

VICTORIA UNI'S MULTIMILLION-DOLLAR BUILDING PROJECTS 'ON PAUSE'

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Multimillion-dollar building projects - including one that could have been a major drawcard - have been put on hold as [Victoria University of Wellington](#) seeks to address a \$33 million deficit.

Now mothballed are a gateway meant to welcome students to the university, three new buildings help house them and its contribution to a waterfront pavilion for the capital's Pasifika population.

Vice-chancellor Nic Smith said all capital expenditure programmes, except for maintenance, had been stopped. Exempt is the Living Pa project, which was already under way and on track for completion in July 2024.

Smith said the pause was about giving the university room under its debt ceiling to allow changes over a longer term. 'It does produce some sustainable savings.'

The [University of Otago](#), facing a similar financial situation, has not yet announced cuts to its capex programme. Current projects included a \$220m upgrade of the Christchurch campus, a \$44m upgrade of the Food Science department and a \$100m 450-bed residential college.

Victoria University's big development projects include:

[Weir House redevelopment](#)

The decline in student numbers has led to a pause on the project designed to provide more beds in the city.

The redevelopment of the Weir House precinct off Gladstone Rd has been paused, despite part of the James Hutchinson wing having already been pulled down in 2021 and more than \$3.3m being spent on project consultant costs to date.

Plans released to The Post under the Official Information Act show Project Awarua, as it was named, would deliver two four-floor Edge buildings comprising 197 beds, with connecting main reception area and combined dining and kitchen facilities.

Another 203 beds would be created through a new six-floor James Hutchinson building - an improvement on the 130 beds from the now demolished wing.

The most recent draft business case put the cost of the project over the initial \$74.5m quoted. The redevelopment aimed to 'provide an unrivalled living experience' in part in response to competition with other universities for the first-year student market.

The draft business case says: '[Victoria University is] currently seeing signs of softness in our school-leaver numbers, with the universities in the South Island, in particular, making inroads which have the potential to be enduring without response from competitors. This project is an opportunity to remain competitive and grow our share of domestic students.'

A finalised business case has yet to be completed or submitted for approval as the project was paused, with no decision about when the project could recommence.

[Te Huanui](#)

The gateway project, Te Huanui, is the university's plan for the site of the Gordon Wilson and McLean flats - if the heritage listings preventing development on the \$16m block of land are ever removed.

Student accommodation was controversially not the university's plan for the site, which was announced in 2020. Instead, Te Huanui would include a new campus building, pathway and elevator up to Kelburn to create a "front door" to the university.

The university is in a holding pattern until it knows whether the existing buildings on the site can be demolished.

A university spokesperson said it was still in the process of preparing a resource consent application for the demolition, but could not confirm the status of the Te Huanui project.

NZ Initiative chief economist Eric Crampton points out the flats are occupying a valuable piece of real estate, which could be used to build more student accommodation and make a profit for the university. "The heritage listing makes all of that harder. Would you want to be developing where you know a third party essentially has veto rights over your development?"

More affordable and good quality student accommodation, in Crampton's view, was the reason universities like Canterbury were still sustainable, while Victoria was having to make cuts.

Fale Malae

The Fale Malae is not technically a university project, but Victoria is a founding partner in the project to build the waterfront building for Pasifika cultures.

While advocating for the project last week, Fale Malae Trust chairperson Adrian Orr said it was an important project for Pasifika people to connect with the university.

In a March announcement from the university, the project was described as a "four-way partnership" between the Government, [Wellington City Council](#), the university and the wider Wellington community.

The university is backing away from the \$10m of financial support previously planned.

Although saying it remains a committed funding partner, the university will not provide the \$9m debt underwrite previously agreed. It was "not currently in a position to commit to any form of debt underwrite".

This may be reconsidered in the future, the spokesperson said.

The university and its foundation had contributed \$1m so far, including funds from both internal and external donors. The Fale Malae continues to fundraise and recently received preliminary approval from the [Wellington City Council](#).

Living Pa

Construction on the university's living pa, a multipurpose innovation hub connecting to its whareniui, Te Tumu Herenga Waka, which has stood on Kelburn Parade for the past 35 years, began in August last year.

This meant it would be more expensive to stop work on the massive \$45m project, which aims to put the marae at the heart of the university.

It will be home to Te Kawa a Maui (School of Maori Studies), Maori student services, while housing collaborative working, teaching and marae engagement spaces to advance teaching and research models that draw on matauranga Maori and emerging science and technology.

Designed to be a sustainable living building, it is engineered mostly of timber. The building will have a glazed facade, engineered timber cladding, solar array on the roof and a closed loop water system.

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