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## **PUBLIC SPACE DEVELOPMENT UPDATE**

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### **1. Purpose of report**

This report provides an update on the current urban design public space projects and presents the findings of an initial review of the programme. It also details some reprioritisation of spending within the Central City project area.

### **2. Executive summary**

A programme of urban design public space projects is outlined in the 2012-22 Long-term Plan. As part of the formation of the new Urban Development Unit, an initial review of the projects has been undertaken. This has identified three operating principles deserving of more attention: managing communication with stakeholders; accuracy in initial scoping and costing of projects; and maintaining quality outcomes.

Based on experience at Kilbirnie, a more regular and managed communications plan will be used in all future projects. While this will increase the costs of delivery, and may not eliminate all contentious issues, we anticipate it will significantly improve the process for the community.

The review has also identified a need to direct more resources into the initial scoping and costing of projects and to ensure that high quality outcomes in public space development continue to enhance Wellington's reputation.

Three projects have insufficient budget to ensure that the identified goals and desired quality are met: Opera House Lane; Clyde Quay; and Miramar. However the Newlands Town Centre project will be completed under the budget. The budget for the Parliamentary Precinct allocated to this financial year will not be spent.

To ensure that current projects are completed to a high standard, it is recommended that *up to* \$340K from the Parliamentary Precinct project is reallocated to Opera House Land and Clyde Quay. The work undertaken to identify the most appropriate project in the Parliamentary Precinct means that officers are confident that the reallocation will not compromise the outcome of this project. The shortfall for Miramar will be covered from the surplus from the Newlands project, along with contributions to reflect the upgrade to the waste water and roading assets.

### 3. Recommendations

Officers recommend that the Strategy and Policy Committee:

1. *Receive the information.*
2. *Approve the reprioritisation of funding as detailed in section 5.3.*

### 4. Background

A programme of urban design public space projects is outlined in the 2012-22 Long- term Plan. The major projects are grouped into three higher-level projects. “Central City” covers projects that arise from the Central City Framework and other Central City initiatives and includes “laneways” projects. “Growth Spine Centres” covers the key centres identified in the Urban Development Strategy (Kilbirnie, Johnsonville and Adelaide Rd). The “Suburban Centres Upgrade” covers other suburban centres, like Newlands and Miramar and these projects arise from the Centres Policy and programme.

### 5. Discussion

As part of the formation of the new Urban Development Unit, an initial review of the Urban Design CAPEX projects has been undertaken. This review has been timely, as a number of projects are nearing completion and others are in the final design or tendering stage. The information gained from the review of existing projects has identified key operating principles which will help improve the scoping, design and budgeting for the next group of projects, both those already included in the LTP, and any new Urban Design initiatives included in the 2013-14 Annual Plan.

#### 5.1 Current Urban Design CAPEX Projects

The Urban Design team is currently working on eight public space improvements. These are summarised below.

#### **Projects Nearing Completion**

Two significant Town Centre projects are nearing completion. The **Newlands Town Centre** project is expected to be completed by mid-April. The scope of the project has been able to be extended to include some additional improvements while staying within the budget.

The **Kilbirnie Town Centre** project is making good progress. It is anticipated that work will be complete by late April. The project has included the replacement of a 100 year old section of storm water drain, which was funded by Capacity, and has dealt with a number of other infrastructure issues.

#### **Well Advanced Projects**

The tender for the **Miramar Town Centre** project has been finalised and work is expected to commence in late April. Consultation on the location for the new toilet has caused some delay, but has resulted in an option which is more acceptable to the community.

The first stage of work on the **Clyde Quay** project, to improve access to the area in front of the boat sheds is underway and final designs and prices for improved lighting complete. Consultation with the landowners adjacent to the new lighting poles has started.

Design for **Opera House Lane**, the first stage of the Laneways project, is well advanced. Key improvements to the Lane are expected to be complete in time for the Lux Festival in June 2013, with the remaining elements to follow shortly afterwards.

We are currently working with the **Tinakori Rd** retailers to select the specific improvements, within the budget, that will be most beneficial to them. Once this has been agreed, final design and tendering can get underway.

### **Projects in Scoping Phase**

Significant work has been undertaken in scoping options for the project in the **Parliamentary Precinct**. Six different options were identified and evaluated, with additional scoping undertaken on a possible project for Molesworth Street. As a result of this work, a preferred project has been chosen for the “forecourt” of parliament. The project will make significant improvements to the public space between the Cenotaph and the landing site on the corner of Molesworth Street. Parks and Gardens have also identified potential improvements in the area adjacent to the Cenotaph, and this will be included in the scoping of the project, which is timed to be completed in time for the Anzac commemoration in 2015. Initial contact has been made with Parliamentary Services, and a very positive response has been received.

### **5.2 Learning from Recent Review**

The initial review of current projects has identified three main operating principles which deserve more attention in the future management of public space developments: managing communication with stakeholders; more accuracy in the initial scoping and costing of projects; and maintaining the quality of projects.

The Kilbirnie Town Centre project has clearly demonstrated the value in directing more resources into communication with stakeholders and responding to their concerns, both before and during the construction phase of projects. For example, the Kilbirnie project is drawing more regular support from the Communications Team and using a weekly email to all interested parties. In addition to the usual site visits, the project manager is making weekly or twice weekly visits to the affected retailers.

This more regular and managed contact is proving very helpful and is enabling early responses to the inevitable issues that arise during the construction phase. This approach will be used in all future projects. While it will increase the costs of delivery and while it may not eliminate all contentious issues, officers anticipate it will significantly improve the process for the community.

The review has also identified a need to direct more resources into the initial scoping and costing of projects and, in particular, to identify infrastructure opportunities and constraints. In some instances, the current budgets were set before design options were fully explored and all the significant costs identified.

Finally, the need to maintain the desired quality of the urban design outcomes has been highlighted by the review. Wellington has a reputation as an exciting and liveable city. All projects need to build on this reputation. While the scope of each project is tailored to the available budget, this should not result in a low quality result.

Two existing Central City projects have insufficient budget to ensure that the identified goals and quality of the project are met: Opera House Lane; and Clyde Quay. There is a range of reasons for this, including the cost of providing electrical supply for new lighting, and legal costs associated with attaching lighting and other structures to private buildings. Changes have been made to the projects to reduce the costs, but any further reduction in scope risks compromising the quality of projects.

The Miramar Town Centre project (budget \$900K) has a shortfall of \$250K. The cheapest tender for the developed design (excluding the toilet relocation) was over \$800K. This includes the refurbishment of the heritage-listed tram shelter, which was an addition to the original scope of the project.

The change in location for the toilet has also incurred additional cost. A custom designed toilet unit is required for the new site, along with a higher cost for the associated infrastructure. \$100K is available, as the Newlands project has come in under budget. Recognising that some of the Miramar work is in effect bringing forward renewal of roading and waste water infrastructure, the remaining \$150K will be secured through budget transfer from the Chief Assets Officer and Chief Operating Officer.

### 5.3 Budget Overview

The following tables give an overview of the budgets allocated to major urban design projects and summarise the proposed budget reprioritisation within the Central City project.

#### Per LTP

		2012/13	2013/14	2014/15	2015/16	Total
Central City	Opera House Lane	500,000				500,000
	Parliamentary Precinct	500,000	1,000,000			1,500,000
	Clyde Quay	208,000				208,000
	Eva/Leeds St		500,000			500,000
	Victoria St			600,000	1,900,000	2,500,000
	Inner City Park				3,000,000	3,000,000
Growth Spine Centres	Kilbirnie			525,000		525,000
Suburban Centres	Miramar	900,000				900,000
<b>Total</b>		<b>2,108,000</b>	<b>1,500,000</b>	<b>1,125,000</b>	<b>4,900,000</b>	<b>9,633,000</b>

**Revised funding**

		2012/13	2013/14	2014/15	2015/16	Total
Central City	Opera House Lane	720,000				<b>720,000</b>
	Parliamentary Precinct	160,000	1,000,000			<b>1,160,000</b>
	Clyde Quay	328,000				<b>328,000</b>
	Eva/Leeds St		500,000			<b>500,000</b>
	Victoria St			600,000	1,900,000	<b>2,500,000</b>
	Inner City Park				3,000,000	<b>3,000,000</b>
Growth Spine Centres	Kilbirnie			525,000		<b>525,000</b>
Suburban Centres	Miramar	900,000				<b>900,000</b>
<b>Total</b>		<b>2,108,000</b>	<b>1,500,000</b>	<b>1,125,000</b>	<b>4,900,000</b>	<b>9,633,000</b>

**Reprioritisation of funding proposed**

		2012/13	2013/14	2014/15	2015/16	Total
Central City	Opera House Lane	220,000				<b>220,000</b>
	Parliamentary Precinct	-340,000	0			<b>-340,000</b>
	Clyde Quay	120,000				<b>120,000</b>

Memorial Park is not included in the table as this project is being managed through a different process. The Tinakori Road Village project (\$140K) is also in a separate project budget.

The budget for the Parliamentary Precinct project for this financial year is significantly under spent. Given the importance of this project and the number of possible options for improvements in the precinct, it has taken some time to select the most appropriate project.

As previously noted, Opera House Lane and Clyde Quay require some additional budget so they can be completed to a high standard. Up to \$340K of the budget allocated for the Parliamentary Precinct project will be used to complete the projects; the actual figure required may well be less than this.

Officers are confident this 'transfer of budget' approach will not compromise the projects for 2013/14, and in particular note that the planned improvements to the Parliamentary Precinct will be a significant asset to the City.

**5.4 Future Projects**

With respect to the future programme of projects, further work is being done to better inform these. A review is being undertaken of the Centres programme, which will provide updated information on the implementation and outcomes of the work to date. Other relevant developments to consider include positive progress on private investment in Victoria Street. Officers also note recent

confirmation that redevelopment of the Bus Barns site in Kilbirnie is unlikely to proceed in the next 5-10 years.

### **5.5 Consultation and Engagement**

Officers will provide a briefing to the Central City Reference Group on current and future projects.

### **5.6 Financial considerations**

No extra funding is being sought. While it is envisaged that the reprioritisation of funding will not negatively impact on the overall programme there is risk that once programmes are fully scoped and tendered that costs will increase.

### **5.7 Climate change impacts and considerations**

There are no climate changes considerations.

### **5.8 Long-term plan considerations**

While some reallocation of spending will occur, there are no significant Long-term plan considerations.

## **6. Conclusion**

An initial review of the Urban Design public space projects has identified the need to reallocate some funding between projects in the Central City. This will ensure that current projects are completed to a high standard. The work undertaken to identify the most appropriate project in the Parliamentary Precinct means that officers are confident that this reallocation will not compromise the outcome of this project.

More detailed scoping and costing of the projects, including infrastructure constraints and opportunities, will ensure that the programme of Urban Design work remains within the overall budget.

All future projects will incorporate the lessons learned from the Kilbirnie Town Centre, and a more intensive communications plan will be incorporated into the project plans.

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## SUPPORTING INFORMATION

### 1) Strategic fit / Strategic outcome

The Urban Design programme of public space improvements implements the Council's strategic direction for urban development as outlined in Wellington 2040, the Central City Framework, the Urban Development Strategy, and the Centres Policy.

### 2) LTP/Annual Plan reference and long term financial impact

The recommended reprioritisation of funding is contained within the Central City Project (CX406). There is no financial impact from this reprioritisation.

### 3) Treaty of Waitangi considerations

There are no Treaty of Waitangi considerations.

### 4) Decision-making

This is not a significant consideration under the LGA.

### 5) Consultation

No public consultation is required to support the recommendations in this report.

### 6) Legal implications

There are no legal implications.

### 7) Consistency with existing policy

The recommendations in this report are consistent with Council policy.