

# KEY FACTS

## INNER CITY REDEVELOPMENT PLANS FAQ

### Where will the development be?

The development takes up the rectangular block of buildings between Esk Street and Tay Street, bordered by Dee Street and Kelvin Street.

### Why does Invercargill need an inner city development?

There have been attempts over the past 30 years to revitalise Invercargill's CBD. While some measures have been welcomed, the CBD is a massive seismic risk, has poor foot traffic, has seen many retailers come and go and, importantly, lacks soul and presence.

The HWCP inner city development brings new life to Invercargill, stamps Invercargill on the map to make the city a place where its residents are excited and proud of what it has to offer, makes it a place where visitors will spend more time in and attracts retailers and hospitality outlets to a revived, busy and urban place of business.

### How does a new CBD help Invercargill?

The redevelopment will drive the local economy with the introduction of new businesses, provide a centralised heart for Invercargill – something it currently lacks – and give visitors a great impression of our city.

The project will also use local skills and labour wherever possible. This means more jobs are being created in Invercargill – both the people applying for jobs because of the project and the local businesses engaged to provide services for the project.

A revitalised CBD will ultimately attract more people, which also pushes demand for housing and labour. This puts the city on the path to a more sound economic position and also aligns with the goal of the Southland Regional Development Strategy (SoRDS) to attract 10,000 more people to the region by 2025.

We know Invercargill is a wonderful place and we've got the future in our hands with this project, so let's go with it!

### When is this happening?

Demolition work is expected to commence in early 2019, with a development programme of 3-5 years to follow.

### Who will the retailers/tenants/food establishments be?

Because of the project's infancy, we have not yet reached the stage of confirming spaces for particular businesses.

### How much is it going to cost?

Projected figures for the redevelopment stand at an estimated \$160 million.

### How is it being paid for?

A business case is being developed now that the design is complete. Funding options, both public and private, are part of this discussion.

## What about heritage buildings?

HWCP has undertaken extensive assessment of the block and has identified several heritage buildings that are not safe and fall well below the seismic requirement of National Building Standard (NBS).

We are committed to ensuring Invercargill's heritage is not lost. However, in some cases it's simply not viable to strengthen some buildings up to NBS where the building would still not be suitable or compatible with the development's plans, compared to a safe, purpose-built, new building that will provide a better experience for tenants and the public.

The old Government Life building (corner of Esk and Dee streets), a category 2 building, has a determined seismic rating of between just 10-20% of NBS (National Building Standard). Apart from the bottom floor, the building has been untenanted for 35 years and is in a state of disrepair. This building will be demolished.

The old Southland Times building, also a category 2 building, will be demolished but its historic façade will be retained and attached to a new build.

The facades of 35 Esk Street (present Bonsai restaurant and Quest store site), built pre-1909, and 18 Kelvin Street (present Beauty and Beyond site) will also be retained (subject to appropriate funding being obtained).

The Heritage NZ category 1 New South Wales Bank building will not be demolished. This building is not owned by HWCP.

We are optimistic that once the development is complete, increased foot traffic in the CBD will in turn mean greater demand for buildings in the surrounding blocks. This should result in investment being made to renovate and preserve other heritage buildings in the city centre.

## What about retailers and building tenants?

We have met with the retailers and tenants of the block at various stages of this planning process and they are aware of the plans and projected timelines.

Every effort has been made to ensure disruption to their business is kept to a minimum and we're doing our best to help businesses in this transition.

## What will happen to my rates?

The development is not expected to be funded by council rates.

Once the development is complete, we expect it to relieve pressure on household rates. The value of the inner-city block is projected to increase ten-fold, which will result in an estimated additional \$440,000 in rates being collected from it. This will mean a larger portion of ICC's rates funding is provided by commercial property in the CBD, effectively decreasing the portion required to be paid by households.

## The CBD is key asset of Invercargill. Why is the council not managing and coordinating the project?

HWCP is a joint venture between Invercargill City Property Limited and HWR Property Limited. HWR is a part of H.W. Richardson Group Limited, while Invercargill City Property Limited is part of the Council-owned Holdco investment enterprise.

Therefore, ICC has an active and important role in the development of this project. This private-public partnership ensures all views are considered. Both parties are committed to a progressive Invercargill, and protecting and enhancing our proud history of the city.