

FAQ YOUR QUESTIONS ANSWERED

WHY NOT WAIT UNTIL AFTER THE NEXT COUNCIL ELECTION TO SIGN THIS AGREEMENT?

The NSW Government announced in April 2017 that the extended business case will be completed by the end of 2017. A key input into that business case is the site and associated acquisition costs. Given the timeline and the community's support for the museum to be at the Riverbank, both the Council and the NSW Government took the view that delays in entering the Agreement would be detrimental to arts and culture in Parramatta and Western Sydney more broadly.

WHY WASN'T THE COMMUNITY CONSULTED FIRST?

The community has consistently urged Council to help attract MAAS to Parramatta. The negotiations have been legal and commercial-in-confidence meaning that the details could not be shared with the community.

Council established an Expert Steering Committee of local and expert stakeholders to provide advice during the confidential negotiation process. Deloitte also provided advice to Council and the Expert Steering Committee. The advice of the Expert Steering Committee and Deloitte have now been published on Council's website.

WHAT IF THE NSW GOVERNMENT DOES NOT PROCEED WITH THE NEW MUSEUM?

The Council is entering this Agreement because it is committed to bringing a world class museum to Parramatta.

Under the Heads of Agreement, the NSW Government has committed to the relocation of the Powerhouse Museum or to the establishment of a major new cutting edge science and innovation museum to be operated by the Museum of Applied Arts and Sciences which will be its flagship campus.

If the Museum does not proceed, the Riverbank site will stay in Council's ownership and the Agreement will lapse.

WHAT DOES THIS MEAN FOR THE FUTURE OF THE RIVERSIDE THEATRES?

We know that investment is needed in Riverside Theatres as it is aged, lacks accessibility, has limits to its capacity to attract a full range of productions and requires improved facilities. In 2014, the former Parramatta City Council resolved in-principle to redevelop Riverside and commissioned a planning process to upgrade the theatre but it did not secure funding to proceed with these upgrades.

Under the agreement, \$100 million will be

invested in an enlarged Riverside Theatres to be built on the current site. The new Riverside will be built by an equal joint venture between the Council and the NSW Government.

The leased land will continue to be owned by the Council.

WHY CREATE A RIVERSIDE THEATRES JOINT VENTURE?

As equal partners, the NSW Government will have a strong interest in the success, programming and commissioning of cultural content for this exciting new Riverside Theatres.

Deloitte identified key benefits of a NSW Government and Council joint venture, including: a joint venture requires both parties to work together to ensure the ongoing viability of arts and cultural resources in Parramatta; and the arrangement reduces the risks for Council regarding the delivery of a large new cultural infrastructure project and programming for the new precinct.

IS FURTHER APPROVAL OF THE RIVERSIDE THEATRES JOINT VENTURE REQUIRED?

Yes. The Heads of Agreement is subject to the Council securing approval from the Minister for Local Government to enter a joint venture under section 358 of the *Local Government Act 1993*. The Agreement is also subject to the NSW Treasurer's approval of the NSW Government's business case for the theatre project.

If the Minister does not approve Council entering the joint venture and/or the Treasurer does not approve the State's business case for the theatre project, then the NSW Government will pay the Council the \$100 million in cash which would be invested in Council's community priorities.

WHO ARE THE EXPERT STEERING COMMITTEE?

This Expert Steering Committee was established by Council to provide advice during the negotiations with the NSW Government and on the business case prepared to inform Council's decisions.

The Committee included Dr Robert Lang, Chair of Regional Development Australia Sydney and a former CEO of Parramatta City Council; Chris Tooher, Executive Director Sydney Festival and a member of the Riverside Theatres Advisory Board; Rhonda Hawkins AM, Deputy-Vice Chancellor Western Sydney University and a member of the Riverside Theatres Advisory Board; and John Kirkman, CEO of Information Cultural Exchange.

WHAT DID THE EXPERT STEERING COMMITTEE DO?

To inform their recommendations the Expert Steering Committee had access to the Heads of Agreement and other key confidential documents and briefings.

In summary, the Committee recommended that Council enter this agreement as it leverages the commercial value of Council's Riverbank site to deliver an exciting new cultural precinct along the Parramatta River which will benefit locals, residents from across Sydney and tourists alike and vibrantly engage people of all ages in culture across a range of art forms.

The full recommendations of the Committee are available on Council's website.

WHAT ADVICE DID DELOITTE PROVIDE?

Deloitte provided advice to Council on the economic costs and benefits of the agreement.

In summary, Deloitte concludes that the Agreement represents a reasonable arrangement to develop a new cultural precinct. Deloitte finds that the Agreement transforms the commercial value of Council's Riverbank site into significant cultural and economic benefits for the community. Deloitte's modelling found that the new cultural precinct will grow the local economy by between \$106 million and \$422 million (NPV) and create between 150 and 600 new full-time equivalent local jobs. The Report highlights key strategic advantages for Council in the delivery of these projects via a joint venture. Deloitte also identifies that the objectives of the Heads of Agreement are consistent with the adopted policies of the City of Parramatta and the former Parramatta City councils.

Deloitte's report is available on Council's website.

CAN I STILL PARK AT THE OLD DAVID JONES CAR PARK?

Yes. The Agreement ensures that this car park will stay operational until the NSW Government is ready to develop the land for the new Museum.

WHEN WILL THE NEW MUSEUM BE COMING?

It is anticipated that the museum will be operational in 2022.

WHEN WILL RIVERSIDE BE UPGRADED?

A target date will be set once the business case has been approved and the design endorsed by the joint venture.



MUSEUM & CULTURAL PRECINCT FOR PARRAMATTA

6 KEY FACTS ABOUT THE NEW MUSEUM AND CULTURAL PRECINCT ON THE PARRAMATTA RIVER

City of Parramatta Council and the NSW Government have signed a Heads of Agreement (or contract) for Council's Riverbank site and to create a new cultural precinct on the Parramatta River. The precinct will include the Museum of Applied Arts and Sciences (MAAS), an enlarged and enhanced Riverside Theatres and a new pedestrian bridge across the River. All of which will be underpinned by \$40 million to deliver Council's 2017-2021 Cultural Plan.



CITY OF PARRAMATTA

Visit cityofparramatta.nsw.gov.au for more information.

1 The NSW Government will build a new Museum of Applied Arts and Sciences in Parramatta

Under the Agreement, the NSW Government will build a new world class, flagship Museum of Applied Arts and Sciences (Powerhouse) by the Parramatta River. The new Museum will be built on Riverbank, a site otherwise known to locals as the old David Jones carpark site and is anticipated to open in 2022.



4 The cultural precinct will be a big stimulus for our local economy and jobs

Deloitte's modelling² shows that by 2028 the new cultural precinct will grow the local economy by between \$106 million and \$422 million (NPV). Employment is also expected to increase strongly both in the construction and operational phases of the new precinct. Once the museum is operational, local jobs are expected to increase by between 150 and 600 new full-time equivalent jobs.

5 Riverside Theatres legacy will be protected

While Riverside is much loved, a number of studies have shown that the theatre is aged, lacks accessibility, has limits to its capacity to attract a full range of productions and requires improved facilities.

Through the Heads of Agreement, Council has set out a number of requirements that will ensure Riverside's legacy continues including that:

- The theatre must build on the valued brand of the existing Riverside Theatres
- It must seek to maintain its connection with current audiences and continue to provide opportunity for educational and cultural industry development
- It must be of architectural distinction, design excellence and twenty-first century functionality
- It must meet future demand for high quality diverse local, Australian and global performance
- It must meet certain operational financial performance conditions.

Further, Council will retain ownership of the Riverside Theatres land.

2 \$100 million will be invested to enlarge and enhance the Riverside Theatres

Council has used the Agreement to leverage proceeds of its land sale to fund the construction of an enlarged and upgraded Riverside Theatres on the current theatre site.

3 Great cultural, education and other community benefits for locals and visitors

Council's consultation to develop the Cultural Plan showed that attracting the Museum of Applied Arts and Sciences and growing Riverside Theatres are the communities' two key cultural priorities.

A world class museum in Parramatta will be an important new focus for cultural and education development. Together, the Museum and the enhanced and enlarged Riverside Theatres will be first class educational resources for students as well as vibrant forums for local cultural industry development. The cultural precinct is predicted to be both a local and an international tourist destination with the potential to draw up to 1 million visitors a year!¹

6 Ratepayers will benefit as well

The Riverbank site is being sold for \$140 million, which is in line with Council's commercial valuations of the land. Council acquired the site for around \$40 million of cash and through a negotiated

agreement with a developer. In the Heads of Agreement, Council has agreed that \$100 million of the proceeds will be invested in the enhanced Riverside Theatres. Council has agreed it will invest the remaining cash of \$40 million to implement the Cultural Plan over the next 20 years.

¹Hill PDA 2017, MAAS Museum Relocation Study

²Deloitte 2017, Review of the proposed arrangement between City of Parramatta Council and the NSW Government to establish an arts and cultural precinct.

