
Open Meeting

To	Waikato District Council
From	G J Ion Chief Executive
Date	5 May 2016
Chief Executive Approved	Y
DWS Document Set #	1511015
Report Title	Founders Theatre Update

I. EXECUTIVE SUMMARY

To provide the Council with an update on the Founders Theatre, Hamilton. Mayor Julie Hardaker and Chief Executive Richard Briggs will be in attendance.

2. RECOMMENDATION

THAT the report from the Chief Executive – *Founders Theatre Update* - be received.

Attachment:

- Engagement Document

HOW YOU CAN HAVE YOUR SAY ON THE FUTURE OF FOUNDERS THEATRE



You can give us feedback on the future of Founders Theatre from 6 May to 30 June. Here's how...

Short survey

Have your say by completing a short survey. Access the survey using the QR code below or visit hamilton.govt.nz/founders

Hard copies can also be completed at the Council's Municipal Building in Garden Place.

Submission form

If you want to give us more feedback on your preference, you can also complete a submission form. You can do this online at hamilton.govt.nz/founders or complete a hard copy at the Council's Municipal Building in Garden Place.

Verbal submission at the hearings

You are also welcome to make a verbal submission at a hearings day on 7 July.

To register to make a verbal submission contact the Council on 07 838 6699 or register at hamilton.govt.nz/founders

You may be called by an independent research company

You could be one of 1600 people who get a phone call from our independent research company to ask for your feedback directly.

Where you can find more information

Founders Theatre developments will be updated over coming months on the Council's website at hamilton.govt.nz/founders



hamilton.govt.nz/founders

07 838 6699 | info@hcc.govt.nz

FOUNDERS THEATRE WHAT SHOULD WE DO?



Statement of Proposal



hamilton.govt.nz/founders

07 838 6699 | info@hcc.govt.nz



Hamilton City Council

Te kaunihera o Kirikiriroa

Founders Theatre was closed in February 2016 after independent reports revealed health and safety concerns with its flying system and seismic strength (earthquake resistance).

The theatre is owned and operated by Hamilton City Council but attracts visitors from across the Waikato region.

Although the theatre has always been well-maintained, the flying system is old and wooden and at the end of its useful life. No amount of investment would extend its life further. As with any ageing building, when significant refurbishment is required, it is appropriate to consider other options for the theatre.

The theatre needs to be brought up to a standard that is expected by patrons and production companies and meets health and safety requirements.

This document explains the issues with Founders Theatre and the options available to the Council to address these. You can use this information to provide feedback to the Council.

Your feedback will be presented to the Council in July and will help the Mayor and Councillors make a decision on the future of Founders Theatre.

THE ISSUES

The flying system

The original flying system - which hoists the fire curtain, lights and backdrops - is based on obsolete technology including hand-lines, wooden battens and hand-operated winches. It can no longer carry heavy loads for productions, which means stage sets and props cannot be used. It does not have an independent engineering certificate for load bearing weight because the load capacity limits are not known.

Seismic strength of the building

The current seismic strength is not certain, but it is likely to be less than the 33% required. A detailed seismic assessment of the theatre will be complete by July and will be considered by the Council.

The fire curtain

The flying system hoists and lowers the fire curtain. While the current fire curtain is certified, its link to the issues with the flying system means it is not a safe system to operate in its current form. It does not have independent engineering certification for load bearing weight and because the load capacity limits are not known, it is unlikely to receive certification.

- More than four million people have attended performances at Founders Theatre over its 54-year history
- Over the past 10 years, the number of people attending events has decreased by 4% each year
- Founders Theatre caters for specific events that the Claudelands Events Centre is not designed to accommodate
- Council's 10-Year plan has \$13.8 million set aside for the refurbishment of the Founders Theatre. This money is tagged to be spent between 2021 and 2023

\$20m

OPTION ONE

REFURBISH

\$13.8m was set aside in the 2021-23 budget to refurbish Founders Theatre. This cost is now estimated to be \$20m which includes earthquake strengthening. Plans include work to bring the theatre up to a modern standard and allow a greater variety of shows to be performed.

What would the refurbishment include?

- A new larger stage and back-of-house production facilities including a new flying system to fit the stage size, changes to the dressings rooms, green room, storage and loading docks
- Seismic strengthening, if it is required
- Refurbishment of the auditorium, including new seats and hospitality in the front-of-house area
- Improved acoustics in the theatre
- A better entrance and larger foyer with a bar
- Building code and compliance items brought up to current standards

What would this mean for our community?

- The ability to accommodate large and more complex shows which currently bypass Hamilton, such as those by the Royal New Zealand Ballet
- Improved facilities and comfort

What is the timeframe?

- To refurbish the theatre would take two to three years. The theatre would be closed during this time

What will it cost and how will it be funded?

- To refurbish the theatre would cost approximately \$20m
- This includes \$6m for earthquake strengthening, if it is required
- It is expected this would be funded mostly by Council borrowing, however we would also explore other options to help fund the project

If the Council funded the entire cost of \$20m through borrowing:

- On average, \$28 of the rates you pay each year would go towards repaying the debt for the next 20 years
- We would not increase your rates to fund this, but Council would not meet its debt/revenue target of 200% until 2022, rather than in 2020 as currently planned



\$50m

OPTION TWO

BUILD NEW

Estimated costs are based on building a new theatre of a similar size to Founders Theatre either on the existing site or a new site.

What would this mean for our community?

- A new theatre capable of hosting major touring productions
- A new theatre would include all of the features of the refurbished theatre outlined in option one
- A new theatre would not be limited by a pre-existing floor plan and wall structures - this means there is more flexibility to build a new flying system with a greater load bearing capacity
- A new theatre could sit on the existing Founders Theatre site or an alternative location
- If a new theatre is built on an alternative site, the existing Founders Theatre would be demolished

What is the timeframe?

- A new build is expected to take five or six years including planning, consenting and potential funding requirements

What will it cost and how will it be funded?

- To build a new theatre would cost approximately \$50m
- This includes the cost of the building itself and not any other costs, such as additional parking
- It is expected this would be funded mostly by Council borrowing, however we would also explore other options to help fund the project

If the Council funded the entire cost of \$50m through borrowing:

- On average, \$69 of the rates you pay each year would go towards repaying the debt for the next 20 years
- We would not increase your rates to fund this, but Council would not meet its debt/revenue target of 200% until 2024, rather than in 2020 as currently planned

\$300k

OPTION THREE

CLOSE AND DEMOLISH

Founders Theatre would be demolished and the land returned to public space. It is possible the fountains, main entrance and car parking would stay.

What would this mean for our community?

- Although some events could be held elsewhere in the city, there is no comparable venue
- More local and touring shows may bypass Hamilton because there is no suitable venue
- People in the city or region wanting to attend large touring shows would travel to other centres such as Auckland or Rotorua
- There may be an economic impact on the city as events move to other cities
- Over time this may impact on the arts community as it would limit opportunities for performers to develop their talents
- The building is not a heritage listed building but is significant to many Hamiltonians

What will it cost and how will it be funded?

- To demolish the theatre and reinstate the site would cost approximately \$300,000 - this would be funded from Council's existing budget
- We would not increase your rates to fund this and the Council would meet its debt/revenue target of 200% in 2019

