

Item 3.

Project Scope – Bathurst Street Creative Hub Fitout

File No: X006617

Summary

This report outlines the scope of the City's portion of the Creative Hub fit out at 115-119 Bathurst Street, Sydney.

In 2014, the City entered into a Voluntary Planning Agreement with Greenland Pty Ltd (the Developer) to deliver a Creative Hub as part of the Development Application consent for its Bathurst Street development. The Developer is undertaking the Hub's base building works and a limited fit out.

Under the Voluntary Planning Agreement, the City is required to undertake the final fit out of specialist areas for technical performance, recording and production capabilities, as well as the fit out of the entry foyer and café.

This City-provided fit out scope is the subject of this report and works are programmed to commence after the Developer's completion of the base building works in late 2020.

The Creative Hub project will deliver much needed affordable work space for creative practitioners and enterprises in the centre of Sydney. The service delivery is subject to a two stage procurement process being an Expressions of Interest and tender (subject to a separate council approval).

Design packages for the City's portion of work have been developed. The packages will provide a simple, robust and custom facility that can cater to specific industry needs.

It is recommended that this scope form the basis for documentation completion, tender and construction.

Recommendation

It is resolved that Council:

- (A) note the project scope for the Creative Hub to be delivered by the Developer under the Voluntary Planning Agreement as approved through Development Application D/2013/1822;
- (B) approve the project scope for the Creative Hub (Packages B and C) to be delivered by the City as described in the subject report for the purposes of proceeding with documentation, obtaining applicable planning approvals and tendering for construction works; and
- (C) note the financial implications detailed in Confidential Attachment B to the subject report.

Attachments

Attachment A. Creative Hub Fit Out Documentation

Attachment B. Financial Implications (Confidential)

Background

1. The Creative Hub will occupy the podium of the Bathurst Street Greenland high-rise residential tower and will be sleeved around above-ground parking on the eastern and northern facades of Levels 2-7. The ground floor contains the Creative Hub entry, lobby and café.
2. The Voluntary Planning Agreement grants the City tenancy rights for the use of the Creative Hub for a 99 year term.
3. The Creative Hub will provide approximately 2000 square metres of affordable work space for creative practitioners and enterprises. The facility comprises:
 - (a) Creative Studios and Artist in Residence Studio, Level 7;
 - (b) Production Studios and Editing Suites, Level 6;
 - (c) Recording Studios and Control Room, Level 5;
 - (d) Administration, Level 3;
 - (e) Dance and Theatre Rehearsal Spaces and Back of House uses, Level 2;
 - (f) Plant Room, Level 1;
 - (g) Entry, Lobby Café and Exhibition window, Level 0;
 - (h) Three car spaces including one accessible space and loading zone;
 - (i) Lift to service all Creative Hub levels and basement level for waste and deliveries.
4. The Voluntary Planning Agreement identifies works which the City is required to deliver. For the purposes of this report, these works are categorised as follows:
 - (a) Package A: Technical Equipment (as defined in the Voluntary Planning Agreement to be supplied by the City for the Developer to install), including equipment racks, patch panels and custom wall plates and Audio Visual Technical Equipment.
 - (b) Package B: Final fit out comprising:
 - (i) Commercial café fit out for 25 patrons and associated equipment;
 - (ii) Furniture, Fitting and Equipment for Levels 2-7 such as chairs, tables, breakout seating, white goods;
 - (iii) Brand signage.
 - (c) Package C: Specialist Technical Fit out comprising:
 - (i) Levels 2 and 3, Theatre/Dance equipment such as lighting controls, communications system and staging, sound system, elevated work platform, and pianos;

- (ii) Level 5, Music equipment, recording software and system, microphone system, computers and monitors, mixing consoles, digital storage, pianos, racking, control desk, video monitor, cabling, instrument stands and storage cases;
- (iii) Level 6, editing software and system, microphone system, cabling, and instrument stands;.
- (iv) Systems integration, testing and commissioning;
- (v) End user training and one year maintenance package.

Key Implications

Strategic Alignment - Sustainable Sydney 2030 Vision

5. Sustainable Sydney 2030 is a vision for the sustainable development of the City to 2030 and beyond. It includes 10 strategic directions to guide the future of the City, as well as 10 targets against which to measure progress. This report is aligned with the following strategic directions and objectives:

- (a) Direction 7 - A Cultural and Creative City

Organisational Impact

- 6. The asset will require ongoing facility maintenance, property management and contract management of a third party service operator who will look after the day to day management of the Creative Hub.
- 7. In June 2019, the City commenced a two stage procurement process to engage a suitable service operator to provide ongoing operational management services for the Creative Hub. Three submissions were received as part of the first stage expression of interest, and two submissions were progressed to the second stage 'select tender' in February 2020.
- 8. By engaging a third party operator for the ongoing operational management of the Creative Hub, the City will ensure industry best practice management and service delivery and maximise usage.

Risks

- 9. Risks to the City include compatibility and integration of various technical items to be delivered by the City. To mitigate these risks, the City has engaged technical experts to support the thorough review of both the Developer's and the City's design and construction activities.
- 10. A delay in the Developer's completion of the tower, including the Creative Hub base build, will delay the City's completion of the final fit out. The City liaises regularly with the Developer to be updated on their construction program.

Social / Cultural / Community

- 11. The Creative Hub will support Sydney's cultural and creative sector by offering affordable industry access to short term and long term creative workspace in the City centre.

Environmental

12. The base build scope of works by the Developer and City delivered technical and fit out components include a range of sustainable design principles to satisfy mandatory requirements of the National Construction Code.

Relevant Legislation

13. Attachment B contains confidential commercial information which, if disclosed, would:
 - (a) confer a commercial advantage on a person with whom Council is conducting (or proposes to conduct) business; and
 - (b) prejudice the commercial position of the person who supplied it.
14. Discussion of the matter in an open meeting would, on balance, be contrary to the public interest because it would compromise Council's ability to negotiate fairly and commercially to achieve the best outcome for its ratepayers

Budget Implications

15. The total forecast project cost, based on concept plans, has been assessed by an independent quantity surveyor.
16. There are sufficient funds allocated for this project within the current year's capital works budget and future year's forward estimates. A summary of the financial implications is included in Confidential Attachment B.

Critical Dates / Time Frames

17.

March 2020	Scope approved
May 2020	Operator engaged
November 2020	Greenland base build anticipated completion
December 2020	Construction contractor engaged
February 2021	City fit out works commence
August 2021	City fit out works complete

Public Consultation

18. The Voluntary Planning Agreement was on public exhibition for 28 days in May 2014.
19. Extensive industry sector consultation occurred in 2017.
20. The café Development Application was notified for 14 days. No submissions were received and the Development Application has been approved.

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