

14 August 2014

Freepost WCC
Attention: Baz Kaufman, Manager, Strategy
Wellington City Council
PO Box 2199
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conventioncentreproposal@wcc.govt.nz

Re: Convention Centre Proposal

This submission is from the Architectural Centre, an incorporated society dating from 1946, which represents both professionals and non-professionals interested in the promotion of good design. Members of companies involved in this project (and hence having a potential or actual Conflict of Interest), have not been involved in any aspect of this submission.

We have the following comments to make:

Introduction

1. We are not economists, nor accountants, and so we are largely relying on the conclusions of the council-commissioned business case, but do raise some questions in areas which may be useful to consider. We do however note the need for caution given some public/private council projects elsewhere that have been economically unfortunate, such as the Dunedin stadium, which has been a disaster at every level.

2. We note the apparent contradiction in the documentation which states that:

(a) the economic benefit of convention centres is usually experienced across the community and that such developments are not directly profitable for private developers (hence the need for local government funding) (e.g. Indicative business case pp. 3-4, 17)

(b) the council will receive operating profits from the conference centre (e.g. Indicative business case p. 23)

These statements appear to be in contradiction, and any operating surplus to the WCC seems to be even less likely given that "WCC will not received any profit share until the developer has recovered all pre-opening and early operating losses" (Indicative business case p. 24).

3. Apart from the above contradiction, we found the business case compelling and can believe that there is a need for such facilities to be built in Wellington, and so the Architectural Centre broadly supports this proposal, conditional on the comments made below. We understand, for example, that there was significant difficulty experienced by the EPA in locating a suitable venue in Wellington to hold the recent Basin Bridge Board of Inquiry hearing. We do however wonder how the economics of this project relate to the conventional wisdom that such projects need casinos to be economically sustainable.

4. Our comments are primarily focussed on issues of architecture, the city and urban design.



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Urban design, transport and city issues

5. The documentation locates the economic benefit of this proposal within the wider context of the city, including how this project will reap benefits for other businesses (e.g. cafés, hotels) and city quarters (e.g. Courtenay Place), because it will attract a greater numbers of visitors to the city.

6. The business case is compelling and prompts us to ask whether - if such projects are to be undertaken - the business case might support investment in high quality public mass-transport from the airport to the CBD. Would projects such as this one collectively make the case for investment in LRT plausible?

7. We speculate that those attending events at the convention centre would conventionally patronise taxis, rather than buses, but, given experience overseas, they would likely travel in LRT if it was provided. This development would appear to be usefully considered in relation to the location of transport hubs, and the upgrading of public transport.

8. The identification of Courtenay Place as a likely attractor for Convention Centre delegates (Indicative business case p. 4) raises the urban design issues of the current alcoholic culture, and whether there are strategies which both retain the atmosphere of Courtenay, but perhaps lessen the number of intoxicated bar patrons and amount of vomit on the footpath.

Public architecture

9. As a public/private partnership, we consider this project to have public architecture obligations. Specifically this would include a higher than normal quality of design, including quality spaces (inside and outside), a commitment to sustainability, and a requirement to make a positive contribution to urban design and broader issues of the public good. Economic issues are only one aspect of this. In this regard we strongly endorse the sentiment that the Council "will look at how we can improve urban design around the area and improve connections to Courtenay Place and the waterfront from the site" (Convention Centre Proposal p. 10), and look forward to the opportunity to comment on detailed proposals for this.

10. The value of the Hilton brand is mentioned a number of times (e.g. Indicative business case pp. 4, 34-35). We caution against the monotony typical of international hotel brand architecture, which denies an architecture which engages with specific place. The business case study appears conscious of the need to identify the distinct advances of Wellington as a location (e.g. Indicative business case p. 13), and we encourage the council to support architectural design which is also site-specific, and reflects the values of our city.

11. Currently the site includes a public access way between Cable and Wakefield Streets. We consider it necessary for the development to retain this pedestrian link. We note the success of the pedestrian access through the CQ Comfort and Quality Hotel on Cuba Street through to Dunlop Terrace. On a related note, we do not understand the need to segregate convention delegates and hotel guests (Indicative business case p. 20).

Sustainable architecture

12. There is no mentioned commitment to sustainability as a philosophy or an economic strategy (i.e. re: minimising operating costs). As public architecture, and given the council's stated position on issues pertaining to climate change - and the obligation of the council to lead in areas of sustainability - we expect this development to demonstrate a commitment to:

- (a) sustainable construction practices (including waste management)
- (b) ethically responsible material selection
- (c) water collection and recycling
- (d) a publicly accessible green roof
- (e) zero-net energy building
- (f) solar/wind generation

The Vancouver Convention Centre is a model that the Council could follow in this regard (<http://www.vancouverconventioncentre.com/thefacilities/environment/>).

Earthquake strengthening and heritage buildings

13. The business case makes reference to the earthquake strengthening of the Town Hall, suggesting less strengthening will be needed a new convention centre removes the need for the Town Hall to fulfil this function (Indicative business case pp. 5, 48). It is not clear what the specific reason for this is, and more specific information would have been helpful to understand this (e.g. is this related to Importance Level, or the degree of alteration needed to accommodate a conference centre in the Town Hall building etc.?).

14. The economic argument is that:

"The case for building convention centres is based on the expectation that they will generate economic activity, through the expenditure of attending delegates, in the community. Because these community benefits are not able to be captured by private investors they would not normally be interested in building and operating a convention centre without subsidies. Therefore typically convention centres are typically built by the public sector and funded through taxes" (Indicative business case p. 17).

15. This argument is the same as that made for the need for local and central government financial support for earthquake strengthening heritage buildings, and we encourage the council, following the research done by Place Economics in America (<http://www.placeeconomics.com/>), to also commission an economic analysis of potential public/private strategies for earthquake strengthening, particularly of heritage buildings, in Wellington. The work done by Place Economics has indicated that, in addition to the city and regional economic benefits due to construction work, there are similar benefits resulting from architectural heritage tourism because these tourists spend more money in the local economy and stay longer in their destinations than other tourists.

16. Colliers International Property Management and Heritage Property Management Ltd. have noted in 2010 that case studies demonstrate that if funded by local and central government the payback for earthquake strengthening of heritage buildings is less than two years, and recalled the 2007 Spargo Report on Heritage Management in Wellington City estimated that heritage buildings are have \$39 million benefit in Wellington due to tourism.

17. A related letter by Peter Dowell, Heritage Property Management Ltd is at: <http://historicplacesaotearoa.org.nz/accelerate-heritage-building-retention/>
No doubt there are also benefits related to speed of recovery and commercial resilience with such investment.

Conclusion

18. The Architectural Centre considers that Council's role as a stakeholder in this project increases its responsibility to foster quality public architecture. We are consequently concerned that a stated limitation is "Less control over look and design of the building" (Convention Centre Proposal p. 8).

19. We also consider given this is to be publicly-funded architecture that there is a need for public consultation on the design. A related issue is how the Council will manage the inherent conflict of interest that will arise at the Resource Consent stage, given the proposed Council financial interest in this project.

Thank you for this opportunity to comment on this Convention Centre proposal.

If you have any questions please do not hesitate to contact me.

Yours faithfully

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