

Project title: Investigate Art Gallery project
Strategy area: Cultural Wellbeing

1. The Proposal

To establish exhibition space to display works from the Wellington City Council Art collection and to develop capacity to accept quality gifts of art in the future. It is proposed that the Hancock bequest of \$1.5m will assist to fund the project, either by way of capital redevelopment or through operational funding generated by interest on the capital endowment.

Various gallery sites were investigated by Council officers and options were presented to Councillors in December 2005. Councillors expressed a preference for space to be provided in the City Gallery, and indicated that further work was to proceed on the proposed conversion of the city cinema. They also noted that they were interested in the development of a proposal as close to cost-neutral to Council as possible.¹

Option One: City Cinema Conversion (without a replacement)

The area proposed for conversion into a new gallery space in the City Gallery is currently occupied by a fully furnished and equipped cinema/lecture theatre, which seats 135 people. This option sees this newly converted space being used to display works from the Council's art collection.

This converted space would enlarge and open-up the downstairs foyer of the City Gallery, and would provide opportunities for the City Gallery to increase its functions capacity which would generate extra revenue.

However, the City Cinema is an essential facility for the City Gallery. If this resource was removed, an alternative facility would need to be made available. A number of alternative cinema options were subsequently investigated. No suitable alternatives have been identified at this stage.

Option Two: Programme collection display in Existing Gallery

This proposal involves renaming an exhibition space in the City Gallery, the 'Hancock Gallery', as acknowledgement of the Hancock bequest. This acknowledgement would include information about the bequest, and how the collection is being developed with interest generated from investment of the capital endowment.

The City Gallery would provide at least two exhibitions per year from the city's art collection (and/or possibly from other private collections) in the Hancock Gallery.

¹ Annual Plan Priorities Workshop, Monday 12 December 2005.

Option Three: City Cinema Relocation

This option involves converting the city cinema into a new gallery space as per Option One above, but in addition a new Cinema would be built at the City Gallery. This means that the City Gallery would retain the important cinema facility and the city would gain a new gallery space.

2. Strategic Fit

The establishment of space to exhibit and grow the city's art collection will address the following priorities:

- *Enrich Wellington's sense of place.* It will provide a focal point for the display of works from a collection of regional significance that reflects Wellington's heritage, cultural diversity and contemporary arts development.
- *Strengthen partnerships with arts organisations and institutions.* Wellington's arts infrastructure will be enhanced, and Council's contribution to Wellington's arts and cultural landscape strengthened. A permanent gallery space will allow the city to capitalise on opportunities that may arise from offers of significant art collections.
- *Provide opportunities for Council to engage more effectively with the community on the benefits and relevance of a diverse city.* A growing city art collection, on display, provides opportunities to reflect on and celebrate the city's diversity.
- *Enable Council to engage more effectively with grassroots arts community.* New opportunities will be created for emerging artists through the display of works from the city's collection, which focuses on emerging and mid-career artists, in the city's premier art gallery.

3. Relationship to Existing Activities

Council currently funds the city art collection and the Wellington Museums Trust who manage:

- 1) The Museum of City and Sea which operates a collections policy, and is responsible for the care and management of significant images and objects relating to Wellington's social and cultural history.
- 2) The City Gallery Wellington which has a non-collections policy, and presents contemporary art/culture exhibitions of local, national and international importance.

Additionally, during the development of the Collections Policy (2005) Russell Hancock bequeathed approximately \$1.5m to Wellington City. The purpose of the bequest was to house a collection of fine arts, and for such a collection to be accessible to all Wellingtonians. Currently interest from the bequest is used to fund the purchase of art work.

4. Proposal Costs

Proposal One – City Cinema Conversion

| Outline project costs per year | | | | | | | | | | |
|------------------------------------|-----------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Project Component | Operating expenses \$000 | | | | | | | | | |
| | 06/07 | 07/08 | 08/09 | 09/10 | 10/11 | 11/12 | 12/13 | 13/14 | 14/15 | 15/16 |
| CCO Grant ¹ | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 |
| Art Purchases ² | 30 | 40 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 |
| Collection Management ³ | 20 | 30 | 40 | 50 | 50 | 50 | 50 | 50 | 50 | 50 |
| Depreciation ⁴ | 40 | 40 | 40 | 40 | 40 | 40 | 40 | 40 | 40 | 40 |
| Total | 140 | 160 | 180 | 190 | 190 | 190 | 190 | 190 | 190 | 190 |

¹*CCO Grant*: The CCO grant comprises the following:

- *Lost income from Cinema*: The Cinema generates approximately \$15,000 revenue for the City Gallery from corporate and community hire. The City Gallery would require reimbursement for this loss.

- *Exhibition Costs*: Estimated based on two exhibitions per year at a total cost of \$35,000 and include marketing/publicity costs, exhibition opening costs, additional security and catalogue costs.

NOTE: This grant does not include the replacement costs associated with securing an alternative cinema facility for the City Gallery.

²*Art Purchases*: These are currently funded via interest (approximately \$85,000) generated from the Hancock bequest. At this stage, it is anticipated that around \$40,000 - \$50,000 of this will be spent on purchases. If the bequest is used to convert the City Gallery Wellington Cinema, an alternative art acquisitions budget will need to be sourced. This has been estimated at \$50,000.

³*Collection Management*: If exhibition space is created to display works from the city's art collection, the costs associated with securing the services of a curator will need to be included. The \$20,000 figure in the accompanying table is over and above the current costs associated with managing the city's art collections. (The current operating costs associated with managing these collections, is approximately \$40,000.)

Furthermore, if the collection grows exponentially through gifts or bequests, or if high quality works are donated, the following costs have been factored in incrementally over the next 10 years:

- personnel costs of \$55,000 (exhibitions manager)
- occupancy costs associated with the newly created space, including power, cleaning, repairs and maintenance.

⁴ *Depreciation*: this figure represents depreciation of the asset over 20 years.

| Project Component | Capital expenses (funded from the Hancock Bequest) | | | | | | | | | |
|---|--|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| | \$000 | | | | | | | | | |
| | 06/07 | 07/08 | 08/09 | 09/10 | 10/11 | 11/12 | 12/13 | 13/14 | 14/15 | 15/16 |
| Building refit | 804 | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| Flooring | 497 | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| Future Collection Care¹ | tbd | tbd | tbd | tbd | tbd | tbd | tbd | tbd | tbd | Tbd |
| Hancock Bequest | (1301) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Net Capital Cost | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

Net Capital Cost: The Net Capital cost to Council will be zero. Money from the Hancock bequest will cover the costs associated with the cinema conversion.

¹ *Collection Care:* If the creation of requisite gallery space allows the Council to capitalise on opportunities arising from significant offers of art works, and as the collection grows into a substantial body of works enhanced facilities to care for the collection will be required in the medium to long-term.

The costs associated with these facilities could include:

- art specification temperature and humidity control system costs – of up to \$250,000
- storage systems costs – of up to \$200,000.

Proposal Two – Programme collection display in Existing Gallery

| Outline project costs per year | | | | | | | | | | |
|--|--------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Project Component | Operating expenses | | | | | | | | | |
| | \$000 | | | | | | | | | |
| | 06/07 | 07/08 | 08/09 | 09/10 | 10/11 | 11/12 | 12/13 | 13/14 | 14/15 | 15/16 |
| Collection management¹ | 20 | 30 | 40 | 50 | 50 | 50 | 50 | 50 | 50 | 50 |
| Total | 20 | 30 | 40 | 50 | 50 | 50 | 50 | 50 | 50 | 50 |

This proposal allows the Hancock bequest to remain intact, and the interest earned on investment of the capital endowment used to fund art acquisitions (approximately \$50,000) and exhibition costs (approximately \$35,000).

³Collection Management – As above.

| Project Component | Capital Expenses | | | | | | | | | |
|--|------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| | | | | | | | | | | |
| | 06/07 | 07/08 | 08/09 | 09/10 | 10/11 | 11/12 | 12/13 | 13/14 | 14/15 | 15/16 |
| CCO Grant - Collection Care ¹ | tbd | tbd | tbd | tbd | tbd | tbd | tbd | tbd | tbd | tbd |

¹ Collection Care - As above, this will need to be determined over the medium to longer term.

Proposal Three – City Cinema Relocation

The Operating Costs for this option are similar to Option One above, with some additional revenue expected from the increased functions capacity.

| Project Component | Capital expenses (funded from the Hancock Bequest) | | | | | | | | | |
|--|--|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| | \$000 | | | | | | | | | |
| | 06/07 | 07/08 | 08/09 | 09/10 | 10/11 | 11/12 | 12/13 | 13/14 | 14/15 | 15/16 |
| New gallery space and cinema addition ¹ | 2800 | | | | | | | | | |
| CCO Grant - Collection Care ² | tbd | tbd | tbd | tbd | tbd | tbd | tbd | tbd | tbd | tbd |
| Less Hancock Bequest | (1478) | | | | | | | | | |
| Net Capital Cost | 1332 | | | | | | | | | |

- ¹ New gallery space and cinema addition – These costs include converting the current cinema into an exhibition space and building a new cinema complex at the City Gallery Wellington site.
- ² Collection Care - As above, this will need to be determined over the medium to longer term.

5. Project Outline

Wellington - branded as the arts and culture capital is the only major city in New Zealand without a major art gallery housing art works drawn from a permanent civic art collection. Historically this is because Wellington is the home to the national art collection at Te Papa.

The city's collections is displayed in a range of Council owned facilities, including Committee meeting rooms, the Mayor's Office, and the Town Hall lobby. The collection contains a mix of historical and contemporary art works of varying quality and value. Following the collection's deaccession, scheduled for completion by June 2006, approximately 175 art works will remain. Consequently, the number of works in the collection to exhibit in a gallery setting will be limited.

However, the newly enacted Wellington City Art Collections Policy (2005) foresees the development of a regionally significant and substantial body of art works. There is a need therefore, to develop the requisite space to display the collection in a meaningful way, for the enjoyment and benefit of residents as well as visitors to the city.

Impacts

The creation of exhibition space to display the city's collection will necessitate a review of the Wellington City Art Collections Policy (2005) In particular, the current purpose of the collection - to furnish Council owned facilities and buildings - will need to be refined, as well as the criteria for acquisitions, commissions, acceptances of gifts, deaccessioning, and display.

Exhibition of the collection will also impact on the management and care of the collection, which will need to be reviewed in tandem with the Collections Policy.

The Council has a number of collections which are cared for by either City Archives or the Museum of City and Sea. The city's art collection is currently cared for by City Archives.

While City Archives environmental facilities and public access standards are very good, City Archives have limited art racks available to store the collection, and advise that these would not be sufficient if any significant proportion of the collection were not hung at one time. Furthermore, City Archives are responsible for holding records (files, correspondence, building plans, contracts, maps, films and videos etc) created and used by Council. Works of art do not necessarily fit within this definition.

In comparison, the Wellington Museums Trust are responsible for the collection of the former Wellington Maritime Museum. This collection has been added to recently with the transfer of the "city owned objects collection" from City Archives. This is a collection of approximately 185 objects. If space is developed in the City Gallery (a Museums Trust Facility) to display works from the Council's art collection, and following on from the recent "city owned objects collection" transfer, it appears prudent that the care of the city's art collection be transferred from City Archives to the Museums Trust.

However, the quality of the Museums Trust collections store facilities are limited and without climate control, and are currently being reviewed

Under the Museums Aotearoa code of ethics, there are issues associated with the care of collections including duties of environmental care, security, documentation, access (display) and a number of other widely-held standards. Often donors insist that these professional standards are met, especially if the works are valuable. Furthermore, the Museums Trust advises that the Audit Office will shortly release an Audit Standard for Collection Management by Local Authorities. These will become part of Council's standard audit process and sanctioned by legislation.

In advance of the Standard's release, a report into the Museums Trust facilities is being prepared which will make recommendations for the future care of collections. This report will be available in April 2006.

6. Conclusion

Wellington City will benefit significantly from the provision of space to display works from the city's art collection, and possibly other private collections of significant interest to visitors.

This will enrich Wellington's sense of place and provide a focal point for the display of works from a collection of regional significance that reflects Wellington's heritage, cultural diversity and contemporary arts development.

A permanent gallery space in the City Gallery Wellington would:

- Improve public accessibility to the City's art collection
- Signal to private collectors who wish to gift works to the city, that the Council is committed to providing appropriate space to display these works for the enjoyment and benefit of residents as well as visitors to the city.
- Enhance the active nature of the collection by allowing the city to capitalise on opportunities that may arise from the offer of significant collections. It will allow the Council to accept art works which currently would not be offered due to the lack of adequate gallery space.
- Facilitate awareness and knowledge of artists and works in the Council's collection in Wellington.
- Enhance Wellington's arts infrastructure, providing an additional attraction to Gallery users as well as visitors to Civic Square.

Comparing the three options, option three will not only allow for the requisite display of works from the city's collection and acknowledgment of the Hancock Bequest, but will enlarge and open-up the downstairs foyer of the City Gallery, provide opportunities for the City Gallery to increase its functions capacity which will generate extra revenue, and send a strong signal about the Council's intentions with regards to its collection.

Option Three is therefore the preferred option if external funding can be sourced to allow relocation of the City Cinema. Council officers are currently exploring alternative funding opportunities.

However, if alternate money can not be secured, option two appears the next best option on the basis of cost-efficiency. It achieves the aims of the proposal to display the City's collection while leaving the Hancock Bequest intact should additional money become available at a later time. Refurbishment of the City Gallery can still be considered at a later stage should the growth in the City's Collection so require.

7. Recommendations

It is recommended that the Council:

1. *Receive the information*
2. *Note the following Options for enabling the display of the City Art Collection in the City Gallery:*

- a) *Use the Hancock Bequest (approximately \$1,478,000) to convert the City Cinema in the City Gallery Wellington, into a permanent exhibition space to display work from the city's art collection, and name this space "The Hancock Gallery".*

OR

- b) i) *Re-name the current North Gallery in the City Gallery Wellington as "The Hancock Gallery", and provide at least two exhibitions of works from the city's art collection in this Gallery; and*
- ii) *Continue to use the interest from the capital endowment of the Hancock Bequest to purchase art works for the city's collection, fund the display of the collection, and include information on how the collection is being developed in "The Hancock Gallery."*

OR

- c) *Convert the City Cinema in the City Gallery Wellington, into an exhibition space to display work from the city's art collection, and name this space "The Hancock Gallery," and build a new cinema facility to be funded by:*
- i) *The Hancock Bequest; and*
- ii) *External funding (to be sourced).*
4. *Agree that if external funding can be secured to relocate the City Cinema, Option 3 is the preferred option as it achieves a range of aims including the display of the city's collection, appropriate recognition of the Hancock Bequest, opens-up the City Gallery Wellington Foyer, and provides the City Gallery Wellington with increased functions capacity.*
5. *Agree that if alternate funding cannot be secured to fund relocation of the City Cinema, Option 2 becomes the preferred option as it is the most cost-effective means of achieving the aims of the proposal to display the City's collection, without ruling out refurbishment of the City Gallery at a later stage.*
6. *Note that the Wellington Museums Trust have commissioned a report on the adequacy of its collections storage facilities. This report will be completed in April 2006 and will provide recommendations for the future care of Collections.*
7. *Note that a review of the Wellington Collections Policy (2005) will be presented to the Strategy and Policy Committee to refine the purpose and management of the collection, as well as the criteria for acquisitions, commissions, decommissions, acceptances of gifts and display.*