

7 September 2020

Wellington City Council

Email: centrallibrarysubmission@wcc.govt.nz

Future of the Central Library

1. Recommendations

1.1 Property Council New Zealand (“Property Council”) recommends that when deciding on the future of the Central Library the Wellington City Council (the “Council”) should prioritise the following principles:

- Making the building safe and resilient
- Limiting the cost to ratepayers
- Future-proofing the service to include a wider range of facilities
- Providing opportunities for partnership with commercial sector
- Rethinking the wider purpose of Civic Square.

1.2 We believe the best way of achieving these principles is by demolishing the existing building and building a new library (option D or E).

1.3 If the Central Library is granted heritage status, then mid-level remediation (option B) would be the most value for money to ratepayers while achieving many of the principles above.

1.4 We recommend the Council does further work and allows ratepayers to have another opportunity for consultation on the preferred option alongside the Long-Term Plan consultation process before determining the future of the Central Library.

2. Introduction

2.1 Property Council’s purpose is; “Together, shaping cities where communities thrive”. We believe in the creation and retention of well-designed, functional and sustainable built environments which contribute to New Zealand’s overall prosperity. We support legislation that provides a framework to enhance economic growth, development, liveability and growing communities.

2.2 Property Council’s Wellington Branch has 138 businesses as members. The Property Industry contributed \$8.6 billion to the Wellington Economy. This includes a direct impact of \$3.3 billion (11 per cent of total GDP) and flow-on (indirect and induced) impacts of \$5.3 billion. It employs 17,260 directly which equates to eight per cent of total employment in Wellington. That makes it the region’s second largest economic sector.

2.3 While we do not have a firm preference on a single proposed option, we believe that when deciding on the way forward the Council should prioritise the following principles:

- Making the building safe and resilient
- Limiting the cost to ratepayers

- Future-proofing the service to include a wider range of facilities
- Providing opportunities for partnership with commercial sector
- Rethinking the wider purpose of the Civic Square.

3. Potential options for Library

- 3.1 Wellington's Central Library does not need to be rebuilt in the same way as before. The decision on what the Central Library should look like in the future should not be rushed. We recommend the Council determine what services the community requires before predetermining how the Central Library will look. In the meantime, the current network of central libraries are working well and bringing the facilities closer to people.
- 3.2 Last year, Property Council awarded Tūranga, Christchurch City Library, with our Supreme Award. It is one of nine anchor projects that support the regeneration of Canterbury following the earthquakes and is a great example of what can be done to improve the way the community and visitors experience Christchurch's City Centre. We urge the Council to strive to achieve many of the design and practical functions that Christchurch City Library has achieved in developing Tūranga.
- 3.3 The most cost-effective way of achieving a number of the above principles would be to demolish the existing building (option D or E) and build a new library either on the site or somewhere else within the precinct. We do however question whether it would cost between \$156.5m - \$160.7m when Tūranga cost \$92m and the new Johnsonville Library in Waitohi cost \$22.5m. The Council could consider whether it is possible to build a more scaled down version of the current library and therefore reducing the cost. There are many advantages to this option as it would allow for modern building standards, high level resilience, future proof the services and provide opportunities to rethink the wider purpose of the Civic Square.

Heritage Status

- 3.4 If the Library is granted heritage status, then this will constrain the options available to the Council. On this basis, a mid-level remediation (option B) would be the most value for money to ratepayers. However, we do question the cost of this as there are limited details on the remediation, what services a future library would provide, and what the fit out would look like. Further details about what this option would entail are required before the Council could proceed.

4. Limitations of consultation

- 4.1 We have outlined several concerns with the way in which the consultation was framed below.

Future-proofing library services

- 4.2 The Council should have consulted with ratepayers about what services they want the library to provide in the future before looking at the options on how to achieve this. From here the Council could assess what it could legitimately afford and how it would fund it as part of the wider Long-Term Plan process.
- 4.3 When deciding what future services the library could provide, there are many excellent examples and case studies. For instance, Tūranga provides a wide range of facilities and technology for the local community, including a heritage collection, an innovation zone with 3D



and laser printers, music and video studios, a 200-seat arena, children's playzone, a quiet reading room, and a café and outdoor roof terraces. The early childhood centre on the top level of Waitohi is another great example of how the library can become more than a place for books.

Rethinking the Civic Square

- 4.4 The Civic Square is seen as the 'heart of the city', however much of it has been closed due to earthquake strengthening issues for a number of years. The cost to repair all the surrounding buildings is astronomical and the Council needs to make some tough decisions on what it can legitimately afford given its current budget and the strain of the COVID-19 pandemic.
- 4.5 While the Council has made clear intentions not to sell the Central Library, we believe tough decisions need to be made about the precinct as a whole. From an asset management perspective, we question whether the Council should own all the buildings within the precinct.

Funding options

- 4.6 The consultation document refers to the cost of the Central Library being funded by Council borrowings. It states this will ultimately increase the rates paid by residential ratepayers. However, it does not explain how this will impact commercial ratepayers and whether this will come from general rates or from a targeted rate. Given the economic strain caused by the COVID-19 pandemic and the already long list of CapEx projects (e.g. Let's Get Wellington Moving, three waters system improvement and other resilience projects) the Council budget is already severely impacted and the cost of the Central Library will on further exacerbate this.
- 4.7 We are disappointed that the Council ruled out considering the option of selling the building to allow a commercial developer to develop the Central Library and lease it back after the restoration or rebuild had been completed. This would reduce the Council's risk and liability protecting it against any cost blowouts and against any future catastrophic events to the building.
- 4.8 We suggest an alternative option that could be discussed in the Long-Term Plan is the sale of the Civic Administration Building which could potentially fund any refurbishments to the Central Library. Given Council staff no longer reside within this building we believe the Council should exit ownership of office space in the same way that central government did decades ago. A good example of this is the Bowen Campus which has been redeveloped to transform Wellington's government precinct.
- 4.9 By allowing commercial-led redevelopment of the Civic Administration Building, this will contribute to the rebuild cost of the library and avoid the 'dead nights' problem in Civic Square. The Council can maintain its presence within this building by leasing back the offices if it wishes to relocate from the Terrace. There is also a real opportunity to rethink the future of the Civic Square to provide space for cafes, retail, office and residential dwellings.

Costs

- 4.10 As previously stated, we question some of the proposed costs for both the remediation and the new build. While the remediation options project costs are very much estimates by quantity surveyors based on engineering concepts there is no certainty around these cost and could lead to further blow outs as has been the case with the Town Hall, St James Theatre and Omāroo Reservoir. For this reason, there is a higher risk of added cost due to the many variables of earthquake strengthening if the Council decided to go with one of the remediation options.



4.11 In the case of the two new building options there is no concept design and therefore the Council could substantially reduce the cost by deciding on a much more scaled down version of the current library. Given there are two floors of office space in the current library this might not be necessary in any new build. In addition, there is less chance of further cost blow outs due to less variables from a new build.

5. Conclusion

5.1 When determining the Council's preferred option, we recommend the Council prioritise a number of key principles: safety and resilience, cost, future-proofing, partnerships and the wider civic square.

5.2 Given the limitations of the consultation, we recommend the Council does further work to allow ratepayers to have another opportunity for consultation on the preferred option alongside the Long-Term Plan consultation process before determining the future of the Central Library. This would allow more time to provide further details on the services, costs and funding options of a future Central Library.

5.3 Property Council wishes to thank the Council for the opportunity to submit on the Central Library consultation document. We would like to speak in support of our submission at an oral hearing.

5.4 Any further queries do not hesitate to contact James Kennelly, Head of Advocacy, email: james@propertynz.co.nz or cell: 021 779 312.

Yours sincerely,

Paul Robinson

Paul Robinson
Wellington Branch President
Property Council New Zealand