

AGENDA

of the

IPSWICH CENTRAL REDEVELOPMENT COMMITTEE

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

On Thursday, 5 May 2022
At 10 minutes after the conclusion of the Environment and Sustainability Committee

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

IPSWICH CENTRAL REDEVELOPMENT COMMITTEE AGENDA

10 minutes after the conclusion of the Environment and Sustainability Committee on **Thursday**, 5 May 2022

Council Chambers

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^{**} Item includes confidential papers

IPSWICH CENTRAL REDEVELOPMENT COMMITTEE NO. 4

5 MAY 2022

AGENDA

WELCOME TO COUNTRY OR ACKNOWLEDGEMENT OF COUNTRY

DECLARATIONS OF INTEREST IN MATTERS ON THE AGENDA

BUSINESS OUTSTANDING

CONFIRMATION OF MINUTES

1. <u>CONFIRMATION OF MINUTES OF THE IPSWICH CENTRAL REDEVELOPMENT COMMITTEE NO. 2022(03) OF 7 APRIL 2022</u>

RECOMMENDATION

That the Minutes of the Meeting held on 7 April 2022 be confirmed.

OFFICERS' REPORTS

2. <u>NICHOLAS STREET PRECINCT - RETAIL SUB-PROJECT STEERING COMMITTEE APRIL 2022</u>

This is a report concerning the April 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 April 2022 Retail Sub-Project Steering Committee Report be received and the contents noted.

3. <u>NICHOLAS STREET PRECINCT - COMMUNICATIONS, ENGAGEMENT AND EVENTS REPORT APRIL 2022</u>

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

RECOMMENDATION

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

NOTICES OF MOTION

MATTERS ARISING

IPSWICH CENTRAL REDEVELOPMENT COMMITTEE NO. 2022(03)

7 APRIL 2022

MINUTES

<u>COUNCILLORS' ATTENDANCE:</u> Councillor Marnie Doyle (Chairperson)(via audio link);

Mayor Teresa Harding, Kate Kunzelmann and Russell

Milligan

<u>COUNCILLOR'S APOLOGIES:</u> Deputy Mayor Nicole Jonic (Deputy Chairperson)

OFFICERS' ATTENDANCE: Acting Chief Executive Officer (Peter Tabulo), General

Manager Infrastructure and Environment (Sean Madigan), General Manager Community, Cultural and Economic Development (Ben Pole), Acting General Manager Planning and Regulatory Services (Brett Davey), Project Manager (Greg Thomas), Chair – Retail Sub-Project Sub Committee

(James Hepburn), Communications, Events and

Engagement Manager (Karyn Sutton), Chief of Staff – Office of the Mayor (Melissa Fitzgerald), Acting Digital Media and

Content Manager (Jodie Richter), Senior Policy and Communications Officer (David Shaw) and Theatre

Technician (Harrison Cate)

With the Chairperson, Councillor Marnie Doyle, requesting attendance for the meeting via audio link and the Deputy Chairperson, Deputy Mayor Nicole Jonic absent, Mayor Teresa Harding chaired the meeting.

MEETING ATTENDANCE VIA AUDIO LINK

Councillor Marnie Doyle requested attendance at the Ipswich Central Redevelopment Committee meeting of 7 April 2022 via audio link.

RECOMMENDATION

Moved by Mayor Teresa Harding Seconded by Councillor Kate Kunzelmann:

That in accordance with section 254K of the *Local Government Regulation 2012* and 8.6.2 of Council's Meeting Procedures Policy, Councillor Marnie Doyle be permitted to participate in the meeting via audio link.

AFFIRMATIVE NEGATIVE Councillors: Councillors: Harding Nil

Kunzelmann

Milligan

Councillor Marnie Doyle did not take part in the vote on this matter.

The motion put and carried.

LEAVE OF ABSENCE - DEPUTY MAYOR NICOLE JONIC

RECOMMENDATION

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

That a leave of absence be granted for Deputy Mayor Nicole Jonic.

AFFIRMATIVE NEGATIVE
Councillors: Councillors:
Doyle Nil

Harding Kunzelmann Milligan

The motion was put and carried.

WELCOME TO COUNTRY/ACKNOWLEDGEMENT OF COUNTRY

Mayor Teresa Harding delivered the Acknowledgement of Country.

DECLARATIONS OF INTEREST IN MATTERS ON THE AGENDA

Nil

BUSINESS OUTSTANDING

Nil

CONFIRMATION OF MINUTES

1. <u>CONFIRMATION OF MINUTES OF THE IPSWICH CENTRAL REDEVELOPMENT</u> <u>COMMITTEE NO. 2022(02) OF 10 MARCH 2022</u>

RECOMMENDATION

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

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

AFFIRMATIVE NEGATIVE
Councillors: Councillors:
Doyle Nil

Harding Kunzelmann Milligan

The motion was put and carried.

OFFICERS' REPORTS

2. <u>NICHOLAS STREET PRECINCT - COMMUNICATIONS, ENGAGEMENT AND EVENTS</u> 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

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

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

AFFIRMATIVE NEGATIVE
Councillors: Councillors:
Doyle Nil

Harding Kunzelmann Milligan

The motion was put and carried.

3. <u>NICHOLAS STREET PRECINCT - RETAIL SUB-PROJECT STEERING COMMITTEE</u> <u>MARCH 2022</u>

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

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

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

AFFIRMATIVE NEGATIVE
Councillors: Councillors:
Doyle Nil

Harding Kunzelmann Milligan

The motion was put and carried.

NOTICES OF MOTION

Nil

MATTERS ARISING

Nil

PROCEDURAL MOTIONS AND FORMAL MATTERS

The meeting commenced at 11.49 am.

The meeting closed at 11.59 am.

Doc ID No: A7981868

ITEM: 2

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

APRIL 2022

AUTHOR: PROJECT MANAGER

DATE: 21 APRIL 2022

EXECUTIVE SUMMARY

This is a report concerning the April 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 April 2022 Retail Sub-Project Steering Committee Report be received and the contents noted.

RELATED PARTIES

Ranbury Management Group - Program Management PartnerRanbury 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 RSPSC did not meet in April with the next meeting of this committee scheduled for 10 May 2022.

The table below identifies the status of tenancy negotiations as of 22 April 2022. Since the previous report, one Agreement for Lease (AFL) have been signed and executed by the Lessee and is shortly to be considered by council. Furthermore, of the two Heads of Agreement's (HOA's) that were submitted to Council for approval in March 2022, one has been approved with legal documentation now being prepared. Approval of the second HOA

remains outstanding. Four tenancies are now being prepared for handover to the Lessee's fit-out contractors. Leasing demand remains strong however, it is anticipated that there may be some delays as Lessees undertake their fit-outs given pressure within the construction industry due to rising costs and labour shortages.

Deal Status	April 2022	Change from March 2022
HOA Signed (non-legally binding)	17	+1
HOA Pending Approval by Council	1	-1
Lease Documents Issued	16	0
Lease Documents Being Prepared	1	1
Leases Executed by Lessee	6	+1
Leases Pending Approval by Lessor (Council)	1	+1
Leases Executed by Lessor (Council)	5	0

In December 2021, Council endorsed entering into an AFL/lease with the preferred operator for the cinema complex within the Venue building. The exclusivity period is currently underway to 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.

Hutchinson Builders have been engaged to undertake 100% design development with an associated contract sum to build. Design coordination is in week five of an eight week process to document the lessor's base build scope of works. Completion of design development is due in late May 2022 and following receipt of a price commitment from the builder, Council's approval for the associated contract variation will be sought.

As previously reported, the AFL for the Commonwealth Hotel was executed on 10 March 2022, a condition by Council for the approved hotel extension to progress to construction. At its 24 March 2022 Council approved the engagement of Hutchinson Builders to undertake 100% design development with an associated contract sum to build. Design coordination is in its second week to document lessor's base build scope of works with the design being progressed in partnership with Aushotels. Completion of design development is due in mid-June 2022 and following receipt of a price commitment from the builder, Council's approval for the associated contract variation will be sought.

Practical completion of the refurbishment works to the Eats building has been revised to 29 April 2022 with the CCTV cameras having been installed in mid-April. Works continue on Metro B and the streetscape works to both Nicholas Street/Union Place with practical completion now forecast to occur on 29 April 2022 (the PWD lift remains scheduled for installation by 31 May 2022).

The February 2022 rain event impacted the undercover car park with water damage to the Level 5 boom gate operating mechanisms. As a result, the car park was reopened with free

parking until the related repairs were completed. These repairs have now occurred with the car park returned to its normal operating mode.

To assist in establishing the brand into the future, **Nicholas Street Precinct** has now been registered as a business name under Ipswich City Council.

Due to the proximity of the May 2022 Ipswich Central Redevelopment Committee meeting to the end of the reporting month, the April 2022 Executive Report will be included with the June 2022 Ipswich Central Redevelopment Committee papers. Refer Attachment 1 for the March 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.

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. March 2022 Executive Report 🗓 🖺

Greg Thomas

PROJECT MANAGER

I concur with the recommendations contained in this report.

Graeme Martin

ACTING GENERAL MANAGER, INFRASTRUCTURE AND ENVIRONMENT

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



Nicholas Street, Ipswich Central

Executive Report No.35
To 6 April 2022





DOCUMENT INFORMATION

Title: Nicholas Street, Ipswich Central

Subtitle: Executive Report

VERSION	DATE	PREPARED BY
1	6 April 2022	CBD Redevelopment Project Team

Distribution

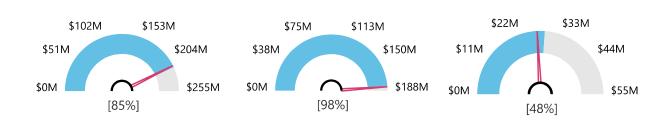
Ipswich City Council

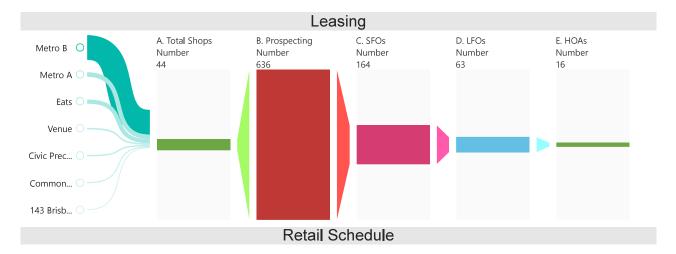


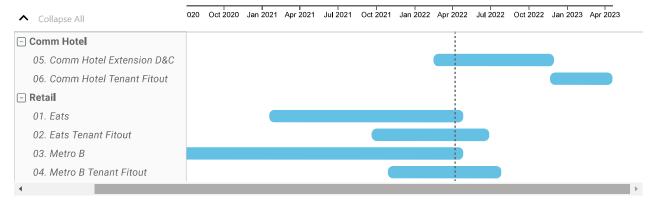
\$219.7M \$217.0M \$36.03M \$255.7M \$254.6M **Committed Costs** Actual Forecast Costs Total Forecast Cost Budget Description Total Forecast Budget **Committed Costs Forecast Costs** Actual Cost Commonwealth Hotel \$6,830,033 \$11,987,570 \$11,987,570 \$5,157,537 \$6,611,433 Retail Project \$54,555,349 \$28,528,759 \$29,130,737 \$57,659,497 \$26,417,703 Civic Project \$188,020,704 \$184,331,913 \$1,742,108 \$186,074,021 \$183,942,737 Total \$254,563,623 \$219,690,705 \$36,030,382 \$255,721,087 \$216,971,873

Actual, Budget and Commitments

Total Civic Retail







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1. Program

1.1 SUMMARY

The Retail delivery program has been updated as of 6 April 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 * First tenant forecast to open late Apr-2022	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 * First tenant forecast to open late May-2022	In Design / Construction	From Q2 2022
SP10	AV Digital Projections Design & Construction	In Design	Q3 2022
ТВС	Venue	In Design	Q1 2023
	Venue Landlord Works	On Hold	Q2 2022
	Venue Tenant Fit-out	On Hold	Q3 2023
ТВС	Commonwealth Hotel Façade & Streetscape	Completed	Q2 2021
	Commonwealth Hotel Extension	In Design	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	\$184, <i>331</i> ,913	\$1,742,108	\$186,074,021
2	Commonwealth Hotel	\$11,987,570	\$6,830,033	\$5,157,537	\$11,987,570
3	Retail Project	\$54,555,349	\$28,528,759	\$29,130,737	\$57,659,497
	TOTAL	\$254,563,623	\$219,690,705	\$36,030,382	\$255,721,087

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 progressively being claimed.

The Civic and Retail cashflow for recent months is captured below.

Table 4 - Cash Flow

Month	Monthly Expenditure	Project Cumulative Total
Jan 2022	Retail: \$870,007 Civic: \$0	\$212,536,989
Feb 2022	Retail: \$881,095 Civic: \$0 Other Costs: \$161,926	\$213,580,010
Mar 2022	Retail: \$2,852,063 Civic: \$539,799 Other costs: \$0	\$216,971,873



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 rans 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. The Development Application was approved by Council December 2021.

AusHotels Group have been secured as the operator of the Hotel, acting as a key anchor tenant to the Entertainment & Leisure offer across the precinct. Hutchinson Builders have been engaged as a variation to their existing construction contract to undertake an 8-week Design Development period followed by the submission of a lump-sum D&C price to deliver the landlord component of works.

It is forecast that this submission with go to Council's ordinary meeting in June 2022 for their review and approval.

3.3 RETAIL

Fitout works for the project's first retail tenant is underway within the Eats Building, and they are forecast to open for trade late April. 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 (SP6), Metro A façade (SP7), Metro B Building (SP8) and the Nicholas St/ Union PI Streetscapes (SP9) has all been rescheduled to 29 April 2022. Delays with material supply and impacts from covid-related staffing issues has impacted Hutchinson Builders delivery of the works. This extended timeframe will also allow for the completion of more client-instructed variations and Cat 1 works prior to handover to tenants for their fitout works.

There will also be upcoming variation works and Cat 1 works that are yet to be finalised with tenants, and that need to be delivered by Hutchinson Builders past the reforecast Practical Completion date. These will be delivered as 'Day 2' works under the contract.

The first Eats and Metro B tenancies are forecast to open late April and late May respectively. Incremental opening of remaining tenants will take place after these dates as tenants accept stages handovers of their shops.

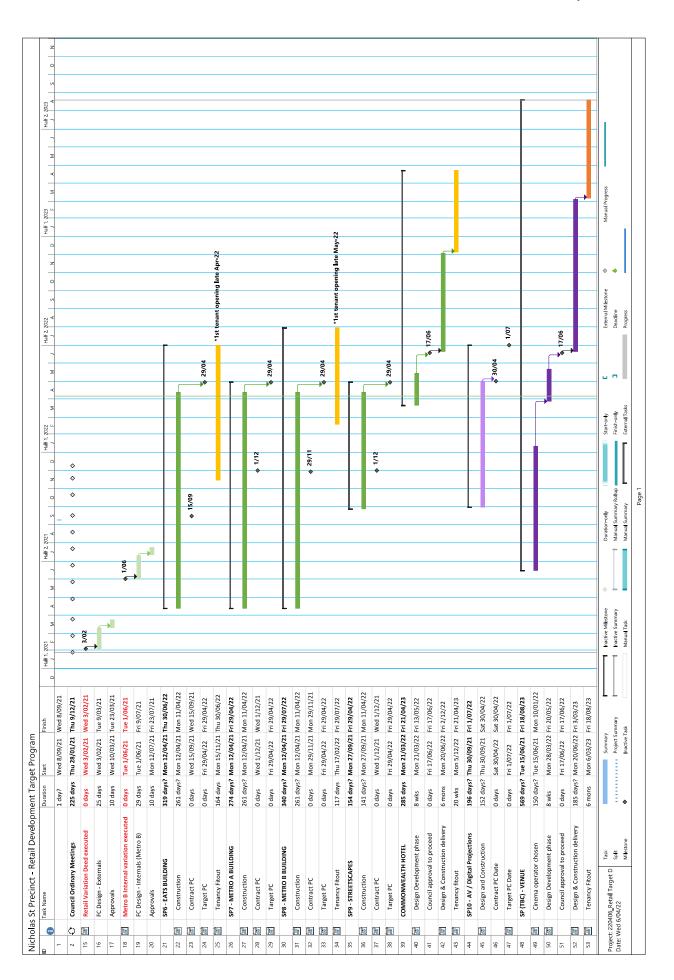
The AV Digital Projections (SP10) are currently under design development with Hutchinson Builders and their specialist contractors. Installation works are forecast to commence from June 2022 once ordered equipment arrives in Australia.

Hutchinson Builders have also been approved to undertake an 8-week Design Development phase for the Venue building. They have been engaged as a variation to their existing construction contract and the design phase will conclude with Hutchinson submitting a formal lump-sum D&C price to deliver the works.

It is forecast that this submission with go to Council's ordinary meeting in June 2022 for review and approval.



APPENDIX A - MASTER PROGRAM



NICHOLAS P

APPENDIX B - SITE PHOTOS

Metro B



Figure 1 (above): Corner of Nicholas St & Union Place



Figure 2 (above): Union Place dining 'balcony'

NICHOLAS P



Figure 3 (above): Union Place undercover licenced seating area



Figure 4 (above): Sunlight coming through skylight at Nicholas St entry



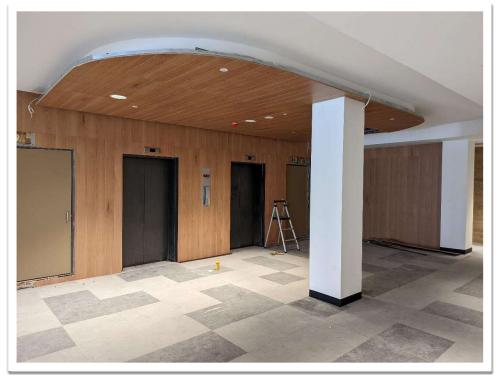


Figure 5 (above): New lift lobby to 2 Bell St tower

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ITEM: 3

SUBJECT: NICHOLAS STREET PRECINCT - COMMUNICATIONS, ENGAGEMENT AND EVENTS

REPORT APRIL 2022

AUTHOR: COMMUNICATIONS, EVENTS AND ENGAGEMENT MANAGER

DATE: 21 APRIL 2022

EXECUTIVE SUMMARY

This is a report concerning the communications, engagement and events activity undertaken and planned for the Nicholas Street Precinct in April 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 April and inform of activity upcoming.

EVENTS

In April the Nicholas Street Precinct hosted the Ipswich Twilight Markets, Handmade Market Expo, lunchtime food trucks and school holiday program including safari putt putt and stage performance featuring Bluey.

The school holiday program was well received by the community, attracting daily visitation of over 1,000 and welcoming over 5,000 visitors for the main performance by Bluey on Friday, 8 April.

Final planning is underway for the September school holiday program which will include an Ice Age themed activation and daily changing stage shows including Bob the Builder, Octonaughts, Fireman Sam and Peppa Pig. All school holiday events will be free to the community and complemented with food trucks and themed market stalls.

Events upcoming in May include:

- Wednesday 4th DVAC Candlelit Vigil from 5:30pm to 7:00pm
- Friday 6th Ipswich Twilight Markets from 3:00pm to 8:00pm
- Saturday 7th Dogfest from 8:00am to 1:00pm
- Saturday 14th Handmade Expo Market from 9:00am to 1:00pm
- Saturday 28th Auslan Yoga from 8:30am to 9:15am

Marketing

The refreshed Nicholas Street Precinct website continues to grow with additional dedicated pages and content added to support local area information and connectivity, interactive tenancy map and event updates.

Artwork creation for the Metro B façade is underway in partnership with Buchan. When operational, the façade will light up each evening with a changing collection of 3D artwork, short vignettes and impactful moments currently being crafted.

Hoarding along Metro A and the shopfronts of Metro B are to be installed with branded artwork to support the precinct positioning and identity.

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"