential





# Commercial Zones

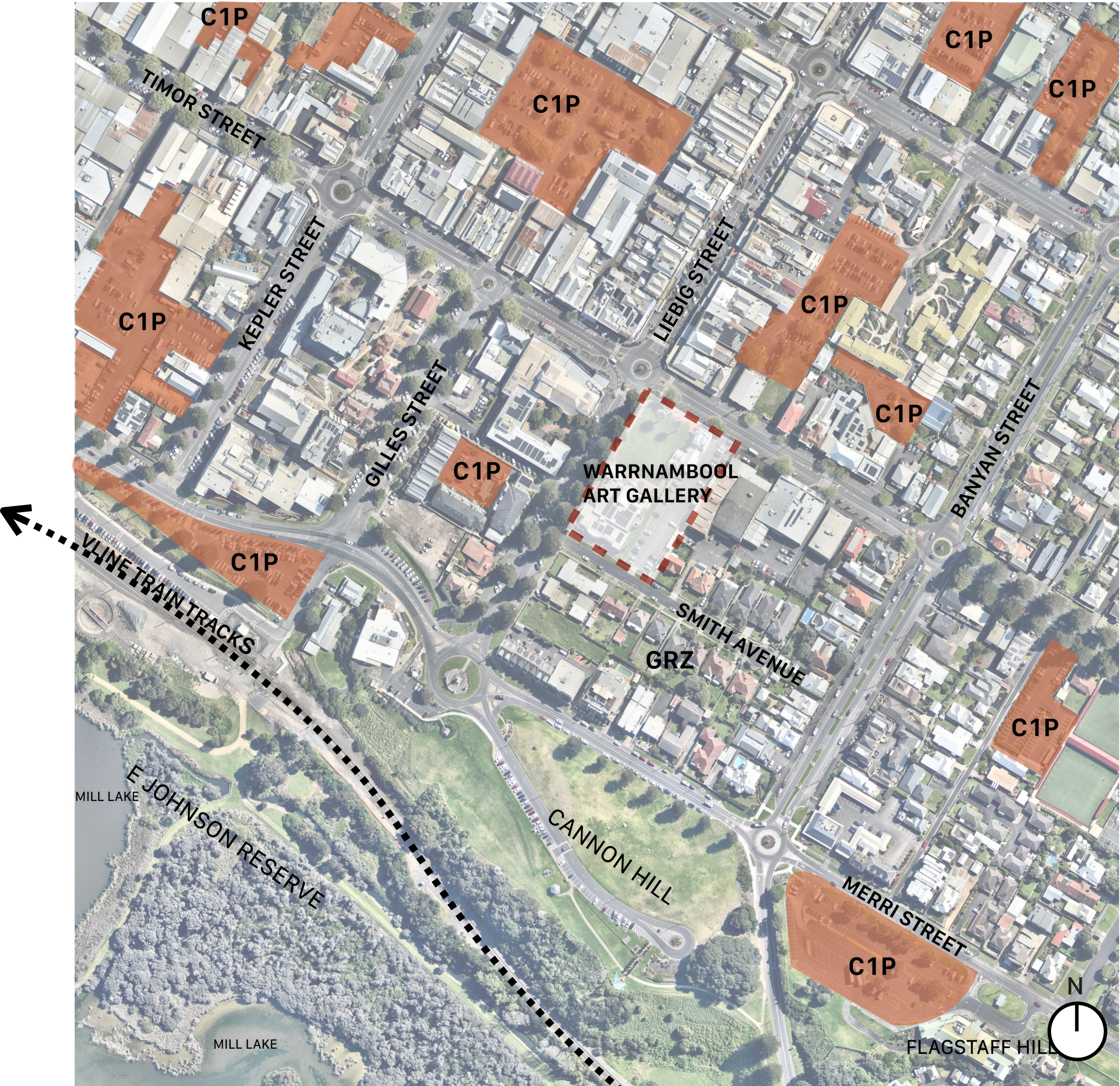
- Legend:
- Site Location
  - Train Line
- Planning Scheme Zones:
- GRZ - General Residential





# Car Parking Zones

- Legend:
- Site Location
  - Train Line
- Planning Scheme Zones:
- C1P - Car Parking





# Public Use Areas

- Legend:
- Site Location
  - Train Line

- Planning Scheme Zones:
- PUZ2 - Public Use - Education
  - PUZ6 - Public Use - Local



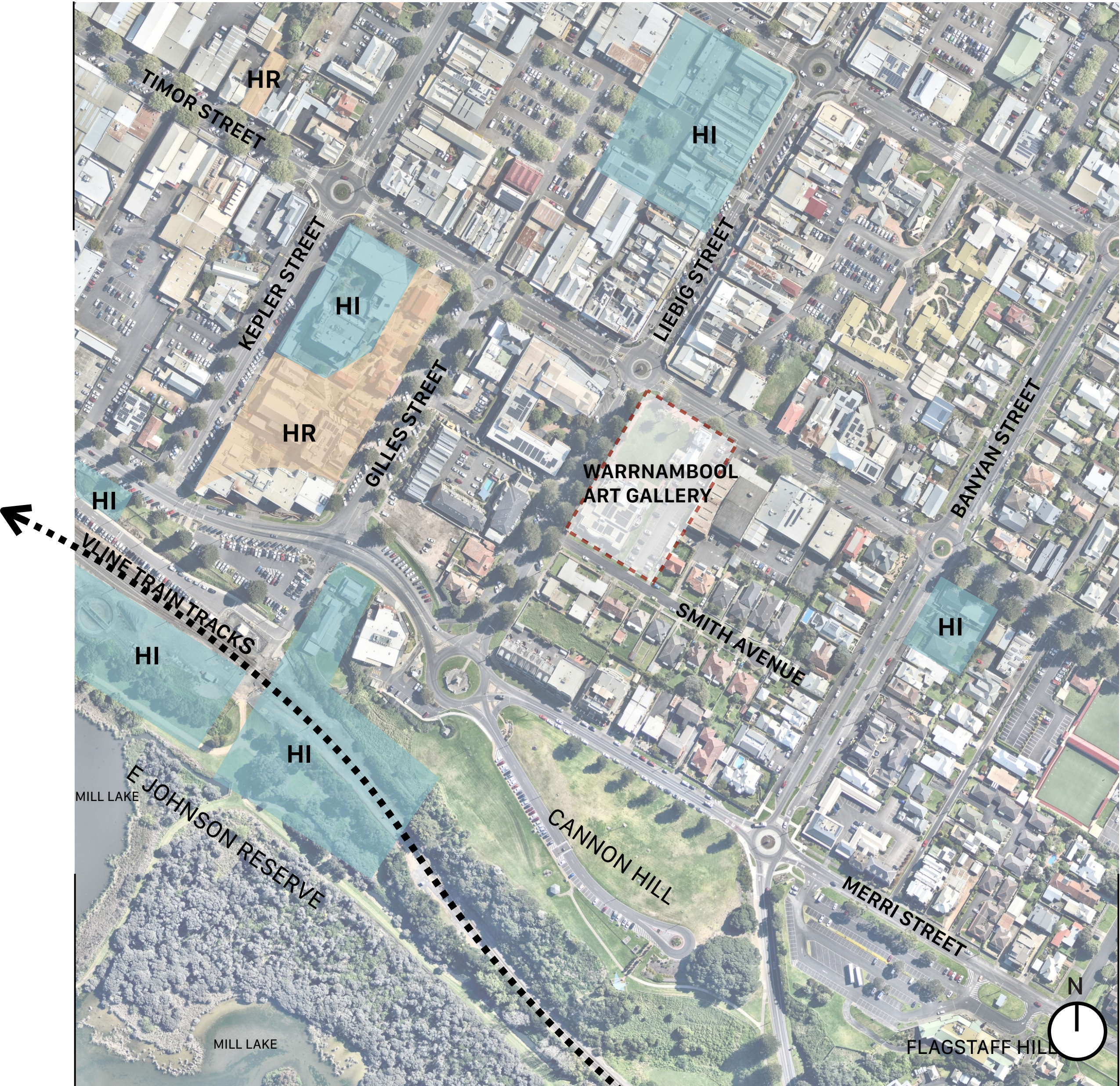
Site Extract





# Heritage Buildings

- Legend:
- Site Location
  - Train Line
- Planning Scheme Zones:
- HR - Heritage Register
  - HI - Heritage Inventory



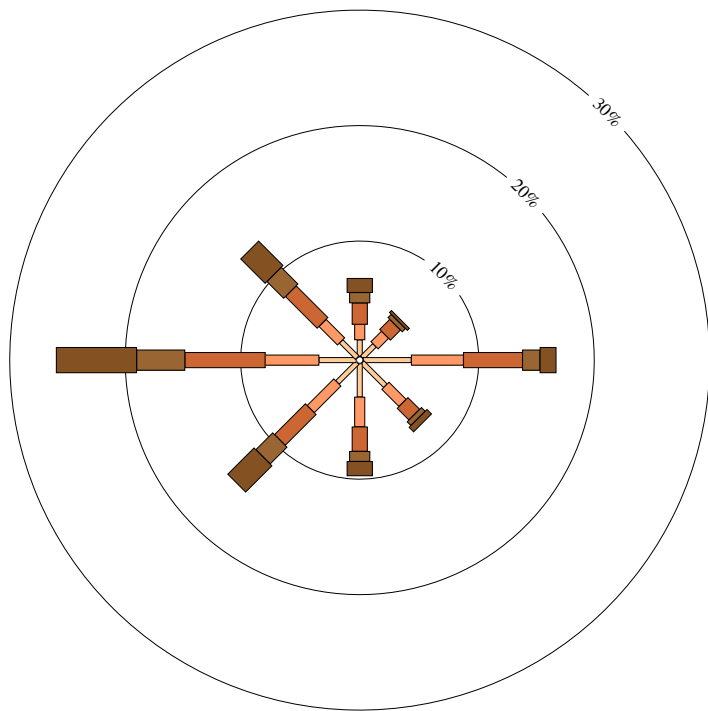


# Sun, Wind + Elevations

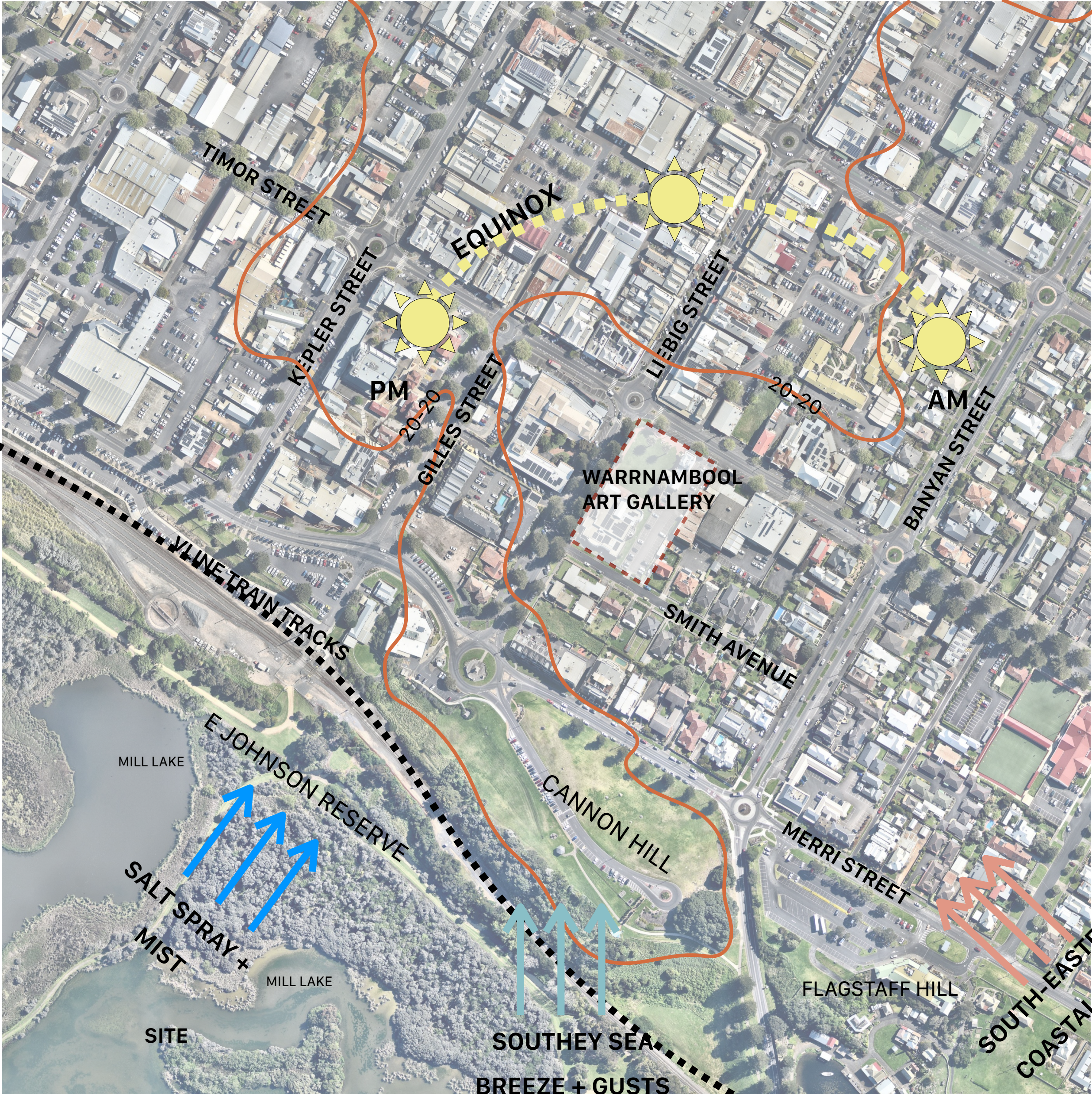
- Legend:
- Site Location
  - Train Line
  - Contour (20m interval)

Wind Rose  
Cape Otway data 100km SE from Warrnambool

Annual - 9am  
Calm 1% of the year



Annual - 3pm  
Calm 1% of the year





# I - Analysis of Site

## Immediate Site Analysis

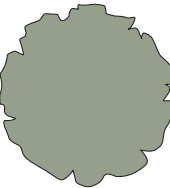


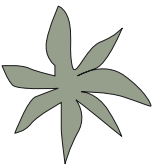
# Civic Green Site

Significant Trees

Legend:

--- Site Boundary

 Norfolk Pines - Heritage Listed

 Established Palm Trees





# Traffic

Across and Around Site

- Legend:
- Site Boundary
  - Vehicular
  - - - Pedestrian





# Sun Path

Across Site

Legend:

--- Site Boundary

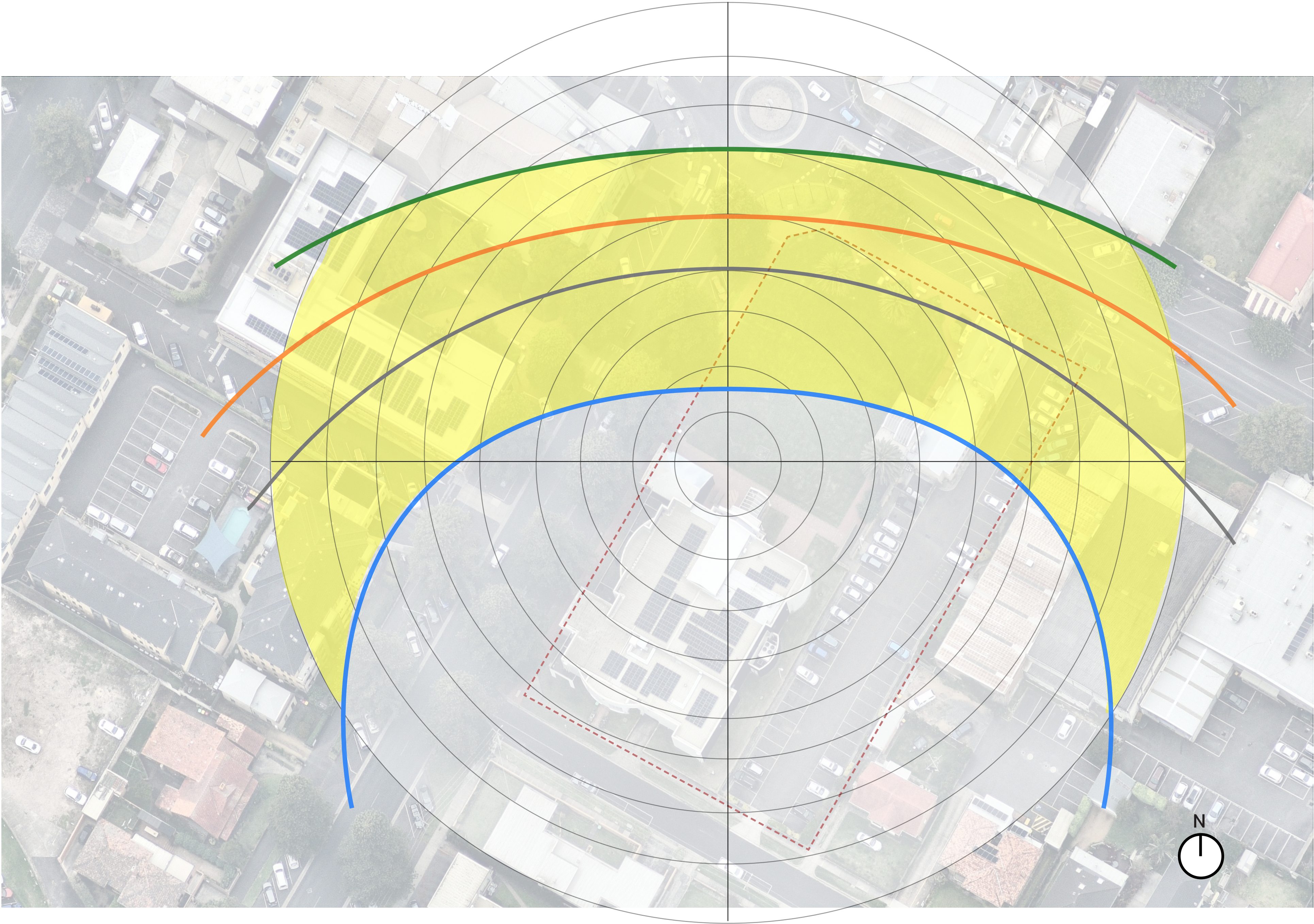
Sun Path:

Today

June Solstice

December Solstice

Annual Variation Equinox





# Constraints

Legend:

Site Boundary

Maintenance of Civic Green Area

Heritage Listed Building

Potential Heritage Facade

Unknown Planning Constraints

Height Constraints at Boundary

Offset Constraints at Boundary

Neighbor Access Requirements





# Elevation Changes

- Legend:
- Site Boundary
  - Carpark
  - WAG and Civic Green
  - Retaining Wall
  - Retaining Wall





## II - Warrnambool Art Gallery and Civic Green Opportunities

Warrnambool Art Gallery Civic Green Opportunities



# Opportunities

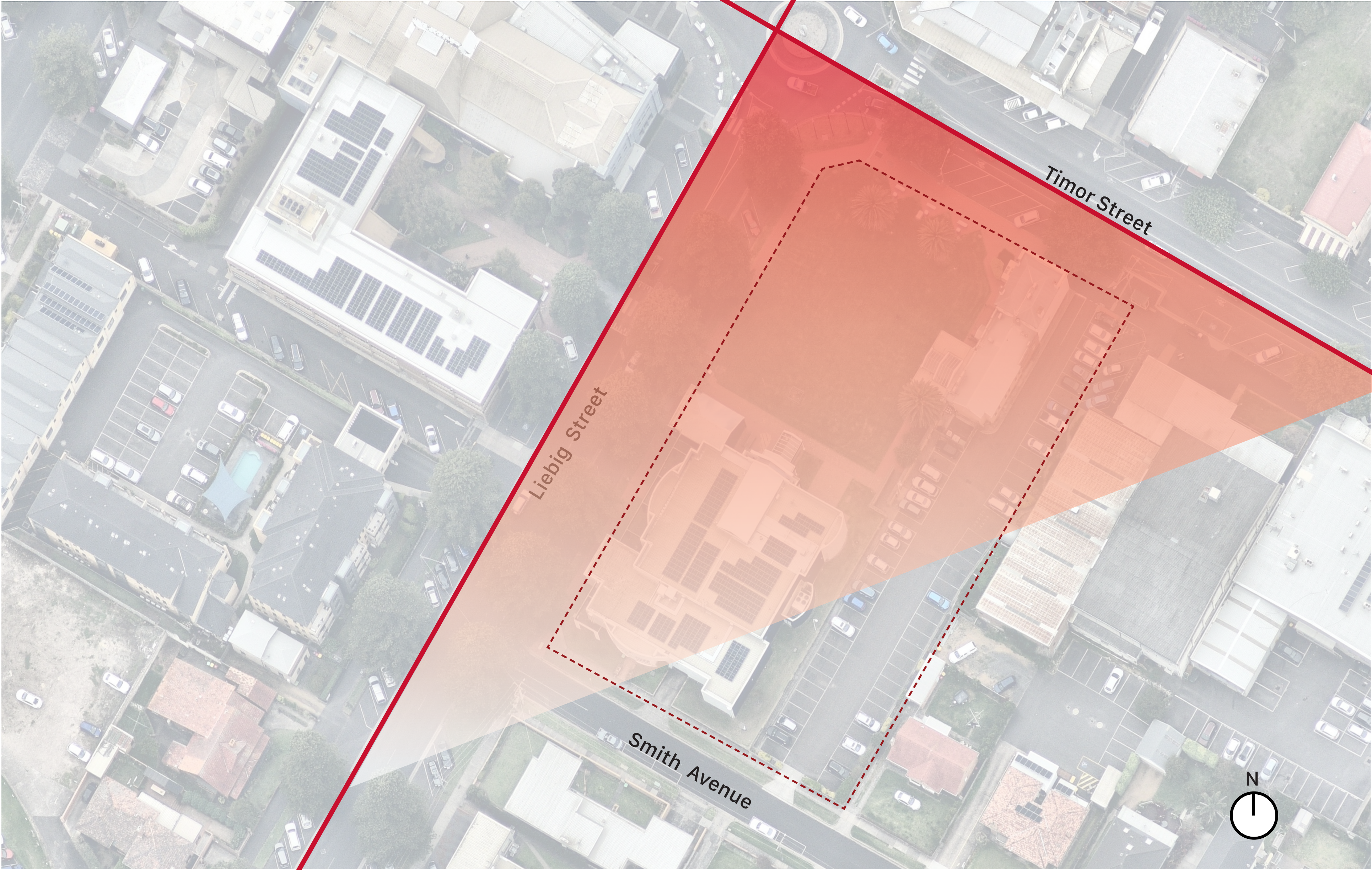
Connection to Retail & Entertainment Precinct

Legend:

--- Site Boundary

➔ Street

Connection





# Opportunities

Connection to Lake Pertobe

- Legend:
- Site Boundary
  - ➔ Path to Lake Pertobe
  - Connection





# Opportunities

Triple Street Frontage

- Legend:
- Site Boundary
  - ➡ Major Shopping Strip
  - ➡ Residential Street
  - Site and Street Relationship





# Opportunities

Activation of Civic Green

Legend:

Site Boundary

Civil Green Activation





# Opportunities

Heritage Relationships

Legend:

--- Site Boundary

Former Scherell's Building  
(Saddlery)

Liebig Street Heritage  
(Shipwright)

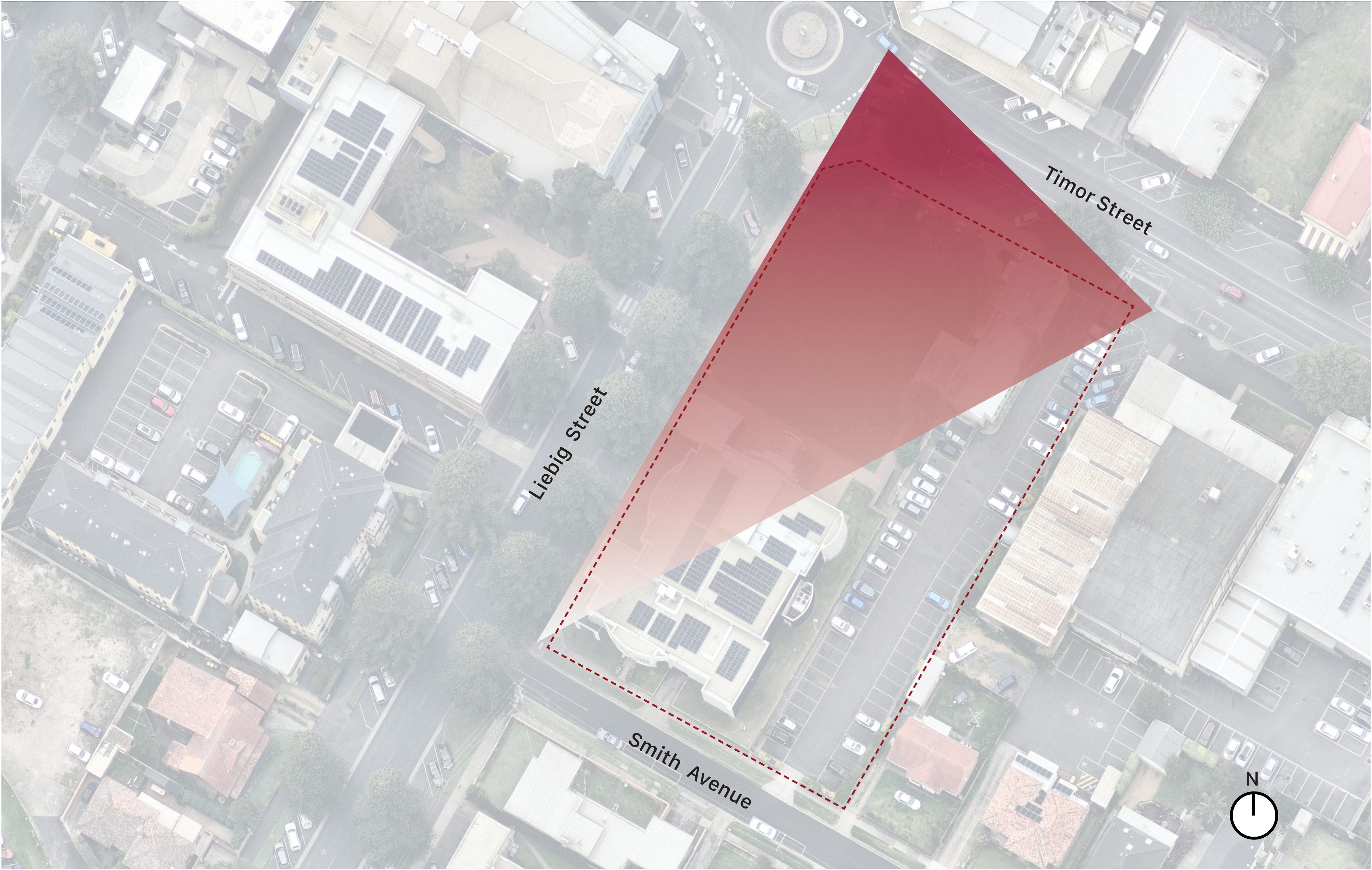




# Opportunities

Northerly Aspect of Site

- Legend:
- Site Boundary
  - Northerly Aspect





# III - Civic Green Forecourt Strategies

## Civic Green Forecourt



# Civic Green Opportunities

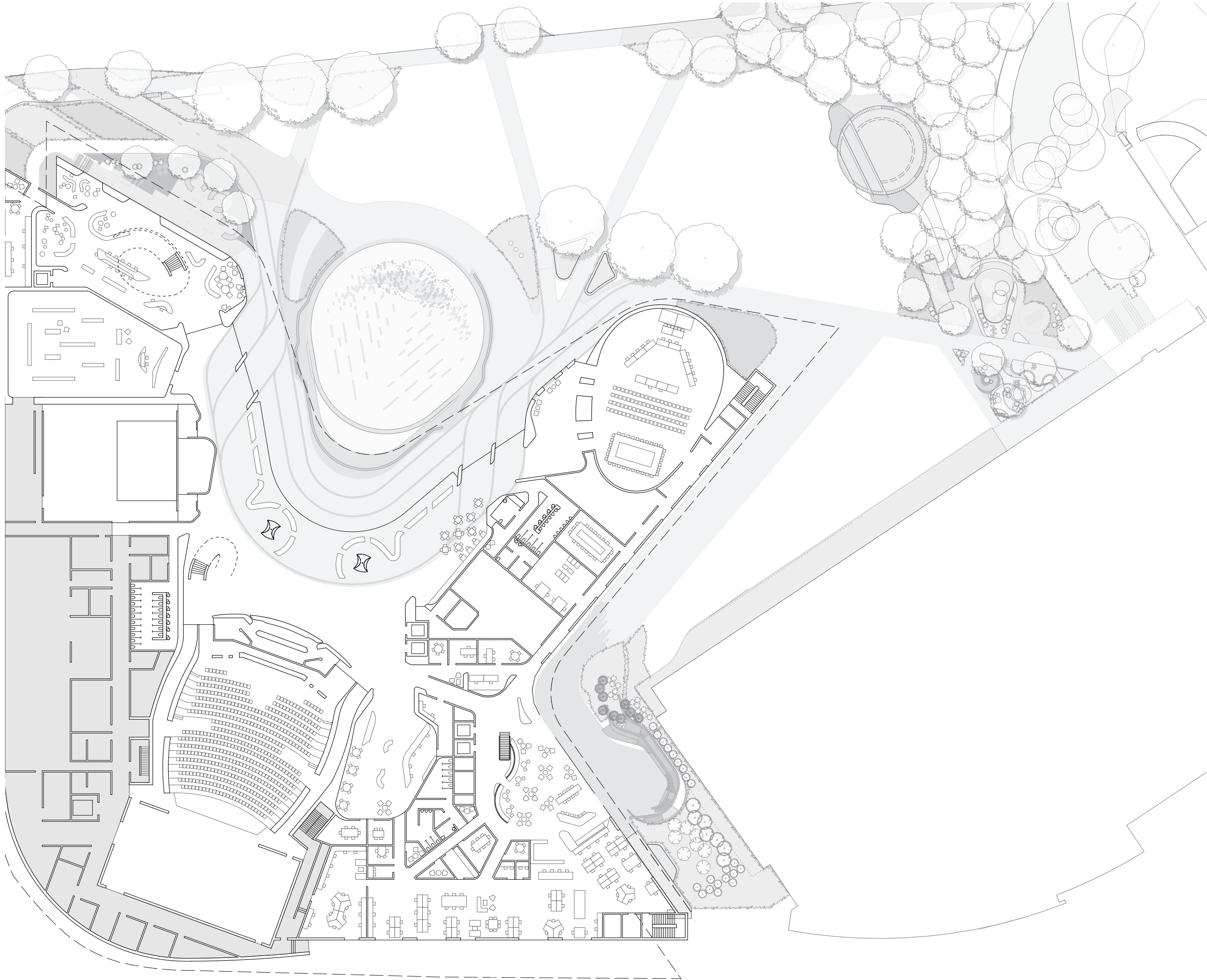
Having an established green space in front of the gallery could provide an effective forecourt, allowing for people to come and enjoy the space, new building and cafe/restaurant offers that could be incorporated within the gallery.

Opportunities that exist within the Civic Green are:

- Landscaping opportunities
- An informal amphitheater
- Sculpture garden
- Seating
- An outdoor child enrichment zone that ties into the gallery



Civic Green Inspiration  
Bunjil Place - FJC Studio



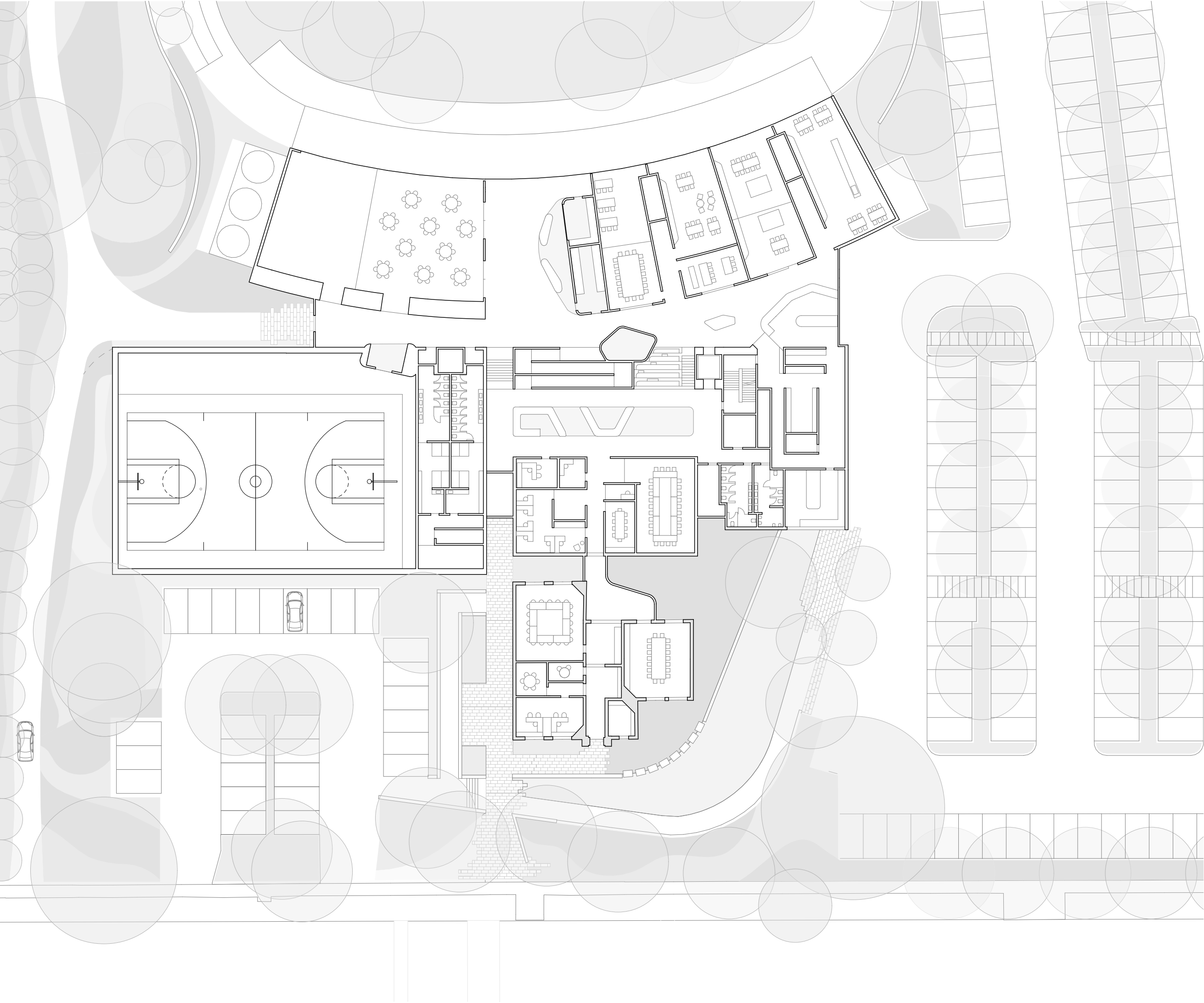


Civic Green Inspiration  
The Mint - FJC Studio





Civic Green Inspiration  
Nunawading Community Hub - FJC Studio





# Inspiration

## Hakone Open Air Museum Kanagawa





# Inspiration

## Orange Regional Museum





# Inspiration

## MUMA Sculpture Garden





# IV - Massing Strategies

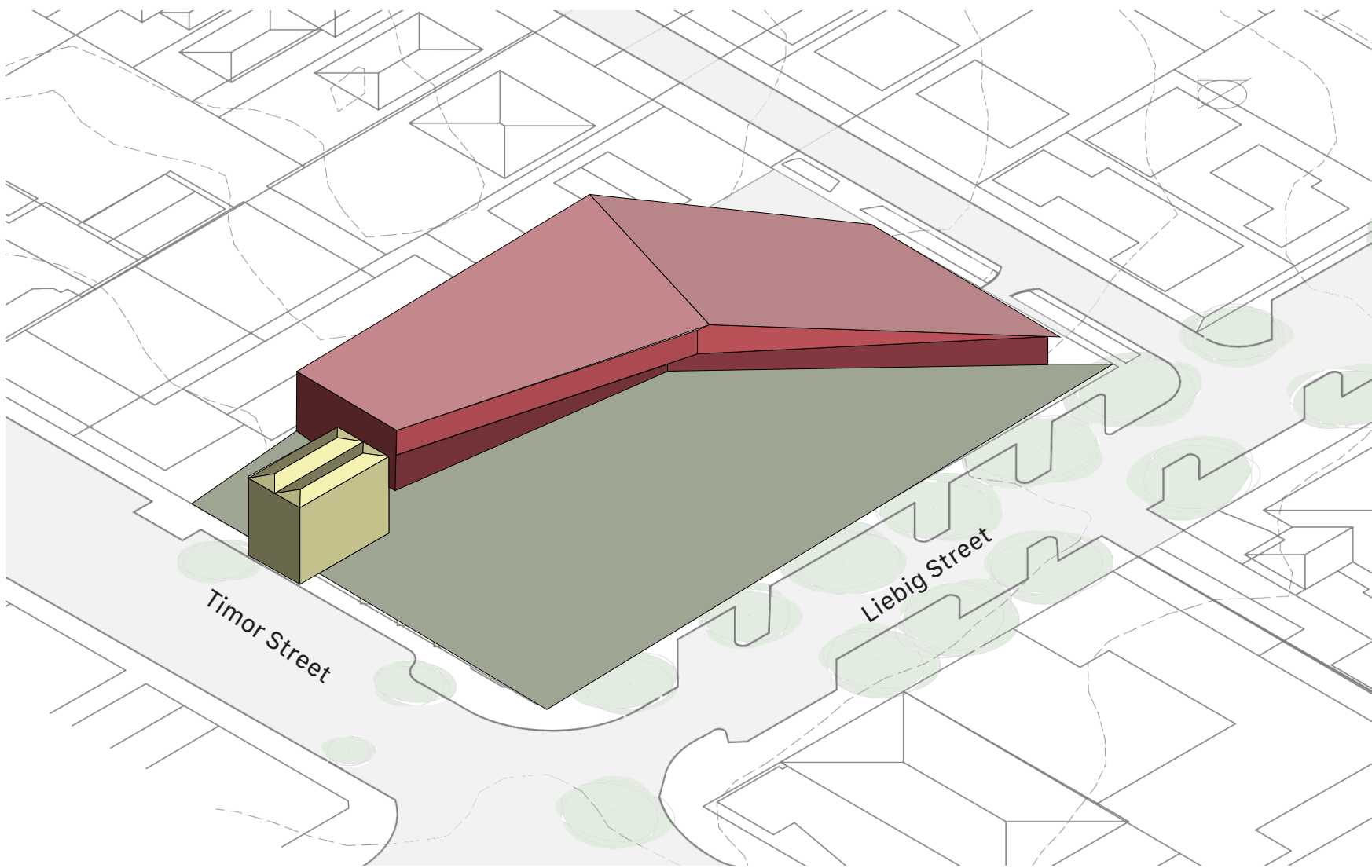
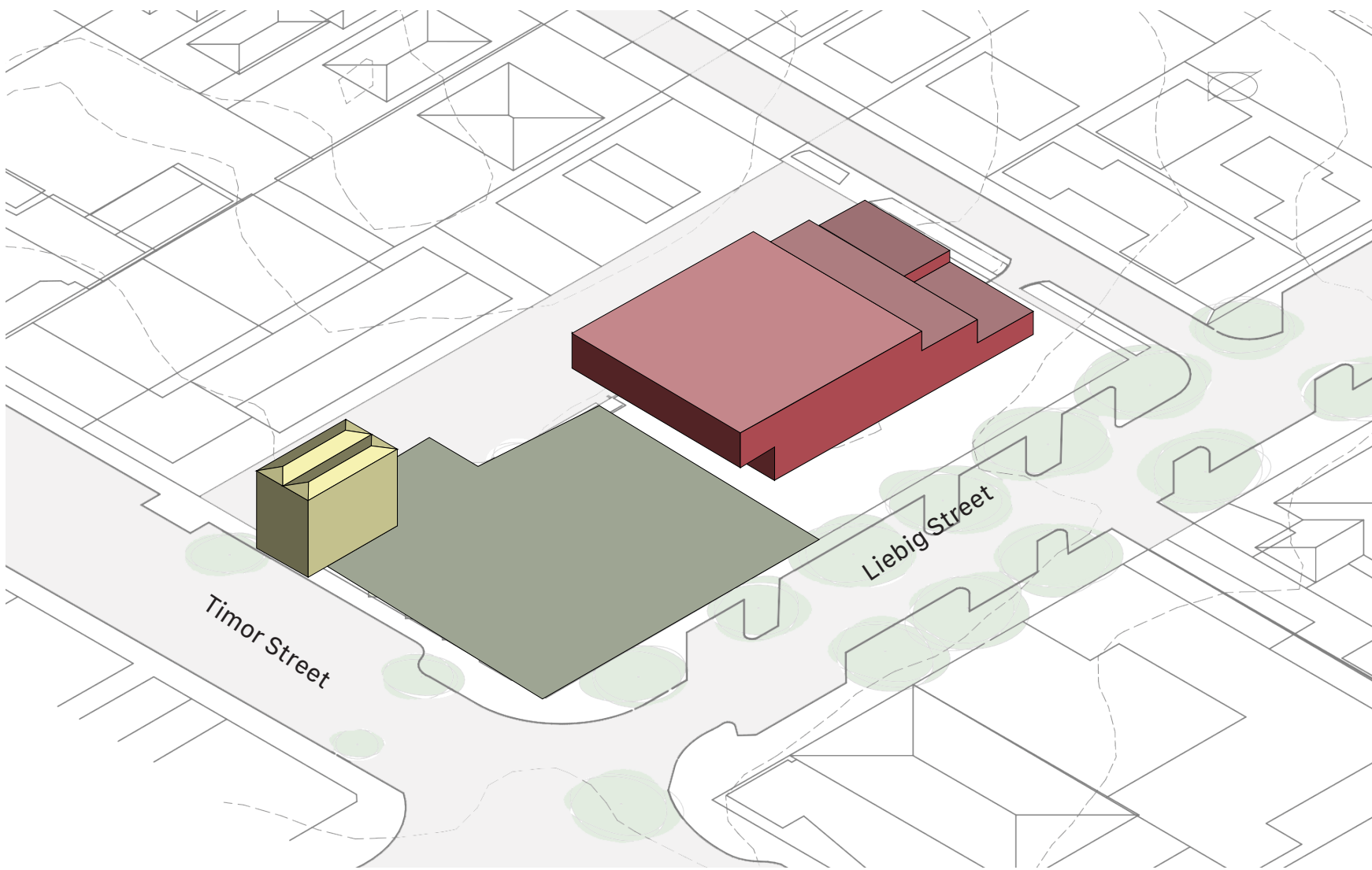
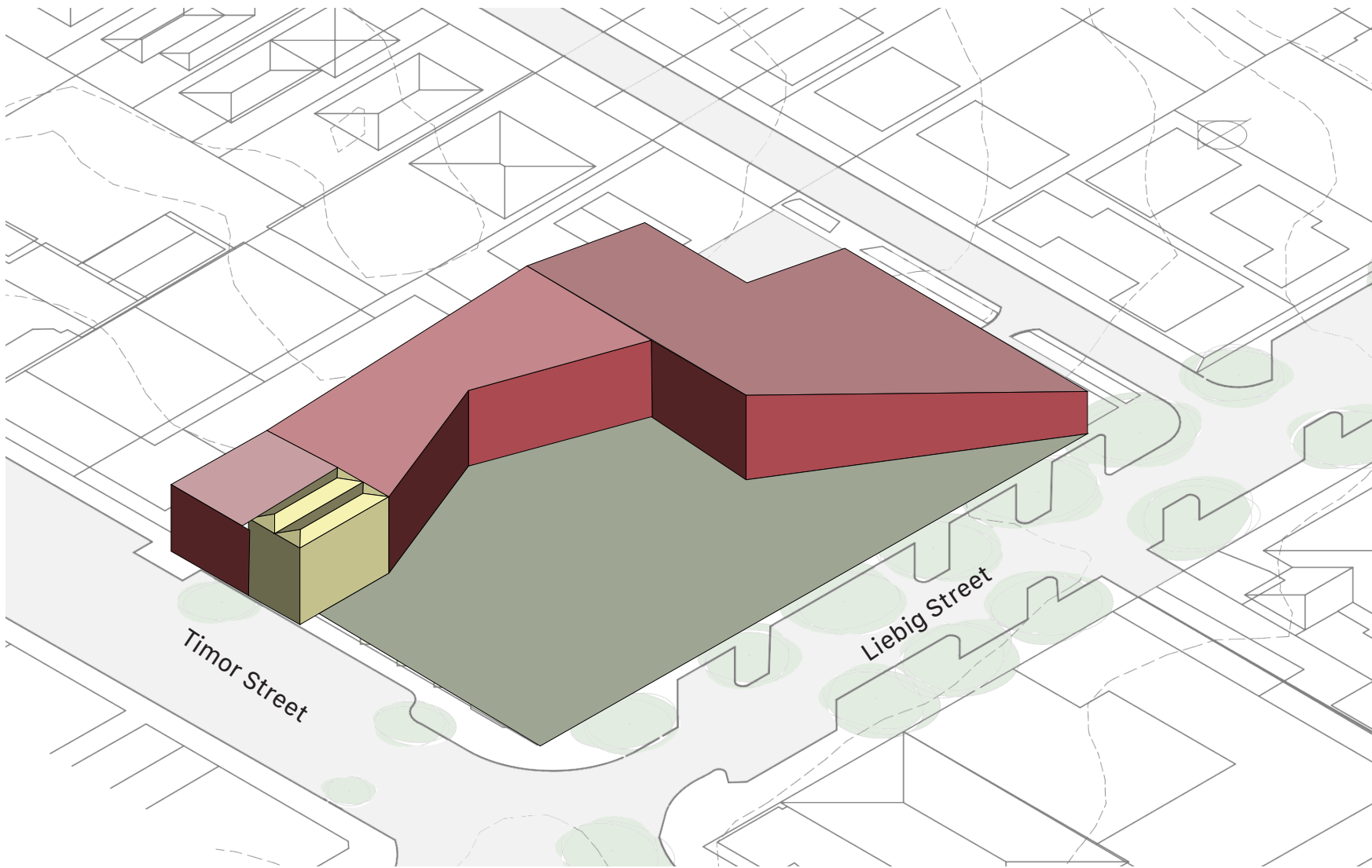
## Initial Massing Strategies



# Early Exploration

## Gallery Massing

- Legend:
- Site Boundary
  - Heritage Listed Building
  - New Gallery Massing



Total Floor Area	2600 - 3100m2 Approx.
Green Area	1800 - 2300m2 Approx.
Max. Height	10m
Min. Height	4.5m



# IV - Massing Strategies

## Refined Massing Strategies



# Strategy 1



## Key Elements

- Similar footprint to existing site
- Invigoration of the Civic Green Site
- Pedestrian access across and on the side of site
- Greater connection to the street



# Strategy 1

## Gallery Strategy

Legend:

Site Boundary

Heritage Register Buildings

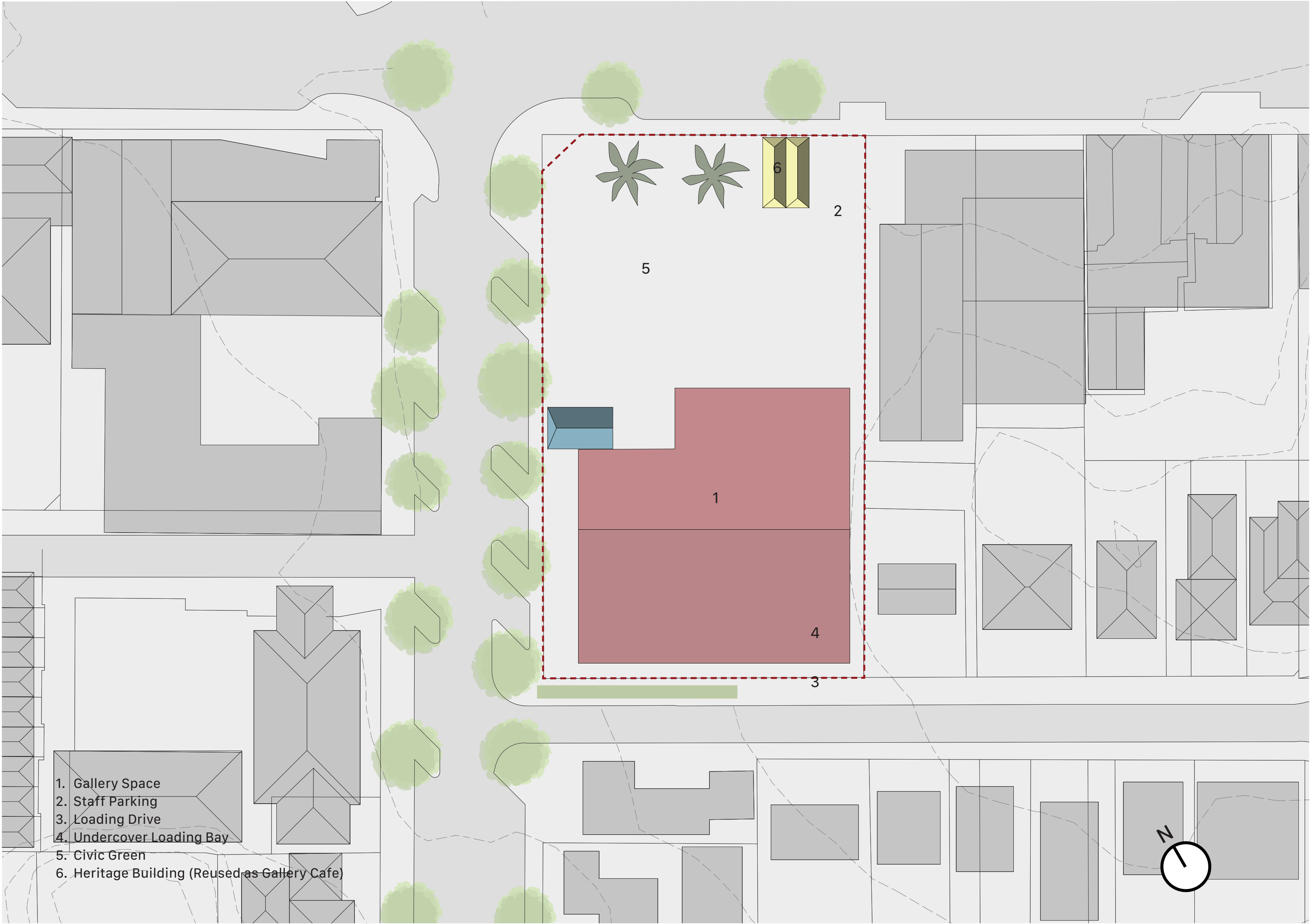
New Gallery Massing

New Gallery + Green

Building Footprint	1800m2 Approx.
Total Floor Area	3100m2 Approx.
Green Area	2300m2 Approx.
Max. Height	10m
Min. Height	7m

Existing Gallery + Green

Current Gallery Area:	1590m2 Approx.
Current Civic Green Area:	1575m2 Approx.





# Strategy 1

## Gallery Forecourt Strategy

Legend:

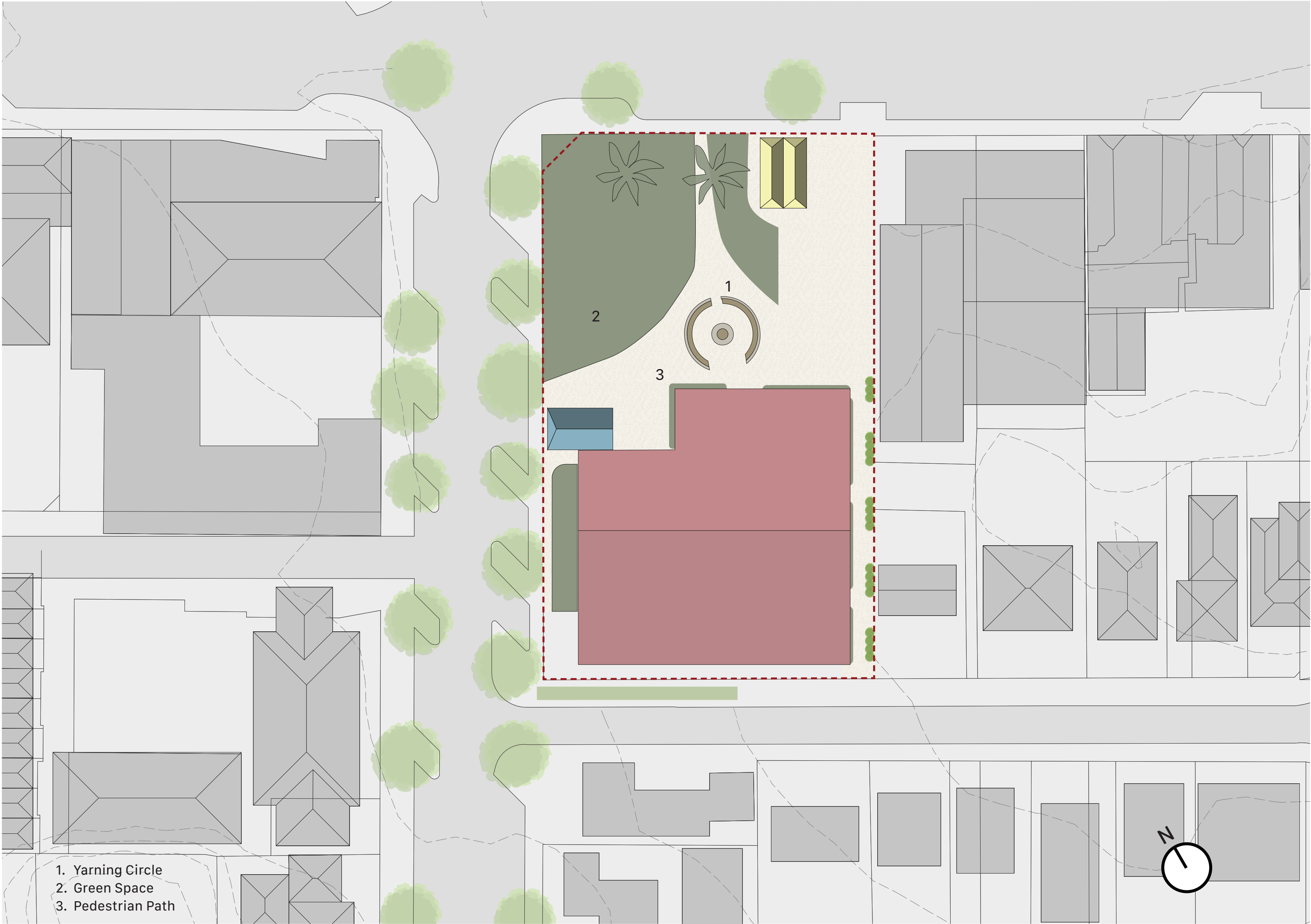
- Site Boundary
- Heritage Register Buildings
- New Gallery Massing
- Revitalised Green Space

New Gallery + Green

Building Footprint	1800m2 Approx.
Total Floor Area	3100m2 Approx.
Green Area	2300m2 Approx.
Max. Height	10m
Min. Height	7m

Existing Gallery + Green

Current Gallery Area:	1590m2 Approx.
Current Civic Green Area:	1575m2 Approx.





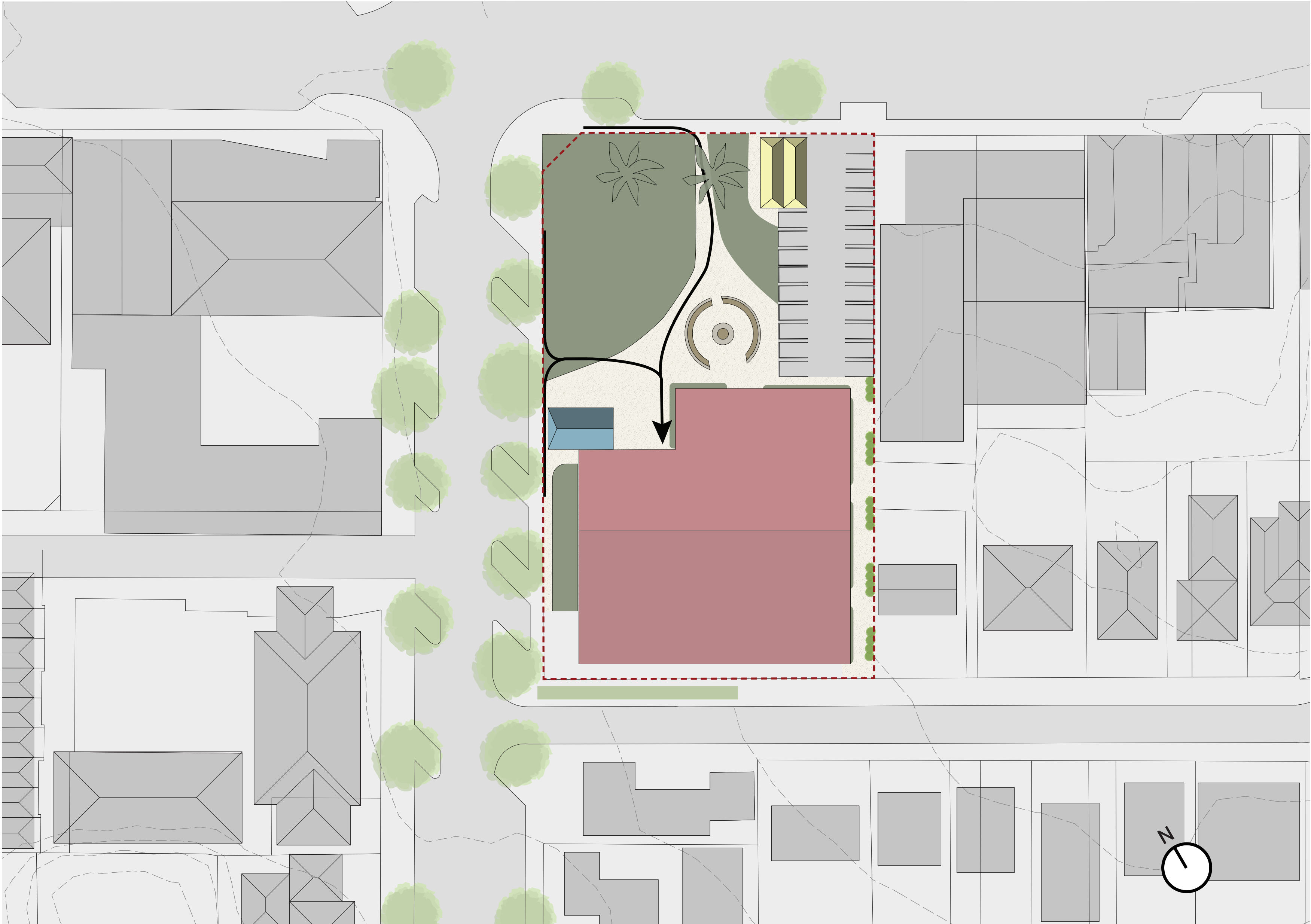
# Strategy 1

## Gallery Entrance Pathways

**Legend:**

- Site Boundary
- Heritage Register Buildings
- New Gallery Massing
- Revitalised Green Space
- Entry Points

New Gallery + Green	
Building Footprint	1800m2 Approx.
Total Floor Area	3100m2 Approx.
Green Area	2300m2 Approx.
Max. Height	10m
Min. Height	7m
Existing Gallery + Green	
Current Gallery Area:	1590m2 Approx.
Current Civic Green Area:	1575m2 Approx.





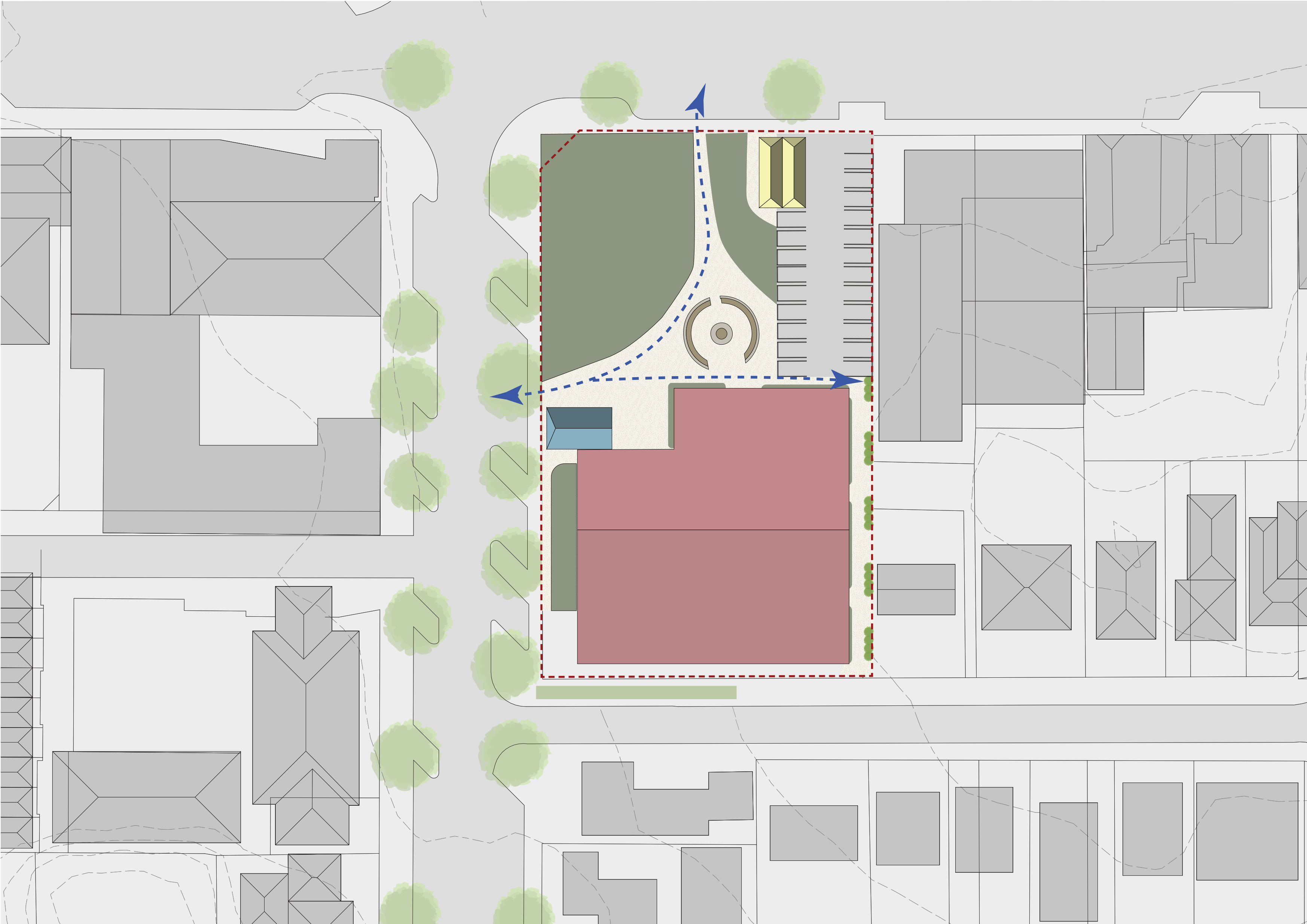
# Strategy 1

Pedestrian Pathways

Legend:

- Site Boundary
- Heritage Register Buildings
- New Gallery Massing
- Revitalised Green Space
- Pedestrian Path Through Green

New Gallery + Green	
Building Footprint	1800m2 Approx.
Total Floor Area	3100m2 Approx.
Green Area	2300m2 Approx.
Max. Height	10m
Min. Height	7m
Existing Gallery + Green	
Current Gallery Area:	1590m2 Approx.
Current Civic Green Area:	1575m2 Approx.





# Strategy 1

Pedestrian Pathways

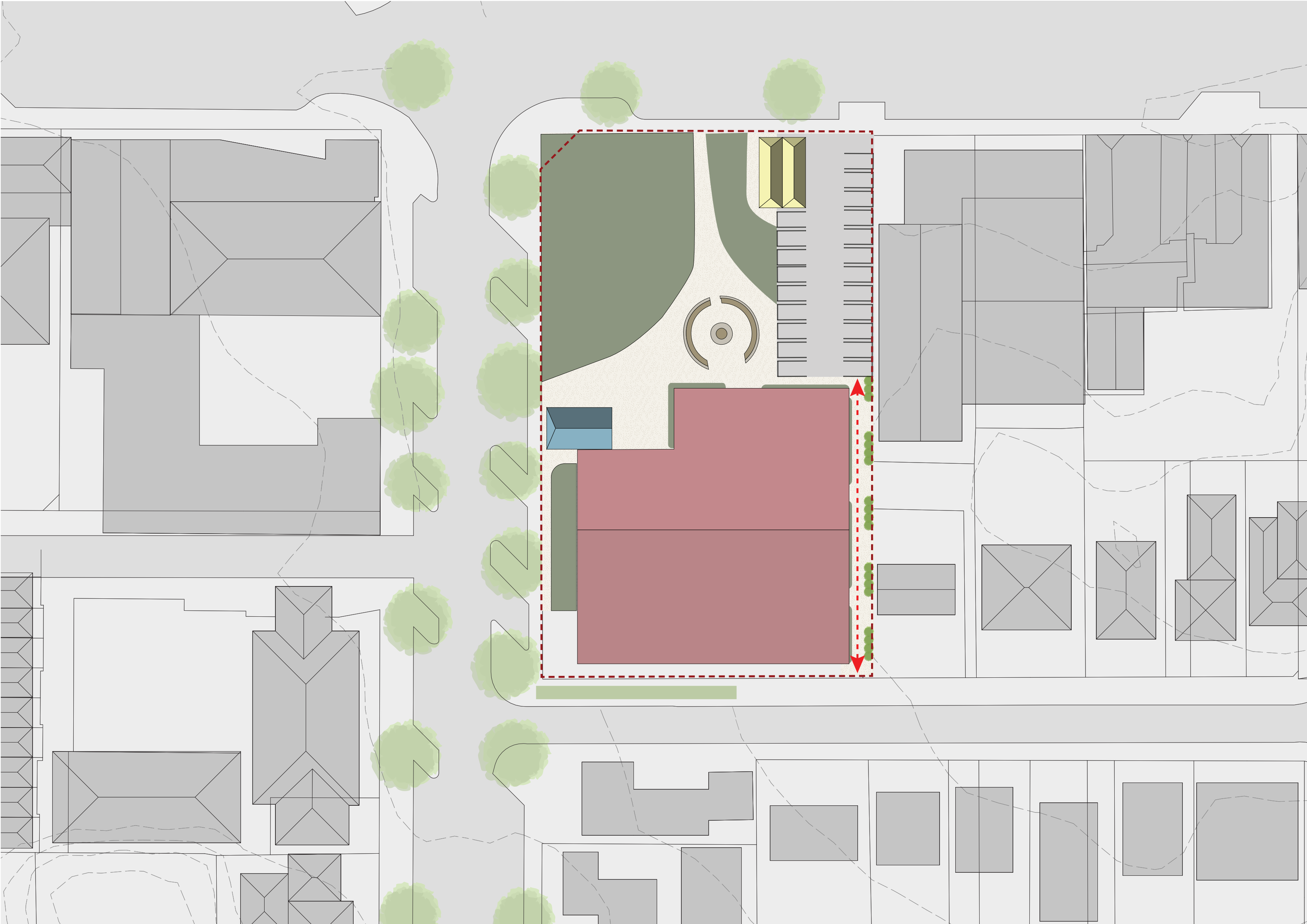
- Legend:
- Site Boundary
  - Heritage Register Buildings
  - New Gallery Massing
  - Revitalised Green Space
  - Pedestrian Path Behind Site

## New Gallery + Green

Building Footprint	1800m2 Approx.
Total Floor Area	3100m2 Approx.
Green Area	2300m2 Approx.
Max. Height	10m
Min. Height	7m

## Existing Gallery + Green

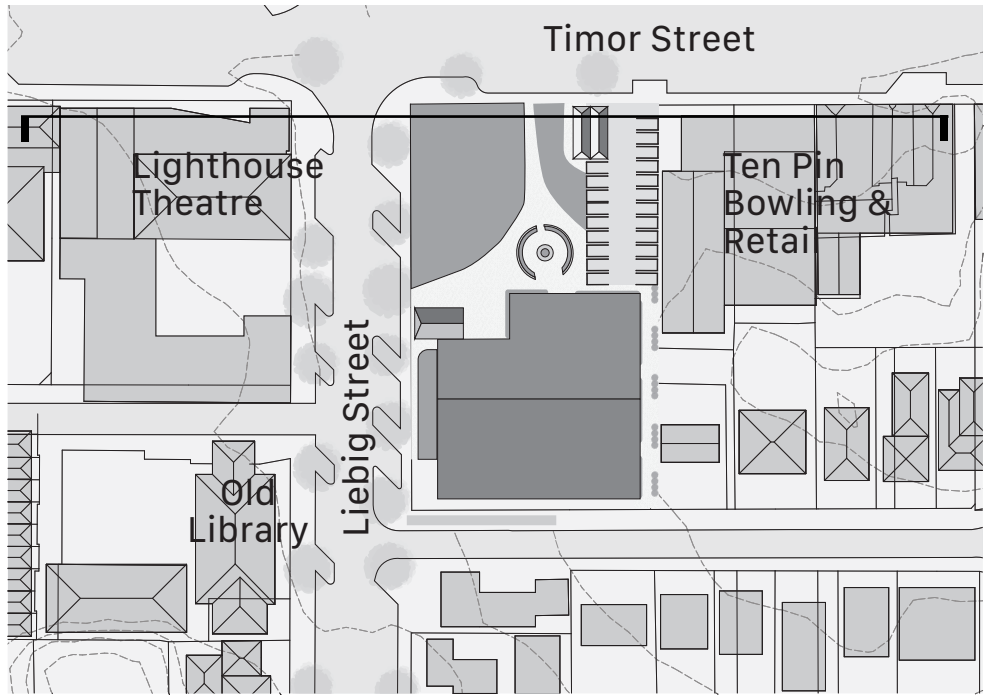
Current Gallery Area:	1590m2 Approx.
Current Civic Green Area:	1575m2 Approx.





# Strategy 1

Relative Heights



- Legend:
- Existing Site Section
  - Strategy 1





# Strategy 1

Proposed Area and Layout

## Proposed Area Schedule

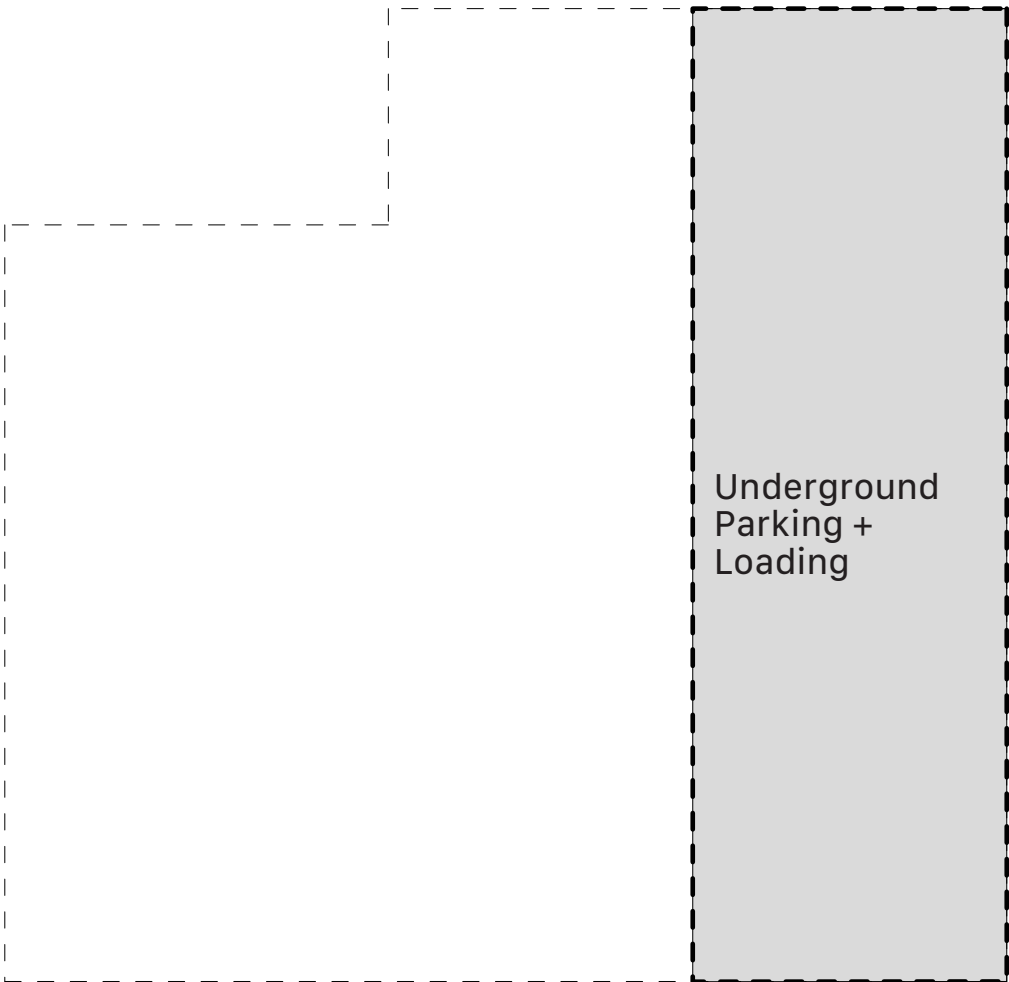
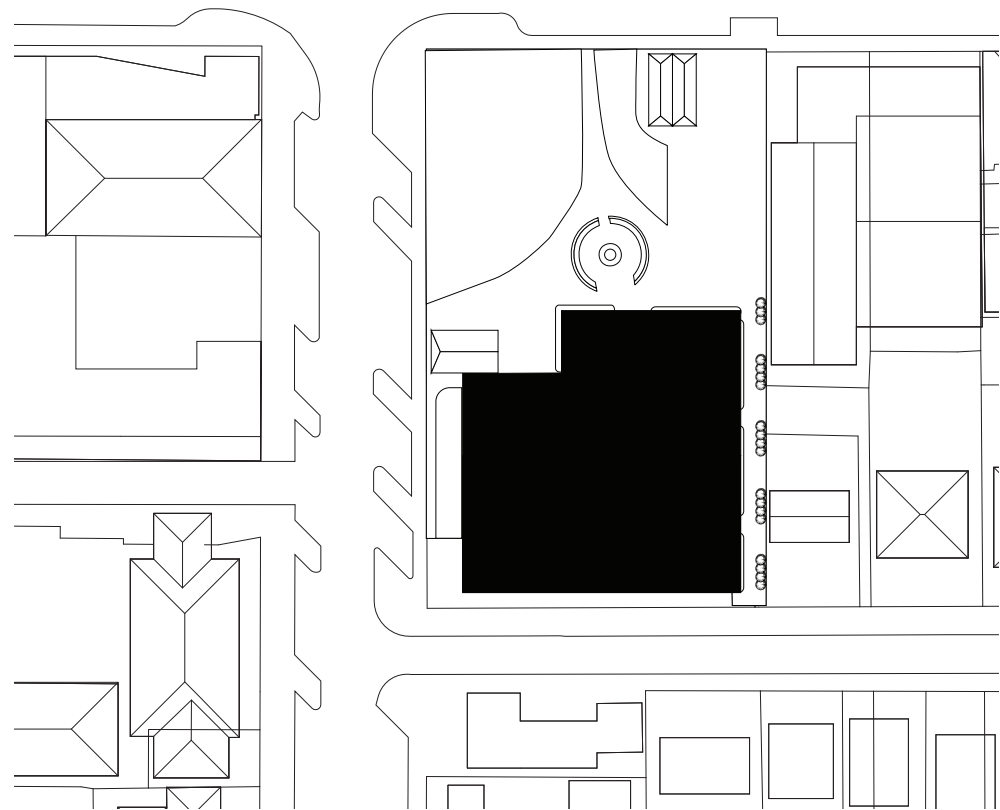
Total Gallery Area	3100m2
Front of House	819m2.
Maar Spaces	425m2
Exhibition Spaces	884m2
Staff and Back of House	971m2
+	
Underground Carpark + Loading (32 parks)	900m2

Additional costing elements:

Shade Structures (awnings)

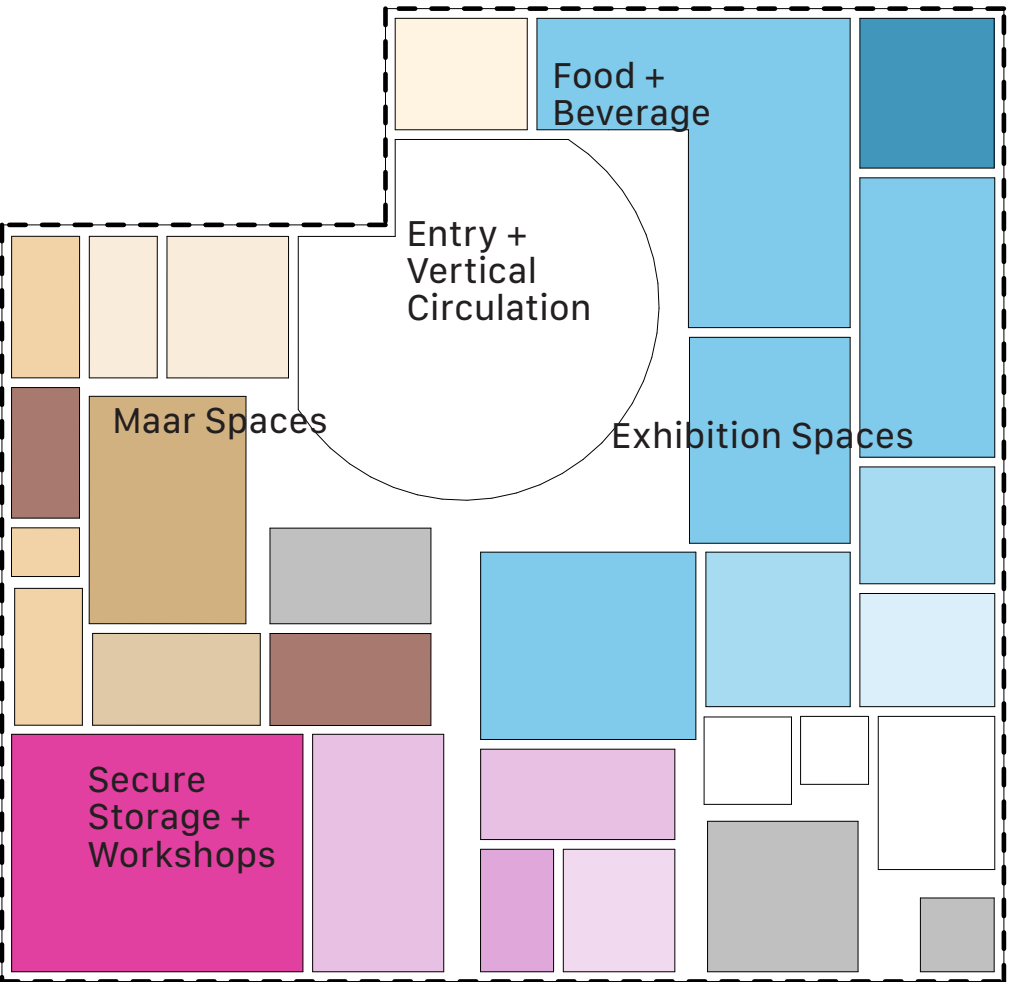
Hardscaping elements (benches, yarning circle)

Landscaping



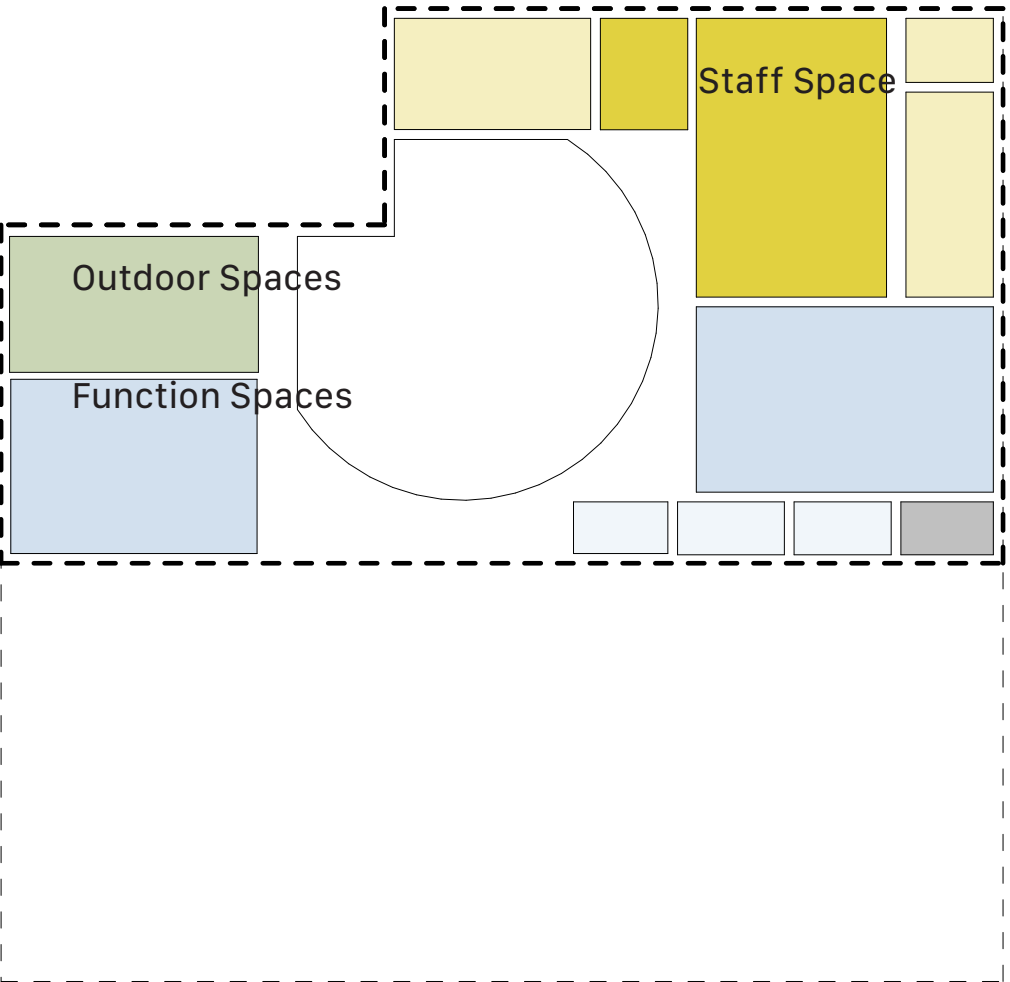
Area = 900m2

Basement 1



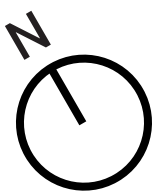
Area = 2100m2

Ground



Area = 1000m2

Level 1





# Strategy 1

Proposed Area and Layout

## Proposed Area Schedule

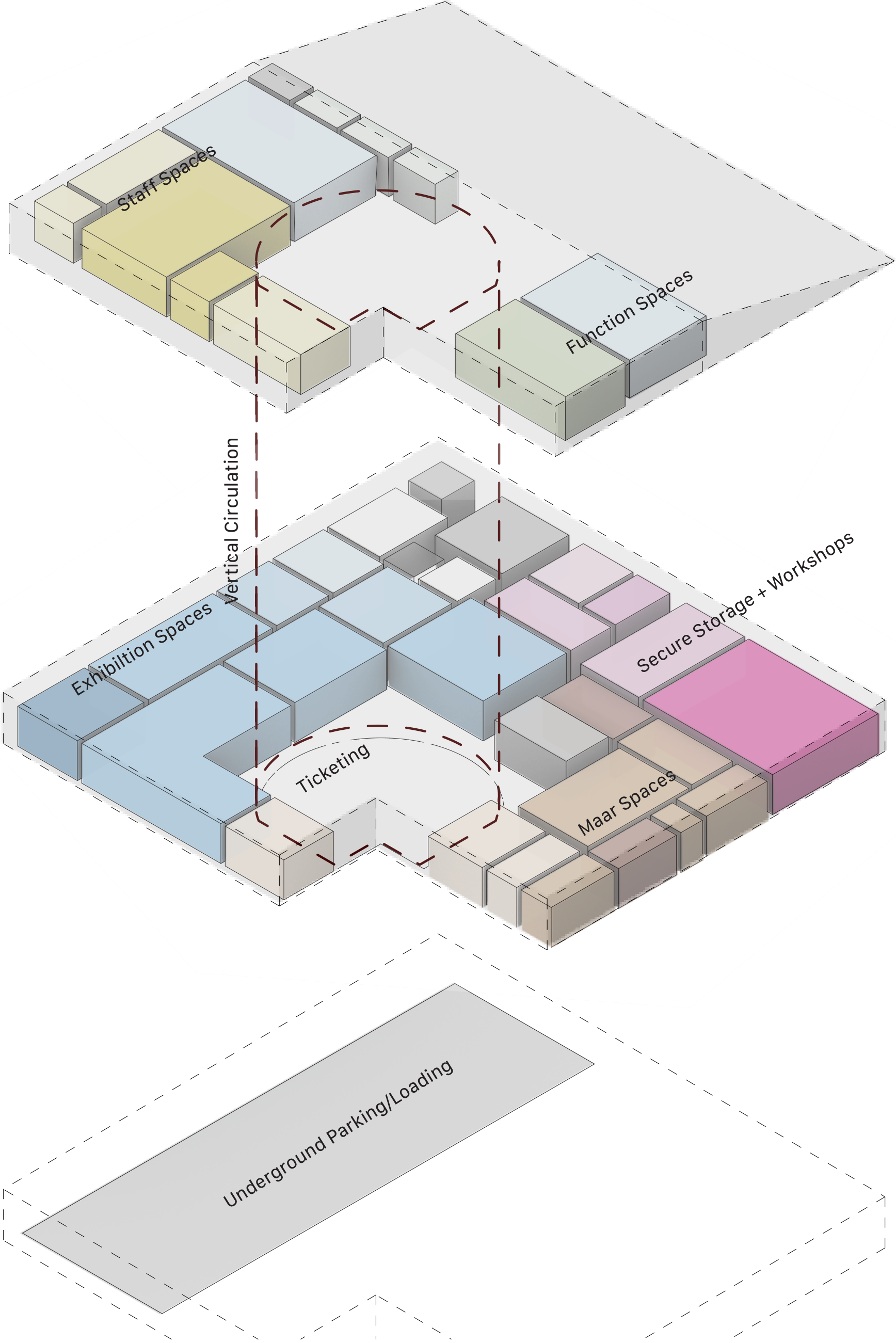
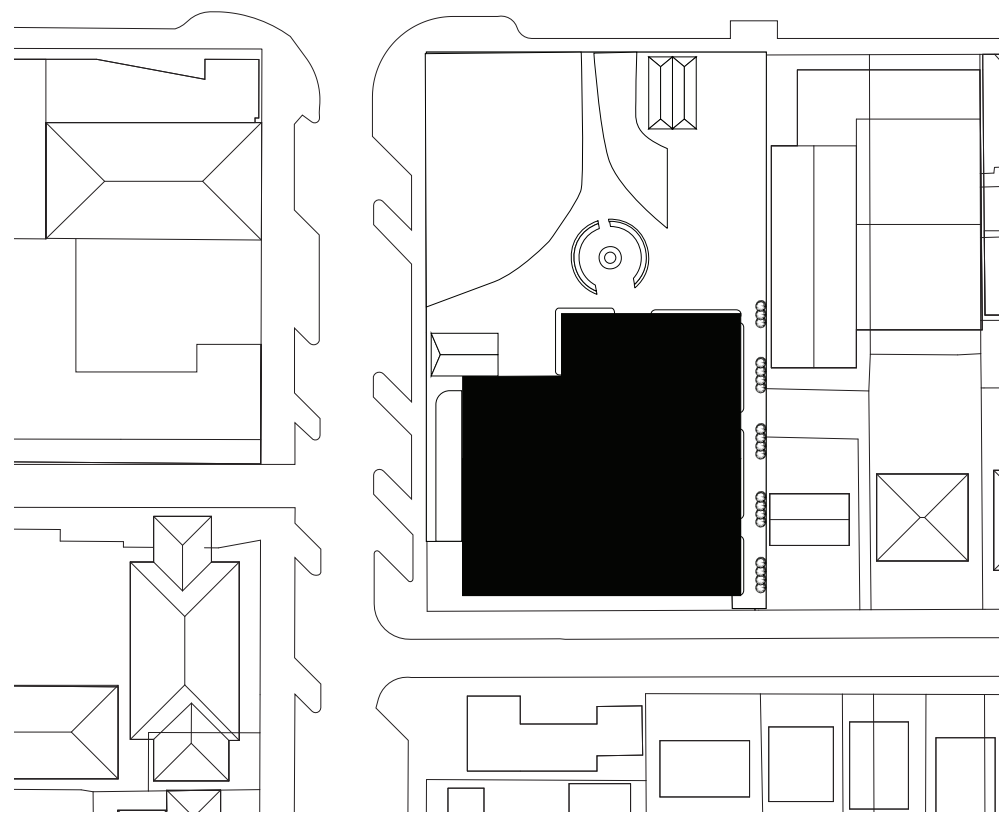
Total Gallery Area	3100m2
Front of House	819m2.
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+	
Underground Carpark + Loading (32 parks)	900m2

Additional costing elements:

Shade Structures (awnings)

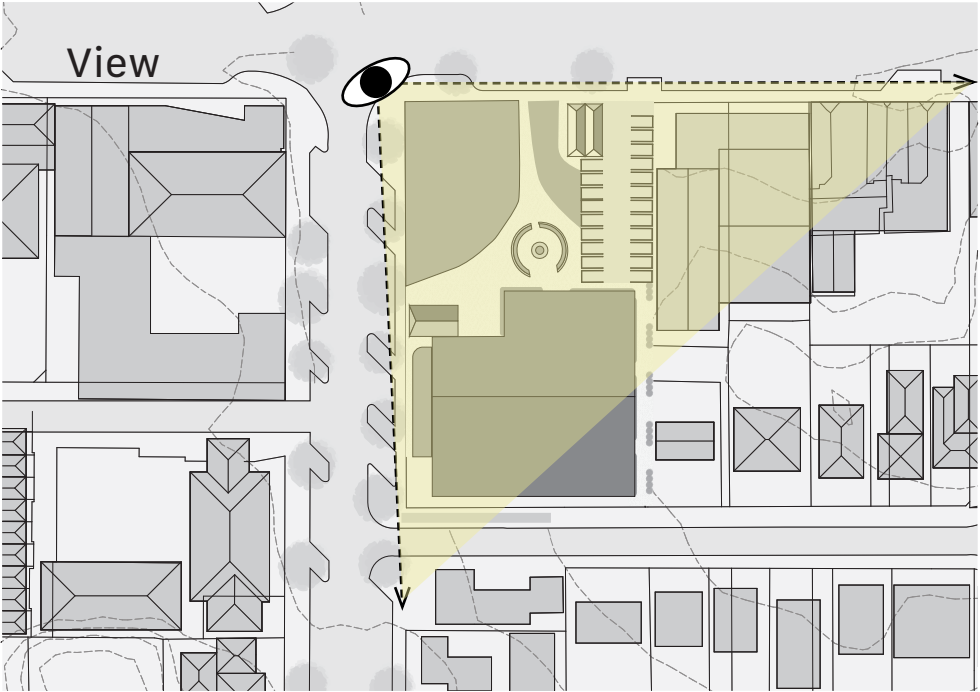
Hardscaping elements (benches, yarning circle)

Landscaping



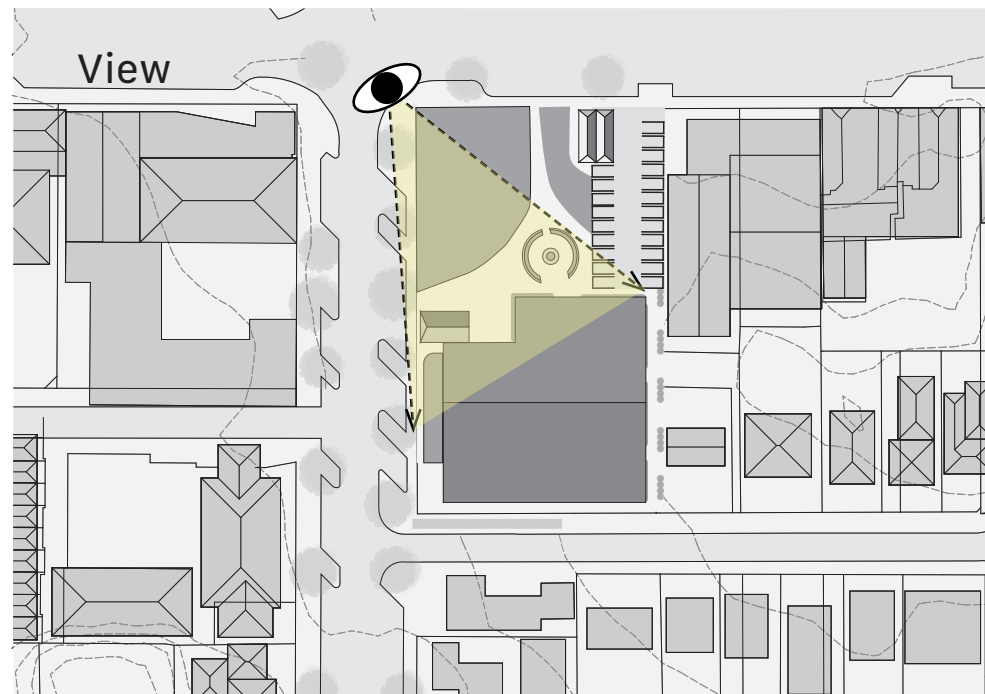


Overshadowing Conditions  
Strategy 1



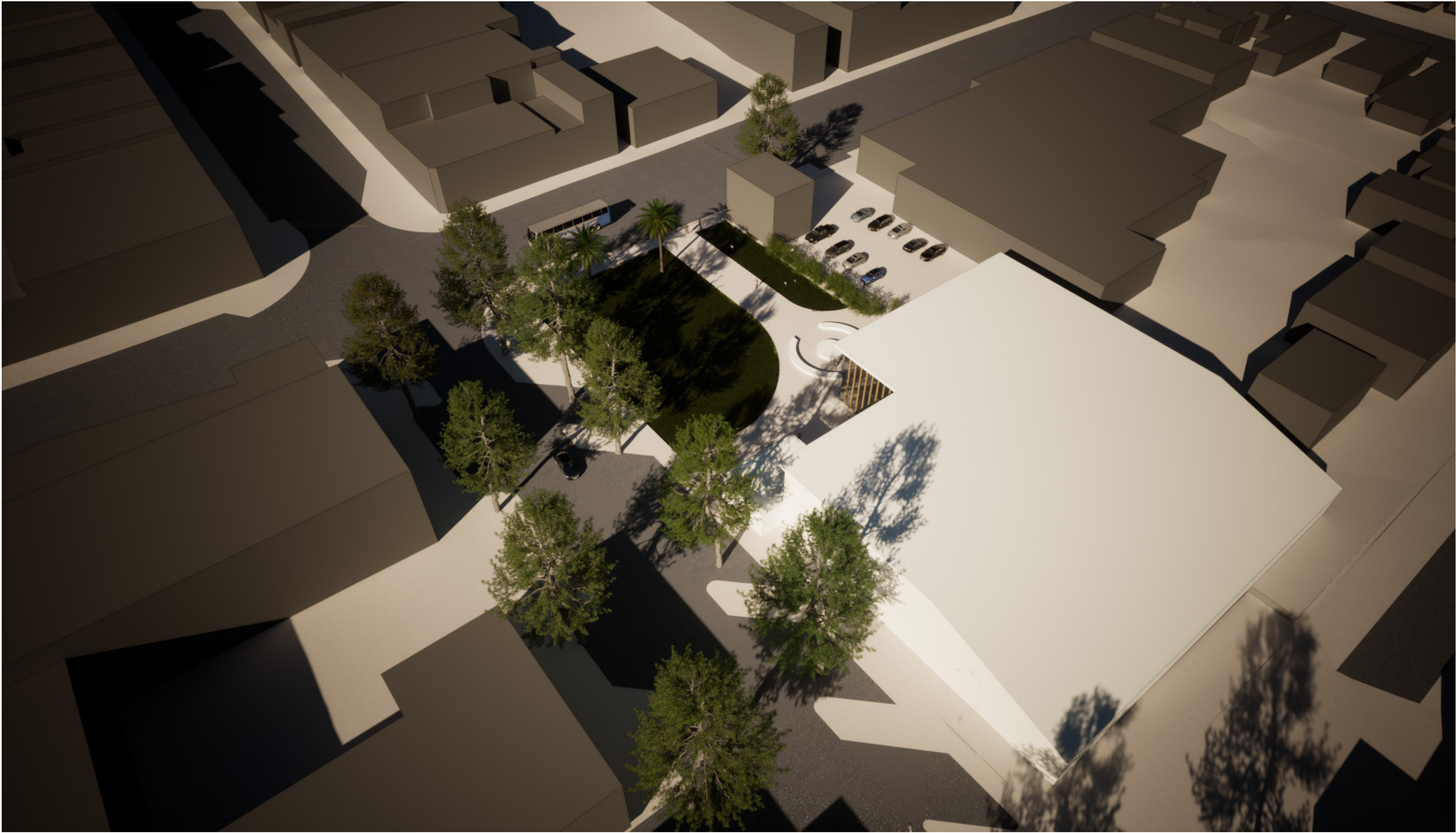
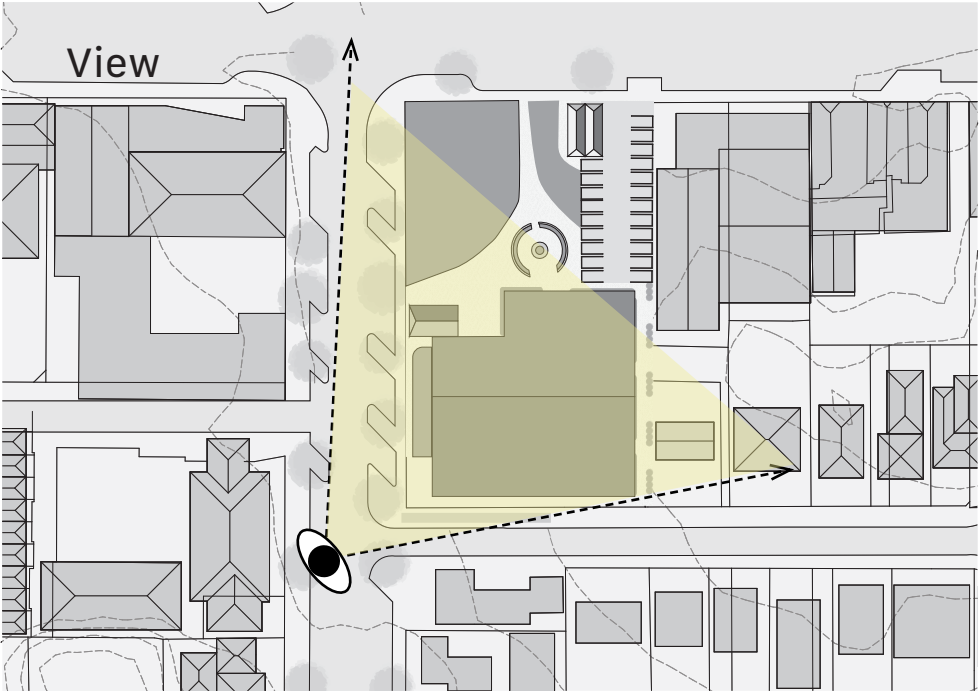


# Overshadowing Conditions Strategy 1



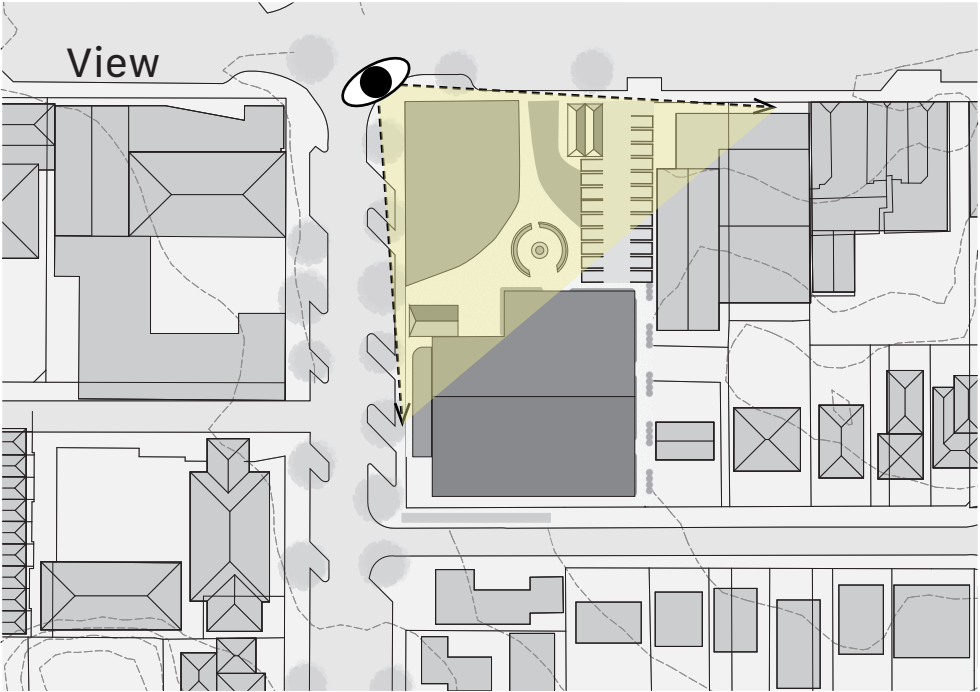


Overshadowing Conditions  
Strategy 1





Overshadowing Conditions  
Strategy 1





# Attributes

## Strategy 1

- Directs pedestrian traffic towards Liebeg Street and Timor Streets
- Lower roof towards Smith Avenue reduces overshadowing
- Preferences Northern aspect of site
- Treats Timor Street heritage as separate building
- Has greater presence on site
- Opportunity to retain existing WAG hertiage portion as part of the new build
- Inclusion of yarning circle
- Retains green areas of site for market use
- Entrances can converge to a large central atrium



# Strategy 2



# Key Elements

- Larger footprint than existing WAG building
- Greater street presence to Timor and Liebig Streets
- Main entry off Timor Street
- Pedestrian access across and on the side of site



# Strategy 2

## Gallery Strategy

Legend:

Site Boundary

Heritage Register Buildings

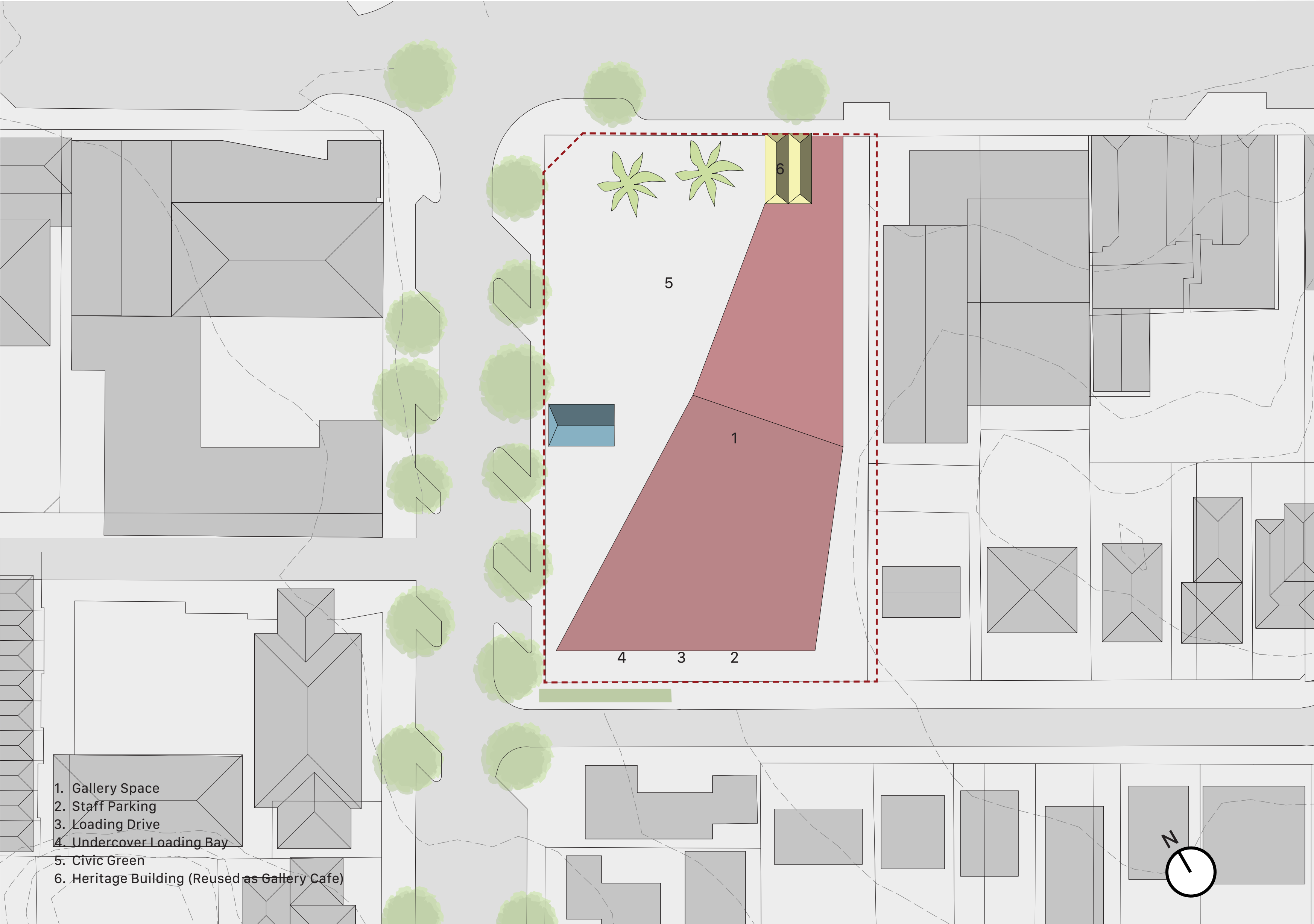
New Gallery Massing

### New Gallery + Green

Building Footprint	2800m2 Approx.
Total Floor Area	3100m2 Approx.
Green Area	1950m2 Approx.
Max. Height	10m
Min. Height	5m

### Existing Gallery + Green

Current Gallery Area:	1590m2 Approx.
Current Civic Green Area:	1575m2 Approx.





# Strategy 2

## Forecourt Plan

### Legend:

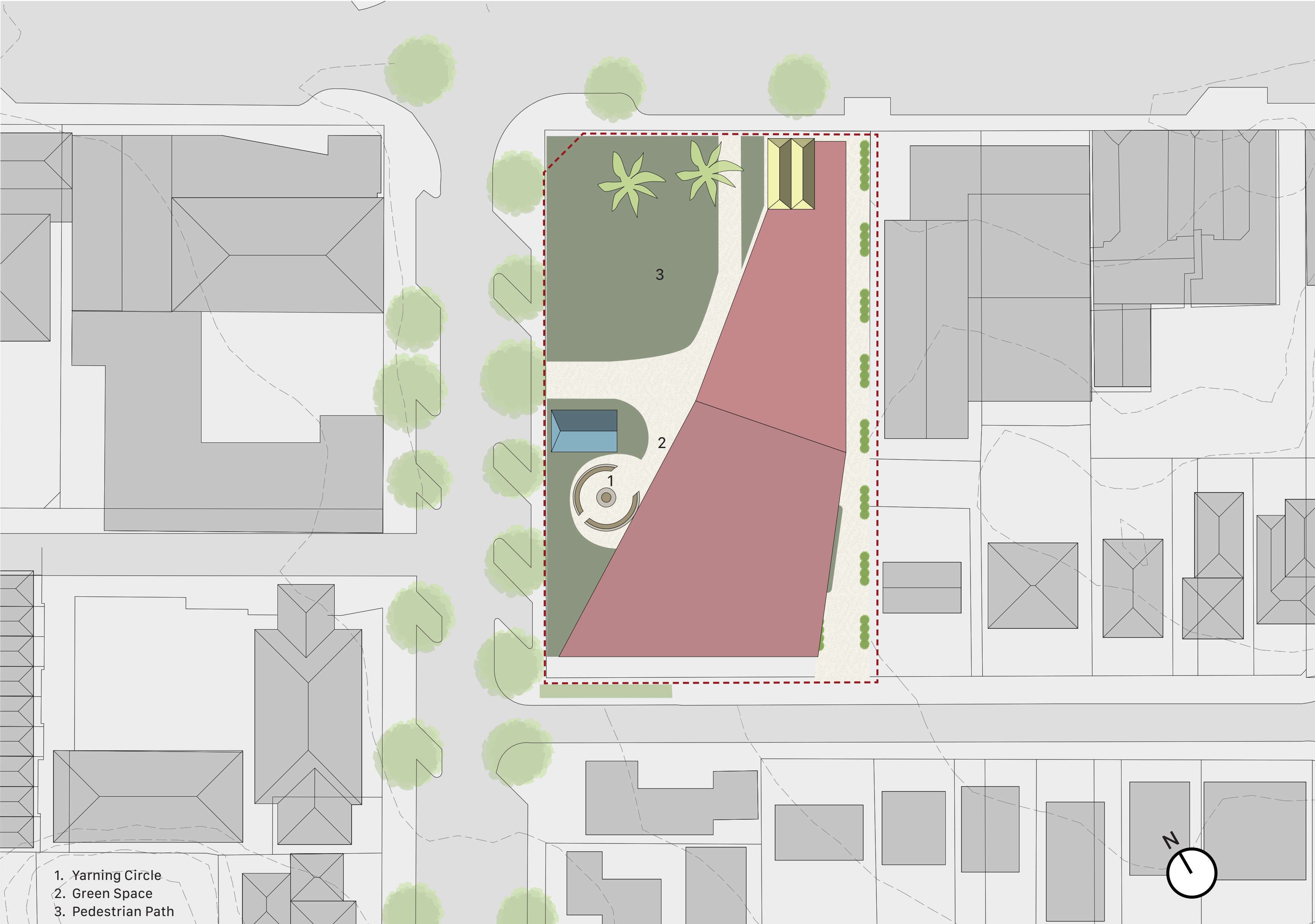
- Site Boundary
- Heritage Register Buildings
- New Gallery Massing
- Revitalised Green Space

### New Gallery + Green

Building Footprint	2800m2 Approx.
Total Floor Area	3100m2 Approx.
Green Area	1950m2 Approx.
Max. Height	10m
Min. Height	5m

### Existing Gallery + Green

Current Gallery Area:	1590m2 Approx.
Current Civic Green Area:	1575m2 Approx.





# Strategy 2

Entry into Gallery

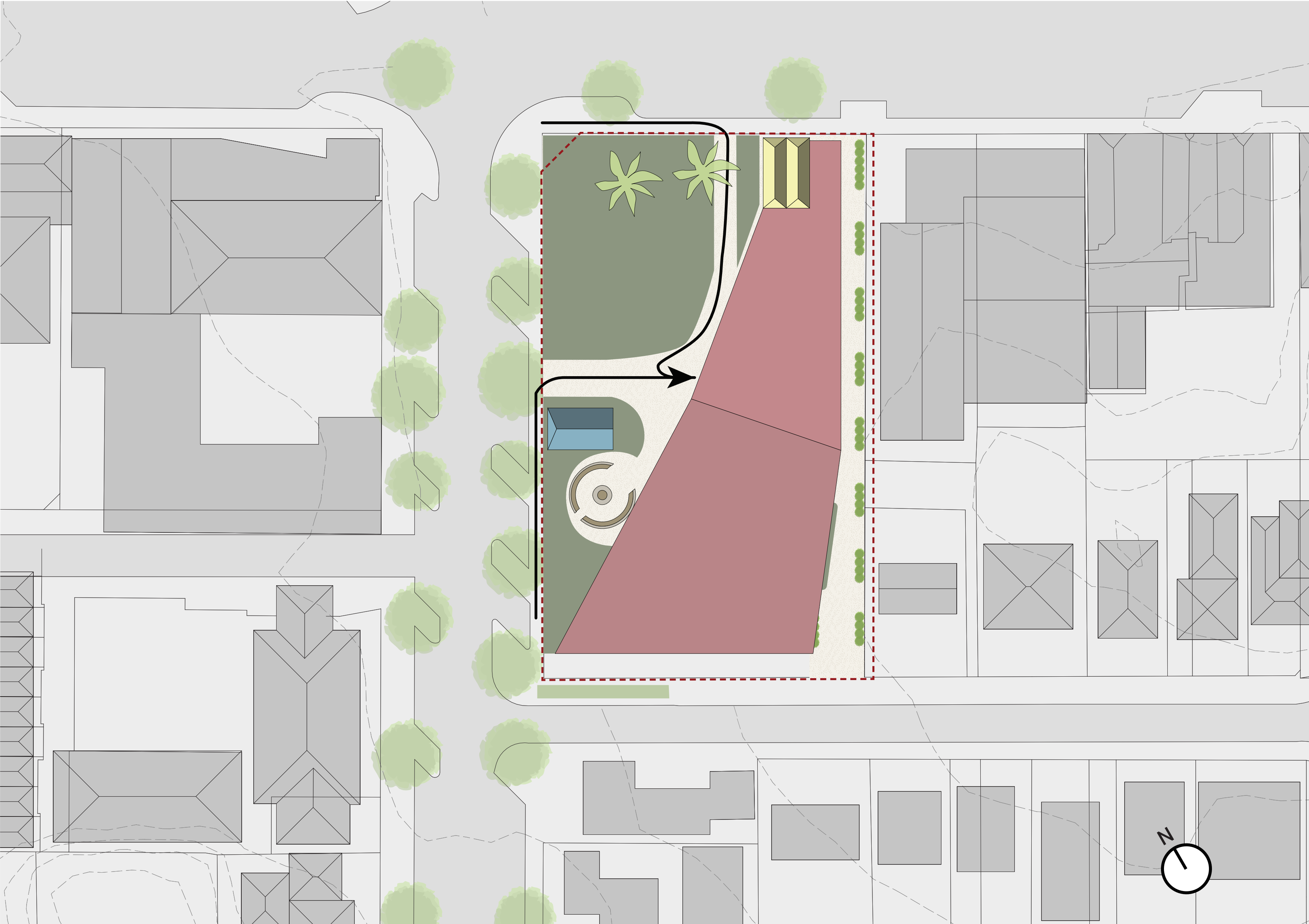
- Legend:
- Site Boundary
  - Heritage Register Buildings
  - New Gallery Massing
  - Revitalised Green Space
  - Entry Points

## New Gallery + Green

Building Footprint	2800m2 Approx.
Total Floor Area	3100m2 Approx.
Green Area	1950m2 Approx.
Max. Height	10m
Min. Height	5m

## Existing Gallery + Green

Current Gallery Area:	1590m2 Approx.
Current Civic Green Area:	1575m2 Approx.





# Strategy 2

Pedestrian Pathways

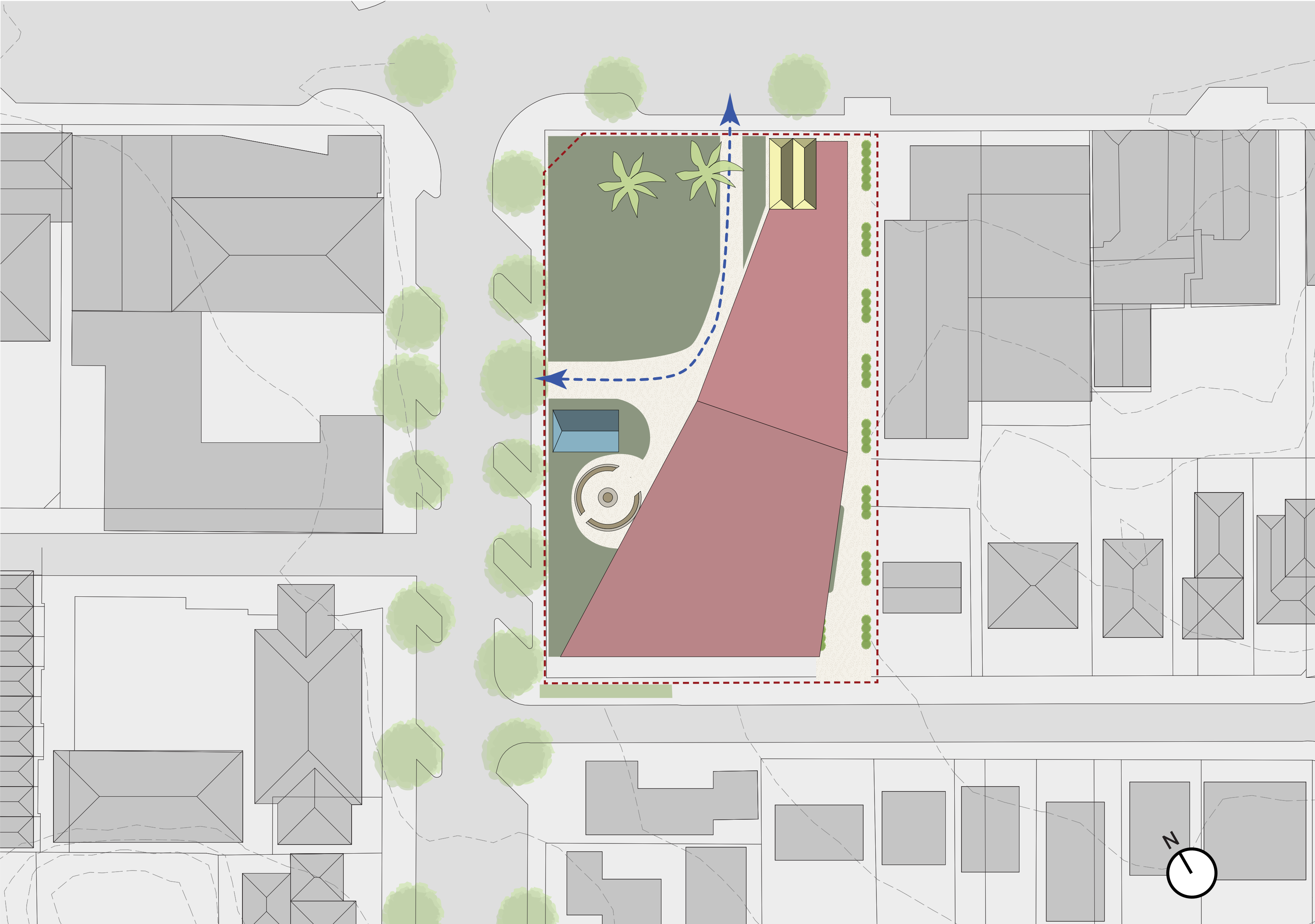
- Legend:
- Site Boundary
  - Heritage Register Buildings
  - New Gallery Massing
  - Revitalised Green Space
  - Pedestrian Path Through Green

## New Gallery + Green

Building Footprint	2800m2 Approx.
Total Floor Area	3100m2 Approx.
Green Area	1950m2 Approx.
Max. Height	10m
Min. Height	5m

## Existing Gallery + Green

Current Gallery Area:	1590m2 Approx.
Current Civic Green Area:	1575m2 Approx.





# Strategy 2

Pedestrian Pathways

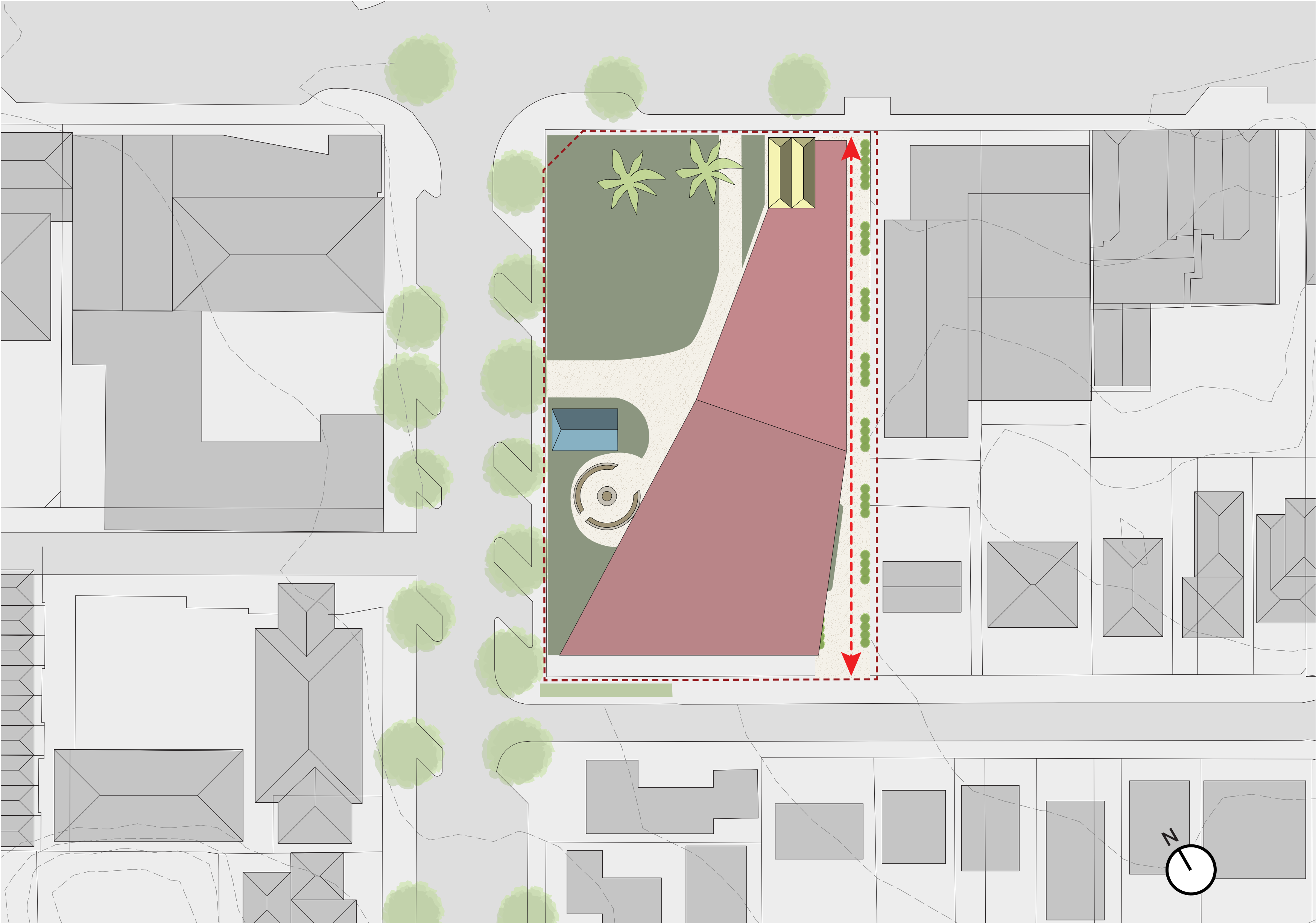
- Legend:
- Site Boundary
  - Heritage Register Buildings
  - New Gallery Massing
  - Revitalised Green Space
  - Pedestrian Path Behind Site

## New Gallery + Green

Building Footprint	2800m2 Approx.
Total Floor Area	3100m2 Approx.
Green Area	1950m2 Approx.
Max. Height	10m
Min. Height	5m

## Existing Gallery + Green

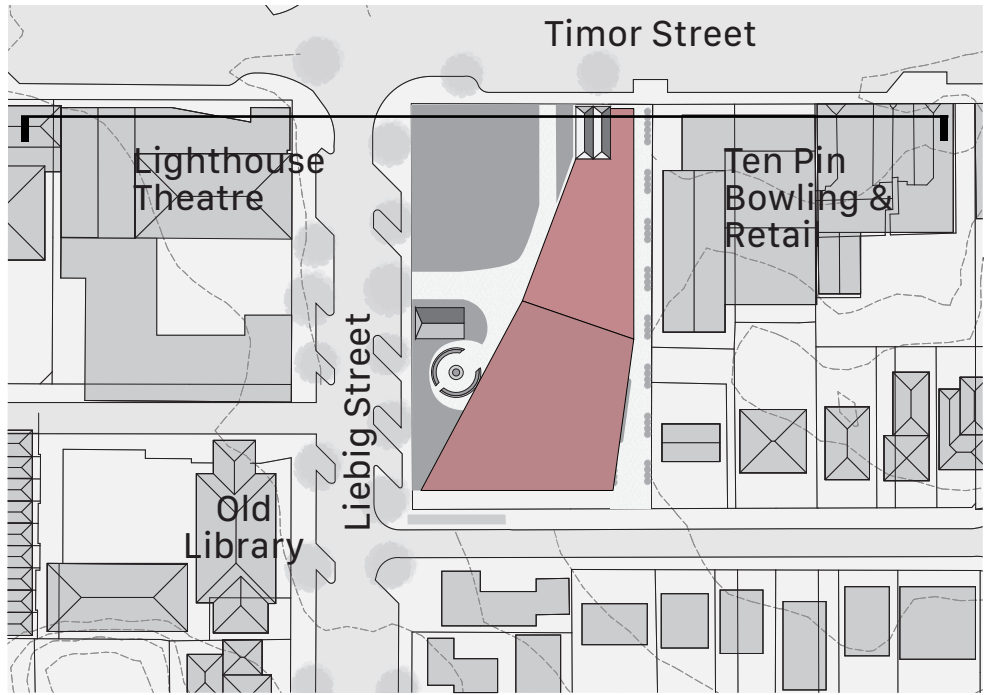
Current Gallery Area:	1590m2 Approx.
Current Civic Green Area:	1575m2 Approx.





# Strategy 2

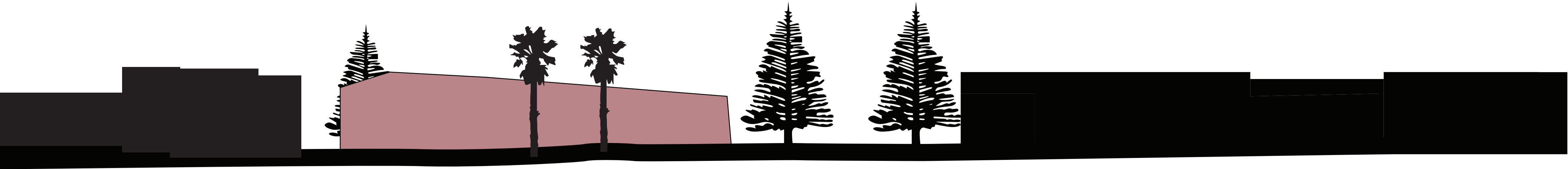
Relative Heights



Legend:

Existing Site Section

Strategy 2





# Strategy 2

Proposed Area and Layout

## Proposed Area Schedule

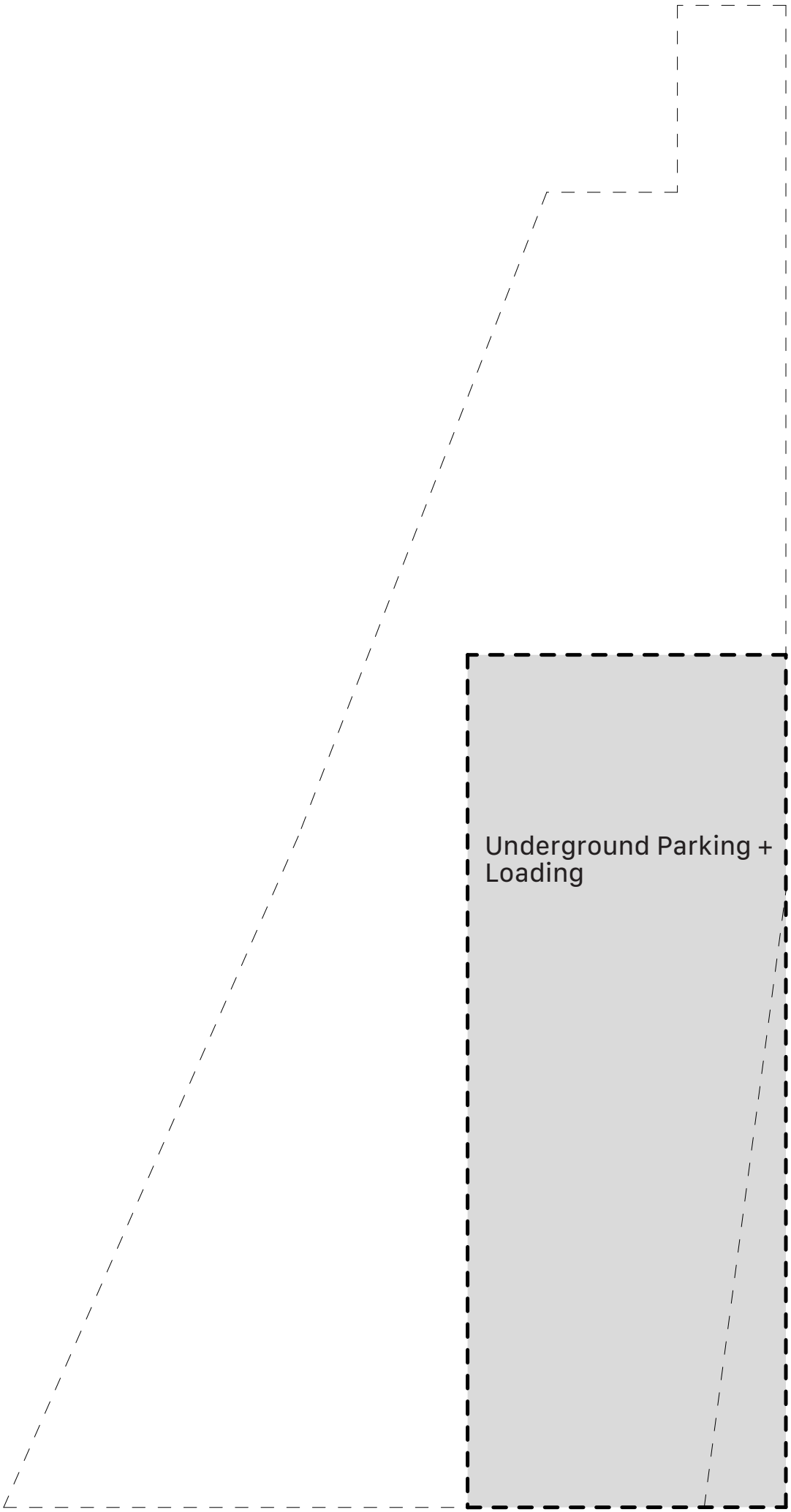
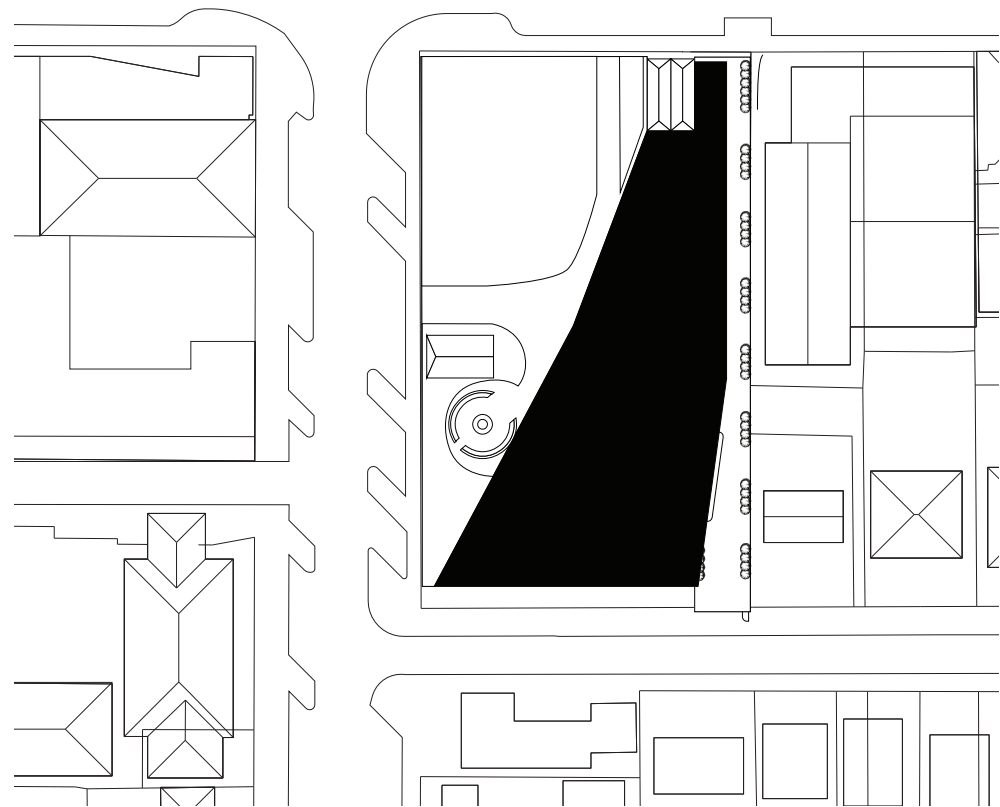
Total Gallery Area	3100m2
Front of House	819m2.
Maar Spaces	425m2
Exhibition Spaces	884m2
Staff and Back of House	971m2
+	
Underground Carpark + Loading (32 parks)	900m2

Additional costing elements:

Shade Structures (awnings)

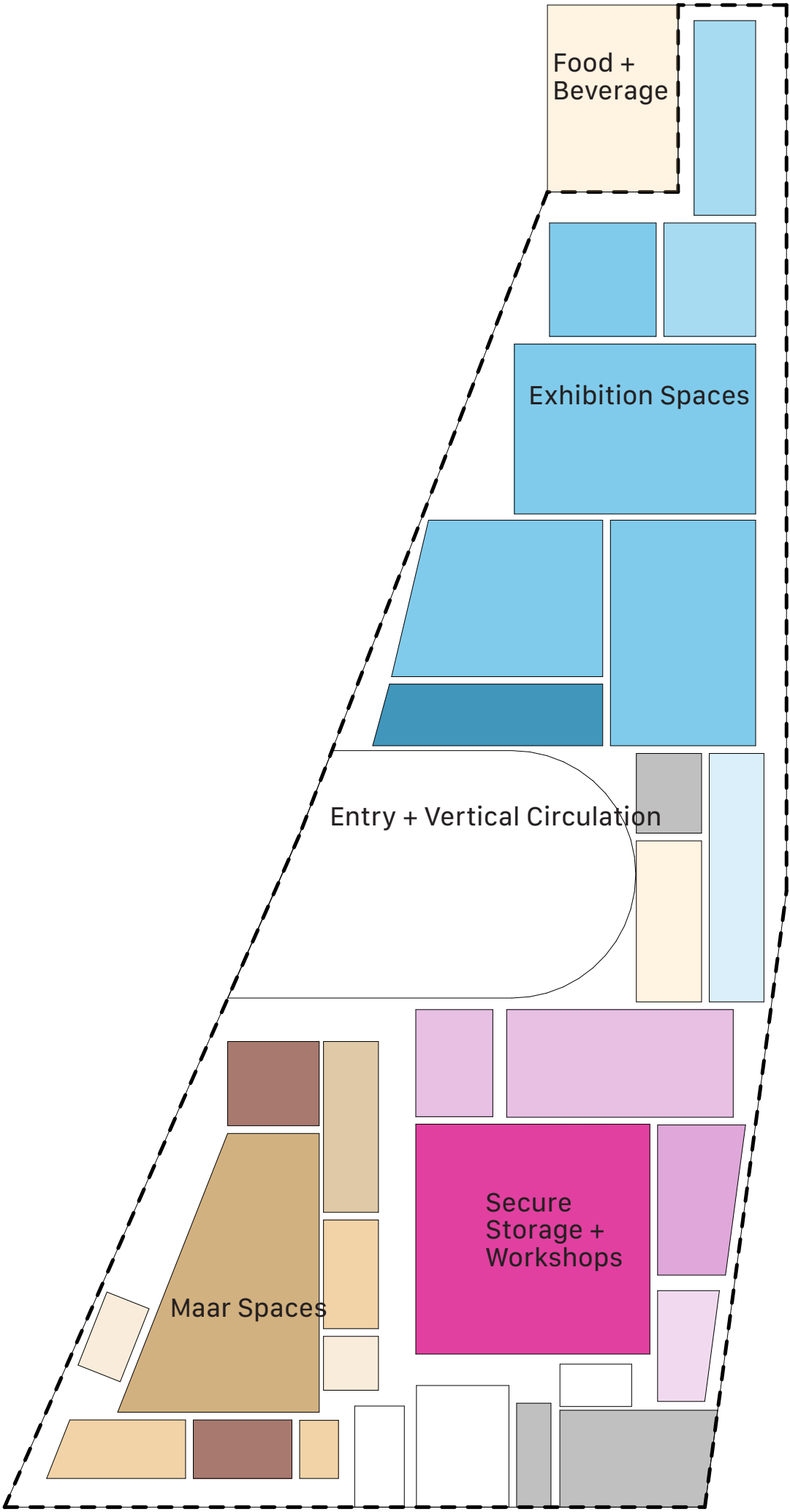
Hardscaping elements (benches, yarning circle)

Landscaping



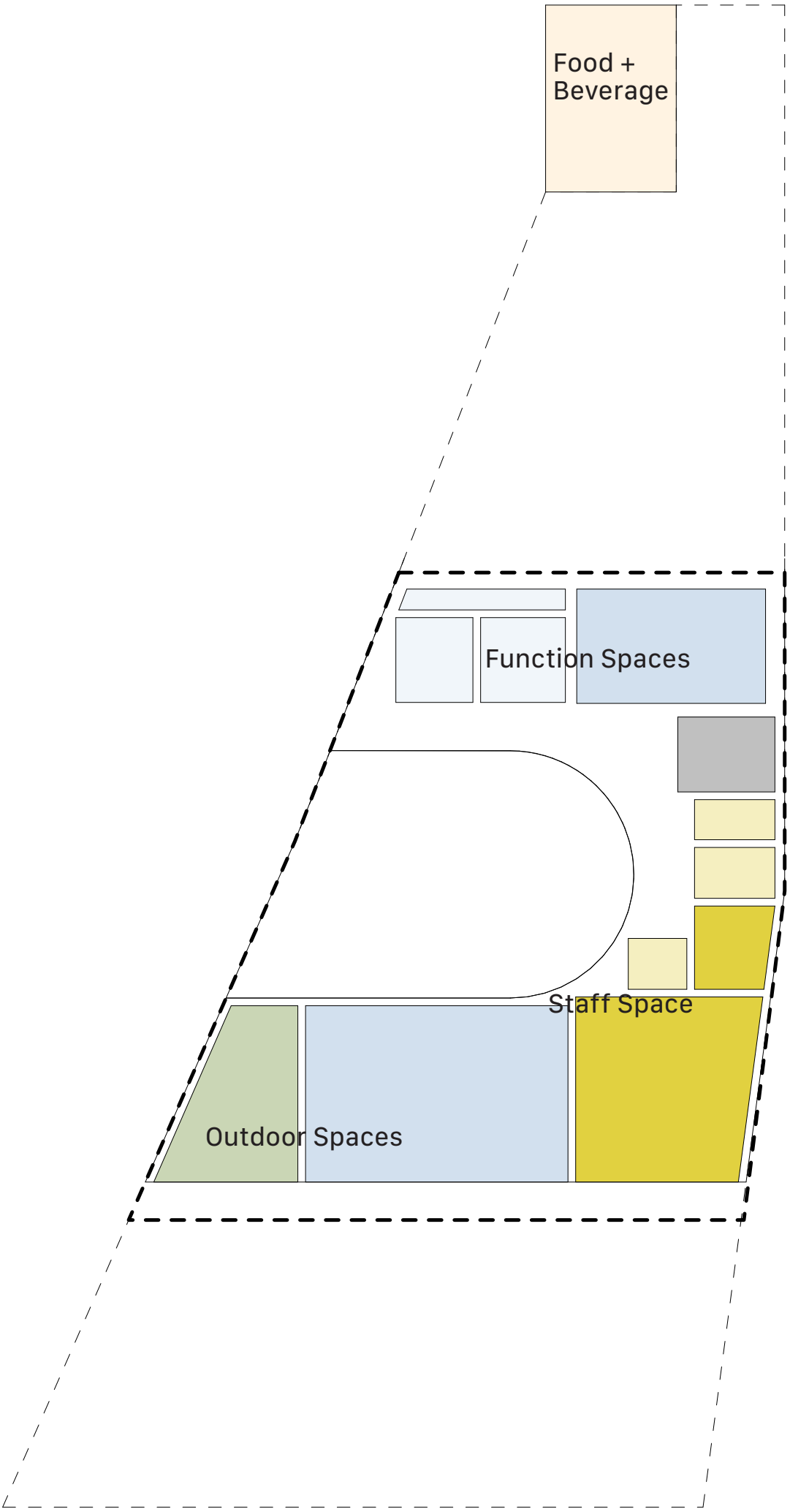
Area = 900m2

Basement 1



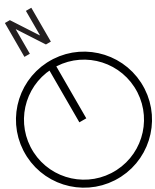
Area = 2100m2

Ground



Area = 1000m2

Level 1





# Strategy 2

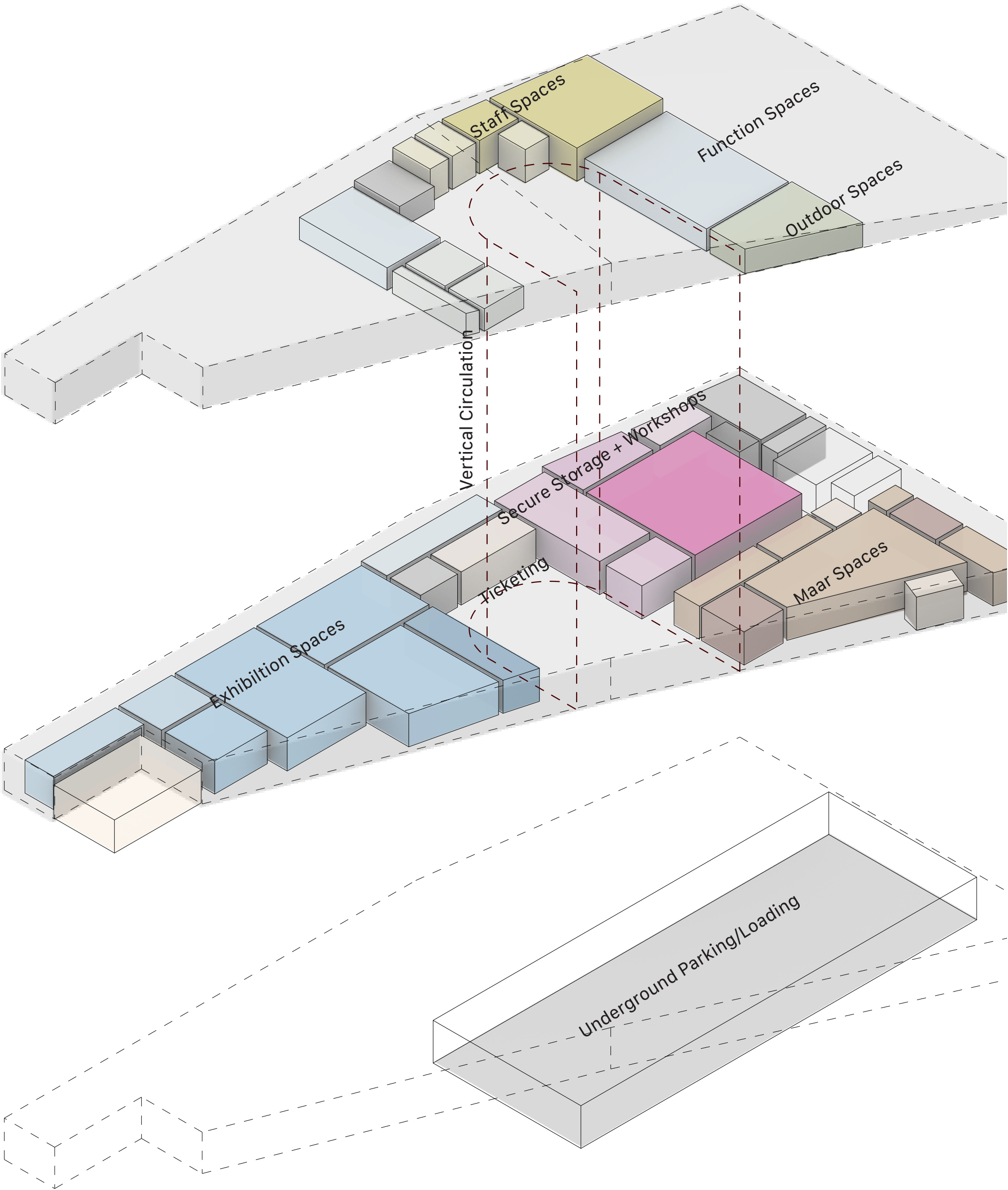
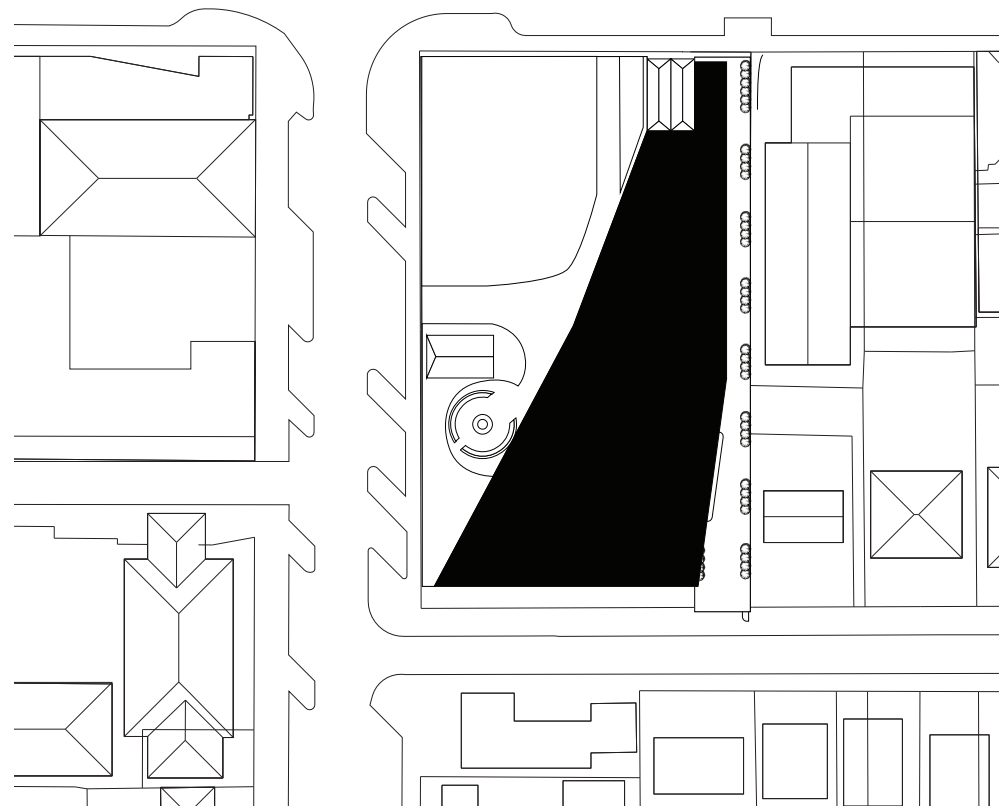
Proposed Area and Layout

## Proposed Area Schedule

Total Gallery Area	3100m2
Front of House	819m2.
Maar Spaces	425m2
Exhibition Spaces	884m2
Staff and Back of House	971m2
+	
Underground Carpark + Loading (32 parks)	900m2

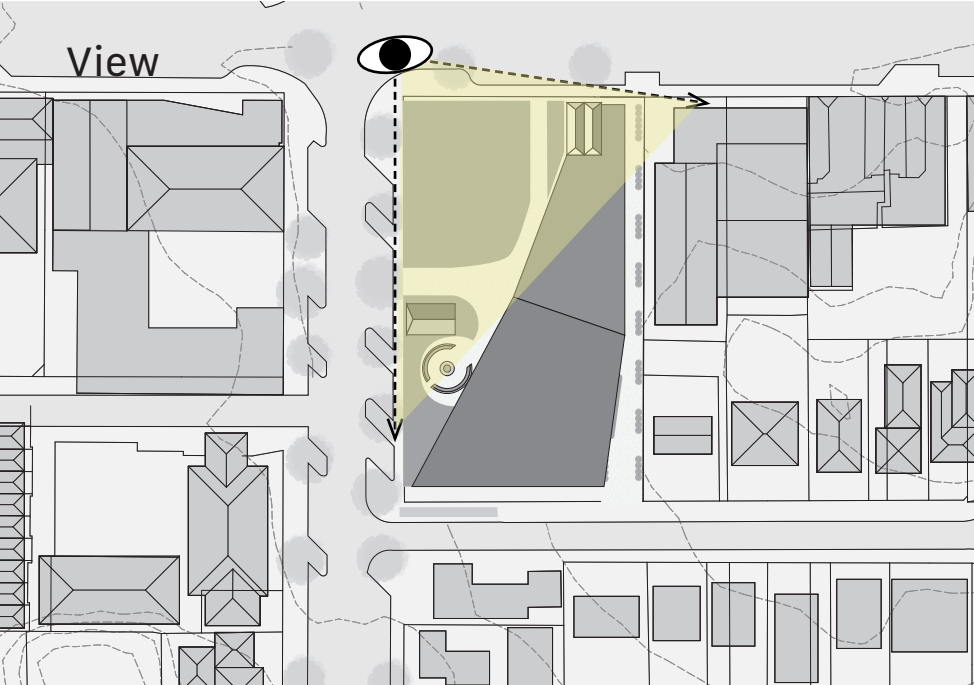
Additional costing elements:

- Shade Structures (awnings)
- Hardscaping elements (benches, yarning circle)
- Landscaping



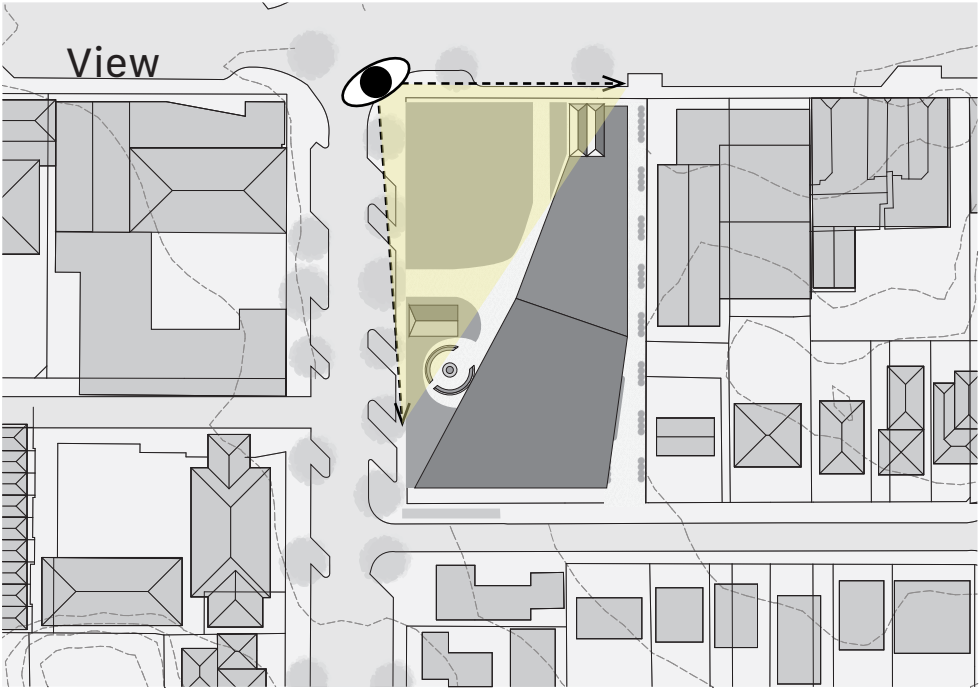


Overshadowing Conditions  
Strategy 2



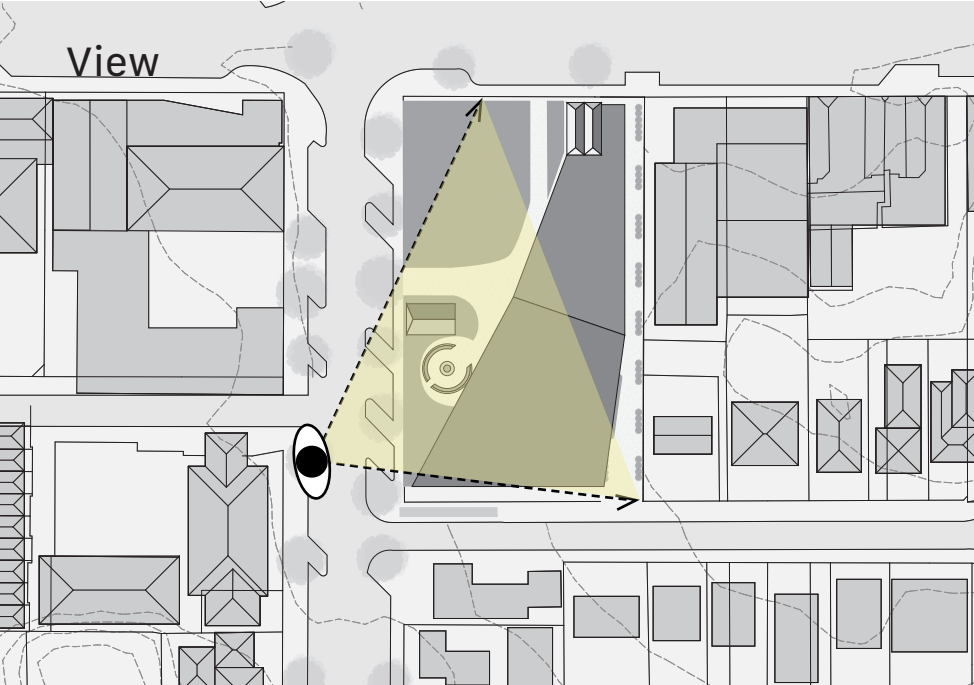


Overshadowing Conditions  
Strategy 2



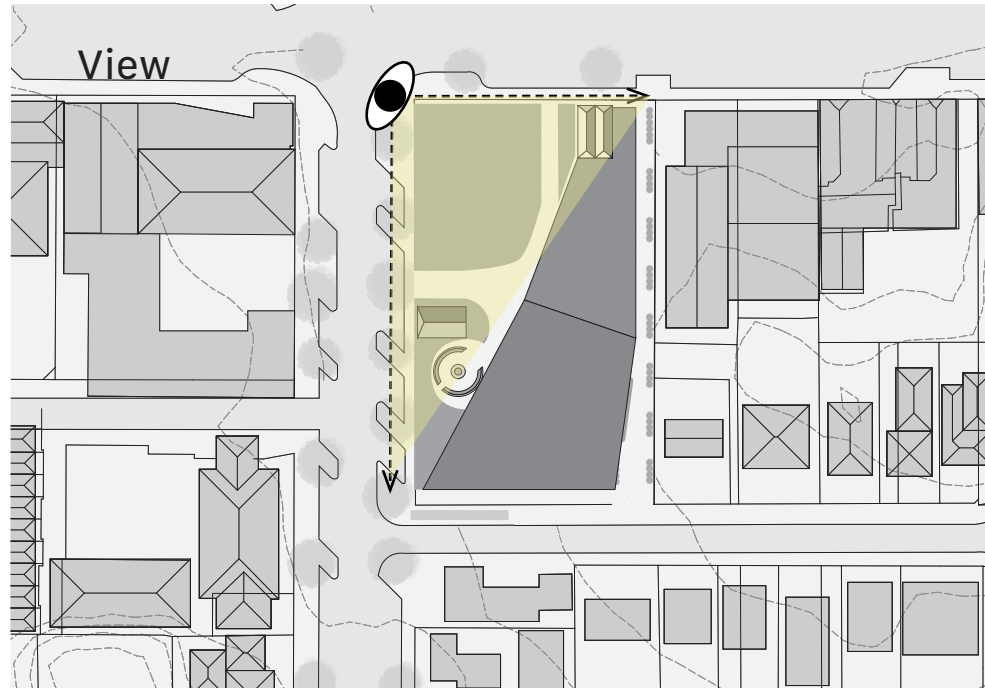


Overshadowing Conditions  
Strategy 2





# Overshadowing Conditions Strategy 2





# Attributes

## Strategy 2

- Angles pedestrian traffic towards Liebeg Street
- Pitched roof towards Smith Avenue reduces overshadowing.
- Takes advantage of Northerly aspect of site.
- Connects existing Heritage to new building.
- Has greater presence on site.
- Opportunity to retain existing WAG hertiage portion as a pavillion.
- Inclusion of yarning circle.
- Retains green areas of site for market use.



# V - Parking and Loading Strategy

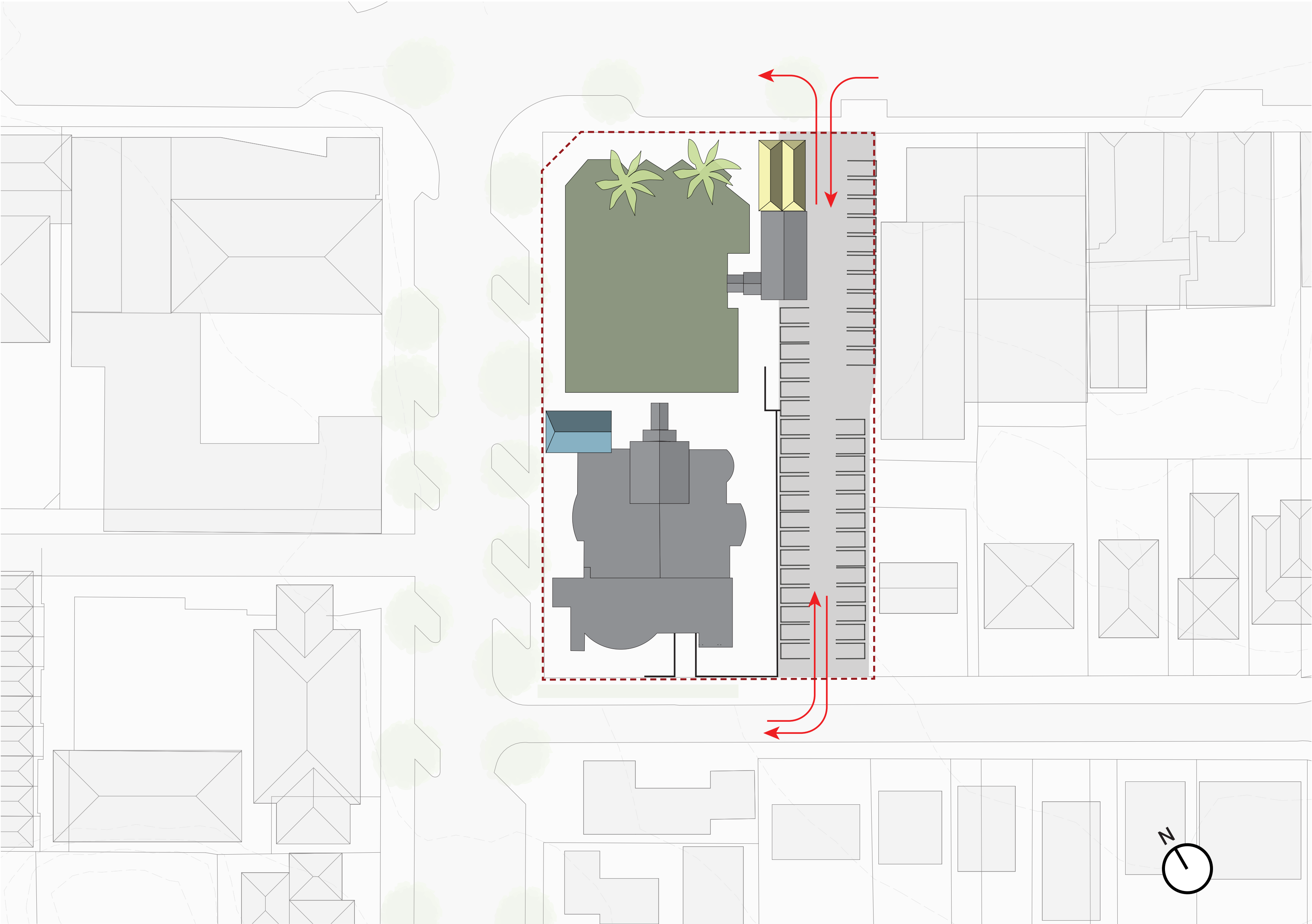


Existing  
Gallery Parking/Loading Strategy 1

- Legend:
- Site Boundary
  - Heritage Register Buildings
  - Existing Gallery Massing
  - Car movement
  - Parking
  - Basement/Loading Drive

Existing Gallery + Green

Parking Spaces Ground 62





# Strategy 1

Gallery Parking/Loading Strategy 1

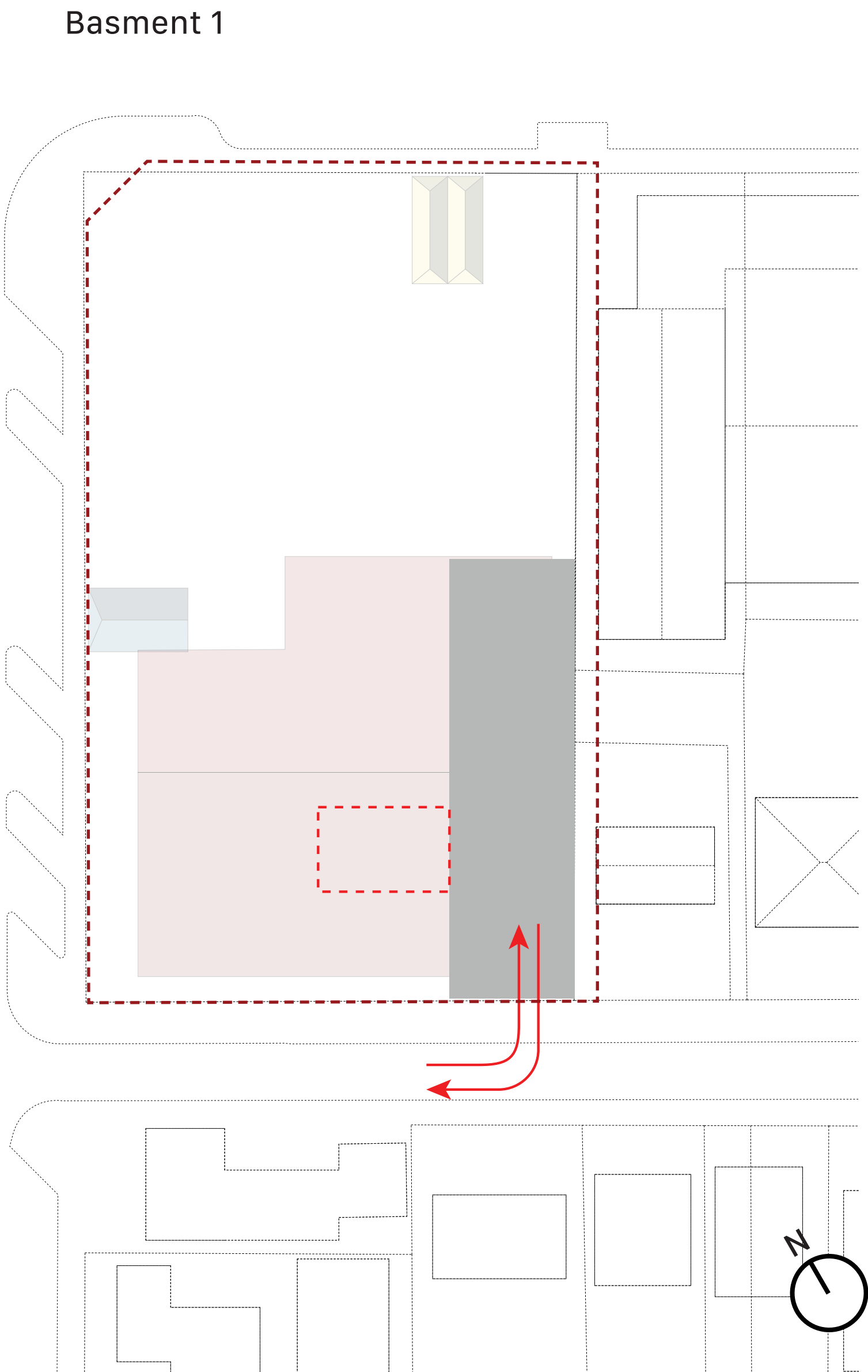
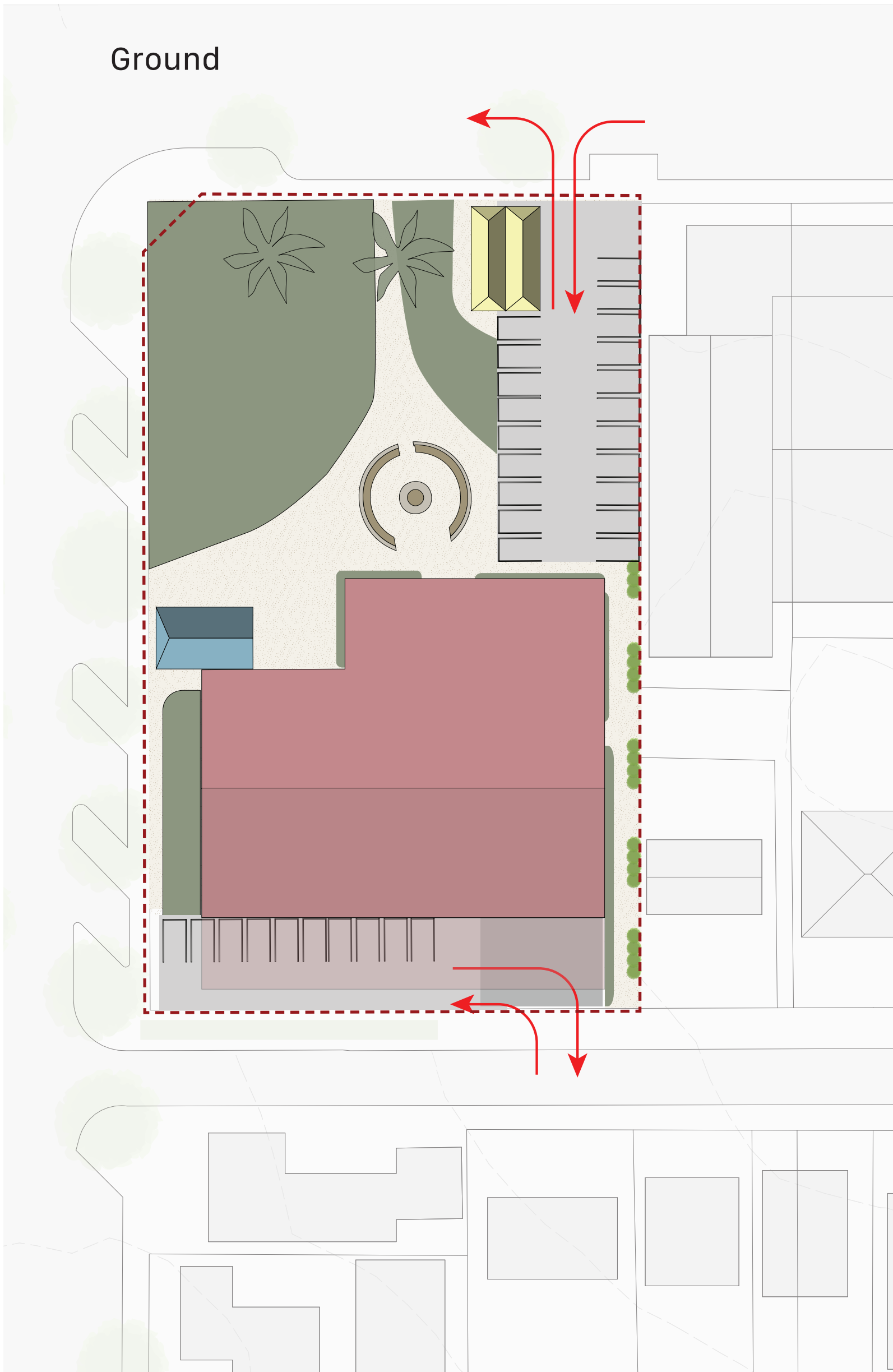
- Legend:
- Site Boundary
  - Heritage Register Buildings
  - New Gallery Massing
  - Car movement
  - Parking
  - Basement/Loading Drive
  - Loading Dock

**New Gallery + Green**  
\*Subject to traffic advice

Parking Spaces Ground	20-30
Parking Spaces Underground	0-20

**Existing Gallery + Green**

Parking Spaces Ground	62
-----------------------	----





# Strategy 2

## Gallery Parking/Loading Strategy

- Legend:
- Site Boundary
  - Heritage Register Buildings
  - New Gallery Massing
  - Car movement
  - Parking
  - Basement/Loading Drive
  - Loading Dock

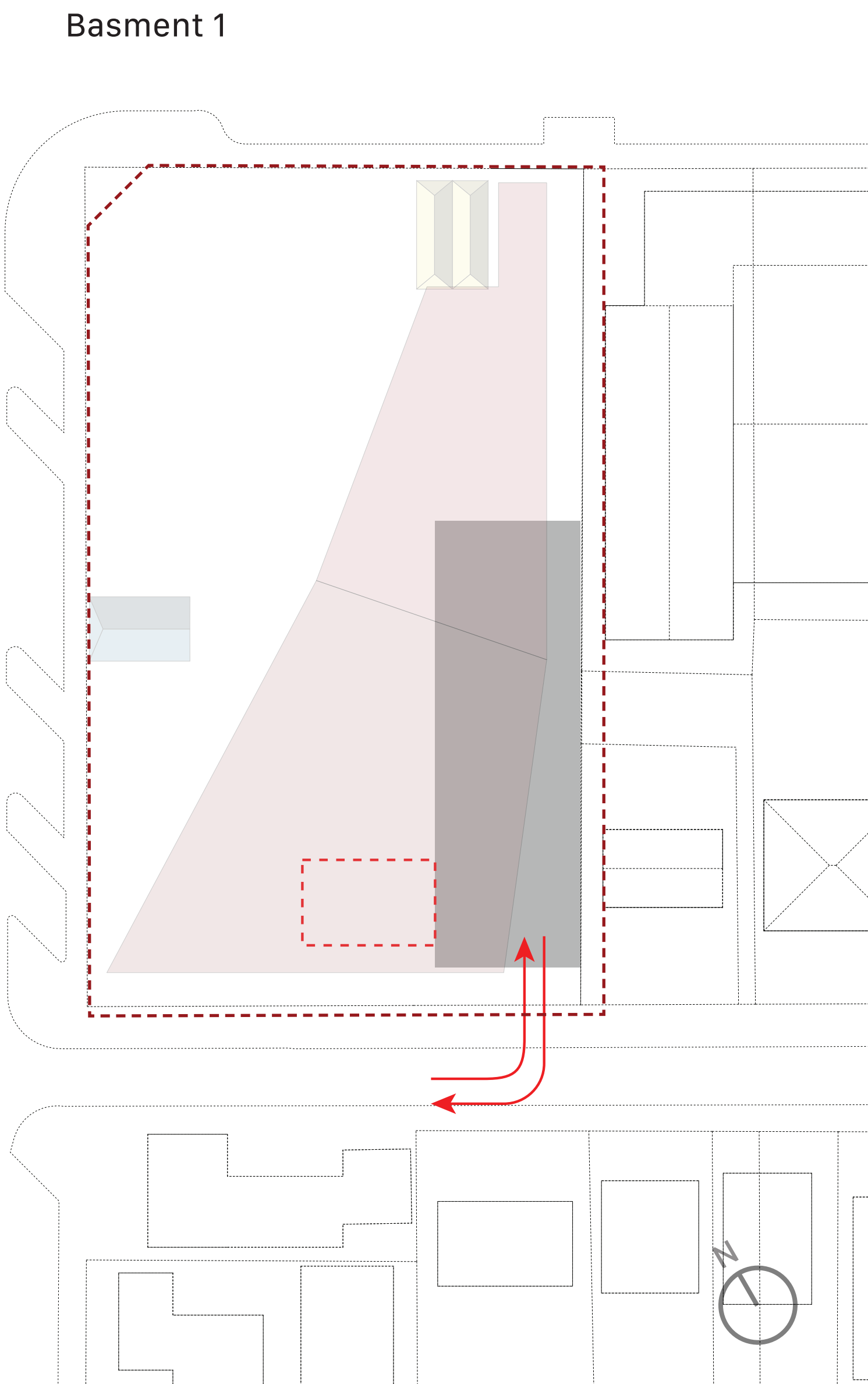
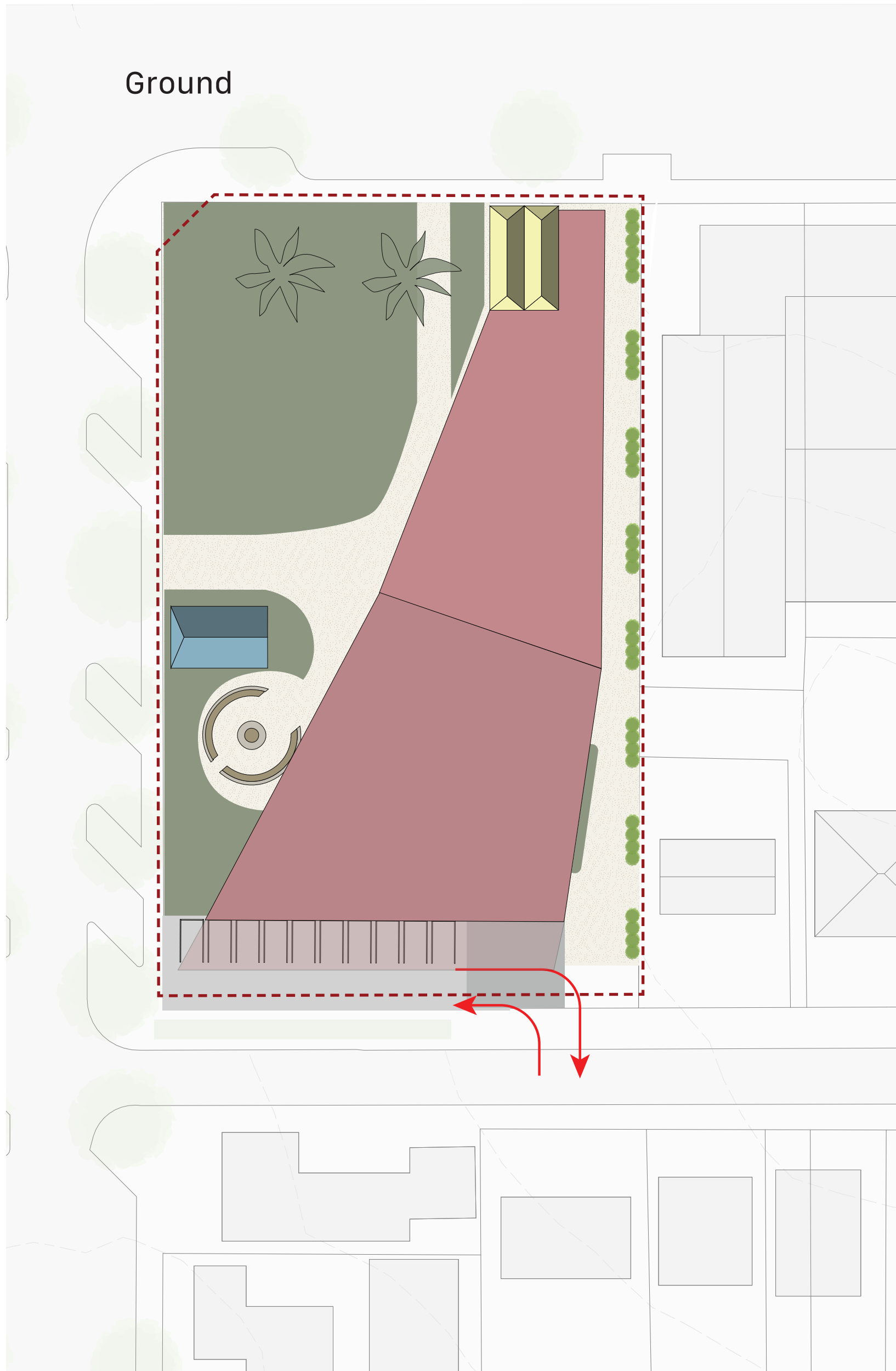
### New Gallery + Green

\*Subject to traffic advice

Parking Spaces Ground	10
Parking Spaces Underground	20

### Existing Gallery + Green

Parking Spaces Ground	62
-----------------------	----





# VI - Strategy Comparison on Site

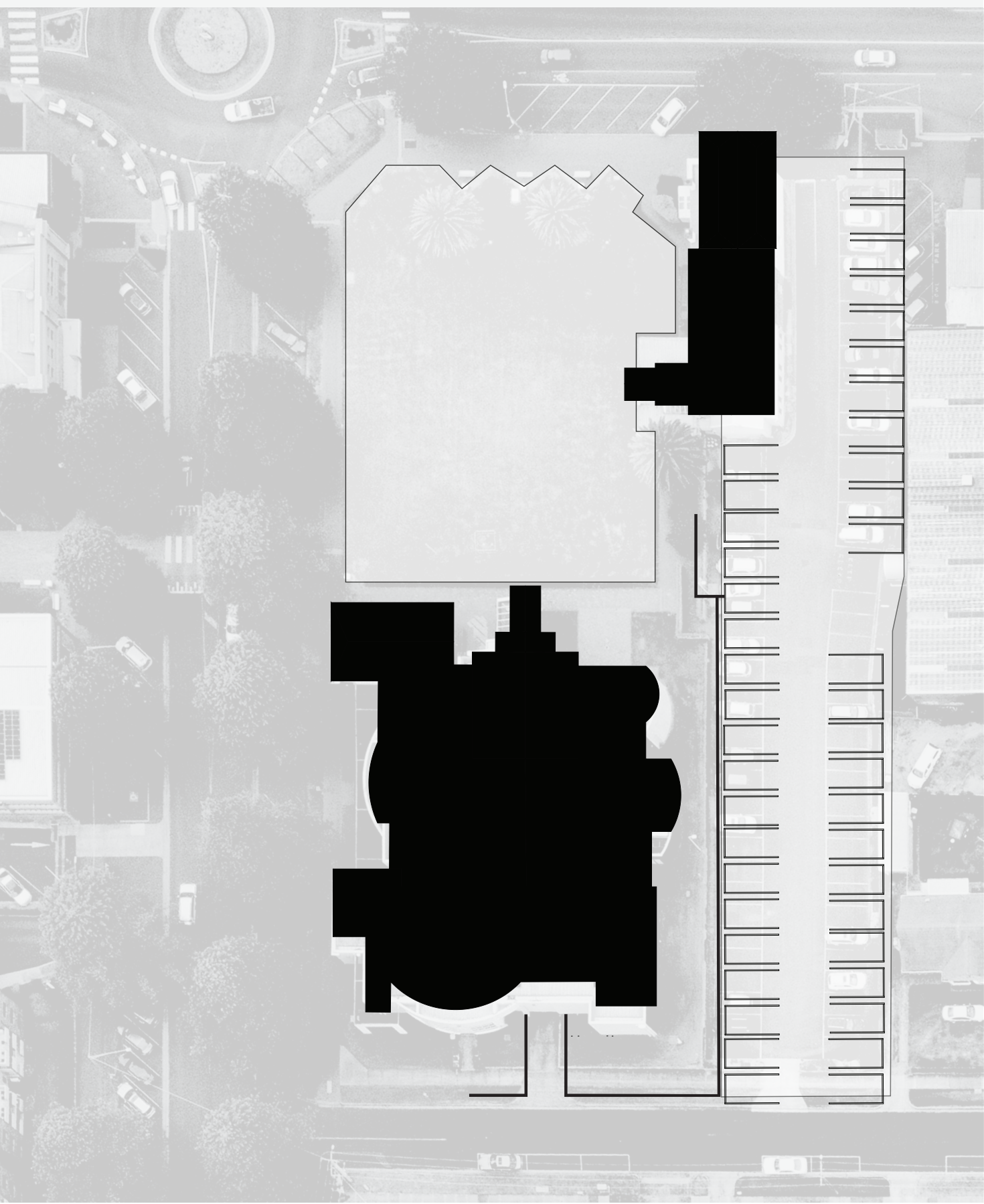


# Strategy Comparison

Built Gallery Area

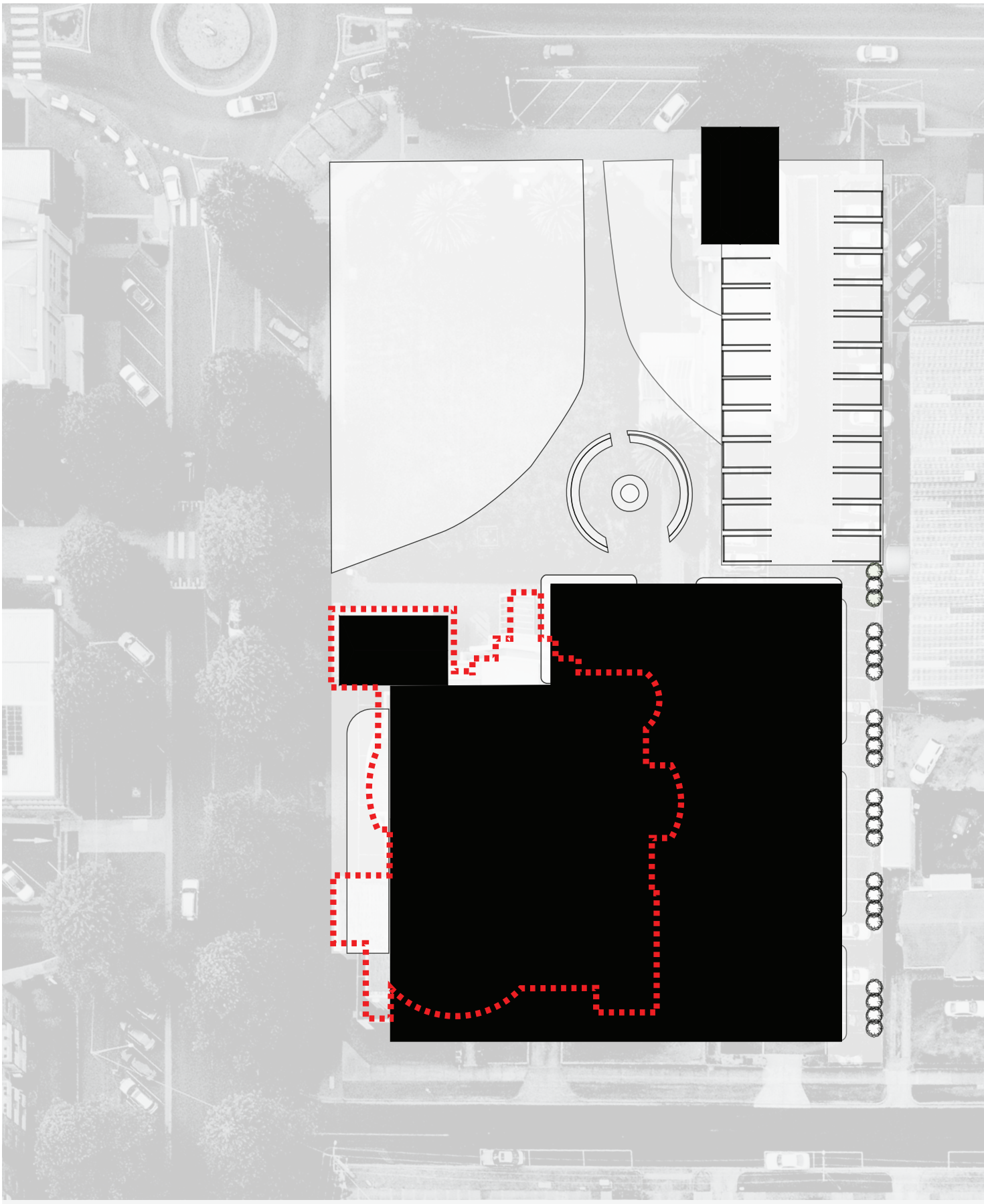
## Existing Gallery

Current Gallery Area: 1590m2 Approx.



## Strategy 1

New Gallery Area 3100m2 Approx.



## Strategy 2

New Gallery Area 3100m2 Approx.



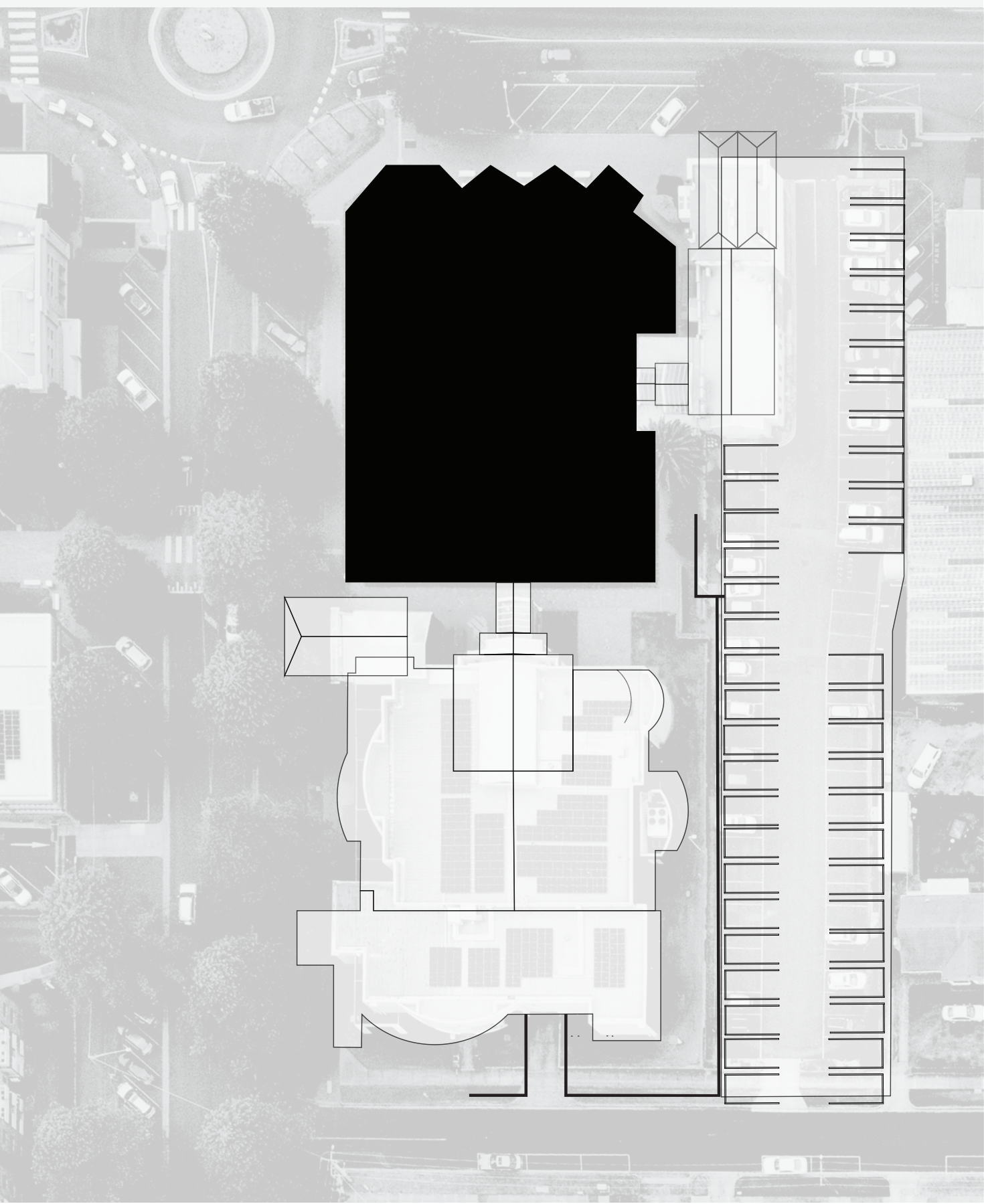


# Strategy Comparison

## Green Space

### Existing Gallery + Green

Current Civic Green Area: 1575m2 Approx.

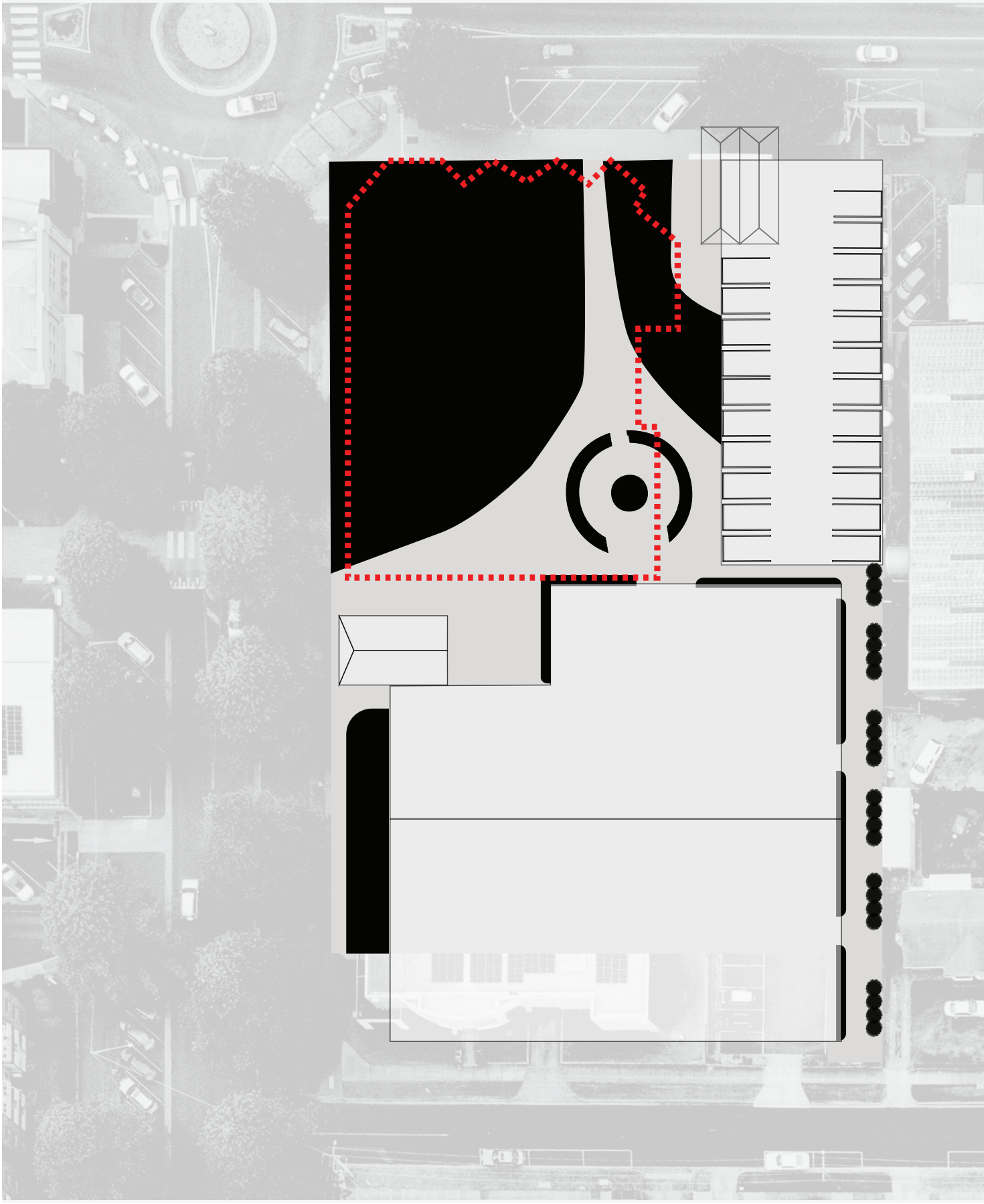


### Strategy 1

New Civic Green Area 2300m2 Approx overall.

Lawn/Planting 1800m2 Approx.

Circulation and Seating 500m2 Approx.

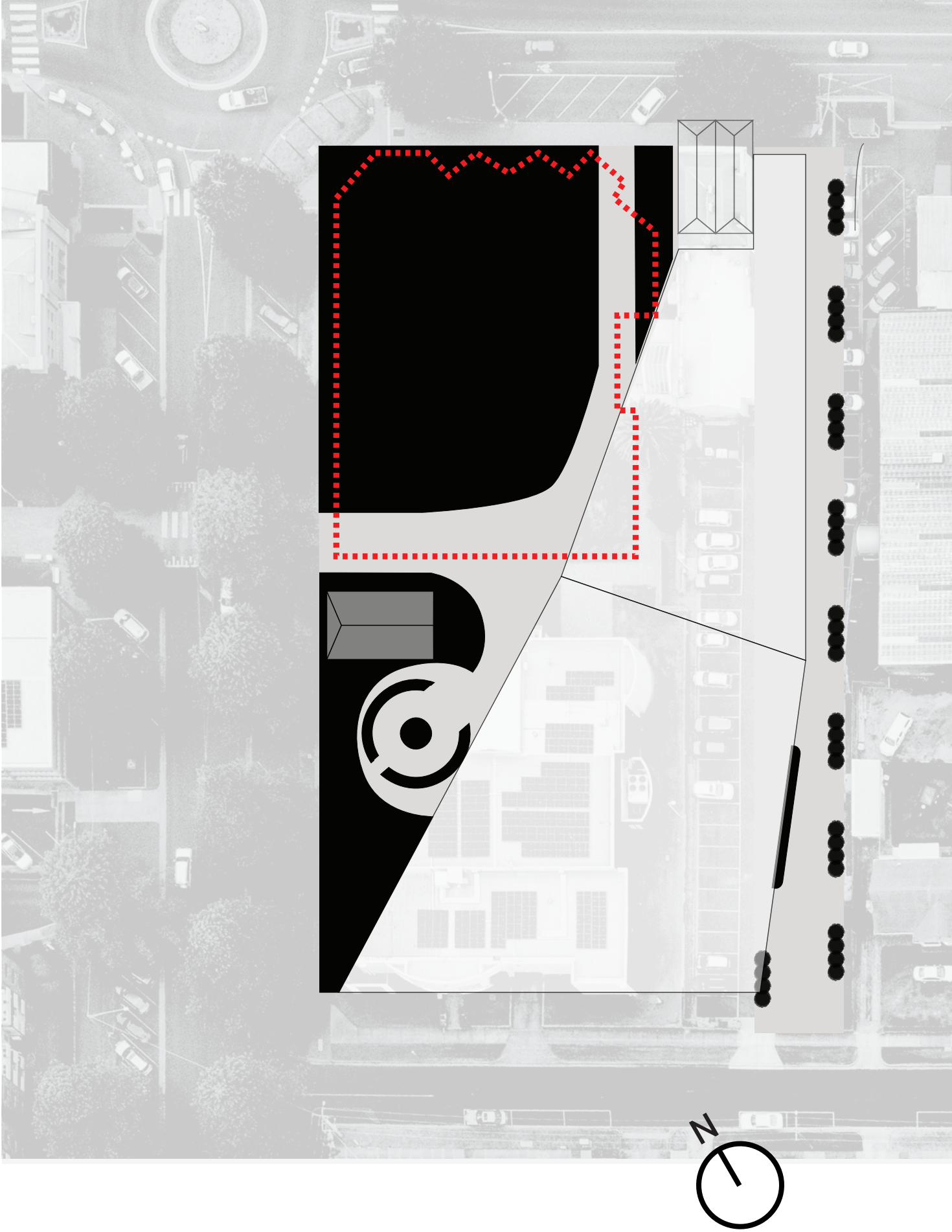


### Strategy 2

New Civic Green Area 1950m2 Approx overall.

Lawn/Planting 1650m2 Approx.

Circulation and Seating 300m2 Approx.





# VII - Brief and Functional Arrangements



# Preliminary Area Schedule

Summary

SUMMARY OF WAG FEASIBILITY FUNCTIONAL BRIEF

		AREAS	+ GROSSING	% OF BRIEF	NOTES
1.0	External Spaces	963	-		Estimated from total GFA. External spaces excluded from total GFA
1.1	Rooftop Photovoltaic Array	Refer Plans	Refer Plans		Excluded from Total Estimated GFA
2.0	Front of House Spaces	607	819	26%	
3.0	Maar Spaces	315	425	14%	
4.0	Exhibition Spaces	655	884	29%	
5.0	Staff Spaces & Back Of House	719	971	31%	
	TOTAL ESTIMATED GFA	2,296	3,100		Excludes External Spaces



# Preliminary Area Schedule

## Return Brief

1.0	EXTERNAL SPACES					
1.01	External Space for Activities/ Public Art					Occasional use of Civic Green / Liebig Street interface / Art trail to Cannon Hill / Rooftop / External Terrace / Foyer
1.02	Amphitheatre					Review options for out of hours community use
1.03	Coach Parking / Drop-off Bay					Review options for Liebig Street
1.04	Car Parking					10 Spaces retained on existing carpark for use by WAG visitors, delivery, DDA
1.05	Public art-based playground					Options to be discussed - out of hours community use
1.06	Public Screen					Connection to Amphitheatre
1.07	Outdoor Seating / Undercover Area	40				Interface with Civic Green
1.08	Observation Deck					Review purpose - what is being viewed? Art Trail to Cannon Hill?
1.09	Ceremonial Space	60				Adjacent to entry and Maar Nations spaces
	SUB TOTAL	100				
		25				Assume 25% for External Circulation Paths (exc. Roads)
	EXTERNAL SPACES TOTAL	125				

2.0	FRONT OF HOUSE SPACES	AREAS	CAPACITY	BRIEF	SQ.M. PER PERSON	NOTES
2.01	Arrival & Foyer	150				Includes entry airlock and main public entry to Maar Nation Interpretive gallery. Foyer to host gatherings, exhibition openings, and small concerts
2.02	Ticketing / Reception	12				Assume 2 Staff
2.03	Gallery Retail & Function Bar	25				Adjacent within foyer / Permanent Joinery for serving food and drinks
2.04	Seminar Space	90				Assume 25 - 30 person capacity. Co-locate with Bar. Av system and operable walls
2.05	F&B Service - Servery	40				Allow 60m2 at Existing Site - server for catering functions and meetings only
2.06	Bar - Level 1	30				Bar with adjacent BOH, Store, and servery
2.07	Visitor Amenities	30				Includes lockers, cloaking, school group bag store
2.08	Member & Volunteer Lounge / Teapoint	20				Accessible from foyer, also for use by FOH staff
2.09	Front of House Store	10				Cloaking, ticketing and retail store
2.10	Function Area	150				Flexible function space on level 1
2.11	Observation Area	50				Located internally on Level 1. Can be combined with function area
	SUB TOTAL	607	0	Capacity		
	GROSSING FACTOR 35%	212				
	FRONT OF HOUSE SPACES TOTAL	819				



# Preliminary Area Schedule

## Return Brief Continued

3.0	MAAR SPACES	AREAS	CAPACITY	BRIEF	SQ.M. PER PERSON	NOTES
3.01	Entrance for Connected Outdoor Ceremonies	9				Direct access for outdoor ceremonies and entry for Maar meetings after-hours
3.02	Interpretive Materials Store	40				Specialist storage and managed access
3.03	Maar Nation Interpretive Gallery	200				Connected with Foyer
3.04	EMAC Workplace					Included and co-located with Staff Workspace
3.05	Conservation Room	24				Assume workshop space for 2 staff and storage
3.06	Meeting / Community Rooms	30				Assume 1 medium size room with access from public spaces
3.07	Teapoint	12				For staff and community use
	OPTIONAL SPACES					
3.08	Elder's Room	25				Intermediary space in support of Maar Nations Gallery
3.09	Artist in Residence	50				Multifunction space to house visiting researchers and artists
	SUB TOTAL (EXCL. OPTIONAL)	315	0	Capacity		
	GROSSING FACTOR 35%	110				
	MAAR SPACES TOTAL	425				

4.0	EXHIBITION SPACES	AREAS	CAPACITY	BRIEF	SQ.M. PER PERSON	NOTES
4.00	Collection Space Total	520				
4.01	Permanent Collection Gallery	200				Capacity to be interconnected for 400m2 major ticketed exhibition
4.02	Temporary Exhibition Gallery 1	100				Capacity to be interconnected for 400m2 major ticketed exhibition
4.03	Temporary Exhibition Gallery 2	100				Capacity to be interconnected for 400m2 major ticketed exhibition
4.04	Family Learning Centre (FLC) Gallery	120				Acoustic and visual screening from other public space (existing - 80m2)
4.05	Public Programming Space	40				Access from FLC Gallery and Indigenous Cultural Space
4.06	Project Space	55				Ground floor location and adjacent to FLC Gallery to allow flexible exhibition use
4.07	Crates, Chairs, Moveable Walls Store	40				Located adjacent to gallery spaces in BOH zone
	OPTIONAL SPACES					
3.08	Children's Gallery / Spaces	55				Supplementary acoustically separated space to corral children and school groups. Seperate space to maintain user experience for other visitors. Can also be used for bag storage & lunches.
		655		Capacity		
	GROSSING FACTOR 35%	229				Assume 25% Grossing Factor for Exhibition Spaces
	EXHIBITION SPACES TOTAL	884				



# Preliminary Area Schedule

Return Brief Continued

5.0	STAFF SPACES & BACK OF HOUSE	AREAS	CAPACITY	BRIEF	SQ.M. PER PERSON	NOTES
5.01	Staff Workplace	100	10		10	Assume 8 WAG staff and 2 Maar staff @10m2 per person allocation
5.02	Office	24	2			Assume 2 enclosed offices
5.03	Conservation Room	48				With workbenches and plan drawers for print works
5.04	Staff Teapoint	12				Dedicated for staff use
5.05	Staff Meeting Room	15				Dedicated for staff use
5.06	Covered / Secure Loading Bay	60				Part external - assume Loading Bay for Medium Rigid Vehicle (TBC)
5.07	Crating / Unpacking Space	24				Connected to Loading Bay
5.08	Workshop	24				Framing, Carpentry, Painting
5.09	Visible Storage	100				Located to allow public access to viewing space
5.10	Secure Collection	240				Area allocation updated
5.11	Exhibition AV/ Comms	12				Specialised for digital exhibition content
5.12	Photovoltaic Battery Storage	20				Sustainability initiative
5.13	Waste	15				Gallery and F&B bins store
2.12	Function Space Store	25				Storage adjacent to Seminar Room to support functions
	NOT INCLUDED					
5.14	Substation / Main Switchboard	50				
	SUB TOTAL (EXCL. MAIN SWITCHBOARD)	719		Capacity		
	GROSSING FACTOR 25%	252				
	STAFF SPACES & BACK OF HOUSE TOTAL	971				

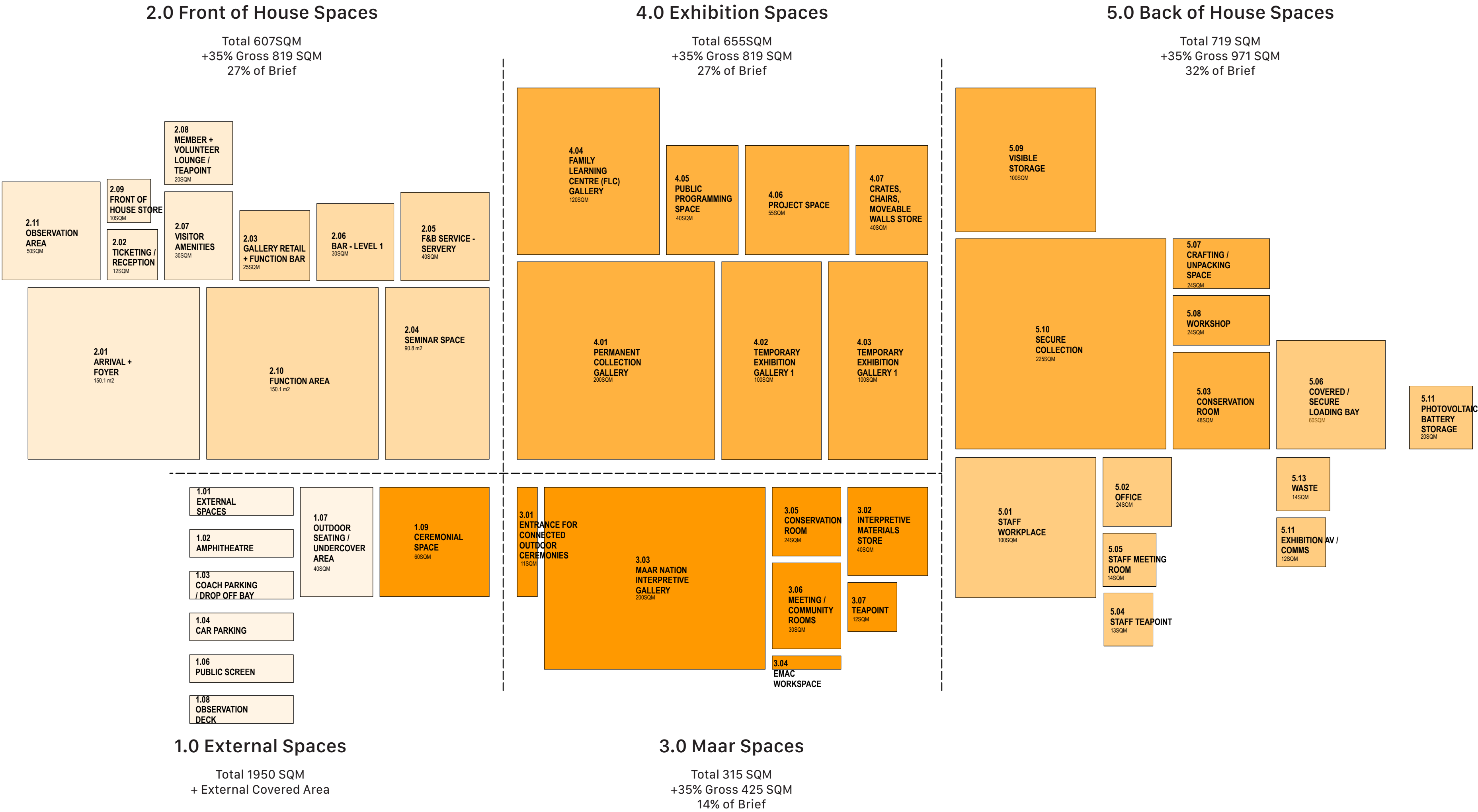


# Preliminary Functional Brief

## Area Schedule Visualisation

Summary of Areas

		AREAS	+ GROSSING
1.0	External Spaces	963	-
1.1	Rooftop Photovoltaic Array	Refer Plans	Refer Plans
2.0	Front of House Spaces	607	819
3.0	Maar Spaces	315	425
4.0	Exhibition Spaces	655	884
5.0	Staff Spaces & Back Of House	719	971
	TOTAL ESTIMATED GFA	2,296	3,100





# Preliminary Functional Brief

## Area Schedule – External Covered Areas

For the purpose of the research study on the Civic Green Site we have allowed for the following:

**Integrated to Building:**

/ North Entry/GF

- Awning across the extent of the building over path      220m2
- Assumed depth of 6m

/Covered loading dock/GF

/Observation deck      50m2  
100m2

**Freestanding External**

/ Ceremonial Space GF

100m2

- Notes:
- / No allowance has been shown for bus or bike shelters or a porte cochere.
  - / For review during Concept Design Phase:
  - It should be assumed that the loading dock is a fully air conditioned and enclosed space.
  - Ceremonial space to allow for perimeter canopy - will be subject to consultation



# VIII - Future Agenda



# What's Next?

The Civic Green site poses a unique opportunity to establish a multi-functional green space within the city centre of Warrnambool. Development of this site can assist with opening up the Liebig Street access to pedestrians and provide greater outdoor amenity, while also serving as an attractive forecourt for the Warrnambool Art Gallery, enticing interaction from locals and visitors.

## Elements warranting further discussion:

- Multi-storey gallery to maximise mixed use site area and user interaction.
- Increased activation of public amenity and engagement across Liebig and Timor Street frontages.
- Hours of access - shared community use / out of hours use.
- Heritage elements on Liebig Street (what are the requirements for this part of the building and their incorporation within the new build.



Thank You



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Francis-Jones Carpenter Pty Ltd ABN 28 101 197 219  
Nominated architects NSW: Richard Francis-Jones 5301 Elizabeth Carpenter 6141  
Nominated architects VIC: Richard Francis-Jones 15505 Geoff Croker 50972

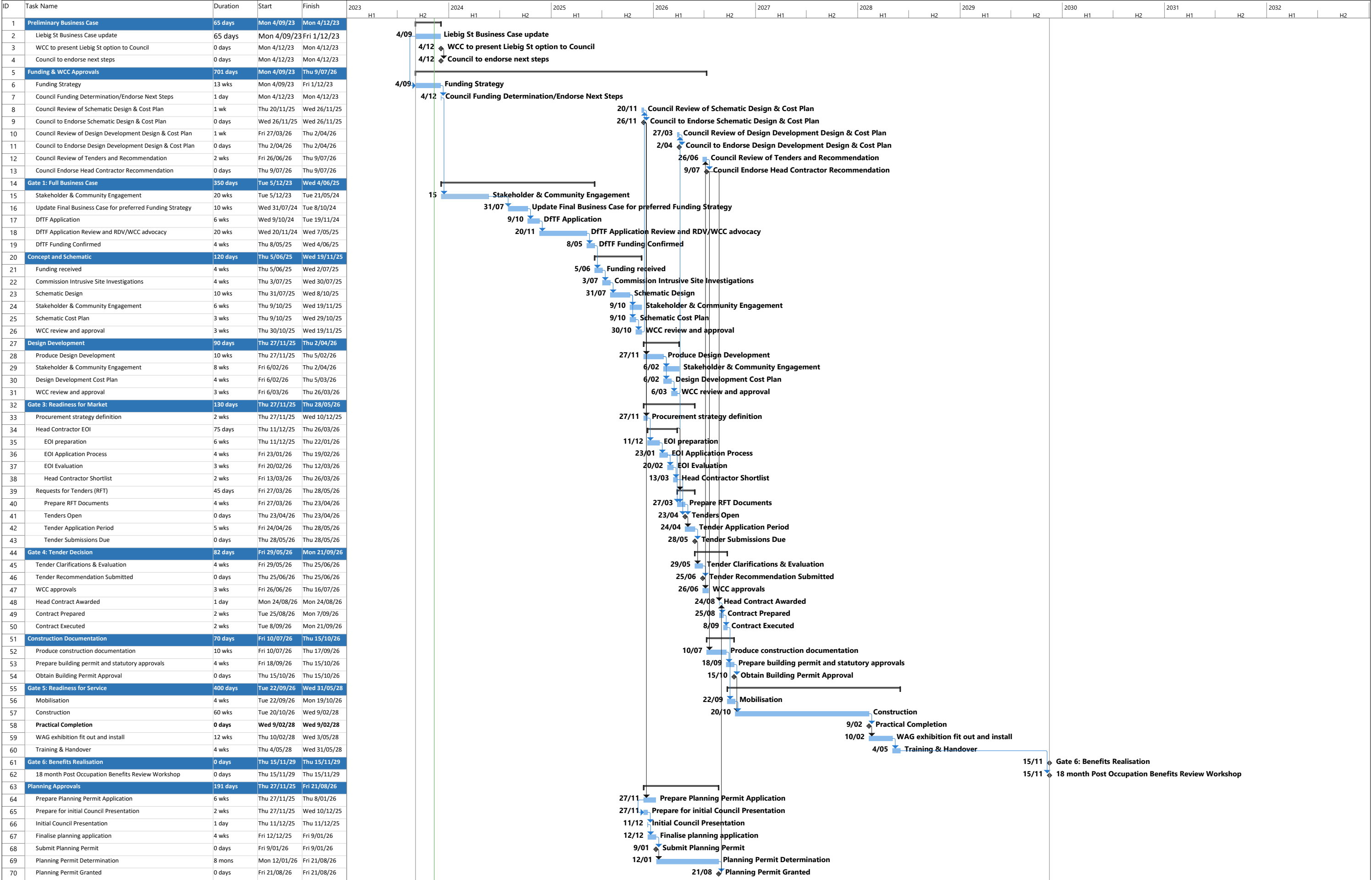


# 6

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Appendix 6  
Liebig Street Master Program







# 7

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## **Appendix 7** Risk Register



Warrnambool Art Gallery - Risk Register

CLIENT/PROJECT	Warrnambool City Council
DATE	3/11/2023
REVISION	1

No.	Issues/Risk Description	Impact (Time, Cost, Quality)	Impact description	Likelihood	Consequence	Risk level	Risk Management Strategy (Accept, Mitigate, Reject)	
Program								
1	Unable to seek engagement with First Nations / Eastern Maar.	Time & Cost	Delay in receiving detailed information from stakeholders to progress the design.	3	5	E	Mitigate	Establish regular client/stakeholder meetings to establish the stakeholder requirements to complete the return brief by design team
2	Stakeholder community consultation process is protracted.	Time & Cost	Difficulty in engaging with the community to achieve a majority support from locals.	3	5	E	Mitigate	Prepare a detailed community consultation strategy with specialist advisor support.
3	Site Infrastructure	Time & Cost	Issues relating to site services and existing services capacity that could have program and cost implications	4	5	E	Mitigate	Early site investigations and additional surveys. Undertake network capacity checks early into design by engaging with utility authorities.
4	Delays associated with client approvals	Time & Cost	Client stakeholders do not provide approval at key stages through the design process to maintain program. Risk extends to increased escalation costs to overall construction budget.	3	3	H	Mitigate	Build into master program regular gateway design reviews with client stakeholders. Interim milestone reporting on design to be reported up the chain to highlight progress but also provide an engagement platform to raise any concerns during each design stage.
5	Cost Estimates for project exceed the budget	Time & Cost	Delays to review and revise the design to meet the budget and seek approvals from the client will impact and delay the program to meet the milestone dates.	4	5	E	Mitigate	Work with the Quantity Surveyor and Consultants to clarify the scope of the works with Client Representatives against the budget and provide value management workshops as required to address or refine scope.
Project Cost								
6	Site conditions are unknown	Time & Cost	Current desk top assumptions do not align and therefore impact on design and cost inputs. Uncovering of Archaeological artefacts or environmental contamination to add significant cost and program delays.	3	5	E	Mitigate	Commission geotechnical, environmental investigations and heritage management plan.
7	Tender price inflation increase	Cost	Global material supply or labour shortages impact on cost estimate.	4	5	E	Mitigate	Engage Quantity Surveyor and seek regular TPI forecasts before the commencement of the next design stage to understand core material price variances - consider implementing Value Management workshops.
8	Programme prolongation	Time & Cost	Insufficient fees to cover project if it goes longer.	3	3	H	Mitigate	Allow for Developer's contingency across full project coverage.
9	Project time insufficient for scope	Time	Insufficient time to complete the design documentation sufficiently for accurate costing through the stages	2	4	H	Mitigate	Establish a clear and achievable program to meet the milestone dates and monitor progress at a minimum fortnightly.
10	Project funding insufficient for scope	Cost	Project funding does not meet the requirements of the project	3	5	E	Mitigate	Engage a Quantity Surveyor early in design process and establish cost reports at key intervals through the design phase to monitor costs.
11	Inaccurate project cost estimation	Cost	Reducing on quality standard or needing to loose functional spaces.	3	4	E	Mitigate	The additional scope requires additional funding. Consider undertaking peer review cost reports at the end of design gateways. Track market pricing forecasts and compare back to previous cost plans to carry out sensitivity analysis before proceeding to next design stage.
Quality								
12	Design fails to meet Client brief	Quality	Does not meet the business case objectives set and impacts on the overall functionality and operations of a new WAG.	2	4	H	Mitigate	Engage peer reviews at key design milestones to ensure design is compliant.
13	Construction quality not achieved	Quality	Delays in achieving practical completion or end user dissatisfaction.	2	4	H	Mitigate	Make sure reputable contractors are engaged. Seek recent past project examples to visit prior to engaging contractor.
14	Technical co-ordination inadequate	Time & Quality	Potential variations to contract. Delays to overall program.	3	3	H	Mitigate	Weekly design meetings, additional consultations held when required. Engage peer reviews at key design milestones to ensure design is compliant
15	Final handover insufficient	Time; Quality & Cost	Impacts to transfer from old facility over to new - risk to security and safe storage of high value items.	3	5	E	Mitigate	Request a Handover Plan be prepared in advance to outline the handover process and stipulate as a requirement of the contractor engagement.
Construction								
16	Planning compliance	Time & Cost	Increase in visitation is unable to be achieved and therefore impacting on return on investment.	4	5	E	Mitigate	Consult with council early to understand implications of development
17								
18	Development near residential zone	Time & Cost	Impact to local residents during construction and once site occupied causing community backlash.	4	5	E	Mitigate	Consult with council early to understand implications of development and any provisions to be considered to minimise impact to locals. Contractor to complete management plans to ensure risks are properly considered during construction. Consultants to consider adjacent residential area and be sensitive to
External Factors								
19	Unable to capture forecasted increase in visitation	Cost	Increase in visitation is unable to be achieved and therefore impacting on return on investment.	4	5	E	Mitigate	Develop preliminary business case recommendations into an action plan for Council to pursue.
20	Land agreement with Council	Time & Cost	Approval not obtained from authorities to develop on council owned land	4	5	E	Mitigate	Engage with Council to understand implications of developing on council owned land
21	Securing funding	Time & Cost	Delays in receiving or securing funding.	4	5	E	Mitigate	Define possible funding routes and seek to engage. Consider appointing specialist lobbyist.



# 8

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## **Appendix 8**

### Visitation Analysis



## Visitor Forecasting for Warrnambool Art Gallery

### February 2023





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**February 2023**

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**Environmetrics**  
social and market research



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social and market research



## Executive Summary

Please note: Executive Summary prepared by RP Infrastructure.

Visitation to an Art Gallery is a key performance indicator that is often used to measure several impacts; economics, engagement and growth.

In Australia it is widely recognised that cultural tourism is growing and has been over the last 10 years. Cultural tourism is growing globally and outperforming the international tourism market as a whole. A survey of 69 countries by the United Nations World Tourism Organisation in 2018<sup>1</sup> found that:

- cultural tourism has grown by 23% over the past five years, compared to total global tourism growth of 19%;
- the overall growth in tourism between 2010 and 2014 is much larger for those countries that specifically feature cultural tourism in their marketing policy (66%);
- in recent decades, tourism and culture have become inextricably linked, partly due to the increased interest

Environmetrics Pty Limited were commissioned to prepare a visitation forecast for the proposed new Art Gallery at Cannon Hill. The purpose of the visitation forecast is to identify the likely number of visitors that will contribute to the economic impact of the new Art Gallery. This forecasting has been based on a post COVID “new normal” scenario and considers previous work undertaken including data and assumptions. The forecasting is based on the source or geographic location from where visitors are coming, i.e. from Warrnambool, Regional Victoria, Metro Melbourne, Interstate, or internationally, averaged seasonally across a calendar year.

### Visitation Model

The Environmetrics model used to calculate visitation is driven by the “*perceived value*” of an attraction by a visitor which is not just measured by the cost of accessing it but also by the time and energy taken to access and enjoy the experience.

In developing the visitation forecast, new galleries and museums tend to have one of two patterns of visitation after opening. The first pattern sees an initial “boom” in visitor numbers for a few years and then a drop down to a more stable level. The second sees an initial modest level of visitation that can rise to a stable level. Major venues in capital cities have shown the “boom” pattern and some have seen the slower rise pattern.

Examples are the original Powerhouse in Sydney which followed pattern one of a ‘boom’ and the nearby Australian National Maritime Museum that followed pattern two with progressive increase in visitation. The museums differed on their exhibition impact which can contribute to the likely pattern of visitation. MONA in Hobart is an example of a most unusual venue and collection. Because of geographic constraints, MONA began with a more modest, locally-based flow of visitors, but had significant exhibition impact that generated the “perceived value” to draw increasing flows of visitors from across Australia and other countries.

While the plan for Warrnambool Art Gallery and surrounding attractions are to produce a leisure

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<sup>1</sup> Culture and Tourism Synergies, 2018, UNWTO (Warrnambool Art Gallery Feasibility Study page 5, July 2021 SMA Tourism.



precinct environment that offers a far richer and exciting experience than what exists at the moment, it is anticipated that the visitation flow is more likely to follow the second pattern. That is, a relatively modest first couple of years until a critical mass of word-of-mouth and media put a trip to Warrnambool Art Gallery on the “must see” agenda for diverse kinds of groups in the community.

## Survey Feedback

To inform the analysis, Environmentrics conducted an online survey, sampling 500 Victorians and 100 South Australians, aged 18 years and over. The findings from this survey have informed the views on the opportunities and constraints for increasing the visitation numbers to Warrnambool and the proposed new Art Gallery development.

The key findings from this research are:

- There is a major opportunity to capture additional visitor numbers by “out of town” visitors by providing an interesting destination and experience that is in addition to the existing “natural” attributes of the area;
- The existing structure of the Day Tour industry to the Great Ocean Road, could be re-structured to include Warrnambool as an over night stay destination, providing not only additional visitation to the Art Gallery, but also an opportunity to drive demand for accommodation and meals and therefore the increase visitor spend in the region.
- There is untapped demand for a wider range of leisure / tourism activities than what has traditionally been on offer at Warrnambool; Twenty six percent of the survey sample are interested in “the now”. They are not interested in history, back-of-house experiences or culture. They are interested in seeing what is here to see, taste and experience—sightseeing, physical activities, theme parks/zoos/botanical gardens and eating and drinking are high on their list of priorities. This market is a real opportunity as 40% of them have been to Warrnambool in the last 5 years and a new reactivated Warrnambool Art Gallery would provide the ‘thing to do now’.
- Focus on Aboriginal Art & Culture, set within the overall Gallery’s wider offering. Australians’ interest in, and attendance at, First Nations arts and craft activities has continued to increase in recent years. The Australia Council’s National Arts participation survey found that nearly half of all Australians are actively interested in First Nations arts (47%) and seven million attended in 2016 – a record level of attendance and double that of 2009<sup>2</sup>
- At least half of the people visiting Warrnambool from Regional and Metro Victoria have a range of interests, notably food and wine. Therefore, if a new Art Gallery included quality Food & Beverage offers, then this will act as a material draw and increase in visitation based on the survey respondents (over 50% of total sample)..There is a strong argument that this secondary element to the core function of the Gallery can produce supplementary revenue streams, regardless of such visitation numbers holding an interest in art.

## The current visitor profile

The economic contribution study estimates the impact of the new Art Gallery against existing operations. To inform this study, a visitor forecast is required as the baseline for the existing Art Gallery to which the new Art Gallery is compared.

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<sup>2</sup> Australia Council 2017, Connecting Australians: Results of the National Arts Participation Survey, June 2017, Sydney. <https://www.australiacouncil.gov.au/research/connectingaustralians>



The baseline visitor profile is outlined below and is based upon the Financial Year 2021/22 actual numbers. To provide a realistic basis for economic contribution the local visitors from Warrnambool of 15,351 has been reduced by 20% to allow for likely repeat visitors from the community. For the purposes of the economic analysis, it is assumed that visitors generally contribute to the economy in their first visitor.

current sources of visitors to the existing Warrnambool Art Gallery are included below.

#### Visitor type as base case in 2022

Information		Source of information	Notes
Admissions to Warrnambool Art Gallery	61,776	Admissions from Warrnambool Art Gallery Annual Report	FY2021/22 with feedback from WAG staff
Warrnambool	26,687	Admissions from Warrnambool Art Gallery Annual Report and % breakdown from WAG	Warrnambool admissions of 33,359. Reduce admissions by 20% to remove repeat visitors – expenditure on first visit
Metro Melbourne	11,120	% breakdown from WAG	Assume 1 visitor per person
Regional Victoria	16,062	% breakdown from WAG	Assume 1 visitor per person
Interstate & International	1,236	% breakdown from WAG	Assume 1 visitor per person
<b>Estimated visitors to Warrnambool Art Gallery</b>	<b>55,105</b>		

From the above table, regional visitors are the largest segment outside of Warrnambool visitors that drive visitation. Arts daytrips to regional areas have increased at a higher rate than arts daytrips to metropolitan areas. Regional areas are drawing almost as many Australians on arts daytrips as metropolitan areas. Moreover, since 2014 regional arts daytrips have increased at a higher rate than both metropolitan arts daytrips and daytrips overall<sup>3</sup>.

International tourists do not need to be the primary driver for the future of Warrnambool Art Gallery as its connection to community and its region is as critically important for improving the wellbeing of its community, however international tourists are the segment that can bring the most potential economic output due to the additional visitor spend and time in the region.

#### New Cannon Hill Visitor Forecast

Several drivers will impact the potential visitor profile to a new Warrnambool Art Gallery. The overall flow of visitors into Warrnambool will play an important role in affecting the number of visitors to Warrnambool Art Gallery. Clever marketing, and the development of new product opportunities in Warrnambool will probably drive the overall numbers up. New competitive offers outside Warrnambool might pull the same numbers down.

<sup>3</sup> SMA Tourism, Warrnambool Art Gallery Feasibility Study, July 2021, Page 6



Environmetrics has taken account of improved transport links between Warrnambool and Melbourne. While these can lower the time and energy components of the leisure budget which drives visitors to art galleries, they do not themselves generate visits. Visits are driven by the “exhibit impact” and “ambience”. So, for the modelling, Environmetrics has assumed, based on past history as reported in the Destination Action Plan for Warrnambool relating to “The five year visitation trends for the region and Warrnambool are relatively flat.”, that there will be a post-COVID lift in the overall visitation pattern for Warrnambool but not a dramatic upward trend in the medium term. This is assumed to be consistent with the visitation pattern that is likely to be gradual steady growth rather than a boom on opening.

The key assumptions that are driving the visitation forecast for Cannon Hill are:

1. Warrnambool Art Gallery becomes a focus for the Warrnambool community
2. Design of Warrnambool Art Gallery provides an opportunity to enjoy the view and spend time in the space
3. Programs are delivered that invite participation from the wider Victorian community
4. The offer includes quality food and beverage experiences
5. Precinct around Warrnambool Art Gallery becomes a major experience hub
6. Extensive marketing campaign with social media puts Warrnambool Art Gallery on the must see list

The following visitation forecasts are based on an extensive marketing strategy for Warrnambool as a whole, based on the development new product opportunities (increased critical mass of attraction around Cannon Hill, Pertrobe Rd, Flagstaff Hill and CBD), the re-structuring of the current regional one day tours, improved transport links between Melbourne and Warrnambool, and targeted marketing campaigns to key interest groups.

The visitation analysis and assessment for a new Warrnambool Art Gallery has been based on the following source data:

1. ABS Tourism Data, Victorian Tourism Reports’, 2015 – 2017 Destination Action Plan for Warrnambool and the 2018 Shipwreck Coast Masterplan.
2. Review of benchmark facilities.
3. Admissions data from the existing Warrnambool Art Gallery
4. Admissions data from Flagstaff Hill Maritime Village, the Warrnambool Visitor Centre and Warrnambool Council to develop a historical picture of visitational trends to Warrnambool.
5. Survey feedback

The Cannon Hill visitation forecast is outlined below and assumes a range of uplifts to reflect the assumptions above.

#### Comparison of Actual and Forecast Visitor Numbers

Visitor Source	Current visitors	Cautious Year 1	Optimistic Year 1	Year 5	%	Basis
Warrnambool	26,600	30,000	31,000	31,000	27%	20% uplift from existing. Large portion of population already



						visit WAG so not expected to significantly increase
Regional Victoria	16,000	21,000	25,000	35,000	30%	35 - 55% uplift from existing to consistently build over time. Bendigo has 30% regional visitors
Metro Melbourne	11,100	13,000	14,000	40,000	34%	25- 30% uplift from existing but will significantly increase with awareness. Bendigo has 49% from Metro Melbourne
Interstate	930	1,400	1,700	8,000	7%	Consistent with similar Art Galleries – Bendigo has 10% interstate
International	310	600	880	2,000	2%	Consistent with similar Art Galleries – Bendigo has 1% international
<b>Total visitors</b>	<b>55,000</b>	<b>66,000</b>	<b>72,580</b>	<b>116,000</b>		

The visitation analysis indicates that a new art gallery at Cannon Hill would provide a base case uplift from current visitation of 55,100pa to 116,000 within a 5-year period, with significant increase from visitors from the current uncaptured out-of-town visitor market. This increase in visitation is seen as being relatively modest within the first couple of years, until critical mass of word of mouth and media put a trip to the new Art Gallery on the “must see” agenda for visitors.

The ‘break through’ in converting tourists to travel to Warrnambool will be dependent on a range of activities including:

- creating a critical mass of cultural attractions; the potential development at Flagstaff Hill and investment in new Warrnambool Art Gallery starts to build this momentum; the inclusion of Budj Bim National Park on the World Heritage Register and Port Fairy Folk Festival draws together a regional program of attractions and activities.
- Working with regional partnerships to develop a strategic marketing strategy to target international and interstate tourists
- Warrnambool Art Gallery providing a changing exhibition program and that taps into the international markets interests and expectations (similar to Bendigo Art Gallery)
- Landmark architectural building that resonates with high quality civic building people wish to see and which has social media attraction to share

It is important that all of the above presented “breakthrough” recommendations are implemented and backed by Warrnambool City Council in order to achieve the stated visitation uplift



## Background to this report

Environmetrics was contracted to assist RP Infrastructure by developing forecasts of likely visitation flows to the Warrnambool Art Gallery.

In the following section of this document we provide the forecast and outline the steps we took to develop it.

It is important to understand that the discussions about discretionary visitation to places such as museums, art galleries and all manner of “leisure venues” tend to confuse two terms:

**Admissions** (people coming through the door) which may be made up of a few people coming many times or many people coming once or some mixture of both, and

**Visitors** (individual people who come through the door).

This confusion has economic and policy implications in that a count of admissions, without further information about the extent of repeat visitation, does not clearly indicate how well a venue is either engaging people (shown by the proportion of repeat visits) or reaching into the target population, measured by the number of individuals (i.e. visitors). To avoid this ambiguity, we have tried to bring all the data used for our work here back to a measure of visitors.

Our approach in forecasting is to be conservative. Environmetrics try to base our assumptions about visitor behavior and the appeal of a venue on actual data and to make conservative estimates when it is necessary to imagine what might happen and build this into our calculations.



### Where Warrnambool Art Gallery is now: A base case

The following table shows the situation in Financial Year 2021 - 2022. Environmetrics has used this year as a base case because it represents a reasonable post-COVID “new normal” into which tourism and recreation are emerging.

**Table 1 - Flow of visitors to Warrnambool Art Gallery**

Information		Source of information	Notes
Visitors to Warrnambool	119, 985	Warrnambool Council	
Admissions to Warrnambool Art Gallery	61,776	Warrnambool Art Gallery report and emails	
Out-of-town admissions to Warrnambool Art Gallery	28,417	Based on Warrnambool Art Gallery report & email discussions with Front of House staff	Includes Vic, Interstate & International. Assume 1 visit per person.
Warrnambool visitors to Warrnambool Art Gallery	26,687	Based on Warrnambool Art Gallery report & email discussions with Front of House staff	Assumed 20% admissions were repeat visits.
Total estimated visitors to Warrnambool Art Gallery	55,105		
Proportion of total Warrnambool Art Gallery visitors who are out-of-town	24%		<b>Uncaptured out-of-town visitor market is 76%</b>

**Table 2 - Profile of visitors to Warrnambool Art Gallery**

Source of visitors	Percent of Visitors	Source of information	Notes
Warrnambool	54%	Warrnambool Art Gallery report and emails	The monitoring system is reasonable but probably has an error margin that makes the admission numbers usable but not precise. In some forecasting calculations we have chosen to round the actual numbers to the nearest 100 visitors.
Regional Victoria	26%	Warrnambool Art Gallery report and emails	
Metro Melbourne	18%	Warrnambool Art Gallery report and emails	
Interstate	1.5%	Warrnambool Art Gallery report and emails	
International	0.5%	Warrnambool Art Gallery report and emails	

### Seasonal variation in visitation

From plotting monthly “walk-in” numbers to the Visitor Centre<sup>4</sup> there is an approximate 3:1 ratio between people who make enquiries in January and those who make enquiries in August. The peak in holiday visitation suggests that attempts increase visitor flows might be constrained by lack of accommodation and other facilities at peak times such as January.

It is important to note that the seasonality is “built in” to the numbers and percentages tabulated above. Those numbers are annual totals and include the crowded months along with the leaner months. To an

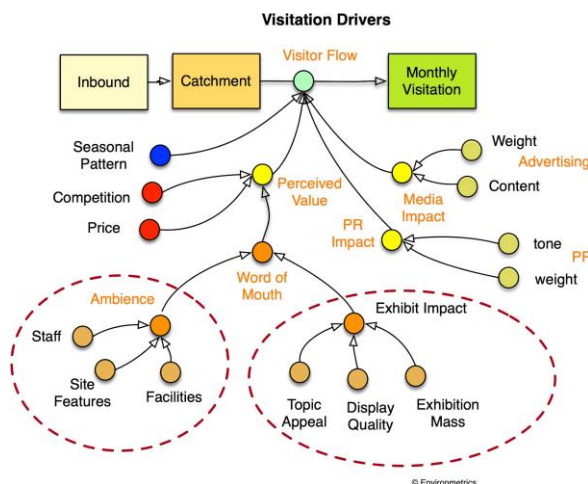
<sup>4</sup> Data sourced from Warrnambool City Council Tourism Centre



extent, one new role for Warrnambool Art Gallery is to help flatten the seasonal cycle by expanding the “Summer holiday destination” aspect of Warrnambool’s image to include a greater “cultural” component that makes a visit appropriate in any season

## Things that drive visitation

Environmetrics has developed visitation forecasts for leisure precincts and facilities across Australia for more than 25 years. The background to this work has been the development of a systematic picture of the kinds of things that work to increase visitation flows into new or refreshed destinations.



Our visitation driver model shows these major influences and serves as both a checklist of things that need to be considered and as a schematic of the Environmetrics Visitation Simulation software.

Our research has shown that the *leisure budget* consists of *time, energy and money*. The “perceived value” of an attraction is not just measured by the cost of accessing it but also by the time and energy taken to access and enjoy the experience.

In preparing this report, Environmetrics have considered previous forecasts and the data and assumptions on which they were based, taking

into account subsequent post-COVID changes in leisure patterns. Environmetrics have looked at the competitive environment generated by the range of new or revamped cultural facilities that have recently opened, or are about to open, in Victoria. As a part of this review, we have sought out details of reported or proposed admissions.

We have also taken account of the way that new galleries and museums tend to have one of two patterns of visitation after opening. The first pattern sees an initial “boom” in visitor numbers for a few years and then a drift down to a stable level. The second sees an initially modest level of visitation that can rise to a stable level.

Major venues in capital cities have shown the “boom” pattern and some have seen the slower rise pattern. Examples are the Powerhouse in Sydney which followed pattern one and the almost adjacent National Maritime Museum that followed pattern two. The museums differed on what our diagram shows as “Exhibit Impact”. We worked with MONA in Hobart and can see there an example of a most unusual venue and collection that, because of geographic constraints, began with a more modest, locally-based flow of visitors, but had the “Exhibit Impact” that generated the “perceived value” to draw increasing flows of visitors from across Australia and other countries.

While the plan for Warrnambool Art Gallery and surrounding attractions is to produce a leisure precinct environment that offers a far richer and exciting experience than what exists at the moment, it is our view that the visitation flow is more likely to follow the second pattern. *That is, a relatively modest first couple of years until a critical mass of word-of-mouth and media put a trip to Warrnambool Art Gallery on the “must see” agenda for diverse kinds of groups in the community.*



## Considerations underlying the forecasting

Prior to constructing our forecasting model Environmetrics reviewed ABS Tourism Data, Victorian Tourism Reports, and the 2018 Shipwreck Coast Masterplan and the way cities like Bendigo and Shepparton (with relatively new art galleries/museums) presented themselves to the world. Environmetrics also explored the “what to do in...” section of TripAdvisor for a range of Victorian regional destinations.

Looking at past tourism data provides a useful base for forecasting work. However, it is revealing *past history*. To explore the “what ifs” of *the future*, one needs to know something about what is in people’s minds now when they think about leisure, recreation and touring. With residents of Victoria currently generating the largest volume of visits to Warrnambool Art Gallery, Environmetrics conducted an online survey with a sample of 500 Victorians and 100 South Australians over the age of 18. The findings informed Environmetrics view of the opportunities and constraints for increasing visitor numbers to Warrnambool and Warrnambool Art Gallery discussed in Table 3. (Full details of the survey are contained in the Appendices to this document.)

**Table 3-Opportunities and Constraints**

Observations	Implications
There is a major opportunity to capture visits to Warrnambool Art Gallery from the out-of-town visitors who have either been to Warrnambool Art Gallery in the past or have never been to Warrnambool Art Gallery	There is a need to market Warrnambool Art Gallery as an interesting destination providing varying experiences in addition to the “natural” attractions that dominate the “Top 10 Things to Do in Warrnambool” list on sites such as TripAdvisor.
The structure of the Day Tour industry inhibits International visitors from Melbourne reaching Warrnambool	Negotiate a tour structure that has people who have seen the Ship Wreck Coast to be delivered for a restorative overnight in Warrnambool with a quality meal and accommodation. A visit to Warrnambool Art Gallery in the morning as an activity prior to being driven back to Melbourne.
A number of maps that come up on a Google search for “Ship Wreck Coast” do not include Warrnambool.	Ensure that Warrnambool appears on relevant maps.
The survey we conducted shows that 46% of people who have been to Warrnambool for leisure in the past 5 years are interested in a wide range of leisure activities.	These people are open to a range of experiences. This is both an opportunity and a problem. They need to be enticed away from some other options in Warrnambool and introduced to Warrnambool Art Gallery.
The survey also identified 13% of the population have an active desire to explore local history and historic sites in particular. They seem equally interested in European and Aboriginal stories.	Only one-fifth of this group have ever been to Warrnambool. The group could be targeted for special Warrnambool Art Gallery experiences to increase visitation.
Twenty six percent of the survey sample are interested in “the now”. They are not interested in history, back-of-house experiences or culture They are interested in seeing what is here to see, taste and experience—sightseeing, physical activities, theme parks/zoos/botanical gardens and eating and drinking are high on their list of priorities.	It is possible that the current marketing of Warrnambool speaks to these people—40% of them have been to Warrnambool in the past five years. This is good but it leaves out the people with interests best met by a reactivated Warrnambool Art Gallery.



## How to get from the current state to future growth

The Warrnambool Art Gallery admission data show that currently, people from some locations are more represented in the Gallery's audience than others. It is clear that different barriers need to be overcome to get each group through the door.

In this section of this report, Environmetrics build a forecasting model that takes account of these differences and difficulties to see what might be possible in the future if Warrnambool Art Gallery were to be revitalised and marketed in a more targeted way. All of this is underpinned by the need to market Warrnambool in ways that overcome some of the barriers to visitor flow.

To develop a forecasting model, Environmetrics made a number of assumptions about how Warrnambool Art Gallery might be upgraded and marketed throughout Warrnambool. In our opinion, the extent to which these assumptions are *not* met will decrease the number of potential visitors.

**Table 4 - Assumptions Environmetrics made about the future essence of Warrnambool Art Gallery**

Assumption	
Warrnambool Art Gallery becomes a focus for the Warrnambool community	When a place in the community offers diverse opportunities for achieving a range of personal goals, people use it more often; goals such "social bonding", "discovering new things", "being active", "living a meaningful life", and "feeling physically or emotionally restored" The place becomes seen as one where something is always going on and where people feel "at home". These ideas underline the development of some of the newest art facilities such as the Shepparton Art Museum that "... is designed to become the key meeting place in Shepparton."
The physical design of Warrnambool Art Gallery provides an opportunity for people to enjoy a view and the passing parade of daily life	"Museum fatigue" is a common phenomenon experienced by people visiting museums and galleries. Coffee shops and restaurants are often used to provide rest spots so that people can recover and continue their visit. If these facilities can be accessed without, for example, seeing a collection, they can provide an appealing place to relax and look at the landscape or people going by. This "opening to the world at large" will be an important part of building the sense of Warrnambool Art Gallery as a place to be.
Warrnambool Art Gallery develops programs that invite participation from the wider Victorian community	Warrnambool Art Gallery has a strong link with Aboriginal history and culture. It also has an appealing collection of art related objects and experiences. However, as it is at the moment, we suspect that it is not a "honey pot" that brings people to Warrnambool. The development of activities, such as a high quality photographic competition with links to the Shipwreck Coast (perhaps. "Capture the Coast" theme) could be used to attract attention from people in Melbourne and regional Victoria.
Warrnambool Art Gallery provides access to quality food and beverage experiences.	This may be by having a quality on-site cafe or by providing spaces and facilities for catered functions for which "art" is a background and theme but not necessarily the purpose of the function.
The precinct around and including Warrnambool Art Gallery becomes an major experience hub.	An area in which visitors can easily move from art, to history, to excitement, to fun and adventure combining Warrnambool Art Gallery and the Maritime Village. An area that marries Aboriginal and European history and culture. An area where things change so coming back next year is rewarded. A place where perceived value is maximised.
Warrnambool Art Gallery is marketed with a view to gaining traction on social media and the list of "10 things you must see in Warrnambool".	Initially, a redeveloped Warrnambool Art Gallery is not likely to be the destination for which people travel to Warrnambool. However, it has an opportunity to capture more visits from the majority of out-of-town visitors who currently see no compelling reason to visit Warrnambool Art Gallery while in Warrnambool. We suggest that a major investment be made in building Warrnambool Art Gallery's digital presence and that a dedicated person (or people) be charged with developing and uploading regular, quality digital content.



### The forecasting model and forecast visitor numbers

The current numbers of visitors from each of the five geographic areas used by Warrnambool Art Gallery to catalogue admissions can be thought of as a post-COVID snapshot that reflects a decline in visitors to Warrnambool from the pre-COVID period. As Australia recovers from the experience of the pandemic and willingness to travel increases, numbers of visitors to Warrnambool will probably increase. (See *RBA Bulletin - December 2022*, “The Recovery in the Australian Tourism Industry.”)

However, they might not increase at the same rate from each geographic source of visitors. It is possible that some kinds of visitors might be less likely to come to Warrnambool and the numbers arriving from that category might decline further.

Environmetrics have considered historic patterns in visitation to Warrnambool and assumed that, without dramatic intervention, the pattern might persist into the medium future.

The 2015 - 2017 Destination Action Plan for Warrnambool (prepared by Great Ocean Road Tourism Limited) reported “Warrnambool attracted 278,000 domestic overnight visitors representing 16.4% of total visitors ... to the Great Ocean Road region.” (Page 3). It also said that “The five year visitation trends for the region and Warrnambool are relatively flat.”

Clever marketing, and the development of new product opportunities in Warrnambool will probably drive the overall numbers up. New competitive offers outside Warrnambool might pull the same numbers down. The overall flow of visitors into Warrnambool will play an important role in affecting the number of visitors to Warrnambool Art Gallery. While our model is built on geography, Environmetrics have also considered of the way targeting specific groups in the wider community might lift the appeal of Warrnambool.

Environmetrics have also taken account of improved transport links between Warrnambool and Melbourne. While these can lower the time and energy components of the leisure budget, they don’t themselves generate visits. Visits are driven by the “exhibit impact” and “ambience”.

So, for our modelling, Environmetrics have assumed, based on past history as reported in the Destination Action Plan, that there will be a post-COVID lift in the overall visitation pattern for Warrnambool but not a dramatic upward trend in the medium term.

A way of taking account of these uncertainties when designing a visitor forecast is to use the technique technically known as Monte Carlo modelling. This process involves running a large number of forecasts (typically in the tens of thousands), and in each forecast, the base visitation from each geographic area is made smaller or larger than that in the base case. The maximum amount of variation around each input is a matter of judgement based on knowledge of the factors that influence whether people visit or not. When the Monte Carlo process has repeated often enough, one arrives at a distribution of the variable of interest. In this case, of the “total visitors to Warrnambool Art Gallery”. This distribution can then be used to see, for example, what the maximum possible number of visitors could be, given the assumptions about how much the visitor flow from each individual geographic area might vary.



For this report, Environmetrics have focused on how high the total visitor number might go, starting with the current actual numbers and applying the assumptions about how appealing Warrnambool Art Gallery might be to each group. (The numbers in the following table are rounded.)

**Table 5 - Comparison of Actual and Forecast Visitor Numbers**

Visitor Source	Current visitors	Cautious Year 1	Optimistic Year 1	Year 5
Warrnambool	26,600	30,000	31,000	31,000
Regional Victoria	16,000	21,000	25,000	35,000
Metro Melbourne	11,100	13,000	14,000	40,000
Interstate	930	1,400	1,700	8,000
International	310	600	880	2,000
<b>Total visitors</b>	<b>55,000</b>	<b>66,000</b>	<b>72,580</b>	<b>116,000</b>

The assumptions underlying this table are:

- (i) The historic pre-COVID trend in visitation to Warrnambool as described in the *2015-2017 Destination Action Plan* "... is relatively flat", with the estimated number of Domestic Overnight Visitors at the time being 278,000. Environmetrics used the Financial Year 20 -21 for our base case. Visitation was dramatically reduced by COVID and 20 -21 was the beginning of recovery. Environmetrics assume that visitation into Warrnambool will rise to previous levels on the basis of the planned developments. However, it will take some time for Warrnambool Art Gallery and other elements to build the reputation needed to drive incoming visitation. For this reason, Environmetrics assumed the incoming visitor number in the medium to be around 305,000 people.
- (ii) In the base case, Warrnambool Art Gallery was attracting 24% of out-of-town visitors. To be conservative, Environmetrics have set the 5-year rate at around 28%. If all the recommendations we set out are met then the percentage might be higher. However, it depends on the value proposition based on word-of-mouth and formal marketing. In what will be a very competitive environment.
- (iii) Environmetrics are estimating **visitors**. Admissions will probably be higher.
- (iv) Environmetrics have held visitor numbers from Warrnambool at the modest Year 1 level. Locals will come out of interest if Warrnambool Art Gallery becomes a matter of local pride, but in practice, intention to visit turns into action more slowly than might be expected. Changing temporary exhibitions will generate repeat visits by locals (I.e. increase admissions) but be less effective in bringing new visitors.



## Appendix 1: The Research Process and survey summary

### Methodology

As set out in the proposal, we gathered three streams of data from which we could develop forecasts of future visitation at Warrnambool Art Gallery. These were:

1. Publicly available documents and databases dealing with tourism in Victoria in general and Warrnambool in particular. In addition to historic estimates and future forecasts, we reviewed relevant material from documents such as the 2018 “Shipwreck Coast Masterplan” and published maps of the Shipwreck Coast and Great Ocean Road.
2. We consulted with representatives of Warrnambool Council to obtain records of annual admissions to the Visitor Information Centre, Warrnambool Art Gallery and the Flagstaff Hill Maritime Village. These latter figures were separated into daytime and nighttime sessions. Where possible, we gathered observations and opinions from front-of-house staff about the extent of repeat visitation and the mix of adults and children in the admissions. (It is important when studying visitation to distinguish between “admissions” and “visitors”. The same number of admissions can be generated from a few visitors coming often or a large number of visitors coming once. The economic outcomes can be quite different.)
3. We conducted an online survey of 500 Victorian residents and 100 South Australian residents over the age of 18. (Our initial proposal was limited to the Victorian sample. However, as we explored visitation patterns in depth, we thought it wise to take a reading from South Australia. The two areas represent the primary catchment for current admissions to Warrnambool Art Gallery).

The survey was conducted using the Ipsos Pty Limited “Fast Facts” survey platform, with participants drawn from the Ipsos panel with age bands and gender proportions matching the ABS Census figures from the 2021 Census. The fieldwork took place during the period 14th to 19th January 2023.

The questions asked in the survey are attached to this document as a PDF file.

We understood that consultation with the relevant Aboriginal representatives of the local community was already being conducted and so that work proposed by us was handled by others.

### Analysis and reporting

Our analysis of the Warrnambool admissions data is set out in an Excel spreadsheet provided to RP Infrastructure and Polis. A summary of the visitor data and initial forecast for future visitation was contained in a one-page “Action Report” supplied to RP Infrastructure.

The survey data were analysed using two statistical applications—JMP (version 17) and STATA (version 17). The analyses are outlined on the following page.



## Survey analysis

*Past admissions* data to attractions such as Warrnambool Art Gallery *are reporting past history*. While elements of previous behavior tend to be repeated, tourism and leisure forecasting is helped by understanding the interests and motivations of people and how these might be satisfied by a planned development. For this reason, the survey linked to Warrnambool Art Gallery asked people about their past touring in Victoria, including visiting Warrnambool and Warrnambool Art Gallery, and about the kinds of activities that appeal to them when they are touring or at leisure.

As people tend to be interested in more than one kind of leisure activity, but usually not as interested in all of the activities in a diverse set of activities, it is helpful to look at the profile of interests that different people might have and to ask whether any of these profiles suggest that some groups of people might be more likely to visit a new development than others.

In the survey, people were asked the following question:

*When you travel anywhere in Australia for a holiday, how appealing to you personally are each of the following kinds of holiday activities?*

( ROTATE OPTIONS)

*Being physically active Visiting Museums or galleries  
Finding local crafts or products Learning about local history  
Seeing historical sites or buildings Having food or wine experiences  
Sightseeing  
Simply resting and relaxing.*

The response options were:

- *Really appealing*
- *A bit ho hum*
- *Not appealing*

Later in the survey, people who answered “appealing” to a broad category of activity (as shown in the list above) were asked about specific aspects of the activity. However, for now we focus on the list of broad categories and the use of a statistical technique known as Latent Class Analysis to see whether there was evidence that groups of people differed on the combination of activities that appealed to them.

## The visitor stream from outside Warrnambool

The analysis pointed to the survey participants each being in one of six groups. The first group included almost half the sample (46%) and they were interested in a wide mix of activities including cultural activities such as visiting museums and galleries. We think of them as the **“Up for anything. Win me over”** group. A group that included 26% of the sample were more interested in seeing and experiencing the **“here and now”** rather than looking to the past. A group with a particular interest in experiencing historic sites and buildings and understanding local history and culture, we called the **“I want to get backstage”** group. They made up 13% of the sample. People in a group whose main focus was experiencing local food, wine, and produce, we think of as **“A bit of a hedonist”**. This group also made up 13% of the sample.



While the previous groups had a more or less equal gender balance, the remaining 6% of the sample were split across two groups of predominantly males who could be characterised as lacking in energy and/or interest for doing much at all.

The cross tabulations based on the data are included as a PDF format attachment to this document.

### Implications of the survey results

The majority of visitors to Warrnambool (*“Up for anything”*) from the primary catchment area arrive with a menu of interests. Warrnambool presents itself as a center of natural wonders and experiences from which these visitors can choose. An art gallery needs to offer more than just “art” if it is to maximise visitation. An art gallery sited on Cannon Hill could become a major focus for visitors if it were a place from which to view the wider environment, have quality food and beverage options and incorporate elements of local European and Aboriginal history and culture.

The *“want to get backstage”* group have a particular focus on history and heritage. Therefore, an art gallery that provides these kinds of experiences as a part of the visit experience will appeal to them.

The *“here and now”* and *“bit of a hedonist”* groups are more likely to visit the gallery for views, relaxation and good cup of coffee. The cultural component of the experience is less appealing to them.



## Appendix 2 – Records from Environmetrics Data Searching Archive

### Tourism Victoria

- Aboriginal Victoria, See and do, Victoria, Australia.webloc
- Accessible Victoria – Tourism Victoria.webloc
- Adventure Tourism Victoria looks to r...force shortages – ABC News.webloc
- ATV – Adventure Tourism Victoria.webloc
- Business.vic.gov.au- data-assets-p...oria-2020-21-infographic.pdf.webloc
- Business.vic.gov.au- data-assets-p...ending-December-2019.pdf.webloc
- Cycle Tourism Research – Tourism North East.webloc
- Data tables – tourism Research Australia.webloc
- Domestic and regional research – business Victoria.webloc
- Economic significance – business Victoria.webloc
- Economic value of tourism – Visitor e..., skills, industry and Regions.webloc
- Flavour Trails – A taste for Exploration – Tourism Victoria.webloc
- Great Ocean Road.webloc
- International research – Business Victoria.webloc
- Latest Tourism Data Shows Strong R...Victoria – Premier of Victoria.webloc
- Major shakeup of tourism in regional Victoria underway – ABC News.webloc
- Powerpoint Presentation.webloc
- Regional visitation – Business Victoria.webloc
- Small Group Great Ocean Road And... - Melbourne Victoria Tourism.webloc
- Stay Close, Go Further – New Touris...Premier of Victoria.webloc
- Tourism industry resources – Business Victoria.webloc
- Tourism Listing – Victoria Tourism Sign Up.webloc
- Tourism Region Profiles – Tourism Research Australia.webloc
- Tourism, events and visitor economy – Live in Melbourne.webloc
- Tourists flock to the Grampians post – ABC News.webloc
- Viator Categories – Victoria Tourism.webloc
- Victoria 2023 – Best Places to Visit – Tripadvisor.webloc
- Victoria tourism summary – Tourism Research Australia.webloc
- Victoria Tourism is dead.webloc
- Visitor economy – Tourism, sports, skills, industry and Regions.webloc

### Museum and Art Gallery Set

- Art beat – the regional art galleries worth travelling for.html
- Art galleries to visit around Australia – Tourism Australia.html
- Australia's newest regional gallery opens – ArtsHub Australia.html
- Australian Museums and Galleries Association Inc.html
- Exhibitions on tour to boost regional....Department of Infrastructure.html
- Our People – Umbrella Studio Contemporary Arts.html
- Regional galleries welcome upgrades to support touring visual arts.html
- The best regional art galleries in Australia.html
- The top regional galleries to visit in Victoria.html
- Understanding Museums – The development of Regional Galleries.html



## Publications

Hall, R. "Leisure Research" Encyclopedia of Leisure and Outdoor Recreation, pages 283 – 285, Routledge, London. 2003

Hall, R. "Leisure Research" Encyclopedia of Leisure and Outdoor Recreation, pages 361 – 362, Routledge, London. 2003

Hall, R. "The Museum Constant: One-third plus or minus a bit", Visitor Studies Today, 8(2), 2005, 1 – 7.

## Tourism Warrnambool

13 Unmissable Things to Do In Warrnambool [2023] – Victoria Uncovered.webloc  
Attractions The Great Ocean Road Warrnambool – Victoria Tourism.webloc  
Great Ocean Road Regional Tourism Warrnambool, VIC – White Pages.webloc  
Region and Tourism – Warrnambool City Council.webloc  
Regional City of Warrnambool – Regional Development Victoria.webloc  
Search collections.webloc  
Top 10 Things to Do in Warrnambool, VIC, 2023 – Top Oz Tours.webloc  
Tourist flock to Great Ocean Road...Standard – Warrnambool, VIC.webloc  
Visit Great Ocean Road – Whereunta...ives – Visit Great Ocean Road.webloc  
Warrnambool Brand – Great Ocean Road Regional Tourism.webloc  
Warrnambool Tourism (2023) – Australia, Travel Guide – Holidify.webloc  
Warrnambool Travel Guide – Plan Your Warrnambool – Traveller.com.au.webloc  
Warrnambool Travel Guide – Warrnambool Tourism – KAYAK.webloc  
Warrnambool Travel Guide – Wotif.webloc

Flagstaff Hill Attendance.pdf  
IVS\_Tourism\_results\_YE\_JUN\_2019.xlsx  
National-visitor-survey-results-september-quarter-2022.docx  
NVS-Tourism\_Results\_YE\_Jun\_2019.xls  
NVS-Tourism\_Results\_YE\_Sep\_2022\_2021.xlsx  
SMA Tourism Report.pdf



# 9

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## **Appendix 9**

### Operational and Lifecycle Benchmarking Report





1 November 2023

Stephanie Hope  
RP Infrastructure  
Sydney Melbourne Brisbane  
Stephanie.Hope@rpinfrastructure.com.au

Dear Stephanie

**WARRNAMBOOL ART GALLERY, LIEBIG STREET  
OPERATIONAL AND LIFECYCLE BENCHMARKING REPORT (UPDATED)**

Please find attached our Operational and Lifecycle Benchmarking Report produced for the Warrnambool Art Gallery redevelopment.

We trust the report is self-explanatory and in accordance with your current requirements. If you have any queries regarding this matter, please do not hesitate to contact the undersigned.

Yours sincerely

**JOSHUA KNAGGS**  
Associate Director  
WT

WT REF: PR-016482-03 - LCC & OPEX - EST 3 (UPDATED)





# OPERATIONAL AND LIFECYCLE BENCHMARKING REPORT (UPDATED)

WARRNAMBOOL ART GALLERY, LIEBIG STREET

1 November 2023



## CONTENTS

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3	LIFECYCLE EXPENDITURE	4
4	LIFECYCLE EXPENDITURE MODEL	5
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6	DISCLAIMER	6

## APPENDICES

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APPENDIX A	LIFECYCLE MODEL
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# 1 INTRODUCTION

WTP Australia Pty Ltd (WT) were engaged by RP Infrastructure to prepare this report to provide estimated costs for the future ongoing maintenance and lifecycle works in relation to the proposed Warrnambool Art Gallery development as the Liebig Street site (The Project).

This report is carried out for the benefit of RP Infrastructure in the planning of future maintenance and lifecycle works and to support future budgeting requirements for their proposed Project.

WT has collected benchmark costs from a number of other projects which have similarities to this Project.

## 1.1 BACKGROUND & PURPOSE

This report has been compiled by WT Australia Pty Ltd ("WT").

We work in partnership with our Clients and their advisors throughout the life of projects from origination, through construction and operation, to divestment and disposal. Our approach centres on giving professional, timely and reliable advice on all aspects of strategy, procurement, delivery and operation.

We advise on a wide range of projects around the world, drawing on the resources of over 1,300 staff operating from over 50 offices across North America, the United Kingdom, Europe, Asia, Central America, Australia and the Pacific regions. As one of the only major international firms that is privately owned and operates all of our offices, our open structure enables us to work flexibly and collaboratively to serve our clients based upon long-term relationships. Our global reach and resource depth enable us to leverage world's best-practice, a huge data footprint and our own subject matter experts to provide clients with a focused high performance team on each and every project.

## 1.2 WARRNAMBOOL ART GALLERY

WT understand the proposed Project at Liebig St, Warrnambool includes demolition of the existing structure and construction of a new gallery building which comprises amenities, bar & servery, food & beverage, gallery spaces, observation area, seminar space, staff offices, visible collection storage and associated landscaping and site services and infrastructure. Total GFA of 4,366m<sup>2</sup> as provided in the FJC Studio Presentation dated 04 October 2023.

# 2 OPERATIONAL EXPENDITURE

## 2.2 METHODOLOGY

To estimate the annual operating expenditure, WT has considered the functional areas of the proposed development. WT has then utilised industry benchmark rates per m<sup>2</sup> for maintenance, utilities and cleaning operating costs and applied these in accordance with the functionality of each space. These rates consider best practise maintenance being undertaken. Industry benchmark rates have been adjusted to 2023 Australian Dollars where necessary. WT has additionally allowed for adjustments to rates based on the anticipated frequency of use of each area.



## 2.3 ESTIMATED ANNUAL OPERATIONAL EXPENDITURE

The estimated annual operational expenditure for the development is provided in the table below.

Estimated annual operational expenditure is calculated based on the building areas stated within WT's WAG Estimate No. 3- Budget Estimate No.3 – FJC Studio Presentation – Strategy 2, dated November 2023.

Costs are shown in 2023 Australian Dollars and Exclude GST.

TABLE 1 – ESTIMATED ANNUAL OPERATIONAL EXPENDITURE

	OPERATING BUDGET - LOW RANGE (\$ EXCL GST)	OPERATING BUDGET - HIGH RANGE (\$ EXCL GST)
<b>Fixed Charges</b>		
Insurance Premiums	30,800	37,700
Air Conditioning / Ventilation	11,900	14,600
Cleaning	44,000	53,700
<b>Operating Expenses</b>		
Utilities	25,200	30,800
Fire Protection	15,200	18,600
Pest Control	3,900	4,800
Lift & Dock Leveller	18,000	22,000
Maintenance & Window Cleaning	74,800	91,500
Ground Maintenance	68,700	84,000
<b>TOTAL</b>	<b>\$292,500</b>	<b>\$357,700</b>

We advise the above costs may be modelled for Year 1 of operations and then escalated at a suitable rate for future years.



## 2.4 INCLUSIONS

The outgoings estimate is inclusive of the following operating expenses, to be incurred by the building owner:

- HVAC contract services
- Cleaning
- Maintenance of physical Utility assets
- Fire Protection Equipment
- Lift Maintenance (1 nr. Lift)
- Dock Leveller
- Pest Control
- General Maintenance
- Utilities consumption operating expenses
- Insurance
- Grounds Maintenance

## 2.5 EXCLUSIONS

- The outgoings estimate excludes the following:
- Taxes, charges, and fees such as council rates and audit fees.
- Building Management & Administration (if required)
- Events Management
- Security (Physical Patrols),
- IT Systems and Associated Software
- Business Vehicles
- Offsite Document Storage
- Business Insurances
- Lifecycle replacement works to buildings and services (included in WT's lifecycle estimate – refer section 4)
- Furniture, Fixtures, and Equipment including window furnishings and street furniture
- Outside Catering
- Statutory Outgoings
- Ongoing costs associated with any heritage related works
- All other business-related operating expenses
- GST



## 3 LIFECYCLE EXPENDITURE

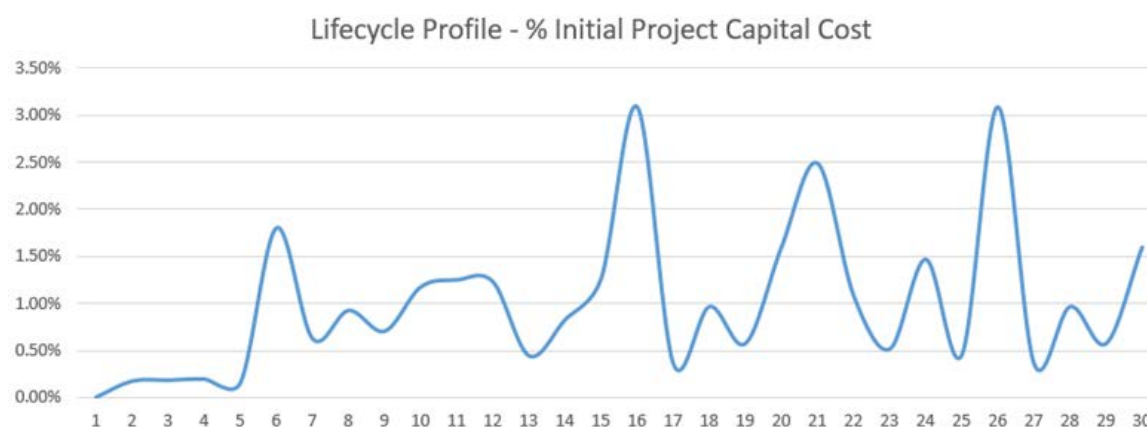
### 3.1 PREMISE

Once an asset has been installed within a building there is a requirement to maintain the asset during its normal economic life and a requirement to replace the asset at the end of its normal economic life.

The Lifecycle costs that are presented in this report consider replacement costs that will be incurred by the building owner for the replacement of assets and periodic redecoration works to the property.

### 3.2 BENCHMARKING

WT has analysed Lifecycle data from several public and private sector projects and assessed the annual expenditure from these projects as a percentage of the initial project capital cost. The benchmark Lifecycle profile as a percentage of initial project capital cost across is detailed in the chart below.



Typically, WT has observed that Lifecycle expenditure ranges between 0% and 3.5% per annum and is equivalent to between 20% to 40% of the initial capital construction cost of a project over a 30-year operational period.

We highlight that the above Lifecycle expenditure curve is a 'smooth' curve, with costs that are spread out across the horizon period. As the above data is taken from live projects, actual asset performance is represented by the expenditure curve, which includes some assets failing earlier than expected, and other assets lasting longer than expected.

We anticipate that the lifecycle expenditure that is modelled for the development of the Warrnambool Art Gallery, Victoria will be a 'lumpy' lifecycle model, with costs peaking at 5 and 10 year intervals in line with our standard lifecycle assessment.

### 3.3 METHODOLOGY

Lifecycle costs have been modelled from the anticipated date of completion of the development of the Warrnambool Art Gallery, Victoria.

For the purposes of this modelling and in lieu of a fixed program for the project, we have assumed that year one of the building operation will occur in the year 2027 (referred to as Year 1 on our Lifecycle model).



Trade and item costs within the lifecycle model are based on WT's Budget Estimate No.3 – FJC Studio Presentation – Strategy 2, dated November 2023. WT reviewed the costs included in this Cost Plan to remove items with no lifecycle cost requirement, such as demolition, site works and consultant costs.

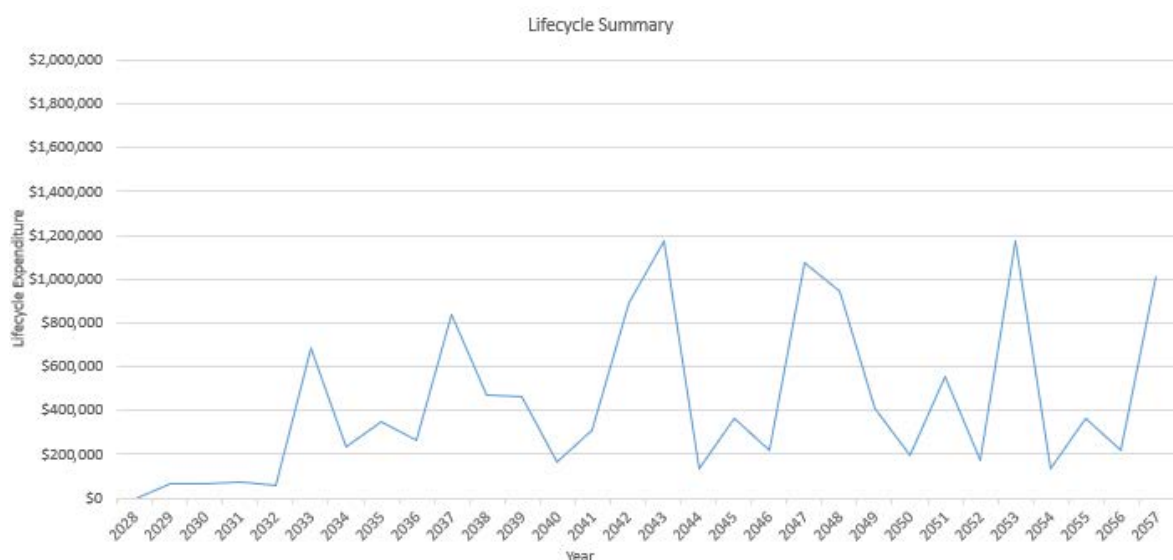
This lifecycle assessment has been calculated by modelling building fabric assets and by applying benchmark lifecycle percentages for the replacement of building services assets.

### 3.4 ASSUMPTIONS

All costs are shown in end of November 2023 Australian dollars (WT Cost Plan Base date November 2023) and exclude GST. No further escalation has been applied to future lifecycle costs within the 30-Year model.

## 4 LIFECYCLE EXPENDITURE MODEL

WT has modelled the following lifecycle profile for the base building development. These costs are expected to be borne by the building owner.



The above estimated lifecycle expenditure for the base building development is \$13,089,094 excluding GST, or 24.93% of the initial capital construction costs, in line with the mid-range of our anticipated benchmarking.

As discussed at section 3.2, the lifecycle expenditure that has been modelled for the development of the Warrnambool Art Gallery, Victoria is a 'lumpy' lifecycle model, with costs peaking at 10 and 15 year intervals in line with our standard lifecycle assessment.

We highlight FF&E is excluded from WT' cost plan and this lifecycle model.

Please refer to Appendix A for line-by-line details of the above lifecycle modelling.



## 5 NEXT STEPS

WT recommend that a more detailed lifecycle modelling exercise is completed once the design is complete to a level that allows for this task to be undertaken at an asset level.

Following completion of the project WT recommends the analysis should be updated regularly to reflect the true value of future inflation and other assumptions included herein.

## 6 DISCLAIMER

WT highlights this Report should be considered as indicative only of the replacement costs that may be incurred by the operator for the replacement of assets and periodic redecoration works to the property.

WT is not and does not hold out to be a building diagnostician or an expert in the assessment of building materials design lives. WT does not represent that the information included within this report is the limit of all issues that may be experienced over the lifecycle horizon of the assets.

This benchmark analysis is prepared for the express purpose of assisting RP Infrastructure in their general understanding of maintenance strategies. It should not be used for any other purpose or by a third party without the written consent of WT.

This Report is solely for the use of the party by whom we were instructed and for no other purpose. We owe no duty of care to any third party who becomes aware of this Report and, without our knowledge, chooses to act or rely on the whole or any part of it.

Neither the whole nor any part of this Report nor any reference thereto may be included in any document, circular or statement without our approval of the form and context in which it will appear.





## APPENDIX A

### LIFECYCLE MODEL



#### Disclaimer / Notes

All costs are shown in current day dollars except GST-zero escalation applied post completion of the project. This lifecycle assessment has been calculated by applying benchmark lifecycle percentages of replacement to the Initial Capital Costs for Building Assets. Cyclical asset replacements are planned in line with industry published guides on asset design lifespans. The Capital Costs and the Year of Completion for each item has been obtained from WT's Estimate WAG Budget Estimate No.3 November 2023. Project On-Costs have been added to the direct costs from WT's Estimate WAG Budget Estimate No.3 November 2023 on a pro-rata basis. Risk costs have

[illegible]

REFERENCE	PROJECT	CATEGORY	LEVEL / DETAIL	LIFECYCLE NOTES	YEAR LAST REFURBISHED / INSTALLED	REPLACEMENT LIFE IN YEARS	TRADE COST	APPORTIONMENT OF BIL DESIGN & CONSTRUCTION CONTINGENCY, PERMITS/FEE'S & MARGIN	CONSTRUCTION COST	REPLACEMENT FACTOR	TOTAL COST (\$K+ GST)	ESTIMATED REPLACEMENT COST CURRENT DAY (\$AUD EXCL. GST)	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10	YEAR 11	YEAR 12	YEAR 13	YEAR 14	YEAR 15	YEAR 16	YEAR 17	YEAR 18	YEAR 19	YEAR 20	YEAR 21	YEAR 22	YEAR 23	YEAR 24	YEAR 25	YEAR 26	YEAR 27	YEAR 28	YEAR 29	YEAR 30	ALL YEARS		
													2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	TOTAL												
1	Warrumbarral Art Gallery	Demolition	Demolition	One-Off Costs	2027	-	\$ 432,495	\$ 241,274	\$ 673,769	1.00	\$ 673,769		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	Warrumbarral Art Gallery	Heritage Works	Heritage Works	One-Off Costs	2027		\$ 1,245,000	\$ 694,542	\$ 1,939,542	1.00	\$ 1,939,542		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	Warrumbarral Art Gallery	Site Works	Site Works	One-Off Costs	2027	-	\$ 187,180	\$ 104,421	\$ 291,601	1.00	\$ 291,601		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4	Warrumbarral Art Gallery	Basement	Bulk Excavation & Access Ramps	One-Off Costs	2027	-	\$ 246,400	\$ 136,342	\$ 382,742	1.00	\$ 382,742		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5	Warrumbarral Art Gallery	Basement	Structure		2027	-	\$ 1,275,715	\$ 711,637	\$ 1,987,392	1.00	\$ 1,987,392	\$ 1,987,392	\$ -	\$ 3,408	\$ 3,589	\$ 3,830	\$ 3,053	\$ 35,689	\$ 12,341	\$ 18,291	\$ 13,921	\$ 23,262	\$ 24,738	\$ 24,340	\$ 8,749	\$ 56,330	\$ 24,998	\$ 61,204	\$ 7,119	\$ 59,131	\$ 11,313	\$ 31,653	\$ 49,350	\$ 214,456	\$ 101,139	\$ 29,070	\$ 8,912	\$ 61,204	\$ 7,119	\$ 59,131	\$ 11,313	\$ 31,653	\$ 596,218		
6	Warrumbarral Art Gallery	Structure	Structure		2027	-	\$ 6,002,000	\$ 3,348,306	\$ 9,350,306	1.00	\$ 9,350,306	\$ 9,350,306	\$ -	\$ 56,056	\$ 56,885	\$ 180,019	\$ 14,270	\$ 567,908	\$ 58,061	\$ 86,057	\$ 65,498	\$ 209,396	\$ 116,387	\$ 114,517	\$ 42,161	\$ 76,829	\$ 117,662	\$ 287,955	\$ 33,493	\$ 90,008	\$ 53,227	\$ 548,829	\$ 232,180	\$ 200,852	\$ 47,701	\$ 136,771	\$ 42,951	\$ 287,955	\$ 33,493	\$ 90,008	\$ 53,227	\$ 548,829	\$ 2,805,094		
7	Warrumbarral Art Gallery	Amenities	Amenities		2027	-	\$ 129,000	\$ 71,965	\$ 200,965	1.00	\$ 200,965	\$ 200,965	\$ -	\$ 345	\$ 363	\$ 387	\$ 307	\$ 3,609	\$ 1,248	\$ 1,830	\$ 1,408	\$ 2,351	\$ 2,501	\$ 2,461	\$ 885	\$ 1,651	\$ 2,528	\$ 6,189	\$ 720	\$ 1,935	\$ 1,144	\$ 3,199	\$ 4,990	\$ 2,168	\$ 1,025	\$ 2,940	\$ 901	\$ 6,189	\$ 720	\$ 1,935	\$ 1,144	\$ 3,199	\$ 602,89		
8	Warrumbarral Art Gallery	Bar, Senery, Food & Beverage Retail (Food Degr)	Bar, Senery, Food & Beverage Retail		2027	-	\$ 237,000	\$ 132,493	\$ 369,993	1.00	\$ 369,993	\$ 369,993	\$ -	\$ 635	\$ 668	\$ 713	\$ 565	\$ 6,644	\$ 2,297	\$ 3,405	\$ 2,192	\$ 4,329	\$ 4,605	\$ 4,331	\$ 1,629	\$ 3,040	\$ 4,654	\$ 11,194	\$ 1,325	\$ 3,562	\$ 2,106	\$ 5,889	\$ 9,187	\$ 3,991	\$ 1,888	\$ 5,412	\$ 1,619	\$ 11,194	\$ 1,325	\$ 3,562	\$ 2,106	\$ 5,889	\$ 110,998		
9	Warrumbarral Art Gallery	Basement	Basement Finist		2027	-	\$ 900,000	\$ 502,079	\$ 1,402,079	1.00	\$ 1,402,079	\$ 1,402,079	\$ -	\$ 2,405	\$ 2,132	\$ 2,702	\$ 2,140	\$ 25,178	\$ 8,706	\$ 12,904	\$ 9,821	\$ 16,404	\$ 17,452	\$ 17,372	\$ 6,172	\$ 11,520	\$ 17,656	\$ 43,179	\$ 5,022	\$ 13,497	\$ 7,981	\$ 22,317	\$ 54,815	\$ 15,123	\$ 7,153	\$ 20,009	\$ 4,287	\$ 43,179	\$ 5,022	\$ 13,497	\$ 7,981	\$ 22,317	\$ 420,624		
10	Warrumbarral Art Gallery	BOH & Storage	BOH & Storage		2027	-	\$ 272,000	\$ 151,739	\$ 423,739	1.00	\$ 423,739	\$ 423,739	\$ -	\$ 727	\$ 765	\$ 817	\$ 647	\$ 7,609	\$ 2,631	\$ 3,900	\$ 2,968	\$ 4,958	\$ 5,274	\$ 5,190	\$ 1,865	\$ 3,482	\$ 5,330	\$ 13,050	\$ 3,518	\$ 4,079	\$ 2,412	\$ 4,745	\$ 10,522	\$ 4,370	\$ 2,162	\$ 4,198	\$ 3,900	\$ 13,050	\$ 3,518	\$ 4,079	\$ 2,412	\$ 4,745	\$ 127,232		
11	Warrumbarral Art Gallery	Circulation	Circulation		2027	-	\$ 1,703,800	\$ 1,211,013	\$ 3,381,813	1.00	\$ 3,381,813	\$ 3,381,813	\$ -	\$ 5,800	\$ 6,107	\$ 6,517	\$ 5,161	\$ 60,729	\$ 20,999	\$ 35,125	\$ 23,689	\$ 39,566	\$ 42,095	\$ 45,418	\$ 54,887	\$ 27,787	\$ 42,538	\$ 104,147	\$ 12,214	\$ 32,554	\$ 19,521	\$ 53,828	\$ 83,975	\$ 56,476	\$ 17,252	\$ 49,467	\$ 15,165	\$ 104,147	\$ 12,214	\$ 32,554	\$ 19,521	\$ 53,828	\$ 1,014,545		
12	Warrumbarral Art Gallery	Front of House Spaces	Front of House Spaces		2027	-	\$ 135,400	\$ 86,692	\$ 242,892	1.00	\$ 242,892	\$ 242,892	\$ -	\$ 415	\$ 437	\$ 467	\$ 369	\$ 4,347	\$ 1,503	\$ 2,228	\$ 1,696	\$ 2,832	\$ 3,013	\$ 2,963	\$ 1,086	\$ 1,989	\$ 3,045	\$ 7,456	\$ 867	\$ 2,330	\$ 1,378	\$ 5,833	\$ 6,011	\$ 2,611	\$ 1,275	\$ 3,141	\$ 1,086	\$ 7,456	\$ 867	\$ 2,330	\$ 1,378	\$ 5,833	\$ 7,628		
13	Warrumbarral Art Gallery	Foyer	Foyer		2027	-	\$ 370,000	\$ 317,885	\$ 887,885	1.00	\$ 887,885	\$ 887,885	\$ -	\$ 1,523	\$ 1,604	\$ 1,711	\$ 1,355	\$ 15,946	\$ 5,314	\$ 8,173	\$ 6,230	\$ 10,519	\$ 11,053	\$ 10,875	\$ 3,909	\$ 7,296	\$ 11,169	\$ 27,347	\$ 3,181	\$ 6,348	\$ 5,055	\$ 8,4134	\$ 22,050	\$ 9,378	\$ 4,330	\$ 12,089	\$ 3,982	\$ 27,347	\$ 3,181	\$ 6,348	\$ 5,055	\$ 8,4134	\$ 246,395		
14	Warrumbarral Art Gallery	Function	Function		2027	-	\$ 540,000	\$ 301,247	\$ 841,247	1.00	\$ 841,247	\$ 841,247	\$ -	\$ 1,443	\$ 1,519	\$ 1,621	\$ 1,284	\$ 15,107	\$ 5,234	\$ 7,743	\$ 5,935	\$ 9,842	\$ 10,471	\$ 10,303	\$ 3,703	\$ 6,912	\$ 10,582	\$ 25,907	\$ 3,013	\$ 6,098	\$ 4,789	\$ 13,390	\$ 20,689	\$ 9,074	\$ 4,792	\$ 12,205	\$ 3,772	\$ 25,907	\$ 3,013	\$ 6,098	\$ 4,789	\$ 13,390	\$ 212,374		
15	Warrumbarral Art Gallery	Gallery Spaces	Family Learning, Makers Space, Permanent Collection, Project Space, Temporary Collection		2027	-	\$ 1,412,000	\$ 1,039,165	\$ 4,431,165	1.00	\$ 4,431,165	\$ 4,431,165	\$ -	\$ 14,460	\$ 15,225	\$ 16,247	\$ 12,867	\$ 151,403	\$ 52,354	\$ 77,598	\$ 59,059	\$ 98,642	\$ 104,946	\$ 103,260	\$ 37,215	\$ 69,276	\$ 106,051	\$ 259,649	\$ 30,201	\$ 81,161	\$ 47,995	\$ 134,199	\$ 200,317	\$ 90,938	\$ 43,012	\$ 123,526	\$ 37,809	\$ 259,649	\$ 30,201	\$ 81,161	\$ 47,995	\$ 134,199	\$ 2,529,352		
16	Warrumbarral Art Gallery	Gallery Spaces	Vista		2027	-	\$ -	\$ -	\$ -	1.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
17	Warrumbarral Art Gallery	Gallery Spaces	Maat Nations		2027	-	\$ 1,760,000	\$ 985,842	\$ 2,745,842	1.00	\$ 2,745,842	\$ 2,745,842	\$ -	\$ 4,702	\$ 4,891	\$ 5,284	\$ 4,184	\$ 49,337	\$ 17,026	\$ 25,375	\$ 19,326	\$ 32,079	\$ 34,129	\$ 33,580	\$ 12,070	\$ 23,529	\$ 34,468	\$ 84,439	\$ 9,831	\$ 36,394	\$ 15,608	\$ 43,642	\$ 68,084	\$ 29,573	\$ 13,088	\$ 48,036	\$ 12,796	\$ 84,439	\$ 9,831	\$ 36,394	\$ 15,608	\$ 43,642	\$ 823,593		
18	Warrumbarral Art Gallery	Gallery Spaces	Maat Interpretive Storage, BOH		2027	-	\$ 1,012,000	\$ 546,559	\$ 1,576,559	1.00	\$ 1,576,559	\$ 1,576,559	\$ -	\$ 2,704	\$ 2,847	\$ 3,038	\$ 2,406	\$ 28,111	\$ 9,790	\$ 14,110	\$ 10,844	\$ 18,445	\$ 19,624	\$ 19,309	\$ 6,940	\$ 12,954	\$ 19,831	\$ 48,132	\$ 5,647	\$ 15,176	\$ 8,075	\$ 21,094	\$ 39,148	\$ 17,005	\$ 8,043	\$ 21,061	\$ 7,070	\$ 48,132	\$ 5,647	\$ 15,176	\$ 8,075	\$ 21,094	\$ 472,948		
19	Warrumbarral Art Gallery	Observation Area	Observation Area		2027	-	\$ 50,000	\$ 27,893	\$ 77,893	1.00	\$ 77,893	\$ 77,893	\$ -	\$ 134	\$ 141	\$ 150	\$ 119	\$ 1,399	\$ 484	\$ 717	\$ 546	\$ 911	\$ 970	\$ 954	\$ 343	\$ 640	\$ 980	\$ 2,399	\$ 279	\$ 750	\$ 443	\$ 1,240	\$ 1,934	\$ 840	\$ 387	\$ 1,239	\$ 349	\$ 2,399	\$ 279	\$ 750	\$ 443	\$ 1,240	\$ 23,548		
20	Warrumbarral Art Gallery	Seminar	Seminar		2027	-	\$ 486,000	\$ 271,122	\$ 757,122	1.00	\$ 757,122	\$ 757,122	\$ -	\$ 1,298	\$ 1,367	\$ 1,459	\$ 1,155	\$ 13,596	\$ 4,701	\$ 6,968	\$ 5,304	\$ 8,858	\$ 9,434	\$ 9,273	\$ 3,333	\$ 6,231	\$ 9,533	\$ 23,517	\$ 2,712	\$ 7,288	\$ 4,310	\$ 12,051	\$ 18,800	\$ 8,166	\$ 3,862	\$ 11,075	\$ 3,395	\$ 23,517	\$ 2,712	\$ 7,288	\$ 4,310	\$ 12,051	\$ 227,137		
21	Warrumbarral Art Gallery	Staff Area & Staff BOH	Staff Area & Staff BOH		2027	-	\$ 1,197,000	\$ 666,099	\$ 1,865,099	1.00	\$ 1,865,099	\$ 1,865,099	\$ -	\$ 1,200	\$ 1,369	\$ 1,595	\$ 2,847	\$ 33,503	\$ 13,585	\$ 17,171	\$ 13,069	\$ 21,828	\$ 23,223	\$ 22,850	\$ 8,213	\$ 15,330	\$ 23,468	\$ 57,457	\$ 6,683	\$ 17,960	\$ 10,621	\$ 29,096	\$ 46,128	\$ 20,123	\$ 9,518	\$ 27,290	\$ 8,367	\$ 57,457	\$ 6,683	\$ 17,960	\$ 10,621	\$ 29,096	\$ 597,710		
22	Warrumbarral Art Gallery	Stairs & Core	Stairs & Core		2027	-	\$ -	\$ -	\$ -	1.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
23	Warrumbarral Art Gallery	Visible Collection Storage	Visible Collection Storage		2027	-	\$ 390,000	\$ 217,567	\$ 607,567	1.00	\$ 607,567	\$ 607,567	\$ -	\$ 1,042	\$ 1,097	\$ 1,171	\$ 927	\$ 10,910	\$ 3,773	\$ 5,192	\$ 4,256	\$ 7,108	\$ 7,563	\$ 7,441	\$ 2,675	\$ 4,992	\$ 7,642	\$ 18,711	\$ 2,176	\$ 5,849	\$ 3,439	\$ 9,671	\$ 15,087	\$ 4,533	\$ 3,100	\$ 8,887	\$ 2,725	\$ 18,711	\$ 2,176	\$ 5,849	\$ 3,439	\$ 9,671	\$ 182,270		
24	Warrumbarral Art Gallery	Undercroft	Undercroft		2027	-	\$ 219,000	\$ 122,507	\$ 342,507	1.00	\$ 342,507	\$ 342,507	\$ -	\$ 587	\$ 618	\$ 659	\$ 522	\$ 6,143	\$ 2,124	\$ 3,149	\$ 2,396	\$ 4,003	\$ 4,258	\$ 4,190	\$ 1,506	\$ 2,811	\$ 4,303	\$ 10,536	\$ 1,225	\$ 3,293	\$ 1,947	\$ 5,445	\$ 8,495	\$ 3,690	\$ 1,745	\$ 5,004	\$ 1,534	\$ 10,536	\$ 1,225	\$ 3,293	\$ 1,947	\$ 5,445	\$ 102,632		



Warnambool Art Gallery

#### Disclaimer / Notes

All costs are shown in current day dollars excl GST - zero escalation applied post completion of the project

This lifecycle assessment has been calculated by applying benchmark lifecycle percentages of replacement to the Initial Capital Costs for Building Assets

Cyclical asset replacements are planned in line with industry published guides on asset design lifespans

The Capital Costs and the Year of Completion for each item has been obtained from WT's Estimate WAG Budget Estimate No.3 November 2023

Project On-Costs have been added to the direct costs from WT's Estimate WAG Budget Estimate No.3 November 2023 on a pro-rata basis. Risk c

Infrastructure Asset Lifecycle Profile	0.00%	0.02%	0.03%	0.03%	0.03%	0.18%	0.06%	0.09%	0.07%	0.13%	0.13%	0.13%	0.04%	0.08%	0.15%	0.31%	0.04%	0.10%	0.06%	0.16%	0.25%	0.11%	0.05%	0.15%	0.04%	0.11%	0.04%	0.10%	0.06%	0.16%	1.00%
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Lifecycle Profile	0.00%	0.17%	0.18%	0.19%	0.15%	1.80%	0.62%	0.92%	0.70%	1.17%	1.24%	1.22%	0.44%	0.82%	1.16%	1.08%	0.56%	0.96%	0.57%	1.59%	2.48%	1.08%	0.51%	1.46%	0.45%	1.08%	0.56%	0.96%	0.57%	1.59%	50.00%
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\$0	\$65,202	\$68,054	\$75,264	\$58,025	\$682,720	\$236,078	\$549,912	\$266,517	\$854,275	\$475,252	\$465,629	\$167,362	\$512,388	\$889,604	\$1,170,835	\$136,185	\$565,977	\$236,425	\$1,076,585	\$944,053	\$410,068	\$195,954	\$556,225	\$170,491	\$1,170,835	\$136,185	\$565,977	\$236,425	\$1,016,534	<b>\$15,089,094</b>
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[illegible]



### Disclaimer / Notes

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Project On-Costs have been added to the direct costs from WT's Estimate WAG Budget Estimate No.3 November 2023 on a pro-rata basis. Risk c

24.93%

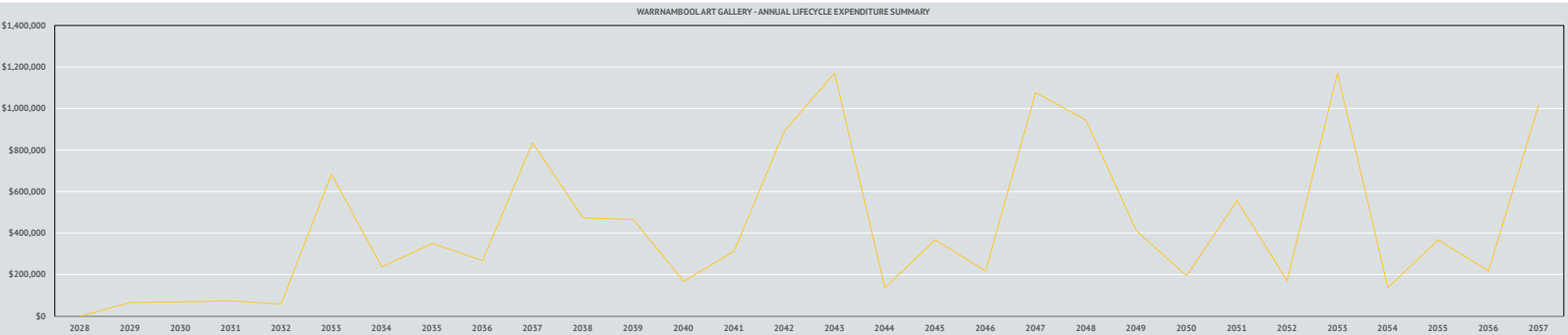
[illegible]



Warrnambool Art Gallery

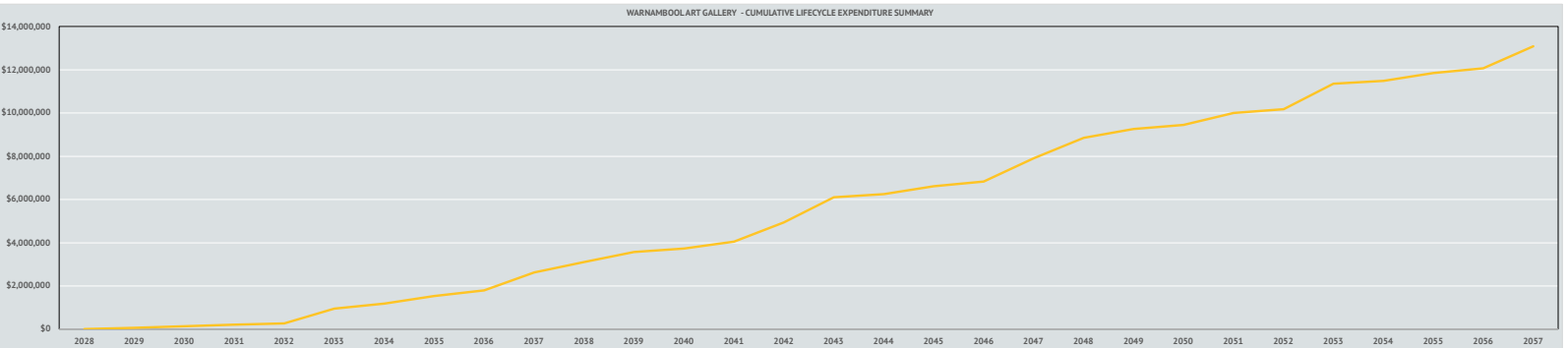
ANNUAL LIFECYCLE PROFILE (NON-ESCLATED)

	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	All
ANNUAL EXPENDITURE	\$0	\$65,202	\$68,654	\$71,364	\$78,021	\$682,720	\$736,078	\$349,912	\$266,317	\$854,271	\$473,732	\$465,629	\$167,362	\$112,388	\$889,604	\$1,170,833	\$136,181	\$365,977	\$216,421	\$1,076,383	\$944,053	\$410,068	\$191,954	\$156,115	\$170,491	\$1,170,831	\$136,181	\$365,977	\$216,421	\$1,016,534	\$13,889,994



CUMULATIVE LIFECYCLE PROFILE (NON-ESCLATED)

	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057
CUMULATIVE EXPENDITURE	\$0	\$65,202	\$133,856	\$207,220	\$285,141	\$947,863	\$1,683,940	\$1,533,853	\$1,800,170	\$2,634,441	\$3,107,173	\$3,573,304	\$3,740,666	\$4,053,054	\$4,942,658	\$6,113,491	\$6,249,671	\$6,615,651	\$6,832,072	\$7,908,456	\$8,852,513	\$9,262,581	\$9,454,535	\$10,012,650	\$10,183,141	\$11,353,971	\$11,490,152	\$11,856,133	\$12,072,560	\$13,889,994





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