



Relief for CBD developer as demolition starts in Invercargill

By Logan Savory

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Scott O'Donnell says there was a feeling of relief while watching a bulldozer pull down part of Cambridge Arcade in Invercargill.

It had been four years in the making but demolition finally started on Thursday afternoon to make way for a multi-million dollar Invercargill city block development.

O'Donnell has been the driving force behind the development after becoming embarrassed by the state in Invercargill's inner city.

In 2015 O'Donnell and his wife Jocelyn started through buying the old Outdoor World building on the north side of Tay St - the site where Motorcycle Mecca is now situated.

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That was before turning the sights across the road to the block where close to four years later demolition has started to make way for the new multi-million dollar development.

The start of demolition had a smell of progress attached to it, O'Donnell said.



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Invercargill Central Ltd director Scott O'Donnell with one of the first bricks to fall as

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"There are two things that have fired me up recently, one is that sound of the jet leaving and arriving [in Invercargill]. To me, that is the sound of progress. This is the same situation."

On many occasions, during the past four years, O'Donnell said he wondered if taking on the hassles attached to such a venture was wise.

"It was a situation where we needed to get this done for the good of Invercargill, but it became painful with the process, and it is something New Zealand has got to learn from."

"This Resource Management Act isn't designed to get an outcome, it's really bad for New Zealand's future. It's not good for progress."

O'Donnell felt the latest delay, on the back of Gaire Thompson - who owns a lot of commercial property in Invercargill - filing a High Court injunction, was unnecessary.

Thompson filed a High Court injunction just before Christmas, which was lifted after a hearing in Christchurch on Tuesday.

He believed February 7 had now been earmarked for a substantive hearing but acknowledged if it goes ahead it might be pushed back to a later.

Thompson was aware a good chunk of the block could now be demolished before it potentially reached a substantive hearing.



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A digger takes to a wall on the first day of demolition to make way for a new \$160

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The plan was to continue with the legal process "to prove a point", Thompson said.

He estimates the legal battle could cost him up to \$150,000 if he loses.

"You don't spend that money just to be annoying. I just want the council to do things properly."

"I think it's totally irresponsible to start [with the Invercargill City Council] knowing they are going to have to come back to the people and ask for more money."

The council has invested \$30m in stage one, two, and three of the development.

Stages one, two, and three - which is estimated to cost \$165m - will include retail spaces, and a food precinct, as well as a car park.



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Invercargill city block development project director Geoff Cotton with Invercargill Central Ltd

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In November last year, Geoff Thomson pulled out as an investor which left a \$21m gap. However, the council voted to continue with demolition and said it would consult the public if it needed to put more money into the development.

Invercargill deputy mayor Toni Biddle was comfortable with demolition proceeding.

"We [the council] know there is considerable community support for this redevelopment, and I believe council has made the right decision.

"The reaction to Mr Thompson's legal action has further confirmed this," Biddle said.

Christchurch-based company Ceres NZ is carrying out the demolition work which is estimated to take between four and six months.

About 20 Ceres NZ staff are expected to relocate from Christchurch to Invercargill for the demolition.

Demolition started in the carpark in the centre of the block, with the plan to clear the east end of the block first.

It will allow work to start on the building which will house anchor tenant Farmers, as well as the SIT apartments on the corner of Tay and Kelvin streets.

With demolition now underway, O'Donnell said it would ramp up negotiations with interested tenants for the block.



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