

Management Report to Council

Agenda item 6.6

Creative Spaces – Carlton Connect Initiative

29 July 2014

Presenter: Jane Crawley, Manager Arts and Culture

Purpose and background

1. To seek Council approval to enter a commercial lease with the University of Melbourne for Carlton Connect, Studio G02, A.J. Cunningham Wing, 114-152 Grattan St Carlton, for the purposes of establishing an art studio and office to conduct research, development and presentation of creative projects.
2. The Creative Spaces program currently manages 84 studios at Boyd School, Boyd Temporary and River Studios; proactively sources and establishes creative spaces; provides advice to artists, arts organisations and building owners; and manages the national Creative Spaces website.
3. The Carlton Connect Initiative (CCI) is a new development on the former Royal Women's Hospital site on the corner of Grattan and Swanston Streets Carlton. CCI will bring together experts from a number of University of Melbourne faculties along with key external agencies all with a focus on addressing sustainability and social resilience challenges and designing new ideas and technologies to help secure Australia's prosperity.
4. Creative Spaces has been invited to establish a studio in the CCI facility to position artists in the midst of these experts and to bring a creative perspective to the issues being addressed. An overview of the project is contained in Attachment 2.

Key issues

5. The term of the proposed lease is an initial five years with an option to extend for a further three years.
6. The annual gross rent is \$15,360 to be increased by four per cent per annum during the term. Management of this studio is able to be absorbed into the existing management responsibilities of the program and no additional management or financial resources are required.
7. It is proposed that in the first year of its operation, the studio is operated as an Artist-in-Residency whereby applications are sought from artists whose practice addresses one or more challenges identified by CCI. The successful artists will pay no rent but will be obliged to undertake their research in the studio with a public outcome at their own cost. In line with the 2014–17 Arts Strategy, the residency will be managed and funded as part of Council's Annual Arts Grants program.
8. This operating model will be reviewed at the end of year one and is able to be adapted into a sub-leasing arrangement should this be deemed appropriate.

Recommendation from management

9. That Council approves:
 - 9.1. the entering into of a commercial lease by the University of Melbourne to the Council of Studio G02, A.J Cunningham Wing, 114-152 Grattan Street Carlton as part of the Creative Spaces Program on the following terms and conditions:
 - 9.1.1. a lease of five years
 - 9.1.2. an option for a further term of three years
 - 9.1.3. a commencing rental of \$15,360 (plus GST) per annum including outgoings
 - 9.1.4. annual rental increases of 4 per cent with a market review at the commencement of the option period
 - 9.1.5. The University of Melbourne will be responsible for the building's insurance and the Council will be responsible for the tenanting, operations and management of the studio.
 - 9.2. Management entering into licences with artists of portions of the leased area.

Attachments:

1. Supporting Attachment
2. Carlton Connect Lab 14: Creative Spaces Studio - overview

Supporting Attachment

Legal

1. Ongoing legal advice will be provided as required in respect to the preparation of the lease and licences.

Finance

2. The annual gross rent is \$15,360 to be increased by four per cent per annum during the term. It is proposed that in the first year of operation, this studio is managed as an Artist-in-Residency program whereby the annual rent of \$15,360 would be funded through Council's existing operational budget as an Annual Arts Grant. The selected artist/s will not be required to pay rent but would be required to provide public events and outcomes at their own cost.
3. Management of this studio is able to be absorbed into the existing responsibilities of the Creative Spaces program and no additional management or financial resources are required.
4. In future years the studio is able to be leased to artists at approximately \$50 per desk per week or \$300 per week (gross) for the entire studio.

Conflict of interest

5. No member of Council staff, or other person engaged under a contract, involved in advising on or preparing this report has declared a direct or indirect interest in relation to the matter of the report.

Stakeholder consultation

6. No direct external stakeholder consultation has taken place in light of the confidential nature of lease negotiations.
7. The recent City of Melbourne Arts Strategy 2014–17 entailed significant external consultation with artists and arts organisations. Feedback from this sector indicates strong interest and demand both for studio space and for a residency and fellowships model of supporting contemporary artists.

Relation to Council policy

8. The Creative Spaces program reflects Council's commitment to Melbourne being "*a place that inspires experimentation, innovation and creativity and fosters leaders of ideas and courage*". In particular the program reflects Council's commitment to artists being "*supported to present and work locally*" and "*artistic enterprises choosing to base themselves in the municipality*", Council Plan 2013–17.
9. The proposed Carlton Connect Initiative (CCI) Studio reflects the City of Melbourne Arts Strategy 2014–17 and its commitment to "*establish a program of residencies linked to the provision of working space in the municipality*".

Environmental sustainability

10. The proposed CCI Studio has a direct focus on environmental sustainability and addressing challenges associated with this. The artists supported by this Studio will be required to demonstrate a direct link between their practice and one or more challenges identified by CCI including water; food; energy; urban futures; climate change and adaptation; pervasive IT.

Carlton Connect Lab 14: Creative Spaces Studio

**Introduction**

The Carlton Connect Initiative (CCI) began as a virtual network of experts from a number of faculties and departments of the University of Melbourne as well as from industry and government partner organisations. The network comprised skilled people who shared a desire to tackle big sustainability and social resilience challenges and who had a passion for designing new ideas and technologies to help secure Australia's prosperity.

In 2013, the University of Melbourne acquired the former Royal Women's Hospital site from the Victorian Government with the aim to develop a physical precinct in which to headquarter the Carlton Connect Initiative. Whilst there are long term plans for the entire site to be fully redeveloped as a hub, a small section on the corner of Swanston St and Grattan St has been remediated and offered for use in the interim period of development so that it may showcase the potential of the Carlton Connect Initiative.

The main aim of the CCI is to address the challenge of supporting sustainability and resilience and to bring it into practical application. CCI will offer scientists, entrepreneurs, engineers, financiers, artists, students and policymakers a platform where they can come together and share lessons learnt in one domain and apply them across many others.

Creative Spaces has been invited to establish a studio in the facility to position artists in the midst of this cluster of experts and to bring a creative perspective and collaborative approach to tackling a few of these important issues. Artists will be required to address one or more challenges identified by CCI as follows:

- Water
- Food
- Energy
- Urban Futures
- Climate Change and Adaptation
- Pervasive IT
- Risk and Resilience

- Innovation and Entrepreneurship
- Social Equity

Lab 14 and Creative Spaces Studio

Lab 14 is the name of a flexible suite of spaces on the ground floor of the building designed to foster collaborative research and to facilitate the sharing of this research amongst the research community and the broader local community. Creative Spaces Studio is part of Lab 14, situated on the ground floor facing Swanston St. It is 60m² and has the capacity to function as an office, artist studio or small presentation space. It has direct access to the street allowing easy access after hours

An artists' residency program is envisioned for the studio where artists are invited to apply for project development that addresses CCI themes such as sustainability and resilience. Whilst Creative Spaces will manage the facility and determine the activity that will occur within it in compliance with the Carlton Connect Initiative, collaborations between various branches of Council will be encouraged. As a first project Creative Spaces, Arts House and City Sustainability will combine resources to deliver a project that addresses water.

The studio is offered for a 5 year Term with a further option of 3 years. The annual gross rent is \$15,360 to be increased by 4% per annum during the Term. Whilst licencing the space to artists is an option, Creative Spaces will run the studio in the first year free of charge to successful applicants. This will allow the program to establish relationships with other tenants of Lab 14 as well as with external stakeholders such as RMIT or VCA who may collaborate on projects in the future.

Exterior view of Carlton Connect



Creative Spaces Studio (construction phase)



Interior common areas render



OTHER TENANTS OF CARLTON CONNECT

Australian German College of Climate Change and Energy Transitions

The Australian German College of Climate and Energy Transitions is one of the Lab 14 tenants. It is multinational and multidisciplinary, spanning a wide range of expertise from physical sciences to engineering and social sciences. Meetings, seminars and public lecture are held on a regular basis to maintain a high level of scientific exchange, not only internally but also with external experts and the interested public. Despite its diversity and scope, the Climate and Energy College is set up to be more than a mere research platform. It rests on a culture of social interaction and exchange that goes beyond the professional environment. As such, it is very well prepared to assimilate the collaborative environment of the Carlton Connect framework and to provide opportunities for collaboration with the Creative Spaces Studio.

NICTA (formerly known as National ICT Australia Ltd)

NICTA is Australia's Information Communications Technology (ICT) Research Centre of Excellence and the nation's largest organisation dedicated to ICT research. NICTA's primary goal is to pursue high-impact research excellence and, through application of this research, to create national benefit and wealth for Australia. We aim to be one of the world's top ICT R&D centres.

NICTA's research addresses the technology challenges facing industry, the community and the whole nation. NICTA seeks to improve the international competitiveness of both academic ICT research and industry innovation by tightly linking the two to achieve greater economic and social impact.

Victorian Life Sciences Computation Initiative (VLSCI)

The VLSCI Life Science Computation Initiative provides strategic support services to enable Victorian life science researchers to transform their research through access to the VLSCI's supercomputing facility. VLSCI employs experts within the themes of Genomics, Bioinformatics and Integrative Biology, Computational Biolumaging and Molecular Dynamics to build the necessary cross-disciplinary research collaborations and scale-up projects to efficiently use the processing power being delivered.

The Victorian Life Sciences Computation Initiative (VLSCI) is a key infrastructure project by the Victorian government. Its objective is to sustain and grow Victoria's standing as a world leader in life science research particularly in the new fields of Computational Biology, Bioinformatics, and Computational Imaging.