

TO: Town Hall Re-Development Sub-committee

FROM: Dunedin Centre Manager

MEETING DATE: 16 June 2008

SUBJECT: **THE DUNEDIN TOWN HALL DEVELOPMENT PROJECT**

SUMMARY

This report reviews the proposals for the re-development of the Dunedin Town Hall complex that have been considered to date. It provides initial information about Option 14 (a refinement of Option 12a) and Option 13 a "gut and rebuild" of the Dunedin Centre part of the complex including the Glenroy Auditorium. These two options are the most recent ones to be considered. Funding to implement Option 14 is currently included in the Council's 2008/09 Annual Plan and the Long Term Council Community Plan (LTCCP).

IMPLICATIONS FOR:

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| (i) Policy: | No |
| (ii) Approved Annual Budget: | No |
| (iii) LTCCP/ Funding Policy: | No |
| (iv) Activity Management Plans: | No |
| (v) Community Boards: | No |

RECOMMENDATIONS

- 1 That the Sub-committee note that feasibility and design work is currently being developed for Option 14.
- 2 That the potential alternative Option 13 be further investigated by the Project Control Group.
- 3 That the Project Control Group reports back to the next meeting of this Sub-committee on Options 13 and 14 with an evaluation of both options against the requirements that need to be fulfilled by the re-development project.

INTRODUCTION

This report provides further information to the Sub-committee relating to the Dunedin Town Hall complex re-development. Moreover, the report provides a historical account of the options considered to date. Furthermore, the report provides further detail on Option 14 (a refinement of Option 12a to incorporate the recommendations of the Peer Review Architect) of the Town Hall redevelopment project. In addition current information on Option 13 a "gut and rebuild" option is presented.

BACKGROUND

Historical Account of the Dunedin Town Hall Re-development

2001	Re-development of Town Hall included in city strategy – 'Choices for the future – towards 2001 - 2021'
2002	Town Hall and Civic Precinct upgrade included in LTCCP 2003/04-2012/13 with initial programmed expenditure of \$3.0 million.
26 Nov 2002	Economic Development Committee instructed the City Architect to develop a staged redevelopment plan.
2 Sep 2003	City Architect developed a staged redevelopment plan.
2 Feb 2004	Council was advised of two development options. City Architect was instructed to develop a staged maintenance and re-development plan in conjunction with city Property to address the identified issues.
29 Mar 2004	Councillors discuss Town Hall redevelopment in a workshop.
23 Nov 2004	Report to the Economic Development Committee recommending that funding for the re-development of the Town Hall complex be included in the Christmas Pack for consideration in the Annual Plan process 2005/06.
14 Feb 2005	Report to the Council by General Manager Finance and Corporate Support recommending that the re-development of the Town Hall be funded by sourced from Dunedin City Treasury Limited.
19 July 2005	Economic Development Committee approves establishment of Project Control Group to review design concepts and options for the delivery of the re-development brief.
15 Nov 2005	Economic Development Committee approves concept selected by Project Control Group. This group was then disestablished and replaced with the Project Management Group.
7 Feb 2006	Updated information relating to costs associated with re-development supplied to the Council: Refurbishment of existing complex would cost in order of \$8.5 million. Adding the atrium would cost a further \$10.5 million to give an all up total of \$18.5 - \$20.45 million without ventilation (2004 pricing levels).
21 Mar 2006	Report to Finance and Strategy Committee confirmed no additional capital funding would be required for structural strengthening.
2 May 2006	Report to Economic Development Committee notifying progress of Dunedin Centre re-development. Appointment of Project Manager, tenders called for Project Architect and design consultants.
10 Oct 2006	Report to Economic Development Committee notifying delay of information relating to preliminary design and cost and advising that this report would be presented on 21 November 2006.
21 Nov 2006	Report to Economic Development Committee with study of the Town Hall operation as both a community asset and a economic generator. The report

presented four options to progress the proposal to re-develop the Town Hall complex including benefits, costs and implication of each.

- 24 Jan 2007 Report to the Council by Centre Manager and City Architect. The report analyses the operation as a community asset and economic generator. The report presented four options to progress the proposal to re-develop the Town Hall including benefits, cost and implication of each. Issues specially raised by councillors as well as major design issues are also included.
- June 2007 2007/08 Annual Plan deliberations and reports. Officers requested to examine issues raised by submitters relating to current design and whether existing buildings could be reconfigured. Council notes that due to additional work and consultation, approximately six months will be added to the project programme.
- 21 Jan 2008 Twelve options for the upgrade and re-development of the Town Hall were presented to the Dunedin City Council at a workshop. At its meeting to debate the 2008/09 draft Annual Plan on 25 January 2008, the Dunedin City Council considered twelve options for the upgrade and re-development of the Town Hall. The Council requested further information relating to the two options that incorporated expansion into Harrop Street – Options 11 and 12. Specifically, the Council requested that the optimal features of these two options be integrated into a single design and that costings for this design be provided.
- Option 1 Do nothing
 - Option 2 Regulatory upgrade only
 - Option 3 Regulatory upgrade with some improvements
 - Option 4 Dunedin Centre/Moray Place entry
 - Option 5 Dunedin Centre/Hungry Frenchman restaurant
 - Option 6 Dunedin Centre/Municipal Chambers
 - Option 7 Dunedin Centre/Library 3rd floor only
 - Option 8 Dunedin Centre/Library 3rd floor up
 - Option 9 Dunedin Centre/Library all floors
 - Option 10 Dunedin Centre/Moray Place entry/Library 3rd floor/Hungry Frenchman Restaurant
 - Option 11 Harrop Street atrium
 - Option 12 Harrop Street atrium plus Town Hall entry
- 11 Feb 2008 Report to the Council by General Manager Strategy and Development presenting a further option for the re-development of the Town Hall complex as requested by the Council at its meeting of 25 January 2008. Option 12a incorporates the optimum features of Options 11 and 12 and has been costed at an estimated \$40.08 million. Full air conditioning would cost an additional \$4.71 million.
- 11 Feb 2008 Council Resolutions:
- 1 That Option 12a at an estimated cost of \$40.08M be included in the draft Annual Plan as the preferred option to replace Option 11 (an increase of an estimated \$9.89M from what is currently included) and the design be submitted to a peer review.
 - 2 That air conditioning be added to the project at an estimated capital cost of \$3.62 million
 - 3 That a new Metro Cinema premises be added to the project at an estimated cost of \$1.74 million to be located under the atrium.
 - 4 That the design be submitted to a Peer Review.
- 26 May 2008 Council Resolutions:
- 1 That the peer review by Dr Diane Brand be noted.
 - 2 That the Council confirms and leaves in the Annual Plan 2008/09 and the LTCCP \$45.44m for the upgrade and redevelopment of the Town Hall complex.

- 3 That the Council for comparative purposes requests a concept design and costing for a gut and rebuild of the Dunedin Centre including the Glenroy Auditorium (Option 13) to meet the problems identified with the Centre.
- 4 That a sub-committee consisting of Councillors Dave Cull, Richard Walls, Fliss Butcher, Bill Acklin, the Mayor and Deputy Mayor (ex officio) and the General Manager Strategy and Development be formed to communicate with the public and other interested parties on Option 14 and the alternative option as described in recommendation three.
- 5 That the sub-committee be delegated responsibility to develop a detailed design for Option 14.
- 6 The sub-committee recommend to the Economic Development Committee which of the two options be constructed."

DISCUSSION

1 Option 14

Option 14 is a refinement of Option 12a and incorporates many of the Peer Reviewer's recommendations. These recommendations have taken into account feedback from stakeholders and interest groups for this project.

In addition, Option 14 presents an improved aesthetic architectural solution with smaller additions than previous proposals, to the front of the Town Hall on Moray Place and along Harrop Street. Functionally, the smaller Harrop Street extension will successfully improve the general flow of the Town Hall complex, meaning that it can work as an integrated venue and eliminating the "rabbit-warren" feel of the venue in its current state. The larger footprint on the Conference Centre level will add to its flexibility and viability. Floor plans for Options 14 and 12a are included in this report as attachment one.

1.1 Comparison of Option 12a and 14

	Option12a	Option 14
Includes regulatory upgrade.	✓	✓
The Metro Cinema could remain in its current location.	-	✓
Addresses some of the issues raised by Draft annual Plan submitters opposing the re-development.	-	✓
Could be constructed within the existing designation.	-	✓
B-Train loading would remain off Harrop Street.	-	✓
Service vehicle and pedestrian access is retained through Harrop Street.	✓	✓
Harrop Street exterior façade is retained.	✓	✓
Kitchen delivery remains through entrance off Harrop Court into basement corridor that leads directly into kitchen.	-	✓
Two highly visible entrances into the complex – one at Moray Place and the other at the Octagon – lead patrons directly into the extension space and the Centre's reception. Access to all parts of the conference facilities is possible through the extension and these entrances	✓	✓
The Town Hall entrance is primarily the entrance to the Town Hall, although a connection enables patrons to move easily from the Town Hall foyer into the extension and the conference facilities	✓	✓
Landscape treatment includes paving, street lighting, trees and greenery to Octagon entrance and Harrop Court	✓	✓
The Hungry Frenchman restaurant and all other parts of the Municipal Chambers are unaffected.	✓	✓

The major benefits of Option 14 (the smaller extensions) include:

- 1 The extensions fall within the current designation line, which simplifies consent procedures, although possible canopies along the Harrop Street extension and development of Harrop Court will require separate resource consent.
- 2 The smaller and proposed simple form of the extension on Harrop Street will have less impact on the precinct containing the Town Hall, Dunedin Centre, Municipal Chambers and St Paul's Cathedral.
- 3 The smaller Harrop Street extension also better facilitates Harrop Court being used as a service lane and eliminates the need for the new B-train loading dock in the existing Metro theatre.
- 4 The view of the First Church spire is retained and will be well appreciated from the new Harrop Court and new views of both the spire and the Octagon will be provided from the upper levels of the new extension.
- 5 The larger second floor extension in the Harrop Street extension, with the provision of accessible access to the Windle and Linden rooms, provides greater crush space for the Fullwood Room.
- 6 The larger first floor extension provides greater foyer/crush space at the Town Hall circle level and room for a bar.
- 7 The reduced extended ground floor area along Harrop Street is compensated for by the relocation of the existing toilets on this side of the Town Hall to the basement of the extension. Improved access to the larger Harrop Court will also provide good usable overflow space, especially in good weather, although canopies and/or roof areas in this public space would improve flexibility.
- 8 Option 14 will address some of the issues raised by submitters to the Draft Annual Plans 2007/08 and 2008/09.

1.2 Timings of Option 12a and 14

The table below shows estimated timing for Option 14. It must be noted that timings are subject to change and dependent on the timing of decision.

	Option 12a	Option 14
Council decision	June 2008	June 2008
Resource consent obtained	April 2010	N/A
Outline plan approval	N/A	November 2008
Contract documentation completed by	June 2010	April 2009
Contract awarded by	September 2010	July 2009
Construction complete by	September 2012	August 2011

1.3 Financial Implications of Option 14

The cost of Option 14 is estimated to be similar to cost of Option 12a which was estimated at \$45.44 million.

The rescheduled programme will result in changes in the timing of debt servicing expenditure, however this will occur within the \$45.44 million funding envelope which is already allowed for in the Draft Annual Plan 2008/09.

	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	
<i>Draft Annual Plan</i>	1000	5960	18820	19660	0	0	45440
Option 12a (9 month Resource Consent)	650	2800	8500	18800	14200	490	45400
Difference	-350	-3160	-10320	-860	+14200	+490	0

	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	
Option 12a (18 month Resource Consent)	650	2490	1000	15500	17800	8000	45440
Difference	-350	-3470	-17820	-4160	17800	8000	0
Option 14 - In Designation Option	650	3200	15700	19600	5800	490	45440
Difference	-350	-2760	-3120	-60	+5800	+490	0

The Project Control Group notes that Option 14 has not been fully costed and that these are estimates only, but it is expected that Option 14 can be completed within the current approved budget.

Previous reports have informed the Council of the revenue and expenditure (operational costs) implications and economic impact of the proposed Dunedin Town Hall re-development. The report to the Council for its 24 – 26 January 2007 meeting identified that an upgrade and expansion of the Town Hall would generate additional conference business including:

100 – 200 delegates (average delegate size 150)	6
200 – 300 delegates (average delegate size 250)	5
300 – 400 delegates (average delegate size 350)	4
400 – 600 delegates (average delegate size 500)	1
600 plus delegates (average delegate size 650)	.5 (one every two years)
Total additional conferences per year	16.5
Total additional conference delegates per year	4,400 delegates

Option 14 provides a similar opportunity to generate this additional business, thereby generating direct additional revenue through increased venue hire and charges for equipment and services, as well as broader benefits to the economy through visitor expenditure. Previous reports to the Council, including the report of January 2007 (refer above) calculated total estimated additional economic activity as a result of additional conference and other business to the Dunedin Town Hall following re-development at \$6.319 million per annum through direct visitor expenditure. Option 14 would provide an outcome consistent with this.

2 Planning Consent

Further discussions with the Council's legal and planning consultants have been undertaken to consider the planning consent process. Two possible alternatives were identified:

- 1 Construct any extension within the present designation (Option 14).
 - 2 Alter the existing designation to cover the proposed development (Option 12a).
- If the extension is constructed within the designation line, an Outline Plan Approval by the DCC will be required.

It is important to note that Harrop Street will need to be stopped for either option. This can either be achieved by:

- 1 Use of the Local Government Act 1974.
- 2 Use of the Public Works Act (with neighbour's consent, that is, the Anglican Diocese).

Option 14 has evolved as a consequence of the Peer Reviewer, Dr Diane Brand's, recommendation, in particular to restrict development within the designated site.

3 Option 13

Option 13 is a re-development within the existing footprint and incorporates the following.

- Basic Regulatory and other upgrades
- Windle and Linden room access
- Municipal Chamber access
- Loading off Harrop Street
- New Kitchen at basement level
- Gut and rebuild the Dunedin Centre Building including the addition of an extra floor plate
- Full Town Hall, Glenroy and Conference Centre air conditioning

Preliminary investigations show that gutting and redeveloping the Dunedin Centre part of the complex could provide one additional floor plate (intermediate level above a lowered foyer) of circa 500 square metres. Furthermore, by better alignment of floors the Municipal Chambers could be utilised and redeveloped in conjunction with the Dunedin Centre.

Although, Option 13 does provide some improvement, there are a number of major issues that the Project Control Group need to investigate further before being able to make any recommendations to this Sub-committee. These are as follows:

- It is envisaged that a 'regut' would entail major internal structural work and additional costs these need to be examined.
- Functionally it is not clear at this point whether Option 13 can improve the general flow of the Town Hall complex enabling it to be used as an integrated venue.
- Vertical circulation issues – Increased floor space through the creation of extra levels could cause difficulties with the vertical circulation of patrons, this aspect needs further investigation.

CONCLUSION

It is considered that Option 13 for the re-development of the Dunedin Town Hall requires and merits further investigation. It has become apparent that Option 13 needs to be evaluated in comparison to Option 14 in order to assess its suitability. Option 14 has evolved as a result of the work by the peer reviewer and will provide a solution that meets the technical requirements of the redevelopment within the current budget.

Prepared by:

Approved by:

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GENERAL MANAGER STRATEGY AND DEVELOPMENT

Date report prepared: 9 June 2008

Attachments

Attachment One Floor plans for Option 14 and 12a