
From: official information
Sent: Thursday, 25 February 2021 13:56
To: [REDACTED]
Cc: official information
Subject: LGOIMA 21019 - [REDACTED] - Founders Theatre Asset Value and other costs
Attachments: HCC Website - Official Information Request ref: HCC-QF-210122-D6705-XDA

Kia Ora [REDACTED]

I refer to your information request of 22 January 2021 (attached).

You requested:

Please provide Founders Theatre asset register book value for the financial years 2015, 2016, 2017 2018 2019, 2020. Please provide the detail on what the \$13.8 million upgrade discussed by council in November 2017 would provide. Please provide the total cost of demolishing Founders, surrounding area, together with the cost of delivering the full requirements of public expectation identified by public consultation option 2.

The Council's Decision and Response:

1. Please provide Founders Theatre asset register book value for the financial years 2015, 2016, 2017 2018 2019, 2020.

As at 30 June 2015: Councils are required to obtain a valuation for this type of asset on a 3 yearly cycle to incorporate into the asset schedule. We do not hold a specific valuation report for Founders Theatre for 2015.

As at 30 June 2016: \$4,813.333

As at 30 June 2017: \$2,721,832

As at 30 June 2018: \$0

As at 30 June 2019: \$0

As at 30 June 2020: \$0

The 2018-2020 data is a result of the write down of the value of the Founders Theatre's financial asset.

2. Please provide the detail on what the \$13.8 million upgrade discussed by council in November 2017 would provide.

We have checked all previous reports for reference to \$13.8 million, as noted in your question, and believe you are referring to a November 2014 proposal from the 2015-2025 Draft 10-Year Plan in regards to the Founders Theatre Upgrade and Refurbishment. This proposal included a recommendation to Council: "...a funding provision of \$13.80 million is included in the draft 2015-25 10-Year Plan budget for the Founders Theatre upgrade and refurbishment in 2016/17 and 2017/18."

Ultimately, Council resolved to include \$13.8 million as part of the final 2015-25 10-Year Plan. At the same time, Council also agreed to put \$100k towards a business case to review all options in detail and identify the best outcome. Council also requested the upgrade and refurbishment of Founders Theatre to be included in the 2016/17 Annual Plan review based on a completed business case. It was during this business case review work that detailed investigations were undertaken which led to a decision to close Founders Theatre in March 2016 due to safety concerns.

A link to the full report and related exert is below:

Exert from Item 6 – Council Meeting December 2014 Report Name: Founders Theatre Upgrade and Refurbishment Full report linked below – refer page 183 “Upgrade and Refurbishment Planning” https://www.hamilton.govt.nz/AgendasAndMinutes/ITEM%206%20-%20Extraordinary%20Council%20Meeting%209%20Dec%202014%20-%20%20Attachment%20Draft%2010%20Year%20Plan%20Budget%202015-25.pdf#page=180	
Required works <ul style="list-style-type: none"> · Stage house and production - fly tower structure, stage area, workshop and loading dock · Dressing room and access alterations to accommodate expanded stage house · Flying system and other technical facilities and systems · Foyer toilets refurbishment 	\$10.80m
Recommended works <ul style="list-style-type: none"> · Existing facade redecoration · Auditorium refurbishment - replacing old lighting, new decor and acoustic treatment · Foyer extension and upgrade, including improvements to hospitality 	\$3.0m

3. Please provide the total cost of demolishing Founders, surrounding area, together with the cost of delivering the full requirements of public expectation identified by public consultation option 2.

We have checked all previous reports for reference to “Option 2”, as noted in your question, and believe you are referring to the most recent community engagement process undertaken from 7 October to 3 November 2020 and resolved by Council on 8 December 2020 as the preferred option for the purposes of the 2021-31 Long Term Plan process, which has subsequently been included in the draft 2021-31 Long Term Plan for public consultation. At the December 2020 meeting, the following financial considerations were advised under “Option 2” (refer paragraph 53 – “Option 2”).

The final budget and timeline will be advised in the Draft 2021-31 Long Term Plan, which will be available for review and public consultation from 5 March – 7 April 2021.

A link to the full report and related exert is below:

Exert from Item 9 – Council Meeting 8 December 2020 Report Name: The Future of the Founders Site – Deliberations report Full report linked below – refer to page 134, paragraph 53 “Financial Considerations” https://www.hamilton.govt.nz/AgendasAndMinutes/Council%20Open%20Agenda%20-%208%20December%202020.p	
Option 2: Remove the theatre and the create a multi-purpose park	<ul style="list-style-type: none"> · Proposed to be funded via 2021-31 LTP \$3.57M capex · Ability to use proposed existing budget for removal (\$1M opex) · Advancing this work to earlier years may result in savings of holding costs · Final budget and timeline to be advised via the LTP in 2021.

We apologise for the delay in getting this information to you.

You have the right to seek an investigation and review by the Ombudsman of this decision. Information about how to make a complaint is available at www.ombudsman.parliament.nz or freephone 0800 802 602.

Kind Regards,

Tatiana Taunoa

Official Information Team | Legal Services & Risk

Hamilton City Council | Private Bag 3010 | Hamilton 3240 | www.hamilton.govt.nz

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