

**TE HUANUI – OUR NEW FRONT DOOR
FOR OUR GLOBAL-CIVIC UNIVESITY
302-320 THE TERRACE, WELLINGTON**

1 INTRODUCTION

This report provides the context for Te Herenga Waka - Victoria University of Wellington's commitment to the "Te Huanui – Our New Front Door for Our Global-Civic University" project and to seek referral project status under the provisions of the Covid-19 Recovery (Fast Track Consenting) Act.

To commit an initial **s 9(2)(b)(ii)** commencing in early 2021, the university needs the certainty that can be provided by the resource consent process under the Covid-19 Recovery (Fast Track Consenting) Act.

2 BACKGROUND

The University was established in 1897 by Act of Parliament. It is therefore one of Wellington's oldest institutions.

In the early 1900s the University was limited to land on the corner of Salamanca Road and Kelburn Parade, including the Hunter Building and several adjacent buildings.

However, since then the University has had to expand and adapt to meet the growing and changing educational needs of the community and the University's broadening client base.

In more recent years this expansion has included:

- Expansion to the north, including additional student accommodation at Weir House.
- Expansion to create the Pipitea Campus for the Faculty of Law and Wellington School of Business and Government.
- Expansion to create the Te Aro Campus for the Wellington Faculty of Architecture and Design Innovation.
- Expansion to provide for the Wellington Faculty of Health at Wellington Hospital and on the Kelburn campus.
- Expansion to create the Coastal Ecology Laboratory on the South Coast.
- Expansion of student accommodation on the Kelburn Campus and in Central Wellington.
- Acquisition of the Ferrier Research Institute and Robinson Research Institute and partnering with other research centres and institutes.
- Expansion to create the Miramar Creative Centre amongst the Weta Workshop buildings.
- Proposed expansion associated with the National Music Centre in Wellington's Civic Square.

Alongside the above expansion has been continued intensification of the Kelburn Campus, including:

- Construction of Te Toki a Rata for the Wellington Faculty of Science.
- Construction of the Alan MacDiarmid Building.
- Construction of the HUB building.
- Construction of Te Puni Village student accommodation buildings.
- Construction of Maru building.
- Pending construction of the “Living Pa” building to redevelop the marae precinct.

Despite this significant growth, the University lags the other universities in New Zealand in its ratio of floorspace provision to student number.

Based on projected student numbers the University will need to increase our footprint by up to 36,000m² by 2030.

Significant intensification however on the existing Kelburn Campus is becoming increasingly constrained by a combination of existing buildings, shortage of large enough areas of developable land, steep terrain, geotechnical challenges, and District Plan limits.

These constraints have been brought home to the University through its recent experiences with developing new buildings on the existing campus. This has served to reduce our estimate of the capacity of the existing campus to sustainably accommodate the significant additional amount of floorspace the University needs to plan for.

The above dynamics have led to the following three important decisions:

- To accept the offer of Housing New Zealand Corporation (now Kāinga Ora—Homes and Communities) to acquire the land occupied by McLean Flats. This site is immediately adjacent to the adjoining University Institutional Precinct land currently occupied by Gordon Wilson Flats. The larger land holding enables improved economies of scale and means that The Terrace location is more attractive for us to bring forward for redevelopment.
- To enter into an agreement in principle with Wellington Electricity for land exchange or similar to enable the existing aged substation to be replaced and enhanced as part of the project. This will enable more efficient redevelopment of the site.
- To commit to the redevelopment project to provide world class learning, teaching and research facilities so we can best position ourselves to attract back to New Zealand and Wellington international students and others who will underpin the recovery of employment and economic wellbeing from the adverse effects of the Covid-19 pandemic.

Financial provision has therefore been made to commence work on site by quarter 2 in 2021, provided resource consent can be obtained under the Covid-19 Recovery (Fast Track Consenting) Act.

This early start will only be possible if resource consent can be obtained under the Covid-19 Recovery (Fast Track Consenting) Act.

3 THE UNIVERSITY TODAY

Te Herenga Waka – Victoria University of Wellington has a vision to be a world-leading capital city university and one of the great global-civic universities.

Our vision is supported by an ambitious goal to attain scale of a large leading public university so that we can expand the transformative impact that we have on our community through teaching, research and engagement

The University's vision draws from our iho, distinctiveness, heritage and position of our capital city location.

Our campus vision of “our city as our campus” will support the University's strategy by increasing our profile and connectedness, with our neighbours, communities, city businesses and government. The University today is a significant positive contributor to Wellington's economy and wellbeing.

This is reflected in the following statistics:

- The asset value of the University is in the order of \$1.0b. The University has over 160 buildings with a gross floor area of approximately 215,000m².
- The University directly employs 2,400 full time equivalent staff.
- The annual wage injection into the Wellington economy is \$266.4m.
- 22,406 students depend on the University for their tertiary education.
- 3,300 students depend on the University for accommodation.
- Projected property maintenance budget over the next 5 years is s 9(2)(b)(ii)

Included in the above budgets is significant expenditure to maintain functional and fit for purpose University buildings that have heritage value, including the Hunter Building.

4 POLICY CONTEXT

Strategic Economic Growth Policy

The Greater Wellington Regional Council and the Wellington City Council have adopted as their policy the “Wellington Regional Strategy – A Sustainable Economic Growth Strategy for Our Region” (2006 and refreshed in 2012).

The policy is to grow the economy of the Wellington Region, grow existing businesses and services, improve economic performance, and thereby enhance community wellbeing. This policy is as relevant (if not more relevant) today as it was in 2006.

The policy identifies (p20-21) the important role tertiary education and research providers need to play to grow the economy and enhance community wellbeing.

Consistent with the Councils' adopted Wellington Regional Strategy to “up our game” (p4), the University has set as its vision to become a world-leading capital city university and one of the great global-civic universities by continuing to expand its scale in teaching, research, and engagement and expanding its collaboration with industry, business and public sector organisations.

The project is entirely consistent with and will promote the economic growth strategy sought by the Councils of the Wellington Region.

District Plan Policy Context

In 2018 The Terrace site was rezoned by the Council (and confirmed by the Environment Court) from "Residential" to "Institutional Precinct" so that it can be redeveloped for university buildings and purposes, provided resource consent is obtained to demolish the heritage listed (but derelict) Gordon Wilson Flats.

The additional land purchased by the University and occupied by McLean Flats is currently zoned "Residential".

5 THE PROJECT

The project is to redevelop the site for modern learning, teaching and research facilities, a central plaza and a new pedestrian link from The Terrace up to the existing campus and beyond.

Stage 1 is estimated to cost between s 9(2)(b)(ii) with Stage 2 being the balance.

The total capital investment is estimated to be s 9(2)(b)(ii)

Financial provision has been made to commence work on site by quarter 2 in 2021 provided resource consent is obtained under the Covid-19 Recovery (Fast Track Consenting) Act.

6 POSITIVE EFFECTS OF THE PROJECT

The positive effects of the project will include:

- Assisting the Government with the economic recovery of New Zealand and Wellington from the adverse effects of the Covid-19 pandemic.
- Generating employment for design, construction and servicing personnel at a time when this is critical for the recovery from the adverse effects of the Covid-19 pandemic.
- Removal of the unusable, unsafe and derelict Gordon Wilson Flats, which have no reasonable economic use.
- The existing streetscape and the amenity of nearby neighbours will be enhanced by the replacement of unsightly buildings with a comprehensively designed project by award winning designers, Athfield Architects Ltd and Wraight Landscape Architects Ltd.
- The project will provide an attractive city front door to the University's Kelburn Campus and provide a new pedestrian connection from The Terrace up to the campus and beyond.
- The proposal includes positive heritage effects because of the retention, strengthening and repurposing of McLean Flats.

These positive effects are cumulatively significant for both the University and for Wellington City.

7 OTHER MATTERS

Land Purchase

The University's history is marked by its steady physical expansion to meet the growing and evolving education and research needs of the community. It is becoming harder to expand within our current Kelburn Campus footprint, particularly for buildings to accommodate modern university facilities with scale and room to grow.

The two opportunities to purchase large sites (first the Gordon Wilson site, then the McLean site) adjoining the campus, harnessing the benefits of co-location, and linking down to enable connection to the Wellington Central Area, are very rare opportunities to secure additional campus-adjacent land to meet the needs of the community.

Social Housing

Given the history of the site and the original purchase from Kāinga Ora, questions have been raised in respect of potential use of the site for social housing. The University is a learning, teaching and research institution. The University is not responsible for the provision of social housing for the community.

The provision of social housing in Wellington is the role of other institutions such as Kāinga Ora (previously known as Housing New Zealand) and the Wellington City Council. Kāinga Ora assessed its development options for the existing Gordon Wilson and McLean Flats buildings and determined there was no viable development scheme. The Wellington City Council also has no interest in strengthening, rehabilitating and using Gordon Wilson Flats for social housing.

There are therefore no parties with the resources and capability necessary to resuscitate Gordon Wilson Flats for social housing.

Student Accommodation

It is not viable to strengthen, rehabilitate and use Gordon Wilson Flats for student accommodation because:

The internal and external layout and amenity of the building and site is not suited to being easily and/or appropriately adapted to meet the current demands and preferences for student accommodation.

- The open and accessible external balconies that are a feature of the building and need to be retained for heritage reasons are incompatible with the student accommodation health and safety requirements.
- The quality of student accommodation is influential in first year students and their parents making choices as to which university to choose. The quality able to be achieved will be suboptimal and a disincentive for people to come to Wellington.
- There are significant and better opportunities to add to existing student accommodation facilities already on the campus and harness economies of scale. The first on campus opportunity adjoins our existing Weir House accommodation complex and would deliver approximately 500 additional beds configured to address demand projections from second, third year and post graduate students. The second on campus opportunity is to expand our existing Te Puni Village, again to cater for a mix of student preferences in self-catered, studios and apartment style accommodation.

- New, purpose built and reasonable cost student bedrooms and facilities co-located with the above existing student accommodation is the best development strategy for the long-term sustainability of the university.

Gordon Wilson Flats is unsuitable to be adapted for any other university purpose such as teaching rooms, laboratories, offices, and study areas. This is mainly because of the small and relatively narrow floor plates, multiple levels, and sub-optimal internal amenity because of the need to retain the existing external design and appearance of the building.

Why Is the University now proposing to develop the site?

In 2015 (when the application to delist Gordon Wilson Flats was prepared and lodged) the University considered that development of the Gordon Wilson site at 320 The Terrace with University buildings and activities would not be required for about 20 years because of existing development opportunities on the existing Kelburn Campus.

Circumstances have however significantly changed over the last 5 years. These changes have made the redevelopment of the Gordon Wilson site more critical to the University than in 2015, resulting in the University bringing forward this substantial investment in its property development programme.

The changes include:

- The purchase in 2019 of the adjoining McLean Flats site at 302-318 The Terrace, thus significantly adding to the attractiveness and economies of scale of the redevelopment opportunity.
- The hard lessons learnt over the last 5 years from the risks, challenges, constraints, disruption and costs associated with redeveloping parts of the existing established campus. These adverse experiences have decreased the University's assessment of the amount of additional teaching, study and research floorspace it can reasonably achieve using the existing pockets of space left over for potential redevelopment on the existing Kelburn Campus, and without unacceptably compromising the quality and setting of the campus and its learning environment.
- The proposal for a land exchange or similar for the Wellington Substation site makes redevelopment more feasible.
- The Covid-19 effects have highlighted to the University the need to reposition itself with world class learning, teaching and research facilities so it can attract back to New Zealand and Wellington international students and others who will underpin the recovery of employment and economic wellbeing.

Will the project enhance urban design, streetscape and amenity?

Yes, particularly when assessed against the existing environment.

The project will significantly enhance the amenity of nearby residential neighbours to the south. These properties are currently blighted by the derelict and unsightly McLean and Gordon Wilson Flats buildings.

The Terrace streetscape will be activated with the proposed pedestrian plaza and pedestrian flows generated by university activities. The detail design of the plaza and associated paving and planting will be undertaken by award winning landscape architects, Wraight and Associates Ltd.

The existing McLean Flats will be strengthened, rehabilitated and repurposed to provide a positive contribution to the streetscape of The Terrace.

The project has been designed by award winning Athfield Architects Ltd to be consistent with the District Plan's Design Guide and provide a high quality "front door" for the University.

The project will create for the first-time pedestrian access between The Terrace frontage and the existing main campus and linkage to Kelburn Parade. Like all other pedestrian paths from the Central Area up to the campus, it will initially be a graded path with steps where necessary.

When the project is fully completed, in addition to external pedestrian access via a path and steps, access via buildings and vertical lifts will provide additional covered pedestrian access.

Independent of the above designers, the University has commissioned urban design experts McIndoe Urban Ltd to undertake a peer review of the urban design effects of the project at both the concept stage (so as to provide advice and input into the design of the project that is being taken forward for resource consent) and at the resource consent stage.

This is to ensure that the urban design effects of the project are acceptable and that the University's high standards for campus design are reflected in the finished project.

What will the University do if Resource Consent is not granted?

If consent is not granted for this project, the University will need to carefully consider the option to put the property up for sale "as is where is".

However, given the fundamentally flawed condition of the buildings and the risks and costs involved, it is implausible that anyone would want to acquire the properties.

This being the likely only outcome, the future for this site, for the neighbours, for the streetscape, for students and staff, for the University, City and Region, would be bleak.



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