



- **Matters Taken On Notice - Nicholas Street Precinct**
 - Attachment 1 Nicholas Street Precinct Executive Report submitted to February meeting [link to Attachment for Report 2 of the Ipswich Central Redevelopment Committee of 11 February 2021](#) 3
 - Attachment 2 Retail Sub-Project Steering Committee Report submitted to February meeting [link to Attachment for Report 3 of the Ipswich Central Redevelopment Committee of 11 February 2021](#) 7
- **Matters Taken on Notice – Rates Revenue and Capex Program**
 - Advice provided via email to councilors on 16 February 2021 in relation to specific primary production activities
 - Advice provided via email to councilors on 15 February 2021 in relation to the capex program
- **Matter Taken on Notice - Recommital of Repeal Motion**
 - CEO provided advice via email to councillors on 2 February 2021

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IPSWICH CENTRAL REDEVELOPMENT COMMITTEE
MEETING AGENDA11 FEBRUARY
2021

Doc ID No: A6746076

ITEM: 2

SUBJECT: NICHOLAS STREET PRECINCT EXECUTIVE REPORT NO. 24 TO 31 JANUARY 2021

AUTHOR: PROJECT MANAGER

DATE: 25 JANUARY 2021

EXECUTIVE SUMMARY

This is a report concerning Executive Report No. 24 on the Nicholas Street Precinct Program of Works to 31 January 2021.

RECOMMENDATION/S

That the Nicholas Street Precinct Executive Report No. 24 to 31 January 2021 be received and the contents noted.

RELATED PARTIES

Ranbury Management Group - Program Management Partner

Ranbury Property Services – Retail Leasing Agent

Councillor Fechner may have a potential conflict of interest in relation to this matter.

Councillor Madsen may have a potential conflict of interest in relation to this matter.

ADVANCE IPSWICH THEME

Strengthening our local economy and building prosperity

PURPOSE OF REPORT/BACKGROUND

This is a status report on the construction component of the redevelopment of the Nicholas Street Precinct. These works are being delivered by Hutchinson Builders, the contract containing five separable portions (SP) which include the administration building, the library, Tulmur Place (the civic space), the car park upgrade and works to the existing lift in the EATS building.

Works to both the interior and exterior of the administration building (SP1) continued in January 2021. Forecast practical completion of the administration building remains March 2021 with the building's occupation by council staff likely from June 2021. As previously reported, practical completion has been achieved for the library (SP2), Tulmur Place (SP3), the car park (SP4) and EATS façade/streetscape/lift (SP5). Replacement of lighting on car park levels B3 to B6 was completed during the month.

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Some community concerns were received in January 2021 regarding lighting in the new Administration Building remaining on overnight for an extended period. During the subject period, the builder was progressively installing lighting controls and upon completion of this work, the extent of lighting throughout the tower remaining on overnight will be substantially reduced. The lighting control system for the building is quite sophisticated given the requirement to attain a specified Greenstar rating. Given this there was a level of complexity in the establishment and commissioning of the lighting controls. All lighting costs remain the builder's responsibility until Practical Completion is reached. The internal lighting controls are set for final testing and training of council staff on 4 February 2021. Maintaining a future level of security lighting within the building will minimise the potential of security breaches.

The final options and cost estimates to widen Bottle Alley between Nicholas and Ellenborough Streets will be received in early February 2021. Following review, a final position and recommendation will be available mid-February 2021.

Work on the Commonwealth Hotel continued in January 2021 in preparation for the installation of the façade panels facing Union Place, planned to commence in early February 2021. Forecast practical completion remains April 2021.

At its 28 January 2021 meeting, council delegated to the Chief Executive Office the authority to negotiate and finalise a variation to the existing Design and Construct contract with Hutchinson Builders. This variation covers works to the retail Eats and Metro B buildings together façade and adjoining streetscape works. Following execution of the retail variation anticipated to occur in February 2021, works will commence on site as early as March 2021.

LEGAL/POLICY BASIS

This report and its recommendations are consistent with the following legislative provisions:
Local Government Act 2009
Local Government Regulation 2012

RISK MANAGEMENT IMPLICATIONS

COVID-19 potential impacts on Hutchinson Builders construction activities continue to be managed effectively. Refurbishment of the Venue building remains dependant on the securing of a key anchor tenant. **FINANCIAL/RESOURCE IMPLICATIONS**

The current budget for the CBD's redevelopment (including the retail project but excluding associated incentives) is \$239.1M. This budget includes funding for the recently approved retail variation for the Eats and Metro B buildings. At the time of writing, final project expenditure is forecast to meet project budget.

COMMUNITY AND OTHER CONSULTATION

No consultation was undertaken in the preparation of this report.

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Overall the construction works program remains on budget and on time. The variation to undertake construction works associated with the retail redevelopment (excluding the Venue building) and streetscape works is now being finalised with works to commence in as early as March 2021 and are forecast to be completed in late 2021.

ATTACHMENTS AND CONFIDENTIAL BACKGROUND PAPERS

1.	Executive Report No.24
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Greg Thomas

PROJECT MANAGER

I concur with the recommendations contained in this report.

Sean Madigan

GENERAL MANAGER - COORDINATION AND PERFORMANCE

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IPSWICH CENTRAL REDEVELOPMENT COMMITTEE
MEETING AGENDA11 FEBRUARY
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Doc ID No: A6746150

ITEM: 3

SUBJECT: RETAIL SUB-PROJECT STEERING COMMITTEE REPORT NO. 7 - JANUARY 2021

AUTHOR: PROJECT MANAGER

DATE: 25 JANUARY 2021

EXECUTIVE SUMMARY

This is a report concerning Report No. 7 (January 2021) from the Retail Sub-project Steering Committee on the status of the leasing program and associated developments with the retail component of the Nicholas Street Precinct redevelopment.

RECOMMENDATION/S

That the Retail Sub-project Steering Committee Report No. 7 for January 2021 be received and the contents noted.

RELATED PARTIES

Ranbury Management Group - Program Management Partner
Ranbury Property Services – Retail Leasing Agent

Councillor Fechner may have a potential conflict of interest in relation to this matter.
Councillor Madsen may have a potential conflict of interest in relation to this matter.

ADVANCE IPSWICH THEME

Strengthening our local economy and building prosperity

PURPOSE OF REPORT/BACKGROUND

The Retail Sub-project Steering Committee (RSPSC) supports the Ipswich Central Redevelopment Committee (ICRC) in delivering the Nicholas Street Precinct redevelopment. The RSPSC reports monthly to the ICRC on the planning, development, delivery and operations of the Nicholas Street Precinct's retail and commercial assets.

The 20 January 2021 meeting of the RSPSC discussed the status of retail leasing, the progress of the precinct's valuation, the preparation of operational budgets for 2021-2022 and related procurement activities (refer Attachment 1 for draft minutes). Also discussed was the upcoming council decision of 28 January 2021 to progress works on both the Eats and Metro B through a retail variation to the existing Design and Construct contract. The associated resolution were subsequently endorsed at council's meeting on 28 January 2021.

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It is anticipated the retail variation will be executed in February 2021 with works to commence on site as early as March 2021.

As at 28 January 2021, eleven non-legally binding Heads of Agreement (HOA's) had been endorsed. Of the eleven endorsed HOA's, legal documentation has been provided to six prospective tenants and documentation is currently under preparation for the remaining five parties. Legal documentation associated with the key anchor tenant is currently on hold. The three most recent HOA's were received by council in December 2020 and have had their commercial terms reviewed by council's independent industry expert. These were subsequently endorsed by council and the process commenced to the associated legal documentation. Discussions also continued with other prospective tenants during the month.

At its meeting on 28 January 2021, council endorsed an Expression of Interest (EOI) process for the procurement of a suitably qualified and experienced cinema complex operator for the management and operations of the cinema complex (Venue building) within the Nicholas Street Precinct. The EOI process will allow council to gather information to assist in defining whether a management agreement or a lease agreement offers council the best value for the operation of the cinema complex. The EOI will be released to the market in February 2021 supported by a media release and advertising.

The communications, engagement and activation team has been focused on delivering a number of community events in January and February 2021, as well as actively pursuing community partnerships with local organisations and sporting groups. Swich Summer Sounds – a celebration of Australian music, was a great success, with more than 1000 locals enjoying a six-hour music festival in Tulum Place. Planned activities in February and March 2021 include:

- a public art launch;
- the Arts Alive "Artists in Residence" program;
- a Valentine's Day concert with the Ipswich City Orchestra;
- the Food Flavour Food Trucks and Market (with a new local event organiser);
- the second Handmade Expo Market; and
- the first monthly Tulum Tapas event.

The Precinct Team has also been focused on supporting the leasing team with a suite of new collateral, as well as an updated website.

As part of council's desire for an ongoing public art program within the Nicholas Street Precinct, the Development Team is currently establishing the proposed approach (including scope) and a program and schedule for its delivery. It is planned to heavily consult with Michael Beckmann, Director of Ipswich Art Gallery, in the curation of this program. A number of opportunities have already been identified in the precinct including within the Administration Building (Ground Floor, Levels 1/8), Bottle Alley and the car park.

A precinct plan is to be prepared which will nominate the location and suitability of potential artwork for each location, identifying issues such as weight restrictions, mounting or establishment requirements and electricity, data and lighting requirements. This will then

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be costed if required, based on the quantum of construction and other works required. As a result, any approval to establish artwork at a particular location will have clearly identified costs.

LEGAL/POLICY BASIS

This report and its recommendations are consistent with the following legislative provisions:

Local Government Act 2009

Local Government Regulation 2012

RISK MANAGEMENT IMPLICATIONS

The retail leasing program continues to face significant risks including but not limited to COVID-19 impacts, the pace of the retail market rebound, the securing of anchor and other tenants and the attractiveness of the offer from the lessor (council) in the current market conditions. The conversion of endorsed HOA's into legally binding AFL's/leases is a critical component in the precinct's success.

Council's activation program needs to meet community expectations and establish Tulumur Place as a 'must do' location.

FINANCIAL/RESOURCE IMPLICATIONS

The retail precinct's short-term commercial success is dependent on identifying, attracting and securing a commercially viable tenancy mix. Commercial success in the medium to longer term will require a comprehensive activation and management strategy to support tenants and deliver a revitalised and activated precinct.

The precinct development and management team have commenced a detailed review of the operational budget and resource required to manage the precinct. This is in-line with typical council End of Financial Year budgeting forecasting. The team will also create a Precinct Business and Strategy Plan to guide the precinct its operational cost, value enhancement and community initiatives over the course of the next few years.

COMMUNITY AND OTHER CONSULTATION

The contents of this report did not require any community consultation.

CONCLUSION

Retail leasing continues to progress according to plan. The acceleration of the redevelopment works to the Eats and Metro B buildings (including façade and streetscape works) will improve the precinct's aesthetics and prepare both buildings for fit-out by prospective tenants.

The proposed 2021 activation program is designed to continually draw visitors to the precinct through a range of positive events and experiences. **ATTACHMENTS AND**

CONFIDENTIAL BACKGROUND PAPERS

1.	Retail Sub-project Steering Committee - Meeting No. 7 Minutes
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MEETING AGENDA

11 FEBRUARY
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Greg Thomas
PROJECT MANAGER

I concur with the recommendations contained in this report.

Sean Madigan
ACTING GENERAL MANAGER - INFRASTRUCTURE AND ENVIRONMENT

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