

Thames War Memorial Civic Centre/i-SITE Project

TO	Thames Community Board
FROM	Greg Hampton - Area Manager Thames
DATE	18 March 2015
SUBJECT	Alterations to the Thames War Memorial Civic Centre to accommodate the i-SITE and Destination Coromandel

1 Purpose of Report

To report progress on the project initiation phase of the proposed alterations to the Thames War Memorial Civic Centre (Civic Centre) to accommodate the Thames i-SITE and Destination Coromandel offices.

2 Background

The Thames i-SITE has been in its current location at the southern end of Pollen Street for the past 13 years and is currently run by the committee of the Thames Information Centre Incorporated (the Committee). The committee receives an annual grant from Council through the economic development activity for the management and operation of the i-SITE. This service level agreement expires on 30 June 2015 with Destination Coromandel (DC) being funded to operate the i-SITE from 1 July 2015.

Problem Statement

The current i-SITE premises has received low ratings from i-SITE New Zealand with negative feedback including comments relating to low presence and poor condition of the facilities. The issues with the current Pollen Street location include, but are not limited to:

- The location is remote from the town centre and within an unattractive service commercial area that does not present a good impression to visitors
- Low visibility and no street presence to Pollen Street
- The toilet amenities are poor
- The premises are not in a good state of repair

As such the Thames i-SITE Committee has wanted to relocate to a better location for several years but has been unsuccessful in finding a suitable site at an affordable cost.

Thames i-SITE Location Options Assessment

The Thames Community Board (TCB) decided to assist the committee in seeking new premises and undertook investigations into suitable relocation options (attached). The recommended option was to relocate the i-SITE to the Civic Centre into the currently unutilised ticketing office. Both the i-SITE committee and DC were involved in assessing the options and are in agreement with the proposal to relocate to the Civic Centre.

Destination Coromandel has also expressed a desire for its administrative offices to be located close to the Thames i-SITE once they take over the operation from 1 July 2015.

At its meeting of 8 September 2014 the Thames Community Board resolved as follows:

That the Thames Community Board:

1. *Receives the report.*
2. *Instructs the Area Manager to commission detailed design, construction plans and*

costings for the proposed Civic Centre Ticketing Office alterations by 30 September 2014 and storage room alterations for commercial tenancy, and approves funding for the design costs from the Board's discretionary fund.

3. *Makes long term tenancy available to the Thames i-SITE within a reconfigured ticketing office.*
4. *Delegates to the Thames Community Board Chair and Area Manager to negotiate a tenancy agreement with Thames i-SITE Committee and Destination Coromandel.*
5. *Recommends that the Economic Development committee fund the relocation of the Thames i-SITE to the Thames Civic Centre ticketing office including the required alteration costs.*
6. *Offers a temporary tenancy to the Thames i-SITE Committee of the Civic Centre Conference Room during the ticketing office construction phase conditional upon;*
 - *Relocation and alteration costs for the ticketing office being approved by the Economic Development Committee*
 - *The Thames i-SITE Committee and Destination Coromandel tenancy agreements being successfully negotiated*

Moved/Seconded By: Simpson/Cassidy

Architectural plans have since been developed in conjunction with both Destination Coromandel and the current i-SITE committee to reconfigure the Civic Centre ticketing office to accommodate the i-SITE and create additional office space at the western frontage of the Civic Centre to house DC offices.

Operational Costs

The Civic Centre is currently underutilised and the two proposed tenantable spaces within the facility provide the opportunity of additional revenue streams to improve operational sustainability and help offset the cost of operating the facility.

Civic Centre i-SITE Alterations Proposal

The current project proposal is that subject to having Community Board and Council approval to aim to have the Civic Centre i-SITE alteration works completed prior to 30 June 2015, to be available for i-SITE accommodation by 1 July 2015.

A detailed business case will be presented to the meeting to seek a mandate to proceed with the project.

3 Issue

The current Thames i-SITE premises are considered to be a sub-standard location and an improved location is preferred by all stakeholders. The current location lease has expired and is on a month by month arrangement. The Civic Centre is proposed as the preferred option for re-establishing the i-SITE in an improved location. As a result of the above the Thames Community Board is being asked to consider approval of funding for the Thames Civic Centre alterations to accommodate the Thames i-SITE.

4 Discussion

Civic Centre Alterations Project Definition

As per Councils project management procedures a Project Definition has been drafted and is provided as **Attachment A**. At the time of writing the project definition had not been reviewed by the peer review team. Any amendment to the project definition as a result of that feedback will be available for the Boards information at the time of presenting this report.

Project Scope

The project proposes alterations to the Thames Civic Centre to accommodate both the Thames i-SITE and Destination Coromandel offices (**Attachment B - alterations layout plan**). To accommodate the bus terminal, carpark and roading kerb alterations will also need to be implemented. Amended car parking bylaw time restrictions are also recommended to be put in place to cater for short term visitor parking. (**Attachment C - proposed bus/carparking plan**).

The project scope does not include the relocation of the i-SITE or fit-out of the premises as this is considered a tenant responsibility. An operational expenditure (opex) budget of \$30,000 funded from the District Economic Development activity has been allocated in the 2014/2015 Annual Plan to aid with the relocation costs of the Thames i-SITE. It is planned that this budget will be utilised to cover part of the relocation and fit out costs of the i-SITE premises.

Project Initiation Progress to date:

- Thames i-SITE Location Options Assessment Report
- Spatial design options for the Wintec and Civic Centre Hub
- Proposed building alteration design and construction plans have been completed to building consent standard.
- Preliminary construction costs have been quantity surveyed and initial estimates provided to inform the project definition.
- Bus and car parking plans have been completed and ready for detailed costing.

Next steps:

- Completion of Business Case prior to this Community Board meeting
- Negotiations with tenants and Draft Tenancy Agreement prepared
- Presentation of the Business Case to Community Board for recommendation to Council
- Presentation of the Business Case to Council for approval

Project Budget

A full financial treatment of this project will be outlined in the business case to be presented to the Board at this meeting.

Project Initiation Costs (Opex)

Architectural design costs to date on this project includes the development of spatial design options for the Wintec and Civic Centre Hub and detailed construction plans for the i-SITE and Destination Coromandel office alterations. The spend to date is \$22,521.25 funded from the Board's discretionary fund. This budget is currently overspent by \$3,021.25.

Capital Expenditure (Capex)

There is currently no budget provision for the capex component of this project for the building alterations or bus/car parking provisions.

Capex Budget Requirements

Estimates based on quantity survey have been received from approved building contractors for the proposed work as follows:

- Alterations to the ticketing office to accommodate i-SITE:
 - Option 1 - Alterations within the existing footprint \$110,000
 - Option 2 - Alterations with a new glass extension (~12.2 m2) \$130,000
- Bus / Car Parking works - Design and Construction for bus and car parking provisions (rough order cost) \$38,000

- Building Consent \$5,000

- Estimated Total - Option 2 \$173,000
- Plus Contingency - 15% (\$25,950)

- Option 2 Total - \$198,950**

Staff recommendation is Option 2 as this is considered the minimal area required to provide for the i-SITE's operational needs. This is consistent with the tenant's preferences.

Funding

A full financial treatment will be presented in the business case. An option to loan fund the capital investment over a 10 year term could expect annual debt repayments of around \$28,000 with the expense being potentially offset by the rental revenue.

The Thames Community Board does not have the authority to approve new capital projects as per Community Board Delegations that state that:

"The community board shall only expend funding on purposes for which that funding was originally raised and in accordance with the budgets approved by Council through its Ten Year Plan and Annual Plan."

Therefore if the Board wishes to proceed with the proposed alterations a recommendation to Council for approval of funding is required.

5 Suggested Resolution(s)

That the Thames Community Board:

1. Receives the report.

References-Tabled/Agenda Attachments

Attachment A *Thames War Memorial Civic Centre/i-SITE Project - Project Definition*

Attachment B *Alterations Layout Plan*

Attachment C *Proposed Bus /Car parking Plan*

Attachment A

Attachment A - Thames War Memorial Civic Centre i-SITE Project Definit...

Attachment B - Alterations Layout Plan

Attachment C
Attachment C - Proposed Bus/Car Parking Plan