
Project title: NZ Portrait Gallery/NZ Centre for Photography Gallery @ Shed 11 on Wellington Waterfront
Strategy area: Cultural Wellbeing

1. The Proposal

New Zealand Portrait Gallery Incorporated (NZPG) and the New Zealand Centre for Photography Incorporated (NZCP) have formed a joint venture to utilise Shed 11 on Wellington's waterfront as a permanent gallery and exhibition space to enable them to present their programmes.

The proposal is for the funding of the proposed gallery to be a three way partnership between central government, local government and the corporate sector. It is proposed that operational costs be shared by central government and local government and that capital costs be raised from the corporate sector. Dr Roderick Deane has agreed to head up the joint committee that will raise funds for the project. Dr Deane has received an undertaking from the Prime Minister to include an application for central government funding in the current budget round.

Wellington Waterfront Limited have agreed, subject to certain conditions, to lease Shed 11 free of rental, for an initial term of three years from 1 September 2006. This contribution is valued at \$100,000pa.

Officers have been advised since the original publishing of this paper that the annual grant figure sought from Wellington City Council has been amended. Officers understand that the joint venture seeks an annual grant from the Wellington City Council of \$75,000 in year 1 and \$87,500 thereafter, as a contribution towards the net operating costs. Officers are currently working with the NZPG and NZCP to finalise these figures (Note that the financial tables have not been amended).

The proposal envisages this contribution will be matched by central government via a Ministry of Culture & Heritage grant.

2. Strategic Fit

The proposal aligns with the Cultural Wellbeing Strategy and with the "Strengthen partnerships with arts organisations and festivals" Strategic Priority.

The proposed funding supports the gallery as a visitor attraction at a relatively modest subsidy per visitor figure of \$3.20 excluding the rental subsidy and \$5.05 including the rental subsidy (this compares with the \$8.85 subsidy per visitor for the Wellington Museums Trust and \$14.26 for Wellington Zoo).

3. Relationship to Existing Activities

Wellington City Council currently provides funding to the Museum of New Zealand (Te Papa) and to the Wellington Museums Trust which includes the City and Sea Museum and the City Gallery. Management and staff of both organisations have been enthusiastic in providing support for developing this proposal and for developing the exhibition programs of both NZPG and NZCP. They see the activities of the proposed gallery being complimentary to their activities rather than in competition.

The proposed gallery lies physically within the “cultural precinct” bounded by Te Papa, Civic Square and Queens Wharf.

4. Proposal Costs

<i>Outline project costs per year</i>										
Project Component	Operating expenses \$000									
	04/05	05/06	06/07	07/08	08/09	09/10	10/11	11/12	12/13	13/14
<i>NZPG/NZCP Gallery operating subsidy</i>	-	-	75	87.5	87.5	87.5	87.5	87.5	87.5	87.5
<i>Total</i>	-	-	\$75	\$87.5	\$87.5	\$87.5	\$87.5	\$87.5	\$87.5	\$87.5

Project Component	Capital expenses \$000									
	04/05	05/06	06/07	07/08	08/09	09/10	10/11	11/12	12/13	13/14
<i>NIL</i>	-	-	-	-	-	-	-	-	-	-
<i>Total</i>	-	-	-	-	-	-	-	-	-	-

Refer attached appendix for details of financial projections.

5. Project Outline

NZPG has been in existence since 1990 and NZCP since 1985. Both organisations have staged numerous exhibitions in that time in a variety of temporary homes. They had previously shared a gallery venue at No 3 The Terrace until the space was required by Parliament in 2004. Both organisations are currently without a permanent venue to display their exhibition programmes and this proposal seeks to address that.

NZPG and NZCP believe the activities of both organisations are complimentary and see some real benefits in working together to share costs and to raise funds.

In order to exhibit and store photographs and art works, a climate controlled facility is required. The joint venture has commissioned Athfield Architects and Sinclair Knight Merz Engineers to develop plans to fit out Shed 11 to comply with these requirements. They have also been asked to provide space for retail activity and a café and to make the entrance way more welcoming to visitors. The concept plans have been completed and costed. The total capital cost is estimated to be \$3 million and the joint venture is confident of raising these funds from sponsorships and donations from the corporate sector.

The operating costs contained in the financial projections are net of projected income from retail sales, entrance fee charges and café net profits. The joint venture has received strong expressions of interest from a well known bookshop and a commercial gallery, to stock and manage retail outlets in the gallery.

Visitor numbers are forecast at 54,000 per year. This forecast is calculated as 170 visitors per day and 320 exhibition days per annum. It is based on NZGP's and NZCP's experience in mounting exhibitions, particularly the three photographic exhibitions that were a joint undertaking by NZCP and the Wellington Museums Trust in Shed 11 in 2004. World Press Photography exhibitions at the same venue in 2002 and 2003 significantly exceeded 170 visitors per day.

The activities that it is intended that the joint venture will manage from the site include:

- Exhibitions:
- Touring exhibitions:
- Competitions:
- Schools liaison program and related services
- TVNZ film archive program
- Creative process program (possibly managed by Gaelene Preston).

The capital expenditure fitout programme is scheduled to be staged over four years in line with the planned fundraising programme and to allow exhibitions to be staged during that time. The deliverables in the first three years therefore will be somewhat truncated compared to the deliverables that will be able to be achieved once the fitout programme is completed. The planned exhibitions for years 1-3 are:

Year 1

Adam Portrait Competition & Exhibition

Faces of the Pacific in conjunction with the School of Fine Arts, University of NSW

Citizen of the World in conjunction with the National Portrait Gallery in London

Passing People: John Badcock

Double Exposure

Streets of Wellington: Andrew Ross

RIP IT UP: Murray Cammick

Year 2

Adam Portrait Competition & Exhibition

The Makers of Modern New Zealand

Writers for Children

Portraits by Bill Sutton & Toss Woollaston

Rhonda Bosworth

Lisa Reihana/Fiona Pardington

No borders, no boundaries: Antione d'Agata, Peter Bialobrzski, Harvey Bengé, Esther Levine

Year 3

Adam Portrait Competition & Exhibition

Phillips & the Economists

The Face of New Zealand Wine

+ Primi Inter Pares: Prime Ministers of New Zealand

The Maori Land Court & the Waitangi Tribunal

The Edges of the World: Thomas Joshua Cooper

Laurence Aberhart & Edouard Baldus

Photographs, drawings, collages: 100th anniversary exhibition: Frederick Sommer

The National Library, the National Archive and the Turnbull Library are all supportive of this proposal as they see it as a highly visible “shop front” for exhibiting their collections. These organisations have signed agreements with the joint venture which sets out how this would happen operationally.

6. Conclusion

This proposal potentially brings a number of benefits to Wellington City including:

- An additional attraction that will be part of the waterfront development, enhancing visitor numbers and the visitor experience:
- A valuable capital asset (approximately \$3 million) at relatively modest cost to the Council plus financial projections show Wellington Waterfront Limited receiving a market rent from Year 4:
- Providing a permanent home to two national cultural organisations further cementing Wellington’s position as the arts and cultural capital of New Zealand.

The proposal is supported by a significant number of influential people in the arts, political and business communities. Officers are of the view that the joint venture has completed an appropriate level of research for a project of this size and that the assumptions underpinning the visitor number and financial projections are reasonable.

It is recommended that this project be approved subject to:

- Approval of central government funding matching the Wellington City Council contribution (including the rental subsidy):
- The joint venture being successful in funding the required capital expenditure from the corporate sector.