

Tabled by: Minister Hinichiff
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1 October 2015

Mr J Lindsay
Chief Executive Officer
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Dear Jim

**RE: PROPOSED PRE-COMMITMENT BY IPSWICH CITY COUNCIL- COMMERCIAL OFFICE
LEASING OPPORTUNITY – IPSWICH CITY CENTRE REDEVELOPMENT PROJECT**

The revitalisation of the heart of Ipswich represents a once in a generation opportunity to shape the future of one of Queensland's most important cities.

Ipswich City Properties (ICP), 100% owned by Ipswich City Council, is seeking to undertake a landmark development that captures the qualities of the past and the opportunities for a viable and dynamic future as the vibrant and prosperous Regional Activity Centre for the Western Corridor of South East Queensland.

This development, the Ipswich City Centre Redevelopment Project (ICCRP), is focussed on delivering exceptional local and regional outcomes; a revitalised, activated City Centre of celebration and place, a living City Centre, a connected City Centre, a working City Centre, a place to live, work, shop and invest.

A key driver of the ICCRP is the creation of a strong and distinctive identity for the Ipswich City Centre with the focus being on the provision of a market responsive broad mix of uses which will be mutually supportive and provide the level of activity and revitalisation that is required for this key Ipswich City project. The site itself is highly strategic and is ideally situated for redevelopment into a world class flagship precinct incorporating retail, residential, commercial, entertainment and public open spaces.

Recent high level market analysis undertaken on ICP's behalf by Urbis indicates a rapid increase in consumer preference for dining out, a rise in popularity of inner city living and apartment development and growth in tourism and leisure activities.

A variety of uses are therefore to be targeted by the ICCRP to attract the key element, people, back into the City Centre, highlighted by the following:

Office Development provides daytime population and supports daytime street activity, food and beverage and a diverse retail offer.

Apartments support a permanent population and both evening and weekend demand.

Retail makes a city work and is the highest density of people activity with the optimal scale and mix of shops to include a supermarket and a higher order retail offer such as flagship retailers to generate a point of difference with suburban shopping centres.

Food and Beverage is the fastest growing spending category nationally – mixed to suit all demographics (eg workers, residents, students, CBD visitors), food styles and dining occasions.

Educational Facilities have the potential to provide consistent daily foot traffic and custom.

Personal and Business Services from banking (including regional offices) to shoe repairs

Leisure and Entertainment Facilities may include cinemas, bowling alleys, video games, children's play areas, gyms and health clubs.

Public Realm programmed with regular events to attract residents and visitors.

Civic Uses potentially including a Council relocated library and enhanced community space.

Further to the above, the ICCRP represents a once in a generation opportunity for:

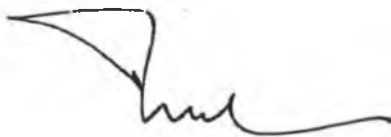
- ❖ A key catalytic project outcome to be realised arising from the shared vision between Ipswich City Council and the State Government as part of the Ipswich Regional Centre Strategy.
- ❖ Ipswich City Council to potentially occupy all or part of a second commercial office building to further activate the site following the opening of ICON Ipswich Tower A in October 2013.
- ❖ The injection of life and 24/7 vitality back into the Ipswich City Centre as a place of strong employment growth as well as social and cultural interaction.
- ❖ The establishment of strong connectivity with the Top of Town precinct, the transport hub in adjoining Bell St, the Bremer River, the Riverheart Parklands, Riverlink Shopping Centre via the Bradfield pedestrian bridge and the surrounding emerging City Centre redevelopment.
- ❖ The retention and integration of Ipswich's proud historical and architectural heritage through adaptive re-use of heritage buildings within the City Centre eg potential laneway activation for retail and commercial uses.

- ❖ Delivery of a multi-purpose Performing Arts/Cultural/Convention complex in the City Centre precinct potentially located between the Ipswich City Mall and Ellenborough Street.
- ❖ Activation of streets and City Centre open areas via the introduction of weekend markets, exhibitions etc.
- ❖ Promotion of public transport options via the adjoining transport hub in Bell St. An integrated transport solution is essential to the revitalisation of the Ipswich City Centre and it is aimed to create a combined community and commercial precinct where pedestrians have priority via the establishment of a high quality public realm.
- ❖ Continuation and reinforcement of the "City Visual and Physical Axis" along Nicholas St, extending from Denmark Hill through to the Riverheart Parklands, Riverlink and beyond.
- ❖ Five star Green Star targeted sustainability outcomes for all new built environments on site.

ICP wishes to advise Ipswich City Council that it is presently engaged in advanced negotiations with a preferred developer to undertake the ICCRP. ICP advises that it expects to be in a position whereby a formal Development Agreement confirming all agreed commercial terms and representing a partnership between the two parties will be entered into between ICP and the preferred developer by first quarter 2016. A key element of securing such a Development Agreement rests in obtaining a pre-commitment from Ipswich City Council for a fifteen (15) year lease on commercial terms to be negotiated and agreed between the parties over a new purpose built 5 Star Green Star A grade rated commercial office tower to be constructed in the Ipswich CBD as an integral part of the ICCRP. This is one of the key required outcomes of the ICCRP and represents a vital element in the revitalisation strategy for the Ipswich CBD.

ICP therefore seeks to engage at the very earliest opportunity with representatives of Ipswich City Council to initiate preliminary discussions and subsequent negotiations with ICP and the preferred developer on what promises to be a highly significant and exciting flagship project for the City of Ipswich.

Yours faithfully



Andrew Roach
Company Secretary
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