



GREAT LAKE TAUPŌ
Taupō District Council

EXPRESSION OF INTEREST

**Taupō District
Council Civic
Administration
Building**

TWENTYTWO
Independent Property Advisers

INTRODUCTION

Taupō District Council (TDC) are pleased to invite Expressions of Interest (EOI) to develop a Civic Administration Building (CAB) which TDC would then lease and occupy. The purpose of this EOI is a step towards appointing a developer to deliver this project.

TDC has been considering how to provide civic administration, operational and public facing facilities to meet the long-term needs of the community. Council has decided to explore its options to lease a single site solution (preferably a new building). This is an exciting project that provides an opportunity for the successful developer or landlord to work alongside a proactive and motivated Council to deliver a fit for purpose facility. The CAB facility will allow organisations to be housed in one accessible hub to maximise efficiencies, improve the performance of its people and enhance its services and the experience for the community.

Council wish to explore its options: either a privately owned site that would be developed by the owner and leased to Council; or explore a Council owned site with a view to a sale, develop and leaseback arrangement. Council wish to use this document to explore these options.

Council propose a two-step process to identify its preferred option. This first step seeks Expressions of Interest from parties that meet Councils criteria (detailed on page seven). Following this, a shortlist of preferred respondents will advance to the Request for Proposal (RFP) stage, at which point TDC will seek a more detailed proposition including building concept design and commercial lease terms.

For the avoidance of doubt, we do not seek a response in this EOI that includes the design solution or a set of commercial terms. Rather, we seek to identify those land owners and/or developers who have an appropriate site and the necessary experience to participate in the next phase of this process.

We are mindful that this EOI has been issued just before the Christmas New Year holidays, but felt it was an opportunity to share TDC's intentions so it can be considered by respondents over the holiday period. We believe we have allowed sufficient time in the new year for your response to be prepared.

The deadline for this EOI is no later than 4pm, 5 February 2021. A more detailed EOI programme can be found on page six.

A LITTLE BIT ABOUT US

Council staff including Elected Members are currently dispersed across multiple buildings in the Taupō CBD of varying age and quality. A number of operational and cost inefficiencies are created by having split premises and send a confused message to the community about how to access Council services. The new CAB site will efficiently bring together Council operations into one flexible facility and be a clear reference point for the community.

In early 2020, TDC was well advanced with the design for a TDC owned Civic Administration Building (CAB) on Tūwharetoa Street. In early April, the project was suspended as a consequence of the COVID-19 disruption.

In November 2020, TDC reaffirmed its requirement for a single site CAB and requested an initial investigation into its options to lease an appropriate building in the centre of Taupō, rather than build its own building. TDC's preference is to have a building developed generally to its specification by a third party developer and TDC will enter into a traditional lease arrangement.

Alternatively, a TDC owned site could be an option to be developed by a third party. TDC has advised that the site known as the RSA site (67 Horomatangi Street) could be an option for sale, development and leaseback subject to Council approval.

The purpose of this EOI is to gauge market interest to develop a CAB for TDC either on a privately owned site or on the RSA site.

COMMUNICATION

All enquiries must be directed to our Point of Contact. We will manage all external communications through this Point of Contact.

OUR POINT OF CONTACT

Name: Daniel McKay
Title/role: Contracts and Procurement Specialist
Email address: procurement@taupo.govt.nz

RESPONSES

Proposals must be submitted by electronic upload to the Tenderlink tenderbox.

Proposals sent by post or fax, or hard copy delivered to our office, will not be accepted.

REAL ESTATE AGENCY

TDC appreciate that Real Estate Agency professionals will be well informed of new development opportunities in the market and welcome their participation in this EOI process. We do however ask that in responding to this EOI, Real Estate Agencies must show they have the exclusive right to present the option on behalf of the developer and/or land owner. Where the development site is not yet owned this must be disclosed and supported with evidence that the land owner is a willing participant. TDC is aiming to avoid confusion and as such will monitor this requirement carefully.

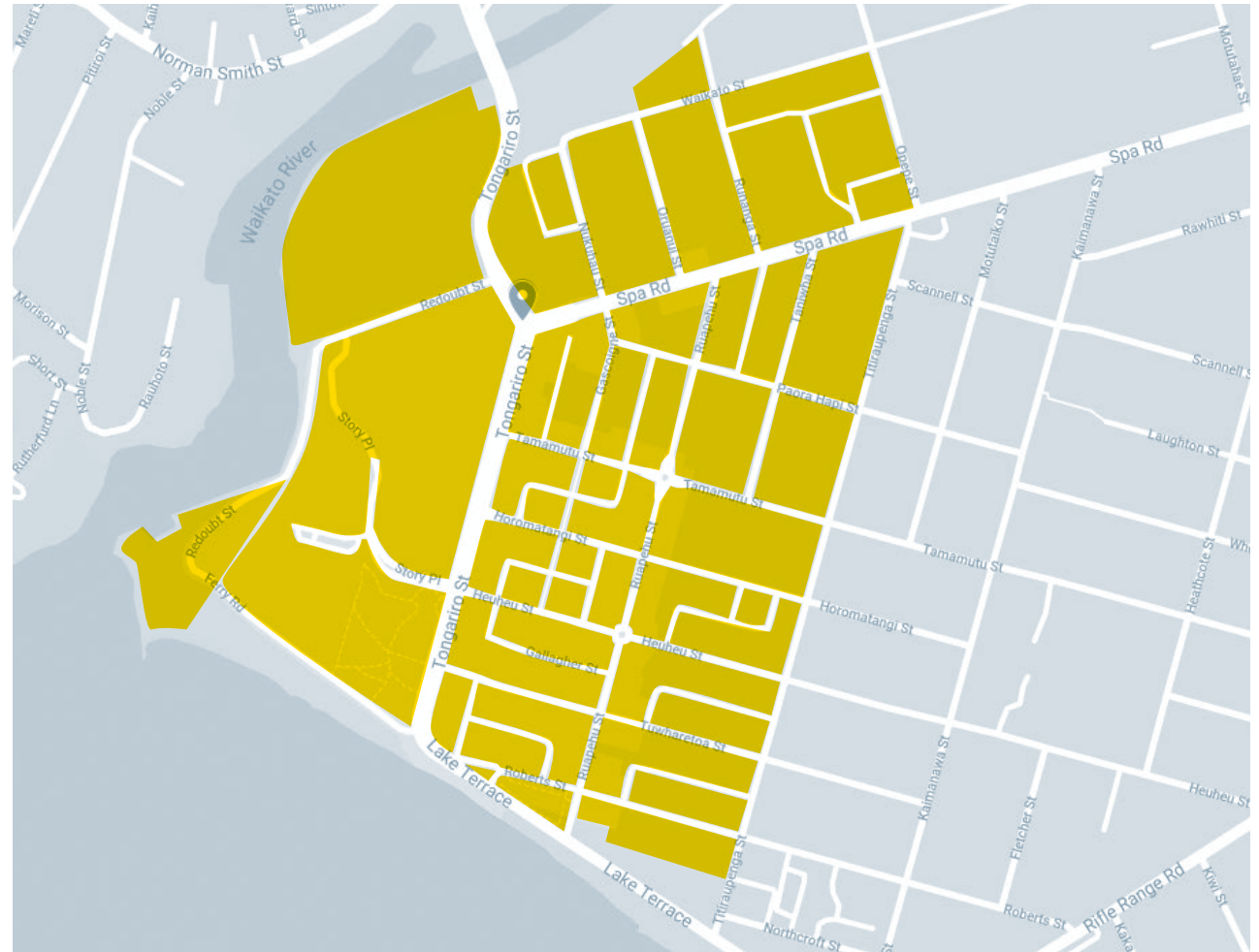
THE OPPORTUNITY IN A NUTSHELL

TDC is considering two options for delivering its CAB requirement. We seek responses from parties who are interested in the following:

OPTION 1

PRIVATELY OWNED SITE

- » Within the Taupō town centre, as shown adjacent
- » A privately owned commercial site suitable for development
- » TDC and the site owner enter into a traditional agreement to develop and lease
- » Site owner designs and delivers a new base building to TDC's outline specification
- » TDC enter into a Deed of Lease for an agreed term
- » TDC will be responsible for the design and cost of its interior fitout.

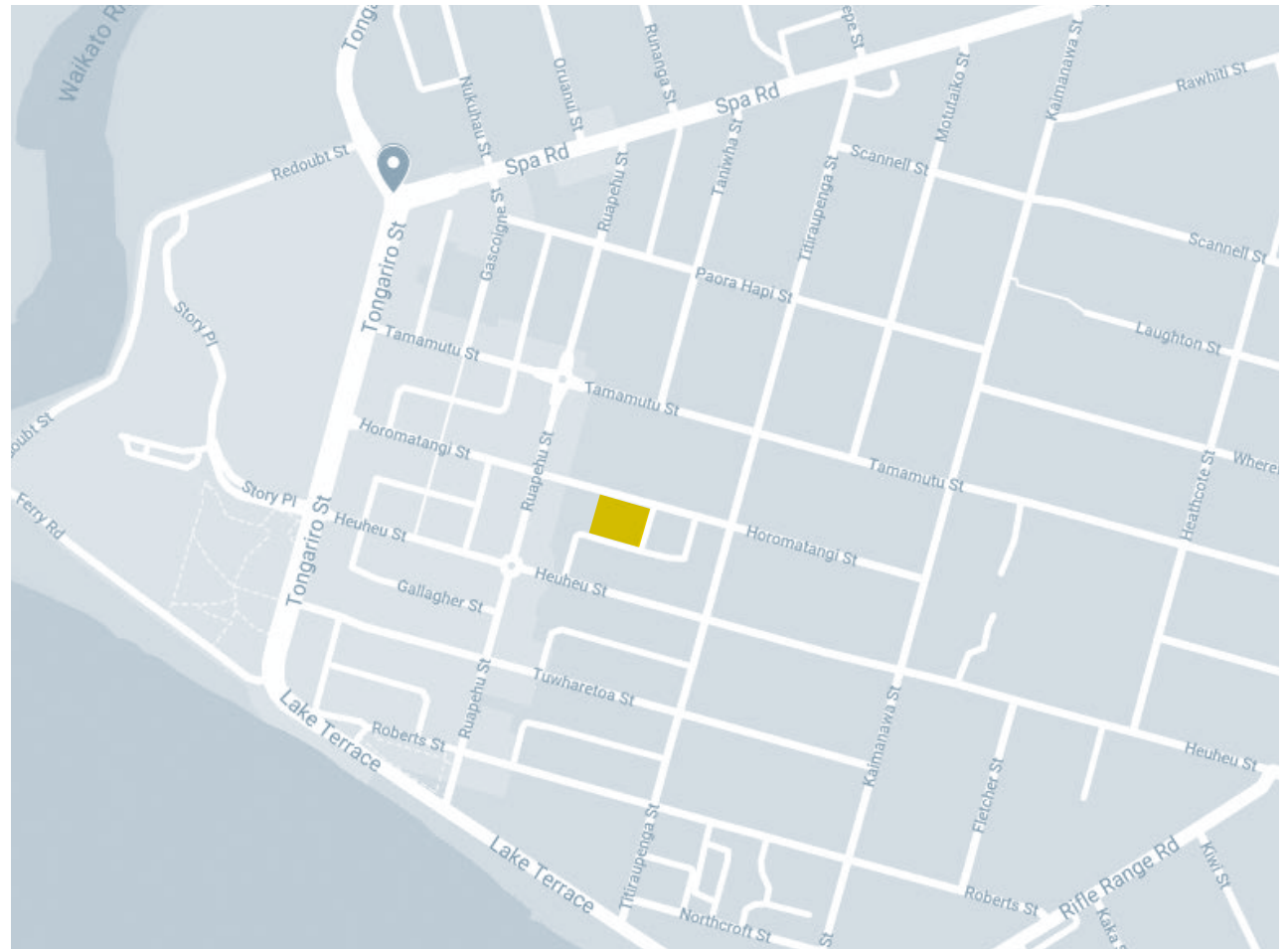


OPTION 2

RSA SITE AT 67 HOROMATANGI STREET (SALE, DEVELOP & LEASEBACK)

- » TDC will sell the site to the successful developer
- » The parties enter into an agreement to develop and lease
- » Developer then designs and builds to TDC's outline specification
- » TDC enter into a Deed of Lease for an agreed term
- » TDC will be responsible for its interior fitout.

Respondents may express interest in both options, but must identify a preferred option.



PROGRAMME

The programme below sets out the target dates for the EOI process:

Issue EOI to parties	18/12/20
EOI closes	5/2/21
Advise shortlisted candidates	19/2/21
Issue RFP (eight week process)	22/2/21
RFP Closes	16/4/21
Preferred party selected	30/4/21
Agreement to Lease negotiation complete	30/6/21
Target lease commencement date	Q2 2023

CAB OUTLINE CRITERIA

TDC developed a detailed premises brief and outline concept design in early 2020, as it was planning to develop its own site at Tūwharetoa Street. This project was cancelled during the COVID-19 outbreak.

Since then, TDC has re-evaluated its premises priorities and the table on the following page sets out the broad scope/requirements sought by TDC for its future premises.

This outline criteria is indicative and more detail will be provided to those respondents that progress to the RFP stage that follows this EOI.

This outline criteria is provided to help the respondents determine if they have the necessary experience and location to deliver TDC's requirements.

CAB OUTLINE CRITERIA

ATTRIBUTE	REQUIREMENTS
Location	<p>Within Taupō Town Centre</p> <p>Option 1: Location - see map, page four</p> <p>Option 2: RSA site, 67 Horomatangi Street</p> <p><i>In your response, please confirm the option you are responding to.</i></p>
Forecast Space Requirement	<p>Nett Lettable Area (NLA) in the order of ~2,300 - 2,500m².</p>
Car Parking	<p>~40 car parks on site.</p>
Base Building Requirement (TDC does not require any design imagery or specifications of any proposed development in your EOI response)	<p>A single site new commercial office building based on TDC's outline building specification. The building will have (but not limited to) efficient office floor plates, good natural light, interconnecting stairs, modern HVAC and electrical systems, seismic resilience to Importance Level (IL) 4, on site car parking, end of trip facilities, bike storage, physical storage, ground floor public interface area.</p>
Quality	<p>The building quality will be typical of a new low rise commercial office development.</p>
Tenants Fitout	<p>Will be delivered by TDC. Requires a base building that will support Activity Based Workplace, council chambers (typical stud height, multifunctional space - open and transparent), meeting rooms, collaboration spaces, kitchenette facilities and public interfacing areas.</p>

ATTRIBUTE	REQUIREMENTS
Commercial Terms (TDC does not require any commercial terms to be presented in your EOI response)	<ul style="list-style-type: none"> » Market rent » Market lease term » Rights of renewal » Market incentive » Market rent review mechanism » No make good provisions.
Timing	<p>Target practical completion Q2 2023.</p>
Seismic Standard	<ol style="list-style-type: none"> 1. The building will be an Emergency Operations Centre (EOC) and the entire building will be designed to Importance Level (IL) 4. 2. Meets a minimum of 80% of current New Building Standard (NBS) for existing buildings and 100% NBS for a potential new building. <p>PLEASE NOTE - THESE TWO CRITERIA ARE UNLIKELY TO CHANGE AND WILL FORM A SIGNIFICANT PART OF TDC'S ASSESSMENT OF ITS OPTIONS.</p>
Building Quality	<p>The building quality will be typical of a new commercial office development.</p>
Sustainability Features	<p>No specified target. Expectation that the building is designed and built to typical market standards.</p>
Other Tenants	<p>TDC is open to the building including separate tenants including retail.</p>

PRECONDITIONS

Each response must meet the following pre-conditions, unless any such requirements are waived by TDC which it may do in its absolute discretion. Any Respondents who answer “No” to any pre-condition will not be considered unless TDC has agreed to waive that pre-condition prior to the submission of the EOI.

#	PRE-CONDITION REQUIREMENTS	YES/NO
1	Respondents can identify at least one commercial development they have funded, designed and developed/ completed over NZD\$2 million	
2	Respondents can identify at least one commercial office development they have designed and developed with similar attributes to those required for this project.	
3	Respondents can show they have full legal control of the site presented (in respect of Option 1)	
4	The TDC Response Form and Declaration has been completed and signed	

JOINT VENTURE

The priority for TDC is to identify a good location and a landlord / developer with suitable experience to deliver a building that meets TDC’s criteria. Where a single party is unable to provide both these requirements, TDC is open to joint venture proposals where the land owner may not necessary be the building developer.

In such a case, we ask the respondents clearly note if their proposal is joint venture and identify the respective parties involved. Where a developer is leading a joint venture, it must show it has a established a relationship with the land owner that will make the site available for development should the parties be successful.



INFORMATION REQUIRED

In preparing your EOI, we require respondents to provide a response to the following categories in the order presented. We ask your responses are succinct and clear.

RESPONSE FORM

The TDC Response Form has been attached in Appendix A and as a MS Word document. Please ensure this form is completed and signed. It is a Pre-Condition of this EOI, and is in addition to the information sought below.

OPTION AND LOCATION

Indicate which option you are interested in:

OPTION 1 Privately owned site or

OPTION 2 TDC owned site

TDC will accept interest in both options, but the respondent must indicate which it prefers.

COMPANY AND CAPACITY

1. Name of your authorised contact person in relation to this EOI.
2. Full details of your company or consortia including contact details, locations, and indicate if your proposal is a joint venture.
3. Key personnel involved and their qualifications and experience relative to this proposal.
4. Explain if your company has a preferred consultant or construction contractor relationships and who those parties are.
5. Outline of current active projects including a summary of the resources committed to those projects and any other projects being considered in the short to medium term.

RELEVANT EXPERIENCE

1. Details of your general experience and core business activities.
2. Commercial development experience in New Zealand or internationally (commercial, office or specialist facilities). List those that are relevant.
3. Please highlight any projects you have done in the Taupō region.
4. Details of one recent development project with a construction value of more than NZD\$2m and with similar attributes to the requirements of this project.
5. Provide one relevant referee/reference who can speak to their experience working with your organisation at a commercial, planning and delivery level.
6. Experience partnering with Local Government or the Crown.
7. Experience establishing long term leasehold and/or sale and leaseback development arrangements like the solution proposed.
8. Experience in delivering a project with an enhanced Importance Level.
9. Experience delivering integrated fitouts.
10. Experience in Environmentally Sustainable Design.

COMMERCIAL CONSIDERATIONS

1. How your solution will be funded including details of equity and/or debt funding sources. It will be an advantage to provide a letter or statement from your funder that indicates you have the facility for a development of this scale.
2. An indication whether you intend to be a long term owner of the completed building/s or whether you intend to sell the building/ lease as an investment product to a third party. For the avoidance of doubt, TDC will not enter into any agreement where the development or land is sold prior to lease commencement.
3. How you would bring innovation and proactivity to the project.
4. Any assumptions you have made in respect of the requirements set out in this EOI.

OPTION 1 RESPONDENTS

If it is your intention to respond to Option 1, we would like you to provide the following information in addition to the information above. If you are not responding to Option 1, you do not need answer these questions.

IF OPTION 1 IS OF INTEREST, PLEASE ADVISE THE FOLLOWING:

1. Describe the Premises Proposed, address, and location;
2. Indicate if you are the owner of the site or a developer or both;
3. Advise any conditions or caveats over the site / titles that impact your ability to offer or develop the site to TDC's outline criteria.

PLEASE NOTE – if your proposal does not indicate if you have full legal control of the site, or an unconditional agreement to purchase the site (which must be proven), then the proposal will not be considered.

PROVIDE AN OUTLINE OF WHAT YOU PROPOSE TO OFFER COUNCIL:

1. An existing building; or
2. A new development based on TDC specification.

IF AN EXISTING BUILDING, PLEASE ADVISE:

1. The age of the building;
2. The size of building;
3. The number of car parks;
4. The current IL and NBS (seismic rating) status of the building;
5. An outline of any re-development or improvements proposed for the building.

PLEASE NOTE – TDC does not require any design imagery or specifications at this stage. This will be called for from those that progress to the RFP stage.

In summary TDC seeks a response that:

- » **Considers the brief;**
- » **Indicates which Option the response relates to;**
- » **Responds to each of the questions in the section “Information required”;**
- » **Clearly indicates if the proposal is a joint venture;**
- » **Has considered the evaluation criteria on Page 11.**

EVALUATION

EVALUATION MODEL

Responses will be firstly assessed against a set of Pre-Conditions as set out on page eight.

Responses that meet all Pre-Conditions will be evaluated on their merits according to the Evaluation Criteria set out below.

The Evaluation Panel will comprise independent advisors alongside representatives from TDC. TDC is being represented by David Lambie at TwentyTwo Independent Property Advisers.

The Evaluation panel will be assessing the responses in one of two ways. Details of this Evaluation Method and the weightings can be found on page four of the Response Form.

LOCAL ECONOMIC IMPACT

TDC is committed to supporting the local community. As such, a local economic impact attribute is added to the evaluation giving weight to those respondents who are from within the local community.

The criteria are:

- » Your business is locally owned and operated = 10%
- » Your business has a local branch = 5%
- » Your business operates outside of the district = 0%

EVALUATION CRITERIA

The table below sets out the essential Evaluation Criteria TDC will apply when evaluating the options.

PRE-CONDITIONS

- » Pre-conditions met - yes / no

OPTION AND LOCATION

- » Within TDC's preferred location (if responding to Option 1)
- » Location has good access and proximity to amenity.
- » Site and buildings (if existing) suitable size / standard
- » Fully controlled site or is subject to conditions / others
- » Extent of re-development (if applicable).

COMPANY AND CAPACITY

- » Company structure
- » Key team members and preferred consultants
- » Preferred main contractor
- » Schedule of key advisors
- » Capacity statement.

RELEVANT EXPERIENCE

- » Relevant development / new building experience
- » IL experience
- » Relevant ESD experience
- » Experience with Government or Local Government property
- » Referee provided
- » Relevant experience.

COMMERCIAL CONSIDERATIONS

- » Funding statement
- » Investment intentions
- » Innovation (in any of agreement, commercially, design, process, construction, communication or delivery)
- » Any other considerations.

LOCAL CONTENT

- » Apply weighting for local impact attribute.

SCORING

The following scoring scale will be used in evaluating Responses. Scores by individual panel members may be modified through a moderation process across the whole evaluation panel.

RATING	DEFINITION	SCORE
EXCELLENT significantly exceeds the criterion	Exceeds the criterion. Exceptional demonstration by the Respondent of the relevant ability, understanding, experience, skills, resource and quality measures required to meet the criterion. Proposal identifies factors that will offer potential added value, with supporting evidence.	9-10
GOOD exceeds the criterion in some aspects	Satisfies the criterion with minor additional benefits. Above average demonstration by the Respondent of the relevant ability, understanding, experience, skills, resource and quality measures required to meet the criterion. Proposal identifies factors that will offer potential added value, with supporting evidence.	7-8
ACCEPTABLE meets the criterion in full, but at a minimal level	Satisfies the criterion. Demonstration by the Respondent of the relevant ability, understanding, experience, skills, resource, and quality measures required to meet the criterion, with supporting evidence.	5-6
MINOR RESERVATIONS marginally deficient	Satisfies the criterion with minor reservations. Some minor reservations of the Respondent's relevant ability, understanding, experience, skills, resource and quality measures required to meet the criterion, with little or no supporting evidence.	3-4
SERIOUS RESERVATIONS significant issues that need to be addressed	Satisfies the criterion with major reservations. Considerable reservations of the respondent's relevant ability, understanding, experience, skills, resource and quality measures required to meet the criterion, with little or no supporting evidence.	1-2
UNACCEPTABLE significant issues not capable of being resolved	Does not meet the criterion. Does not comply and/or insufficient information provided to demonstrate that the Respondent has the ability, understanding, experience, skills, resource and quality measures required to meet the criterion, with little or no supporting evidence.	0

DUE DILIGENCE

TDC reserves the right to make independent enquiries into the capability, track record, and experience of respondents, and/or to conduct interviews with respondents to assist in gathering such information.

TDC may undertake additional processes and due diligence which will be taken into account during evaluation. This may include:

- » Other checks against the Respondent (eg Companies Office);
- » Interview respondents;
- » Request that respondents make presentation(s);
- » Conduct reference checks;
- » Receive advice from TDC's expert advisors in relation to issues and risks that may be presented by the respondents and their EOI response;
- » Request to review completed projects and discuss with appropriate parties.

EOI REQUIREMENTS AND CONDITIONS

EOI RESPONSES

Responses are preferred to be in accordance with the format outlined in page nine. However, TDC encourages innovation and welcomes alternative submissions.

TDC reserves the right to receive and consider late EOI submissions, however as a general rule, any responses received at the place of closing after the closing time for whatever reason, will not be considered.

JOINT PROPOSALS

Joint responses may be submitted. Where a joint response is submitted respondents must provide full details of each party submitting the response and name one party as the single contact point for all communications relating to your response.

COMMUNICATIONS

All communications relating to this EOI, including requests for clarification or additional information, should be directed to:

Name: Daniel McKay
Title/role: Contracts and Procurement Specialist
Email address: procurement@taupo.govt.nz

ADDITIONAL INFORMATION AND CLARIFICATION

Any requests for clarification or additional information must be made prior to deadline for questions. Any requests for information received after this time and date may not be responded to.

TDC will issue any clarification and change to the EOI by way of written amendment notice to all respondents/addenda on TenderLink . All amendment notices issued will become part of this EOI.

Requests for information that relate solely to a respondent's proposal will be provided to a respondent requesting the information or clarification only, but any information that TDC considers relevant to all respondents will be released via Tenderlink.

TDC will not be bound by any statement, written or verbal, made by any person other than TDC's Authorised Representative. TDC's Authorised Representative (or any other person authorised by TDC's Authorised Representative) is the only person authorised to make representations or explanations to respondents in relation to this EOI.

NO CANVASSING

Respondents must not canvass or be seen to be canvassing any TDC Elected Member, Council Employee, consultant or contractor acting on behalf of TDC at any stage throughout this EOI process. Any respondent who indirectly or directly canvasses any Elected Member, Council Employee or consultant or contractor acting on behalf of TDC other than the Authorised Representative(s) concerning any aspect of this EOI process may in TDC's discretion be disqualified.

RESPONSE CLARIFICATION

You may be asked to clarify your response or provide additional information during the evaluation process. These requests will require prompt action and must be responded to in writing within two working days or the time specified in the request. Otherwise, TDC reserves the right not to consider your response.

GENERAL CONDITIONS

TDC reserves the right to:

- a. Reject all or any responses;
- b. Discuss with any respondent (to the exclusion of any other respondent), at any time before, or after selection of a preferred respondent, and upon any terms and conditions;
- c. Deal separately with any of the divisible elements of any response, unless the relevant response specifically states that those elements must be taken collectively;
- d. Shortlist to the RFP stage all or part or any combination of parts of the response and to one or more respondents;
- e. Waive any irregularities or informalities in the EOI process;
- f. Amend the closing date, the acceptance date or any other date in the EOI process by the issue of a written amendment notice via GETS;
- g. Amend this EOI, or any associated documents, by the issue of a written amendment notice via GETS;
- h. Seek clarification of any response;
- i. Suspend or cancel (in whole or in part) this EOI process;
- j. At its sole discretion decide to conduct or not to conduct reference checks or credit checks on respondents that submit a response to this EOI;
- k. Meet with any respondent before and/or after the process closes and prior to shortlisting; and
- l. Consider or reject any alternative submission, in TDC's sole discretion.

TDC will not be bound to give any reasons for decisions made as a result of this EOI or as an outcome of the EOI evaluations, but where TDC considers it appropriate, feedback will be offered.

SUBJECT TO CONTRACT

All parties submitting an EOI response agree that this EOI and any provision contained in it does not give rise to a separate contract between TDC and that party.

ERRORS AND OMISSIONS

If TDC discovers errors and/or omissions submitted in your response TDC may notify you as soon as practicable and may require you to either confirm or withdraw your response.

RESPONDENTS INVESTIGATIONS

You must examine this EOI yourself, and make all other investigations you consider necessary, (including as to information provided by TDC in relation to this EOI), before submitting your response.

TDC accepts no responsibility for any error or mis-description in this EOI, or any associated documents.

NO WARRANTIES OR REPRESENTATIONS

TDC makes no representations and gives no warranties.

CONFIDENTIALITY

TDC will keep proposals received confidential. However TDC is subject to the Local Government Official Information and Meetings Act 1987. Information provided by respondents may be required to be disclosed under that act.

OWNERSHIP OF RESPONSE DOCUMENTS

The responses submitted to TDC in response to this EOI shall be retained by TDC.

INFORMATION COMPLETE AND ACCURATE

By submitting your response you warrant that all information provided by you to TDC, in or in relation to your response, is complete and accurate in all material respects. You also warrant to TDC that the provision of that information to TDC, and the use of it by TDC for the evaluation of your response and for any resulting negotiation, will not breach any third party intellectual property rights.

NOTIFICATION OF EOI OUTCOME

TDC will notify in writing the respondent or respondents (if any) that have been selected as preferred respondent(s) or short-listed to proceed to the RFP phase.

TDC will notify all unsuccessful respondents in writing that their responses have not been successful.

SHORTLISTING AND NEGOTIATION

Where there is a decision to short-list and proceed to the RFP stage, the preferred respondent(s) will be notified of their preferred status and the expected timeframe for the RFP.

Other respondents will be notified that:

- a. Their responses have been unsuccessful; or
- b. Their responses are short-listed but not preferred.
In this case the respondent will be asked to confirm that their response remains open for the period of negotiation with the preferred respondent(s).

If TDC and the preferred respondent(s) fail to engage in the RFP process then TDC may engage with other short listed respondent(s).

TDC is not bound to draw up a short list or negotiate with any respondent(s).

PREFERRED RESPONDENT

Should TDC advise the respondent that it is 'a Preferred Respondent', such advice does not:

- a. Constitute an acceptance by TDC of the respondent's response, or create a contract;
- b. Constitute an award of the contract to the respondent; or
- c. Imply or create any obligation on TDC to enter into negotiations with the respondent or award the contract to that respondent.

TDC may discontinue any negotiations at any time.

COSTS

You must pay your own costs of preparing and submitting your response, including but not limited to:

- a. Any communications or negotiations with TDC;
- b. Any meetings, presentations or interviews with TDC;
- c. Any briefings and/or site inspections;
- d. Any fees from external advisors.

GOVERNING LAW

This EOI is governed by New Zealand law. The New Zealand courts have exclusive jurisdiction as to all matters relating to this EOI.

LIABILITY LIMITATION

TDC and its agents or advisors will not be liable in contract or tort or in other way for any direct or indirect damage, loss or cost incurred by any respondent or other person in respect of this EOI process.

CONFLICT OF INTEREST

Respondents should disclose any conflict of interest in relation to the matter covered by this EOI.

GIFTS AND HOSPITALITY

In compliance with TDC policy gifts, inducements, promotional products or services will not be accepted by TDC Elected Members, Council Employees agents or advisors working on behalf of TDC.

APPENDIX A

RESPONSE FORM



GREAT LAKE TAUPŌ
Taupō District Council

TWENTYTWO
Independent Property Advisers

WELLINGTON
Historic House
22 The Terrace
P 04 471 1054

AUCKLAND
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11 Britomart Place
P 09 282 4771

www.twentytwo.co.nz