



City of
Ipswich

**IPSWICH
CITY
COUNCIL**

AGENDA

of the

IPSWICH CENTRAL REDEVELOPMENT COMMITTEE

**Held in the Council Chambers
8th floor – 1 Nicholas Street
IPSWICH QLD 4305**

On Thursday, 7 April 2022
At 10 minutes after the conclusion of the Environment and Sustainability Committee

<u>MEMBERS OF THE IPSWICH CENTRAL REDEVELOPMENT COMMITTEE</u>	
Councillor Marnie Doyle (Chairperson) Deputy Mayor Nicole Jonic (Deputy Chairperson)	Mayor Teresa Harding Councillor Kate Kunzelmann Councillor Russell Milligan

IPSWICH CENTRAL REDEVELOPMENT COMMITTEE AGENDA
10 minutes after the conclusion of the Environment and Sustainability
Committee on Thursday, 7 April 2022
in the Council Chambers, 8th Floor, 1 Nicholas Street, Ipswich

Item No.	Item Title	Page No.
	Welcome to Country or Acknowledgment of Country	
	Declarations of Interest	
	Business Outstanding	
	Confirmation of Minutes	
1	Confirmation of Minutes of the Ipswich Central Redevelopment Committee No. 2022(02) of 10 March 2022	7
	Officers' Reports	
2	Nicholas Street Precinct - Communications, Engagement and Events Report March 2022	17
3	Nicholas Street Precinct - Retail Sub-Project Steering Committee March 2022	20
	Notices of Motion	
	Matters Arising	

** Item includes confidential papers

IPSWICH CENTRAL REDEVELOPMENT COMMITTEE NO. 3

7 APRIL 2022

AGENDA

WELCOME TO COUNTRY OR ACKNOWLEDGEMENT OF COUNTRY

DECLARATIONS OF INTEREST IN MATTERS ON THE AGENDA

BUSINESS OUTSTANDING

CONFIRMATION OF MINUTES

1. **CONFIRMATION OF MINUTES OF THE IPSWICH CENTRAL REDEVELOPMENT COMMITTEE NO. 2022(02) OF 10 MARCH 2022**

RECOMMENDATION

That the Minutes of the Meeting held on 10 March 2022 be confirmed.

OFFICERS' REPORTS

2. **NICHOLAS STREET PRECINCT - COMMUNICATIONS, ENGAGEMENT AND EVENTS REPORT MARCH 2022**

This is a report concerning the communications, engagement and events activity undertaken and planned for the Nicholas Street Precinct in March 2022.

RECOMMENDATION

That the Nicholas Street Precinct Communications, Engagement and Events Monthly Report be received and the contents noted.

3. **NICHOLAS STREET PRECINCT - RETAIL SUB-PROJECT STEERING COMMITTEE MARCH 2022**

This is a report concerning the March 2022 report 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

That the March 2022 Retail Sub-Project Steering Committee Report be received and the contents noted.

NOTICES OF MOTION

MATTERS ARISING

IPSWICH CENTRAL REDEVELOPMENT COMMITTEE NO. 2022(02)

10 MARCH 2022

MINUTES

COUNCILLORS' ATTENDANCE: Councillor Marnie Doyle (Chairperson); Mayor Teresa Harding, Councillors Kate Kunzelmann and Russell Milligan

COUNCILLOR'S APOLOGIES: Deputy Mayor Nicole Jonic (Deputy Chairperson)

OFFICERS' ATTENDANCE: Acting Chief Executive Officer (Peter Tabulo), General Manager Infrastructure and Environment (Sean Madigan), Acting General Manager Corporate Services (Jeff Keech), Chair Retail Sub-Project Sub Committee (James Hepburn), Acting General Manager Planning and Regulatory Services (Brett Davey), Senior Policy and Communications Officer (David Shaw), Chief of Staff – Office of the Mayor (Melissa Fitzgerald), Senior Digital Media and Content Officer (Jodie Richter) and Theatre Technician (Harrison Cate)

LEAVE OF ABSENCE – DEPUTY MAYOR NICOLE JONIC

It was moved by Councillor Marnie Doyle and seconded by Mayor Teresa Harding that a leave of absence be granted for Deputy Mayor Nicole Jonic.

AFFIRMATIVE

Councillors:
Doyle
Harding
Kunzelmann
Milligan

NEGATIVE

Councillors:
Nil

The motion was put and carried.

WELCOME TO COUNTRY/ACKNOWLEDGEMENT OF COUNTRY

Councillor Marnie Doyle (Chairperson) delivered the Acknowledgement of Country.

DECLARATIONS OF INTEREST IN MATTERS ON THE AGENDA

Nil

BUSINESS OUTSTANDING

Nil

CONFIRMATION OF MINUTES

1. CONFIRMATION OF MINUTES OF THE IPSWICH CENTRAL REDEVELOPMENT COMMITTEE NO. 2022(01) OF 10 FEBRUARY 2022

RECOMMENDATION

Moved by Councillor Marnie Doyle:
Seconded by Councillor Kate Kunzelmann:

That the minutes of the Ipswich Central Redevelopment Committee held on 10 February 2022 be confirmed.

AFFIRMATIVE

Councillors:

Doyle

Harding

Kunzelmann

Milligan

NEGATIVE

Councillors:

Nil

The motion was put and carried.

OFFICERS' REPORTS

2. PROCUREMENT - CONTRACT 16456 PROGRAM MANAGEMENT SERVICES VARIATION

This is a report concerning a variation of contract 16456 with Ranbury Management Group Pty Ltd for the provision of Program Management Services for the Ipswich Central Revitalisation Project. This report makes the recommendation intended to facilitate the ongoing engagement of Ranbury Management Group Pty Ltd until the conclusion of the contract.

"The attachment/s to this report are confidential in accordance with section 254J(3)(g) of the *Local Government Regulation 2012*."

RECOMMENDATION

Moved by Mayor Teresa Harding:
Seconded by Councillor Russell Milligan:

- A. That the contractual arrangement (Council contract 16456) with Ranbury Management Group Pty Ltd (Supplier) for the provision of Program Management Services for the Ipswich Central Revitalisation Project be varied to amend the purchase price from one million, six hundred and sixty-two thousand, one hundred and twenty eight dollars and fifty cents (\$1,662,128.50) excluding GST to approximately two million, one hundred and three thousand, six hundred and fifty six dollars and fifty cents (\$2,103,656.50) with a contingency of 20% up to four hundred and twenty thousand, seven hundred and thirty one dollars (\$420,731) excluding GST over the entire term.
- B. That Council enter into a deed of variation with the Supplier to appropriately amend the existing contractual arrangement.
- C. That pursuant to Section 257(1)(b) of the *Local Government Act 2009*, Council resolve to delegate to the Chief Executive Officer the power to take “*contractual action*” pursuant to section 238 of the Regulation, in order to implement Council’s decision, including the deed of variation to the revised fee estimate and any future variations up to the contingency amount.

AFFIRMATIVE

Councillors:

Doyle

Harding

Kunzelmann

Milligan

NEGATIVE

Councillors:

Nil

The motion was put and carried.

3. NICHOLAS STREET PRECINCT - RETAIL SUB-PROJECT STEERING COMMITTEE
FEBRUARY 2022

This is a report concerning the February 2022 report from the Retail Sub-Project Steering Committee on the status of the leasing program and associated developments with the retail component of the Nicholas St Precinct redevelopment.

RECOMMENDATION

Moved by Councillor Russell Milligan:

Seconded by Councillor Kate Kunzelmann:

That the February 2022 Retail Sub-Project Steering Committee Report be received and the contents noted.

AFFIRMATIVE

Councillors:

Doyle

Harding

Kunzelmann

Milligan

NEGATIVE

Councillors:

Nil

The motion was put and carried.

MOVE INTO CLOSED SESSION

Moved by Councillor Marnie Doyle

Seconded by Mayor Teresa Harding

That in accordance with section 254J(3)(g) of the *Local Government Regulation 2012*, the meeting move into closed session to discuss Items 4, 5 and 6 titled Nicholas Street Precinct – Approval of an Agreement for lease for Metro B Tenancy 2B01, Metro B Tenancy 2B08/09 and approval of an agreement for lease for the Commonwealth Hotel. These negotiations relate to a commercial matter involving the local government.

The meeting moved into closed session at 1.16 pm.

AFFIRMATIVE

Councillors:

Doyle

Harding

Kunzelmann

Milligan

NEGATIVE

Councillors:

Nil

The motion was put and carried.

MOVE INTO OPEN SESSION

Moved by Councillor Marnie Doyle

Seconded by Mayor Teresa Harding

That the meeting move into open session.

The meeting moved into open session at 1.56 pm.

AFFIRMATIVE

Councillors:

Doyle

Harding

Kunzelmann

Milligan

NEGATIVE

Councillors:

Nil

The motion was put and carried.

Items 4, 5 and 6 as listed below were referred to the Special Council Meeting of 10 March 2022 for consideration and formal adoption:

4. NICHOLAS STREET PRECINCT - APPROVAL OF AN AGREEMENT FOR LEASE FOR METRO B TENANCY 2B01

This is a report concerning an agreement for lease for council's consideration associated with tenancy 2B01 within the Nicholas Street Precinct's Metro B Building.

"The attachment/s to this report are confidential in accordance with section 254J(3)(c, g and i) of the *Local Government Regulation 2012*."

RECOMMENDATION

- A. That Council enter into an Agreement for Lease and Incentive Deed with the proposed lessee for Tenancy 2B01 in the Metro B Building (impacting part of lot 1RP157021) ("Tenancy T2B01") within the Nicholas Street Precinct (under the commercial terms detailed in the confidential report and attachments by the Project Manager dated 22 February 2021).
- B. That conditional upon Council satisfactorily executing the Agreement to Lease with the proposed lessee, (contained in recommendation A of this report), Council enter into a lease for Tenancy 2B01 with the proposed lessee (as detailed in the confidential report and attachments by the Project Manager dated 22 February 2022).
- C. That Council note, that in relation to Council's disposal of its leasehold interest in Tenancy 2B01 to the proposed lessee, that the Ministerial exemption under s236 (f) of the *Local Government Regulation 2012* applies to the disposal of Council's interest in Tenancy 2B01 (Ministerial exemption contained in Attachment 1 of this report).
- D. That pursuant to Section 257(1)(b) of the *Local Government Act 2009*, Council resolve to delegate to the Chief Executive Officer the power to take "contractual action" pursuant to section 238 of the Regulation, in order to implement Council's decision at Recommendation B.
- E. That Council be kept informed as to the progress and outcome of the execution and publication of details.

Recommendation A was varied due to legal advice received.

RECOMMENDATION

Moved by Councillor Kate Kunzelmann:
Seconded by Mayor Teresa Harding:

- A. That Council enter into an Agreement for Lease and an associated document of the Agreement for Lease with the proposed lessee for Tenancy 2B01 in the Metro B Building (impacting part of Lot 1 on RP157021) ("Tenancy 2B01") within the Nicholas Street Precinct (under the commercial terms detailed in the confidential report and attachments by the Project Manager dated 22 February 2022).**
- B. That conditional upon Council satisfactorily executing the Agreement to Lease with the proposed lessee, (contained in recommendation A of this report), Council enter into a lease for Tenancy 2B01 with the proposed lessee (as detailed in the confidential report and attachments by the Project Manager dated 22 February 2022).**
- C. That Council note, that in relation to Council's disposal of its leasehold interest in Tenancy 2B01 to the proposed lessee, that the Ministerial exemption under s236(f) of the *Local Government Regulation 2012* applies to the disposal of Council's interest in Tenancy 2B01 (Ministerial exemption contained in Attachment 1 of this report).**
- D. That pursuant to Section 257(1)(b) of the *Local Government Act 2009*, Council resolve to delegate to the Chief Executive Officer the power to take "contractual action" pursuant to section 238 of the Regulation, in order to implement Council's decision at Recommendation B.**
- E. That Council be kept informed as to the progress and outcome of the execution and publication of details.**

AFFIRMATIVE

Councillors:

Doyle

Harding

Kunzelmann

Milligan

NEGATIVE

Councillors:

Nil

The motion was put and carried.

5. NICHOLAS STREET PRECINCT - APPROVAL OF AN AGREEMENT FOR LEASE FOR METRO B TENANCY 2B08/09

This is a report concerning an agreement for lease for council's consideration associated with tenancy 2B08/09 within the Nicholas Street Precinct's Metro B Building.

"The attachment/s to this report are confidential in accordance with section 254J(3)(c, g and i) of the *Local Government Regulation 2012*."

RECOMMENDATION

- A. That Council enter into an Agreement for Lease and Incentive Deed with the proposed lessee for Tenancy 2B08/09 in the Metro B Building (impacting part of lot 1RP157021) ("Tenancy 2B08/09") within the Nicholas Street Precinct (under the commercial terms detailed in the confidential report and attachments by the Project Manager dated 28 February 2022).
- B. That conditional upon Council satisfactorily executing the Agreement to Lease with the proposed lessee, (contained in recommendation A of this report), Council enter into a lease for Tenancy 2B08/09 with the proposed lessee (as detailed in the confidential report and attachments by the Project Manager dated 28 February 2022).
- C. That Council note, that in relation to Council's disposal of its leasehold interest in Tenancy 2B08/09 to the proposed lessee, that the Ministerial exemption under s236(f) of the *Local Government Regulation 2012* applies to the disposal of Council's interest in Tenancy 2B08/09. (Ministerial exemption contained in Attachment 1 of this report).
- D. That pursuant to Section 257(1)(b) of the *Local Government Act 2009*, Council resolve to delegate to the Chief Executive Officer the power to take "contractual action" pursuant to section 238 of the Regulation, in order to implement Council's decision at Recommendation B.
- E. That Council be kept informed as to the progress and outcome of the execution and publication of details.

Recommendation A was varied and Recommendation F was included due to legal advice received.

RECOMMENDATION

Moved by Mayor Teresa Harding:
Seconded by Councillor Russell Milligan:

- A. **That Council enter into an Agreement for Lease and an associated document of the Agreement for Lease with the proposed lessee for Tenancy 2B08/09 in the Metro B Building (impacting part of Lot 1 on RP157021) ("Tenancy 2B08/09")**

within the Nicholas Street Precinct (under the commercial terms detailed in the confidential report and attachments by the Project Manager dated 28 February 2022).

- B. That conditional upon Council satisfactorily executing the Agreement to Lease with the proposed lessee, (contained in recommendation A of this report), Council enter into a lease for Tenancy 2B08/09 with the proposed lessee (as detailed in the confidential report and attachments by the Project Manager dated 28 February 2022).
- C. That Council note, that in relation to Council's disposal of its leasehold interest in Tenancy 2B08/09 to the proposed lessee, that the Ministerial exemption under s236(f) of the *Local Government Regulation 2012* applies to the disposal of Council's interest in Tenancy 2B08/09. (Ministerial exemption contained in Attachment 1 of this report).
- D. That pursuant to Section 257(1)(b) of the *Local Government Act 2009*, Council resolve to delegate to the Chief Executive Officer the power to take "contractual action" pursuant to section 238 of the Regulation, in order to implement Council's decision at Recommendation B.
- E. That Council be kept informed as to the progress and outcome of the execution and publication of details.
- F. That the first sentence of the last paragraph on Page 3 of the officer's report be deleted and replaced with the following sentence:

"This paper seeks approval for council to enter into an agreement for lease for a health/wellness tenancy associated with the Nicholas Street Precinct redevelopment."

AFFIRMATIVE

Councillors:

Doyle

Harding

Kunzelmann

Milligan

NEGATIVE

Councillors:

Nil

The motion was put and carried.

6. NICHOLAS STREET PRECINCT - APPROVAL OF AN AGREEMENT FOR LEASE FOR THE COMMONWEALTH HOTEL

This is a report concerning an agreement for lease for council's consideration associated with the Commonwealth Hotel.

“The attachment/s to this report are confidential in accordance with section 254J(3)(c, g and i) of the *Local Government Regulation 2012*.”

RECOMMENDATION

- A. That Council enter into an Agreement for Lease with the proposed lessee for the Commonwealth Hotel (impacting 1RP2677 and part of lot 3RP307972) within the Nicholas Street Precinct (under the commercial terms detailed in the confidential report and attachments by the Project Manager dated 2 March 2022).
- B. That conditional upon Council satisfactorily executing the Agreement to Lease with the proposed lessee, (contained in recommendation A of this report), Council enter into a lease for the Commonwealth Hotel with the proposed lessee (as detailed in the confidential report and attachments by the Project Manager dated 2 March 2022).
- C. That Council note, that in relation to Council’s disposal of its leasehold interest in the Commonwealth Hotel to the proposed lessee, that the Ministerial exemption under s236(f) of the *Local Government Regulation 2012* applies to the disposal of Council’s interest in the Commonwealth Hotel. (Ministerial exemption contained in Attachment 1 of this report).
- D. That pursuant to Section 257(1)(b) of the *Local Government Act 2009*, Council resolve to delegate to the Chief Executive Officer the power to take “contractual action” pursuant to section 238 of the Regulation, in order to implement Council’s decision at Recommendation B.
- E. That Council be kept informed as to the progress and outcome of the execution and publication of details.

Recommendation A was varied due to legal advice received.

RECOMMENDATION

Moved by Councillor Russell Milligan:
Seconded by Councillor Kate Kunzelmann:

- A. That Council enter into an Agreement for Lease and Car Parking Agreement with the proposed lessee for the Commonwealth Hotel (impacting Lot 1 on RP2677 and part of Lot 3 on RP307972) within the Nicholas Street Precinct (under the commercial terms detailed in the confidential report and attachments by the Project Manager dated 2 March 2022).**
- B. That conditional upon Council satisfactorily executing the Agreement to Lease with the proposed lessee, (contained in recommendation A of this report), Council enter into a lease for the Commonwealth Hotel with the proposed lessee (as detailed in the confidential report and attachments by the Project Manager dated 2 March 2022).**

- C. That Council note, that in relation to Council's disposal of its leasehold interest in the Commonwealth Hotel to the proposed lessee, that the Ministerial exemption under s236(f) of the *Local Government Regulation 2012* applies to the disposal of Council's interest in the Commonwealth Hotel. (Ministerial exemption contained in Attachment 1 of this report).
- D. That pursuant to Section 257(1)(b) of the *Local Government Act 2009*, Council resolve to delegate to the Chief Executive Officer the power to take "contractual action" pursuant to section 238 of the Regulation, in order to implement Council's decision at Recommendation B.
- E. That Council be kept informed as to the progress and outcome of the execution and publication of details.

AFFIRMATIVE

Councillors:

Doyle

Harding

Kunzelmann

Milligan

NEGATIVE

Councillors:

Nil

The motion was put and carried.

NOTICES OF MOTION

Nil

MATTERS ARISING

Nil

PROCEDURAL MOTIONS AND FORMAL MATTERS

The meeting commenced at 1.02 pm.

The meeting closed at 2.06 pm.

Doc ID No: A7967910

ITEM: 2

SUBJECT: NICHOLAS STREET PRECINCT - COMMUNICATIONS, ENGAGEMENT AND EVENTS
REPORT MARCH 2022

AUTHOR: COMMUNICATIONS, EVENTS AND ENGAGEMENT MANAGER

DATE: 28 MARCH 2022

EXECUTIVE SUMMARY

This is a report concerning the communications, engagement and events activity undertaken and planned for the Nicholas Street Precinct in March 2022.

RECOMMENDATION/S

**That the Nicholas Street Precinct Communications, Engagement and Events
Monthly Report be received and the contents noted.**

RELATED PARTIES

The General Manager of Infrastructure and Environment has declared a conflict of interest in relation to the Handmade Expo Markets operation. The conflict of interest has been declared to the Chief Executive Officer and the General Manager and has not been involved in relation to this aspect of the program.

ADVANCE IPSWICH THEME

Strengthening our local economy and building prosperity

Caring for the community

PURPOSE OF REPORT/BACKGROUND

The purpose of this report is to provide a summary of activity held in March and inform of activity upcoming.

EVENTS

In March the Nicholas Street Precinct hosted the Ipswich Twilight Markets, Handmade Market Expo, Hearing Australia onsite van, Auslan Yoga and lunchtime food trucks. All events were well received by the community and continue to support increased visitation.

The April calendar of events includes the Ipswich Twilight Markets, the Handmade Market Expo, daily lunchtime food trucks and our school holiday program which includes:

Monday, 4 April to Saturday, 9 April - Daily safari themed animatronic putt putt mini golf.

Friday, 8 April - Bluey Live Experience on Friday, 8 April in partnership with the Ipswich Children's Library.

Saturday, 9 April – Handmade Market Expo.

Monday, 11 April to Thursday, 14 April – Daily kids games including table tennis, Guess Who, badminton and ball games.

School holiday activities are free to attend with complimentary free parking for 3 hours and food trucks available.

Marketing

The refreshed Nicholas Street Precinct website is now live with a soft launch of the key home and event pages. The website has adopted a new colour palette and a revised tag line, 'Explore More'. The website is being launched in stages with the first stage focused on events and general information and the following supporting pages scheduled for late April.

The Nicholas Street Precinct now has a dedicated You Tube channel to feature promotional videos on events and support brand development and engagement.

The Retail Trade Analysis Study contract has now been awarded, the subsequent report to be provided will provide an insight into the customers, visitation, dwell time and spend within the precinct to provide a benchmark and data support to guide our retail and operational planning into the future.

An additional procurement process is underway to benchmark the Social and Economic impact the Nicholas Street Precinct will impact on the city and will close to submissions in April.

The integration of the 1 Nicholas Street façade and digital projection onto Metro B remains a focus area as construction nears completion with content planning underway in partnership with Buchan.

LEGAL/POLICY BASIS

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

Local Government Act 2009

RISK MANAGEMENT IMPLICATIONS

Comprehensive COVID-19 plans are in place for all events in addition to the enforcement of the issues and crisis plan, emergency plan and engagement of 1800-medics to support as appropriate.

FINANCIAL/RESOURCE IMPLICATIONS

The initial draft of the 2022-2023 precinct activation budget has been completed and is currently under management review.

COMMUNITY AND OTHER CONSULTATION

Internal and external consultation included key precinct stakeholders (landlords and business owners), project partners and contractors (Ranbury, Hutchinsons, event organisers, etc).

CONCLUSION

Commercial success for the precinct in the medium and long term is reliant on a comprehensive and ongoing management strategy and complementing activation plan to support tenants and deliver a revitalised precinct that encourages the community to 'explore more'.

Karyn Sutton

COMMUNICATIONS, EVENTS AND ENGAGEMENT MANAGER

I concur with the recommendations contained in this report.

Sean Madigan

GENERAL MANAGER - INFRASTRUCTURE AND ENVIRONMENT

"Together, we proudly enhance the quality of life for our community"

Doc ID No: A7963981

ITEM: 3

SUBJECT: NICHOLAS STREET PRECINCT - RETAIL SUB-PROJECT STEERING COMMITTEE
MARCH 2022

AUTHOR: PROJECT MANAGER

DATE: 25 MARCH 2022

EXECUTIVE SUMMARY

This is a report concerning the March 2022 report 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 March 2022 Retail Sub-Project Steering Committee Report 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.

IFUTURE THEME

Vibrant and Growing

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 March 2022 RSPSC meeting considered the status of the refurbishment of Metro B, retail leasing and associated procurement including the cinema tender. Refer Attachment 1 for the draft RSPSC March 2022 minutes.

The table below identifies the status of tenancy negotiations as of Friday 25 March 2022. Since the previous report, three Agreement for Leases (AFLs) have been signed and executed by both the Lessee and Council. Furthermore, two Heads of Agreement's (HOA's) have been submitted to Council for approval. In positive signs for the precinct, several tenancies have

received multiple offers affording Council the opportunity to improve the tenancy mix on favourable terms. Pleasingly, of all the high street retail tenancies within Metro B and Eats (those facing Nicholas Street or Union Place), a HOA has been signed on 12 of the 13 available tenancies with only one vacancy remaining. However, whilst demand for the project remains strong, the project, as with the wider industry, has come under pressure due to the supply chain constraints and labour shortages. One previously endorsed HOA located in the Venue building has been removed from the table below due to changes in the retail plan as a result of the proposed cinema. An alternative location will be discussed with the lessee.

Deal Status	March 2022	Change from February 2022
HOA Signed (non-legally binding)	16	-1
HOA Pending Approval by Council	2	+2
Lease Documents Issued	16	0
Lease Documents Being Prepared	0	-1
Leases Executed by Lessee	5	+3
Leases Pending Approval by Lessor (Council)	0	0
Leases Executed by Lessor (Council)	5	+3

At the Special Meeting on 10 March 2022, Council delegated to the Chief Executive Officer the authority to execute three AFLs and associated documentation for two tenancies within Metro B (tenancies 2B01 and 2B08/09) and the Commonwealth Hotel. The AFL's and associated documentation for the three arrangements were subsequently executed.

In December 2021, Council endorsed entering into an AFL/lease with the preferred operator for the cinema complex within the Venue building. A three-month exclusivity period is currently underway which will allow Council to finalise the AFL/lease, tenant fit-out design, wider design of the Venue building, cost and value impacts. Council has conditioned its approval of the refurbishment of the Venue building upon the AFL being executed.

As noted above the AFL for the Commonwealth Hotel was executed on 10 March 2022. The achievement of this milestone was conditioned by Council for the approved hotel extension to progress to construction. At its 24 March 2022 Council approved the engagement of J. Hutchinson Pty. Ltd to establish the detailed design and ascertain an indicative cost structure for the construction works associated with the approved works.

Practical completion of the refurbishment works to the Eats building has been revised to 11 April 2022 with the CCTV camera to be installed by 8 April 2022. Works continue on Metro B and the streetscape works to both Nicholas Street/Union Place with completion forecast on 11 April 2022 (the PWD lift is scheduled for installation by 31 May 2022).

Following the February 2022 rain event which impacted the undercover car park, the car park has now reopened with free parking provided due to water damage to the Level 5

boom gate operating mechanisms. Once the related repairs are completed, the car park will be returned to its normal operating mode.

Due to the proximity of the April 2022 Ipswich Central Redevelopment Committee meeting to the end of the reporting month, the March 2022 Executive Report will be included with the May 2022 Ipswich Central Redevelopment Committee papers. Refer Attachment 2 for the February 2022 Executive Report.

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

Challenges to retail leasing continue 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 AFLs/leases remains a critical outcome given the status of refurbishment works to the Eats and Metro B buildings.

The refurbishment of the Venue building is contingent on the execution of AFL with the prospective cinema operator.

HUMAN RIGHTS IMPLICATIONS

HUMAN RIGHTS IMPACTS
RECEIVE AND NOTE REPORT
The recommendation states that the report be received, and the contents noted. The decision to receive and note the report does not limit human rights. Therefore, the decision is compatible with human rights.

FINANCIAL/RESOURCE IMPLICATIONS

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

As reported last month, the draft 2022-23 precinct operational, capital and associated budgets have been prepared and are under management review.

COMMUNITY AND OTHER CONSULTATION

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

CONCLUSION

The process to secure tenants continues as does the conversion of HOA's into AFL's/leases. Achieving an executed lease for the cinema remains a critical focus given the upcoming opening of both the Eats and Metro B buildings.

ATTACHMENTS AND CONFIDENTIAL BACKGROUND PAPERS

1.	Draft RSPSC Minutes 23.3.22 ↓ 
2.	February 2022 NSP Executive Report ↓ 

Greg Thomas

PROJECT MANAGER

I concur with the recommendations contained in this report.

Sean Madigan

GENERAL MANAGER - INFRASTRUCTURE AND ENVIRONMENT

“Together, we proudly enhance the quality of life for our community”



IPSWICH CITY COUNCIL

MINUTES - RETAIL SUB-PROJECT STEERING COMMITTEE

Meeting: Retail Sub-Project Steering Committee – No 21
Venue: Claremont Room, Level 8 - 1 Nicholas Street
Date: 23 March 2022 (10:00 AM – 11:30 PM)

Members:	James Hepburn (Chair) (JH); Sean Madigan (GM I&E) (SM); Greg Thomas (Project Manager) (GT)	
Observers:	Cr Marnie Doyle, Cr Kate Kunzelmann, Karyn Sutton, Nicole Denman, Brent McKay (BM),	
Apologies:	Peter Tabulo, Cr Nicole Jonic	
Chair / Minutes:	Chair – James Hepburn Minutes – Nicole Denman	
No.	OFFICER	DESCRIPTION
1	JH	Attendance / Apologies
2	JH	<p>Previous Minutes & Actions Arising</p> <ul style="list-style-type: none"> Status of action items from the 23.3.22 RSPSC meeting discussed Dept of Local Government visitation – ACTION: GT to distribute arrangements for the 12.4.22 visitation to RSPSC attendees WMH licence option cessation- ACTION: GT to prepare a briefing note highlighting related communications with WMH on the cessation of the licence 30.6.22 and future accommodation needs
3	JH	<p>Retail Leasing</p> <ul style="list-style-type: none"> Retail PCG meeting outcomes 22.3.22 <ul style="list-style-type: none"> Leasing – update provided, impacts from supply chain issues, labour shortages and Covid-19 and associated risks discussed.
4	JH	<p>Retail Redevelopment Status</p> <ul style="list-style-type: none"> Metro B/Eats <ul style="list-style-type: none"> Media mock-up of Metro B façade projections Practical completion timing Union Place walkway activation – ACTION: BM to conduct inspection to ensure adequacy of skateboard protection Commonwealth Hotel <ul style="list-style-type: none"> Detailed Design Services Variation to Council 24.3.22 Venue <ul style="list-style-type: none"> Approach to entry design for cinema General construction industry health check overview
5	KS	<p>Precinct Activation and Events</p> <ul style="list-style-type: none"> 2021/22 and 2022/23 activation/event calendar (planned major initiatives) <ul style="list-style-type: none"> Easter school holidays – Safari Putt Putt, Bluey stage show June/July school holidays – children's stage shows Update provided on ICC working group focussing on permits and licensing matters
6	JH/KS	<p>Precinct Management</p> <ul style="list-style-type: none"> Precinct management <ul style="list-style-type: none"> Presentation of draft Retail Manual Discussion of related precinct management issues Resourcing <ul style="list-style-type: none"> NSP requirements 2022/23 ACTION: GT to commence preparations for related engagements Marketing, social media and website <ul style="list-style-type: none"> Soft launch of new website 28.3.22 ACTION: GT to coordinate removal of existing flags and Council branding (signs) from the former ICC administration building in South Street ACTION: BM to oversee a review of Google references to 1 Nicholas Street and the former ICC's offices at South Street (focus on Apple applications) Wayfinding <ul style="list-style-type: none"> Project status provided Nicholas Street/Union Place <ul style="list-style-type: none"> Process to open for vehicular traffic

Item 3 / Attachment 1.

7	GT	Procurement <ul style="list-style-type: none"> Current – commercial leasing agent, cinema operator, Venue PM Future – Commonwealth Hotel D&C, Venue D&C, Senior PM Retail Development PM (client side), Tulumur Bar design, Research – social and economic impact, Precinct Management support functions (property/tenant management)
8	JH	Financials <ul style="list-style-type: none"> 2022/23 operational/capital budget <ul style="list-style-type: none"> Update on budget review process ACTION: GT to organise a meeting with Finance on NSP redevelopment budget issues
9	GT	March 2022 ICRC/Council Reports <ul style="list-style-type: none"> Commonwealth Hotel D&C – Provision of Detailed Design Services
10	GT	Retail Ministerial Exemption <ul style="list-style-type: none"> March '22 qtrly report to Deputy Premier prepared for review/submission, June 22 qtrly report (due late June), June 2022 half-yearly report (due late July).
11	JH	Precinct Strategy <ul style="list-style-type: none"> Update provided on current focus.
12	JH/GT	General Business <ul style="list-style-type: none"> Media strategy update - upcoming meeting to map out precinct activations Outcomes of meeting with QR re Ellenborough Street option and long-term lease holdings - ACTION: GT to prepare internal legal advice request on related QR issues WMH vaccination licence – extended to 30.6.22 ACTION: GT to provide a high-level summary to the Mayor and Cr Doyle detailing communications with WMH associated with option cessation on 30.6.22 Trade Union building (4 Union Place) – Discussion occurred on correspondence from Ipswich Trades Hall dated 9.3.22 ACTION: GT to provide briefing note on Council's responses to issues raised Cr Doyle raised: <ul style="list-style-type: none"> Bell Street Walkway Branding Local Heritage Trust – proposed tour of the Commonwealth Hotel NSP governance ACTION: GT to prepare a high-level summary on the exemption for RSPSC attendees Status of design of the proposed historic silhouettes of the ladies on the Nicholas Street Bridge
13	JH	Next Meeting – 10.5.22 (20.4.22 meeting cancelled due to clash with ICC budget workshop)

NICHOLASST PRECINCT

Nicholas Street, Ipswich Central Executive Report No.34 To 4 March 2022



NICHOLASST

IPSWICH CENTRAL

DOCUMENT INFORMATION

Title: Nicholas Street, Ipswich Central
Subtitle: Executive Report

VERSION	DATE	PREPARED BY
1	4 March 2022	CBD Redevelopment Project Team

Distribution

Ipswich City Council

IPSWICH CENTRAL - RETAIL - DASHBOARD - Feb 2022

\$254.6M

Budget

\$218.3M

Committed Costs

\$214.8M

Actual

\$37.16M

Forecast Costs

\$255.5M

Total Forecast Cost

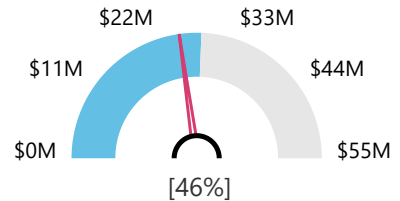
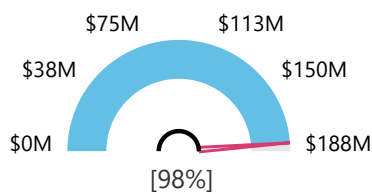
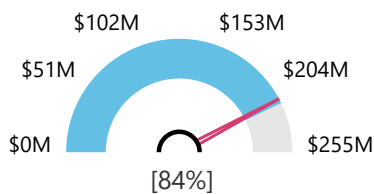
Description	Budget	Committed Costs	Forecast Costs	Total Forecast Cost	Actual
Commonwealth Hotel	\$11,987,570	\$6,506,091	\$5,481,479	\$11,987,570	\$6,506,091
Retail Project	\$54,555,349	\$27,935,256	\$29,474,215	\$57,409,471	\$24,834,118
Civic Project	\$188,020,704	\$183,896,629	\$2,209,204	\$186,105,833	\$183,507,452
Total	\$254,563,623	\$218,337,975	\$37,164,898	\$255,502,873	\$214,847,661

Actual, Budget and Commitments

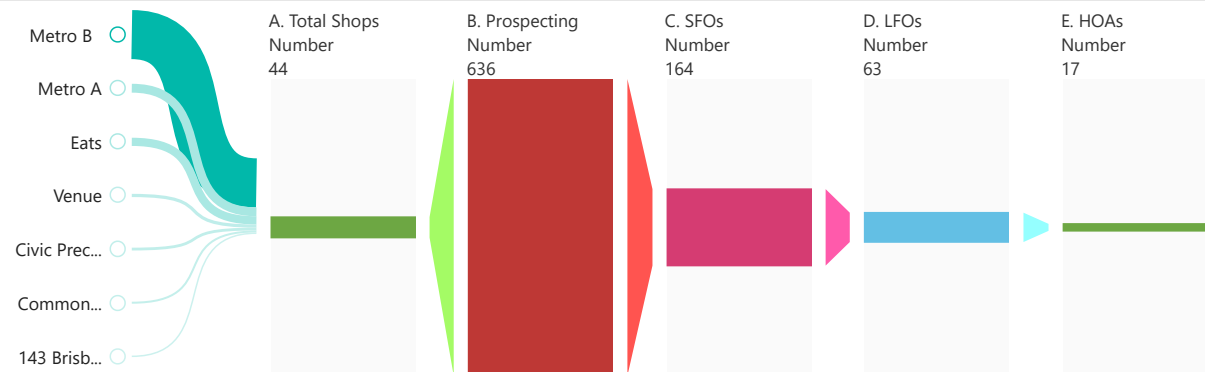
Total

Civic

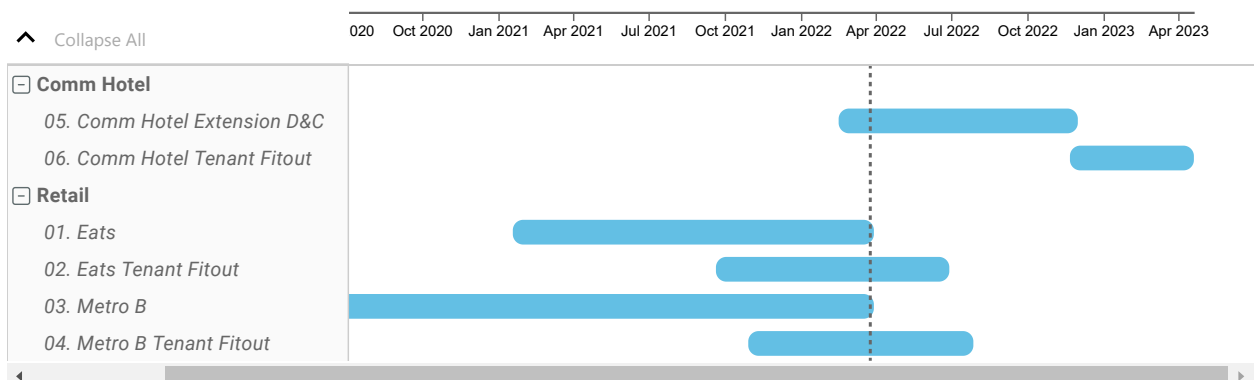
Retail



Leasing



Retail Schedule



Contents

1.	PROGRAM	1
1.1	SUMMARY	1
2.	FINANCIAL	2
2.1	FINANCIAL SUMMARY	2
2.2	CASH FLOW	2
3.	DESIGN & CONSTRUCTION	3
3.1	CIVIC PROJECT	3
3.2	COMMONWEALTH HOTEL	3
3.3	RETAIL	3
	APPENDIX A – MASTER PROGRAM	4
	APPENDIX B – SITE PHOTOS	5



1. Program

1.1 SUMMARY

The Retail delivery program has been updated as of 4 March 2022. A summary Gantt chart is included at **Appendix A** of this Report which reflects target completion dates summarised in the table below.

Table 1 – Program Status Summary

Ref	Project	Current Status	Target Completion
SP6	Eats Façade & Streetscape	Completed	Q4 2020
	Eats Landlord Works	In Construction	Q2 2022
	Eats Tenant Fit-out <i>* First tenant forecast to open 11-Apr-2022</i>	In Design / Construction	From Q2 2022
SP7	Metro A Façade & Streetscape	In Construction	Q2 2022
	Metro A Landlord Works	On Hold	TBD
	Metro A Tenant Fit-out	On Hold	TBD
SP8 / 9	Metro B (& Streetscape)	In Construction	Q2 2022
	Metro B Landlord Works	In Construction	Q2 2022
	Metro B Tenant Fit-out <i>* First tenant forecast to open May-2022</i>	In Design	From Q2 2022
SP10	AV Digital Projections Design & Construction	In Design	Q3 2022
TBC	Venue	On Hold	Q1 2023
	Venue Landlord Works	On Hold	Q2 2022
	Venue Tenant Fit-out	On Hold	Q3 2023
TBC	Commonwealth Hotel Façade & Streetscape	Completed	Q2 2021
	Commonwealth Hotel Extension	Developing Concept	Q3 2022
	Commonwealth Hotel Tenant Fit-out	Developing Concept	Q4 2022



2. Financial

2.1 FINANCIAL SUMMARY

The table below summarises the current budget and forecast final cost. Final forecast costs are within the budget.

Table 3 – Financial Summary

	Project	Current Budget	Committed Contracts and Variations	Forecast Contracts and Variations	Forecast Final Cost
1	Civic Project	\$188,020,704	\$183,896,629	\$2,209,204	\$186,105,833
2	Commonwealth Hotel	\$11,987,570	\$6,506,091	\$5,481,479	\$11,987,570
3	Retail Project	\$54,555,349	\$27,935,256	\$29,474,215	\$57,409,471
	TOTAL	\$254,563,623	\$218,337,975	\$37,164,898	\$255,502,873

2.2 CASH FLOW

Following the opening of the Administration Building on 28 June 2021 the cashflow for the Civic component of the project has reduced significantly, however some subsequent variations are yet to be claimed.

The Retail cashflow for recent months is captured below.

Table 4 – Cash Flow

Month	Monthly Expenditure	Project Cumulative Total
Dec 2021	Retail: \$870,007 Civic: \$0	\$212,536,989
Jan 2022	Retail: \$881,095 Civic: \$0 Other Costs: \$161,926	\$213,580,010
Feb 2022	Retail: 1,267,651 Civic: \$0	\$214,847,661



3. Design & Construction

3.1 CIVIC PROJECT

The official opening of the Admin Building and Children's Library occurred on 28 June 2021.

The Defects Liability Period ran until 18 March 2022 and all outstanding defects are being worked through with Hutchinson Builders.

3.2 COMMONWEALTH HOTEL

The proposed extension to the Commonwealth Hotel has been approved by Council as has its budget (subject to the execution of an AFL). The Development Application was approved by Council December 2021.

Council are in the final stages of negotiation with the preferred tenant for the hotel, and an AFL is expected to be signed in early March 2022.

3.3 RETAIL

Fitout works for the project's first retail tenant are underway within the Eats Building, however construction delays are continuing to be experienced due to contractual issues between the tenant and their shopfitter. Ranbury are intervening to resolve the issues arising. Completion is now forecast for end of March or early April 2022. An incremental handover to remaining tenants will take place when individual tenancies are ready to start their fitout works.

Practical Completion for the Eats Building is now reforecast for 31 March 2022, to allow additional landlord works requested by Council to be completed. These include CCTV camera installations and door access control works, which will be completed by Hutchinson whilst they are still in attendance onsite with the adjacent Metro B works.

Practical Completion for the Metro A façade and awning works is still targeting 31 March 2022 to coincide with Metro B completion.

Metro B's date for Practical Completion is forecast for 31 March 2022 due to a number of issues, including recent extreme weather events in SE QLD and client-instructed variations. Urban Utilities' upgrade works have been completed and Hutchinson are working with the lead engineers to source UU approvals. A number of client-led variations have lead times extending past the above forecast PC date (e.g. PWD lift to the Metro B entry off Bell St) and will be treated under the contract as 'Day 2' works, similar to the Civic Project.

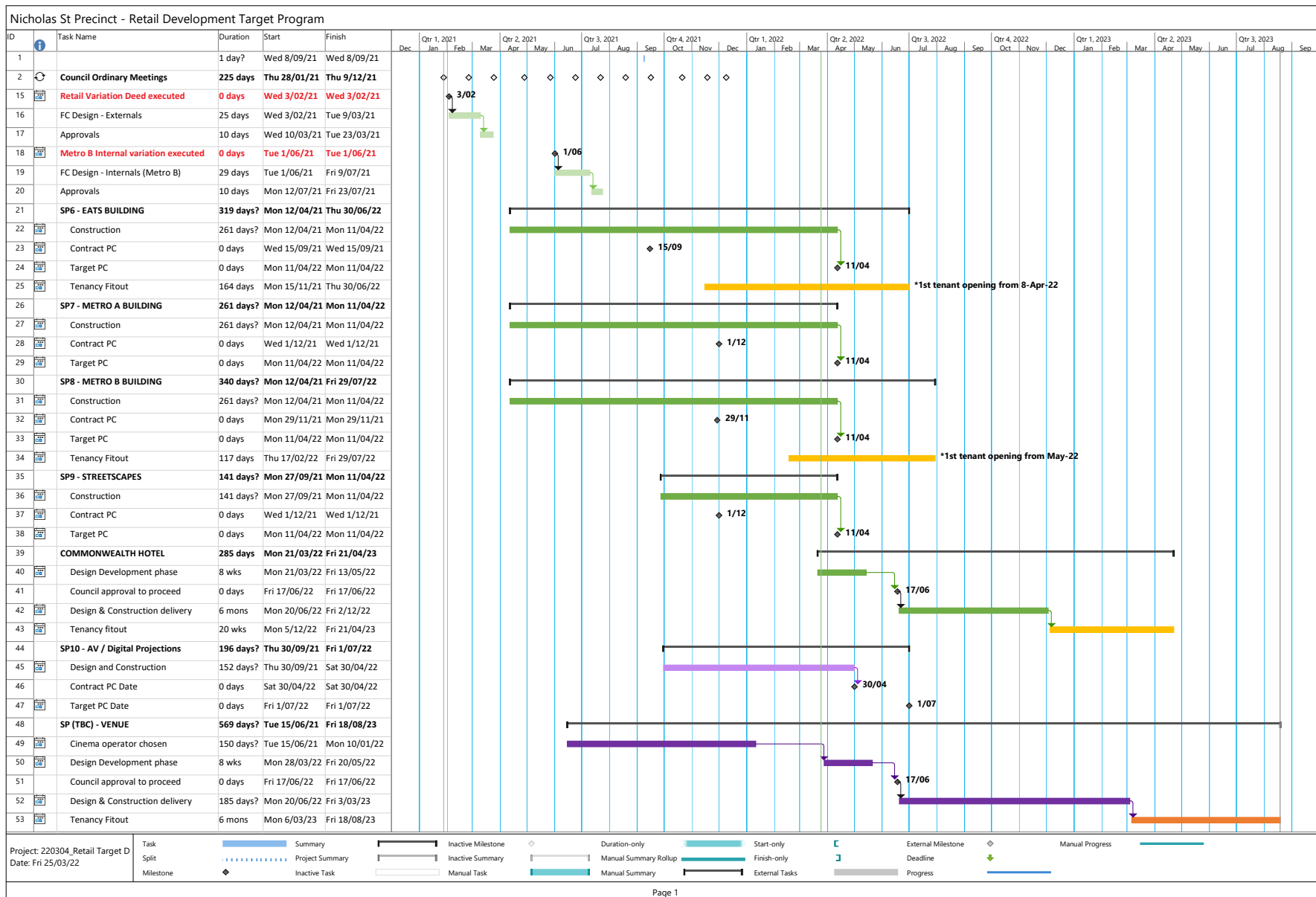
The first Metro B tenant is now forecast to accept handover of their tenancy in early April 2022. They have a 4-week fitout period which will see them ready to open by May 2022. An incremental handover to remaining tenants will take place when individual tenancies are ready to start their fitout works.

Streetscape works around Metro B are forecast for Practical Completion by 31 March 2022.

The Venue building is progressing with the preferred Cinema proponent following the conclusion of the selection phase. Buchan architects are working with Council and Ranbury on new concept design plans to suit the incoming cinema operator's requirements and the reconfiguration of existing tenant layouts.



APPENDIX A – MASTER PROGRAM



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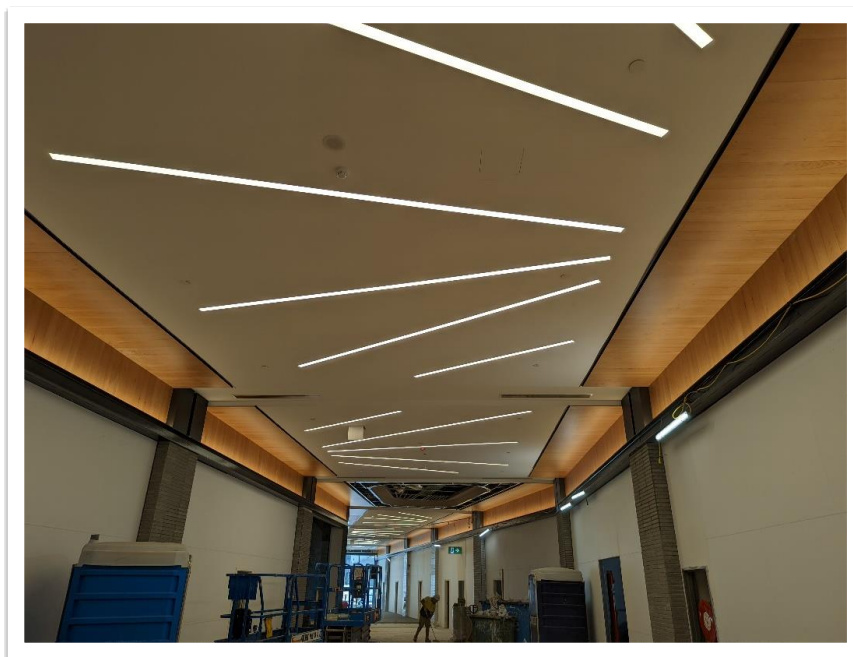
IPSWICH CENTRAL

APPENDIX B – SITE PHOTOS

Metro B



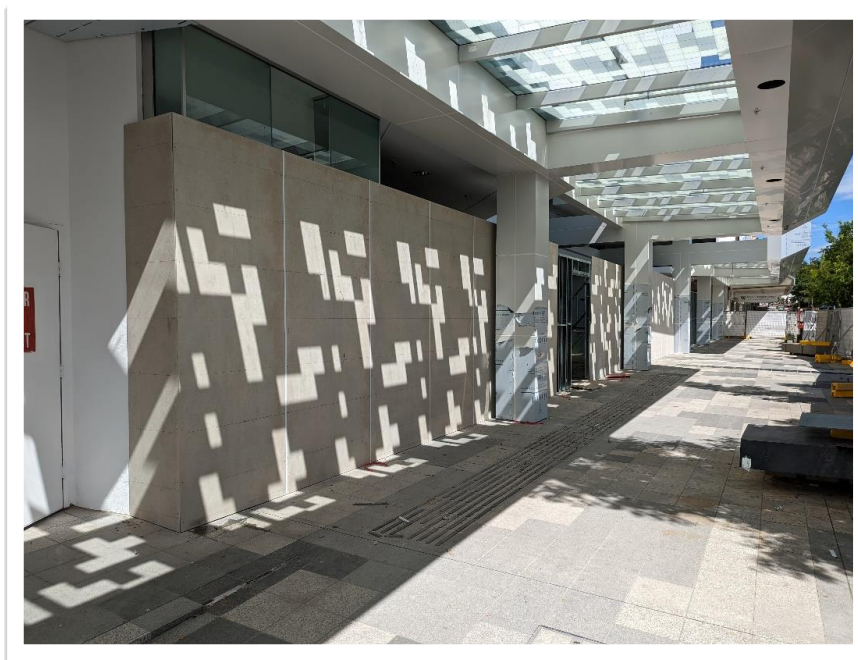
Union Place dining area landscaping and feature columns



Metro B - Internal mall lighting

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Metro A - awning glazing pattern casting shadows on hoarding