

## **Christchurch City Council**

### **SUPPLEMENTARY AGENDA**

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#### **Notice of Meeting:**

An ordinary meeting of the Christchurch City Council will be held on:

**Date:** **Thursday 12 August 2021**  
**Time:** **9.30am**  
**Venue:** **Council Chambers, Civic Offices,  
53 Hereford Street, Christchurch**

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#### **Membership**

Chairperson	Mayor Lianne Dalziel
Deputy Chairperson	Deputy Mayor Andrew Turner
Members	Councillor Jimmy Chen
	Councillor Catherine Chu
	Councillor Melanie Coker
	Councillor Pauline Cotter
	Councillor Mike Davidson
	Councillor Anne Galloway
	Councillor James Gough
	Councillor Yani Johanson
	Councillor Aaron Keown
	Councillor Sam MacDonald
	Councillor Phil Mauger
	Councillor Jake McLellan
	Councillor Tim Scandrett
	Councillor Sara Templeton

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**10 August 2021**

#### **Principal Advisor**

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Note: The reports contained within this agenda are for consideration and should not be construed as Council policy unless and until adopted. If you require further information relating to any reports, please contact the person named on the report.

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## 28. Resolution to Include Supplementary Reports

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### 1. Background

- 1.1 Approval is sought to submit the following report to the Council meeting on 12 August 2021:
  29. Advice on Notice of Motion
- 1.2 The reason, in terms of section 46A(7) of the Local Government Official Information and Meetings Act 1987, why the report was not included on the main agenda is that it was not available at the time the agenda was prepared.
- 1.3 It is appropriate that the Council receive the report at the current meeting.

### 2. Recommendation

- 2.1 That the report be received and considered at the Council meeting on 12 August 2021.
  29. Advice on Notice of Motion

## 29. Advice on Notice of Motion

Reference Te Tohutoro: 21/1120530

Report of Te Pou Matua:

General Manager

Mary Richardson – General Manager Citizens & Community

Pouwhakarae:

### 1. Purpose of the Report Te Pūtake Pūrongo

- 1.1 This report provides advice regarding the Notice of Motion to increase seating capacity of the Canterbury Multi Use Arena, including:
  - 1.1.1 Clarification of the current position and options;
  - 1.1.2 Advice on the Proposed Motions;
  - 1.1.3 Construction Cost Estimates for the Response Team Option 1 (RT1) design with increased seating capacity, including 27,500 seating capacity and 30,000 seating capacity;
  - 1.1.4 Operational and economic impact of increased seating capacity;
  - 1.1.5 Impact on rates and debt ratio; and
  - 1.1.6 Funding options.

### 2. Key Points

- 2.1 Council was notified of a significant increase in the Contractor's Design & Construct (D&C) Contract Price Estimate in late June 2021. A Staff Response Team (from Council and Venues Ōtautahi) worked with BESIX Watpac NZ (CMUA) Limited (Kōtui) and project consultants to identify design alternatives.
- 2.2 Two options were identified and presented to the Mayor and Councillors in a series of briefings and a report to Council (22 July 2021). One option (RT1) required a scope change to 25,000 seating capacity and the other option (RT2) required a budget increase of approximately \$7.5M.
- 2.3 There were no requests at the Council briefings or from individual Councillors for alternative over-budget options prior to the Council Meeting (22 July 2021).
- 2.4 Information on a RT1 design with 30,000 seating capacity could have been available for the briefings and the Council Meeting if there had been any indication it was desired. It is now provided in this report (see section 6).
- 2.5 The financial information provided to the Council meeting on 22 July 2021 was correct.
  - 2.5.1 To maximise the funding available for construction, amendments to the budget breakdown for the RT1 and RT2 options were proposed, including reductions in the governance and management costs and the removal of rates and land purchase components.
  - 2.5.2 The Response Team did not amend the cost estimates for the Base Schemes (and Value Managed Scheme) because these were developed by a Qualified QS (Independent Price Verifier) – it would not be appropriate for staff to amend a QS estimate. The Base Case also had significant operational issues (see section 3.7 to 3.11).

- 2.5.3 The differences in the RT1 and RT2 budgets compared to the Base Case Scheme estimates were discussed in detail at briefings, and a formal resolution noted that there were amendments in the proposed budget breakdown (see section 3.7 to 3.11).
- 2.6 Notice of Motion 1 proposes to increase the seating capacity of RT1 to 30,000 for the agreed Maximum Design & Construct (D&C) Contract Price.
- 2.6.1 BESIX Watpac and an Independent QS (AECOM) have identified that it would not be possible to construct an arena with the fundamentals outlined in the motion for the current Maximum D&C Contract Price.
- 2.6.2 The Maximum D&C Contract Price would need to be increased (see Section 6).
- 2.7 Notice of Motion 2 proposes that if the motion to increase seating capacity is lost, then BESIX Watpac be instructed to undertake a parallel Preliminary Design process.
- 2.8 Running a parallel process would increase costs and potentially delay the delivery of the Multi Use Arena. It would add complexity and risk to the project (see Section 5).
- 2.9 Any additional financial investment should be applied to the construction cost as this would avoid potential delays, help manage cost risks and could increase scope.
- 2.10 BESIX Watpac has provided some rapid advice on increasing seating capacity in the RT1 Design Option (see Section 6):
- 27,500 seats would require a D&C Contract Price estimated increase of ≈\$10M
  - 30,000 seats would require a D&C Contract Price estimated increase of ≈\$50M.
- 2.11 The cost estimates and risk estimates are preliminary estimates. More clarity of costs and risk contingency will be obtained as we progress through further design phases. There will not be cost certainty until Developed Design is completed and BESIX Watpac submit a fixed D&C Contract Price.
- 2.12 Assessment of the Operational Impact of increased seating suggested that RT1@30 could reduce the required level of operating subsidy and bid funding. It also suggested that RT1@30 would provide a better competitive advantage, particular for sporting codes such as the All Blacks (see Attachment 2).
- 2.13 Assessment of the Economic Impact indicated a possible increase in \$12.5 million GDP across a 10 year period (see Attachment 1).

### 3. Background Ngā Mōhiohio

#### Previous Advice to Council

- 3.1 In late June 2021, the Council was notified that there was a significant increase in the Contractor's D&C Contract Price Estimate based on the current design and scope (Base Case scheme). This notification of the price increase was received after LTP 2021-2031 was confirmed.
- 3.2 The Base Case scheme had unresolved issues regarding holding both large scale and reduced mode concerts for turf health, which would impact on Opex/Whole of Life (WOL) costs.
- 3.3 A Staff Response Team (from Council and Venues Ōtautahi) worked with BESIX Watpac NZ (CMUA) Limited (Kōtui) and project consultants to identify design alternatives which would bring the project back in budget while minimising the impact on the Investment Case assumptions and Project Fundamentals agreed in the Funding Agreement.

- 3.4 Two options (RT1 and RT2) were identified and presented to Council in briefings and in a report to Council (22 July 2021). These are summarised in Table 1 below.
- 3.5 There were no requests at Council briefings or from individual Councillors for alternative over-budget options prior to the Council Meeting (22 July 2021).
- 3.6 The information included in this report would have been available at or before the Council Meeting (22 July 2021), if there had been a request for an alternative over-budget option.

**Table 1: Summary of Options in Report to Council (22 July 2021)**

Scheme	Description	Estimate
<b>Investment Case</b>	<ul style="list-style-type: none"> <li>☐ Covered arena - that allows for year-round events;</li> <li>☐ Minimum 25,000 permanent seats</li> <li>☐ Up to 36,000 concert mode capacity</li> <li>☐ Acoustic quality - a key to providing a viable facility. It must host premium events on a regular basis and must be designed to manage the acoustic quality.</li> <li>☐ A covered arena with an Ethylene tetrafluoroethylene (ETFE) roof</li> <li>☐ Permanent in-situ turf</li> </ul> <p>There was no level 1 concourse included in this concept.</p> <p>The Council resolution 12 December 2019 noted that the design would allow for the use of approximately 5000 additional temporary seats in the future.</p>	\$483,165,830
<b>Funding Agreement</b>	<ul style="list-style-type: none"> <li>☐ A roof that covers the entire arena.</li> <li>☐ A minimum of 22,500 permanent seating capacity.</li> <li>☐ Multi use, being that the predominant “mode” is an indoor arena, not a sports field or a stadium within which other events need to be tolerated, and capable of hosting:                             <ul style="list-style-type: none"> <li>○ Turf based sports</li> <li>○ Non-turf based sports and events</li> <li>○ Non-event day functions</li> </ul> </li> </ul>	N/A
<b>Base Case Concept Design</b>	<p>Design and budget as provided by CMUA project (verified by an independent <i>Qualified QS Price Verifier</i>)</p> <ul style="list-style-type: none"> <li>☐ 30,000 sports mode seating capacity:</li> <li>☐ 36,000 large concert mode capacity</li> <li>☐ All the concert staging on the field of play</li> <li>☐ Level 1 concourse</li> <li>☐ Three functional lounges</li> <li>☐ Unresolved issues regarding both large scale and reduced mode concerts for turf health, which would significantly impact on Opex/Whole of Life (WOL) costs.</li> </ul>	<p>\$614,567,194</p> <p>Variance to budget (\$131,401,364)</p>
<b>Post VM Base Case Concept Design</b>	<p>Design and budget as provided by CMUA project (verified by an independent <i>Qualified QS Price Verifier</i>)</p> <ul style="list-style-type: none"> <li>☐ 30,000 sports mode seating capacity</li> </ul>	\$ 571,964,122

	<ul style="list-style-type: none"> <li>☐ 36,000 large concert mode capacity</li> <li>☐ All the concert staging on the field of play</li> <li>☐ Level 1 concourse</li> <li>☐ Three functional lounges</li> <li>☐ Unresolved issues regarding both large scale and reduced mode concerts for turf health, which would significantly impact on Opex/Whole of Life (WOL) costs.</li> </ul>	Variance to budget (\$88,798,292) <sup>1</sup>
RT1	<ul style="list-style-type: none"> <li>☐ 25,000+ sports seating capacity total (Permanent &amp; Temporary)</li> <li>☐ 35-36,000 full concert mode; stage off turf</li> <li>☐ Level 1 U-shaped concourse</li> <li>☐ Level 3 remains to West</li> <li>☐ Maximum premium seating and corporate spaces and optimal seating comfort.</li> </ul>	\$483,264,561
RT2	<ul style="list-style-type: none"> <li>☐ 30,000 sports seating capacity total (Permanent &amp; Temporary)</li> <li>☐ 40,000 full concert mode; stage off turf</li> <li>☐ No Level 1 concourse</li> <li>☐ Maximum premium seating and corporate spaces and optimal seating comfort.</li> </ul>	\$ 490,664,633

#### Financial Information provided 22 July 2021

- 3.7 The financial information provided to the Council meeting on 22 July 2021 was correct.
- 3.8 To maximise the funding available for construction, amendments to the budget breakdown for the RT1 and RT2 options were proposed, including reductions to governance and management costs and removal of rates and land purchase components.
- 3.9 Councillors were fully briefed on the differences in the Base Scheme estimates and the RT1 and RT2 options:
- 3.9.1 Proposed amendments in RT1 and RT2 governance, management and other budget elements were examined in detail in briefings prior to the Council Meeting.
  - 3.9.2 RT1 and RT2 governance and management budgets were compared to Base Case budgets in these briefings.
  - 3.9.3 The removal of rates and land cost components was identified and explained.
  - 3.9.4 Councillors sought assurance that the proposed amendments would not impact on project delivery.
  - 3.9.5 Some Councillors requested, and were sent, the breakdown of changes/amendments.
- 3.10 The Response Team did not amend the cost estimates for the Base Schemes (and VM Scheme) because these were developed by a Qualified QS (Independent Price Verifier) – it would not be appropriate for staff to amend a QS estimate.
- 3.11 It is possible that if the savings in the governance, management and other costs in RT1 & RT2 were able to be made in the Base Case scheme, the cost over-run of the Base Case could be

<sup>1</sup> If governance and management savings were able to be made in this Base Case scheme, the project cost over-run could be reduced to just under \$67,245,096.



reduced to (\$67,245,096). However, given that neither staff nor Councillors proposed the Base Case in the Council meeting or the Notice of Motion this is somewhat immaterial.

#### Council Resolution 20 July 2021

- 3.12 On 22 July 2021, Council resolved that BESIX Watpac NZ (CMUA) Limited (Kōtui) be instructed to develop a Preliminary Design within a revised Maximum Design & Construct (D&C) Contract Price and with a minimum sports mode seating capacity of 25,000.
- 3.13 Council also agreed that BESIX Watpac NZ (CMUA) Limited (Kōtui) be instructed to look for design refinements and efficiencies to enable additional seating capacity (greater than 25,000) within the Maximum D&C Contract Price without compromising the other fundamentals. There was a desire that the capacity reach 27,500 seats.
- 3.14 It was noted that further design phases would give further clarity and certainty of costs and risk contingency.

#### 4. Advice on Notice of Motion 1 (Motion 1) – Increase seating capacity to 30,000

*“That the Council:*

1. *Agrees that BESIX Watpac NZ (CMUA) limited (Kotui) be instructed to develop a Preliminary Design:*
  - (a) *within the agreed Maximum Design & Construct (D&C) Contract Price;*
  - (b) *with design fundamentals, including an ethylene tetra fluoro ethylene (ETFE) roof, permanent in-situ natural turf, quality acoustics, level 1 concourse, and multi-purpose functionality;*
  - (c) *which has a minimum seating capacity of 30,000 (including a minimum of 25,000 permanent seats);”*

#### Staff Advice

- 4.1 BESIX Watpac and an Independent QS (AECOM) have identified that it would not be possible to construct an arena for the current Maximum D&C Contract Price with the design fundamentals outlined in the motion.
- 4.2 It would be imprudent to proceed with this motion without amending the Maximum D&C Contract Price.
- 4.3 The Maximum D&C Contract Price would require an estimated increase of \$50 million (see sections 6.1 to 6.8 below).

#### 5. Advice on Notice of Motion 2 (Motion 1 & 2) Parallel Preliminary Design

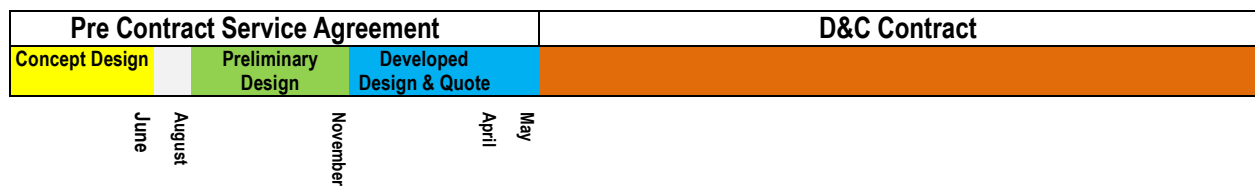
*“That the Council:*

1. *Agrees that BESIX Watpac NZ (CMUA) Limited (Kotui) be instructed to develop a Preliminary Design with a minimum seating capacity of 30,000 (including a minimum of 25,000 permanent seats) in parallel with the current Preliminary Design agreed to by the Council in its 22 July 2021 resolution (CNCL/2021/00109).*
2. *Notes the parallel Preliminary Design process will impact on the overall Project budget.”*

#### Staff Advice

- 5.1 Running a parallel process would increase costs and potentially delay the delivery of the Multi Use Arena. It would add complexity and risk to the project.

Figure 1: Pre Contract Service Agreement Process



- 5.2 BESIX Watpac and AECOM have provided Rough Order of Magnitude Estimates to:
  - 5.2.1 Continue a parallel design process through to the end of Preliminary Design \$7M-9M.
  - 5.2.2 Continued a parallel design process through to Developed Design and prepare a final quotation \$18M-22M.
- 5.3 If BESIX Watpac could not upscale resources immediately there is indicatively a risk of up to six months delay. A delay of six months would equate to an escalation cost of circa \$6M.
- 5.4 If Council wishes to invest a further \$7 to \$22 million in the project, it should be applied to the construction cost as this would avoid potential delays, help manage cost risks and could increase scope.

## 6. Estimate of Construction Cost of Increased Seating Capacity

- 6.1 BESIX Watpac were asked to provide some rapid advice on:
  - 6.1.1 Maximising seating capacity in RT1 as per the Council resolution on 22 July 2021.
  - 6.1.2 Estimated costs of refining the new design to accommodate 30,000 seats.
- 6.2 BESIX Watpac has provided the estimated cost associated with additional seats in the RT1 design (in Table 2 below).
- 6.3 The cost estimates and risk estimates are preliminary estimates. More clarity of costs and risk contingency will be obtained as we progress through further design phases. There will not be cost certainty until Developed Design is completed and BESIX Watpac submit a fixed D&C Contract Price.
- 6.4 The BESIX Watpac estimates include a 3% escalation allowance. As previously indicated to Council in the 22 July 2021 report and PX Finance paper, there is a risk that this is not sufficient. There are also financial risks not captured within the contingency figure prepared by AECOM. AECOM has suggested the potential exposure from these is between \$10M-\$30M. We are working with AECOM and BESIX Watpac to quantify these risks with more accuracy.
- 6.5 Table 2 includes an estimate of the potential exposure from increased escalation and other risks not allowed for or anticipated. This highlights that, even in the absence of additional seats, there are likely additional costs due to escalation and financial risks that Council would need to address.

Table 2: Cost Estimates for Additional Seating in RT1

	Sports mode seating	BESIX Watpac Construction Price Estimate (including 3% Escalation)	Additional Exposure (6% Escalation and not allowed for or anticipated risks)
<b>RT1@25</b>	25,000 seats	\$396M D&C Estimate	\$24.6M additional exposure if 6% escalation

			+ \$10-\$30M if other un-allowed for or anticipated risks materialise
<b>RT1@27.5</b>	27,500 seats	\$406M D&C Estimate  <b>Additional \$10M</b>	\$25.4M additional exposure if 6% escalation + \$10-\$30M if other un-allowed for or anticipated risks materialise
<b>RT1@30</b>	30,000 seats	\$446M D&C Estimate  <b>Additional \$50M</b>	\$27.8M additional exposure if 6% escalation + \$10-\$30M if other un-allowed for or anticipated risks materialise

- 6.6 It is important to recognise that the quantum of permanent seats drives the size of the facility, as circulation space, toilet facilities, food and beverage amenities etc. are based on the number of permanent seats.
- 6.7 The key explanation for the forecast cost increase for 30,000 seats in the RT 1 option is that the 5,000 additional seats has the following impacts:
- 6.7.1 Roof increases disproportionately because of increased span required over the additional seats and concourse areas;
- 6.7.2 Concourse widths increase to accommodate the additional seat numbers;
- 6.7.3 Food and Beverage (F&B) outlets exist in both cases, but width to go around the concourse increases to accommodate the additional seats' circulation, again this increases the roof span;
- 6.7.4 North concourse required for the 5,000 additional seats and therefore temporary seats sit on top of the Level 1 concourse which increases the roof as mentioned above;
- 6.7.5 The seismic resilience design of the roof facilitates a curved design that contributes to a curvature to span over the additional seat numbers making it disproportional;
- 6.7.6 Stair widths increase substantially to the north, requires two entry points, two equitable access lifts and additional stairs structures outside footprint;
- 6.7.7 Rigging truss required to 30,000 option as no rigging truss required to North Stage pocket. The rigging truss increases the roof loading and member sizes for increased span, again increases member sizes disproportionately to seat numbers; and
- 6.7.8 Additional F&B and amenities required to North.
- 6.8 It is not possible for BESIX Watpac to provide an accurate estimate of the increased seating numbers if \$20 - \$26 million was applied to the construction price rather than being used for a parallel design process. However, it would likely be somewhere between 27,500 and 30,000. Notwithstanding the additional cost risks noted in Table 2 that may need to be met even under RT1@25.
- 6.9 **Note:** The new estimates for 30,000 seats in RT1 do not imply that the estimates for Base Case (30,000 seats) that were provided to Council in June and July 2021 were incorrect. These estimates differ to estimates for the Base Case scheme because there are significant differences in the RT1 design, including:
- 6.9.1 U-shaped Level 1 concourse – rather than a full circle concourse;
- 6.9.2 Main stage is off the turf.

## 7. Operational and Economic Impact of Increased Seating Capacity

### Economic Impact on Increased Seating Capacity

- 7.1 ChristchurchNZ has undertaken an analysis of the impact of an additional 5,000 seats in the RT1 option (see Attachment 1). It identified that:
  - 7.1.1 Metropolitan cities in New Zealand with greater than 25,000 seat capacity stadiums were hosting on average (Pre-COVID) 3 events per year that attracted 25,000+ seated attendance.
  - 7.1.2 The nett difference in GDP between a 25,000 and 30,000 seat venue was \$12.5 million GDP across a 10 year period – based on 4 events per year (2 sports events and 2 concerts/ year).
  - 7.1.3 The city will be able to attract and host events in either a 25,000 or 30,000 seat stadium, but is likely to attract more global event content.

### Operational Impact of Increased Seating Capacity

- 7.2 Venues Ōtautahi has undertaken an analysis of the impact of an additional 5,000 seats in the RT1 option based on its operating model and current environment (See PX Attachment 2). Venues Ōtautahi identified:
  - 7.2.1 RT1 and RT1@30 deliver all the core fundamentals.
  - 7.2.2 RT1 and RT1@30 both with a level one concourse deliver an enhanced guest experience and an increase in spend per head for larger events.
  - 7.2.3 The greater seating capacity that is provided under RT1@30, delivers a better competitive advantage, particularly for sporting codes such as the All Blacks.
  - 7.2.4 Increased capacity of RT1@30 delivers both increased commercial returns for the venue but also greater economic impact for the city, particularly associated with large concerts.
  - 7.2.5 Assessment of the Operational Impact of increased seating suggests that RT1@30 could reduce the operating subsidy required from \$4.7M under RT1 to \$4.6M under RT1@30.
  - 7.2.6 The level of bid incentive fund it also forecast to reduce under RT1@30.
  - 7.2.7 Analysis of the Investment Case and design alternatives remain subject to an independent peer review and final design outcomes.

### Cost Benefit Analysis of Increased Seating Capacity

- 7.3 It was not possible to undertake a Cost Benefit Analysis in the timeframe.

## 8. Impact on Rates and Debt Ratio

- 8.1 The below scenarios are based on adding the additional cost to FY24, which is the period in which most of council's contribution has been allocated in the LTP. Any change to this timing would impact the ratios as outlined below.

**Table 3: Rates Impact**

Different Scenarios	Cost	2023/24	2024/25
	\$	Rates Increase %	Rates Increase %
<b>Per Current LTP</b>		<b>5.42</b>	<b>5.37</b>
RT1 – 27,500 seats	\$10m	+0.02	+0.07
<b>New Proposed Increase - RT1@27,500 seats</b>		<b>5.44</b>	<b>5.44</b>
RT1 – 30,000 seats	\$50m	+0.07	+0.35
<b>New Proposed Increase - RT1@30,000 seats</b>		<b>5.49</b>	<b>5.72</b>

8.2 Please note under any scenario there is an additional risk of escalation of costs of between \$25m - \$28m (not included in rating increases above). This would add between 0.21% - 0.24% of additional rates increase.

**Table 4: Debt Headroom**

(\$m)	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Per LTP	627.5	502.0	450.6	490.7	499.6	532.4	597.9	692.5
RT1@27,500	617.8	493.9	442.9	483.4	492.6	525.7	591.5	686.5
RT1@30,000	578.8	461.7	412.0	454.0	464.6	499.1	566.2	662.4

8.3 **Note** the Debt Headroom ratio is not decreased by the total additional cost as it reflects increased rates revenue, but still above our debt headroom policy of \$400m.

**Table 5: Net Debt as Percentage of Total Revenue**

(%)	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Per LTP	224.0	234.2	236.5	235.0	235.8	234.5	230.4	224.6
RT1@27,500	225.1	235.1	237.2	235.7	236.5	235.1	231.0	225.1
RT1@30,000	229.2	238.4	240.3	238.5	239.0	237.4	233.1	227.1

## 9. Impact on Capital Programme

- 9.1 The additional funding required could be made through identifying efficiencies and saving across the capital programme.
- 9.2 An additional \$50 Million is 0.86% increase to the 10 year capital programme.
- 9.3 As discussed above, there is a risk that the 3% escalation included in the estimate is not sufficient. There is also a risk of additional unbudgeted escalation in the final Construction price. This could potentially add an additional cost (See Table 2). Even at the top end this would only be a slight increase to the 10 year programme.

## 10. Funding Options

- 10.1 The Notice of Motions identified options for funding to offset the additional cost associated with 30,000 seat capacity, including:
  - Sale of Orangetheory Stadium site
  - Additional Funding from Central Government
  - A capital and/or operational commitment from regional and neighbouring councils
  - A review of the Council's capital programme and identify savings from existing budgets to inform the draft 2022-23 Annual Plan.

### Staff Advice

- 10.2 It is unlikely that funding would be confirmed prior to the D&C contract being reported to Council (April/May 2022).
- 10.3 It would be important that if Council agrees to increase the scope of the Arena to 30,000 seats, it is prepared to underwrite the additional costs. If not, approximately \$20M and 8-9 months of work on the Design could be wasted and the Arena would be delayed again.
- 10.4 Council could sign the D&C contract on the understanding that if sufficient funding was not found, then funding would be found from the capital programme or through the Annual Plan process.
- 10.5 There is a concerted effort to identify additional funding. Staff are initiating the following actions:
  - 10.5.1 Discussions with staff at neighbouring Councils;
  - 10.5.2 Discussions with staff at the Regional Council;
  - 10.5.3 Exploring commercialisation options; and
  - 10.5.4 Exploring funding strategies

### OrangeTheory Stadium

- 10.6 The land under the Temporary Christchurch Stadium was valued in June 2021 by Bayleys Limited and assigned a book value of \$2.6 million. The market value is being sourced and will be provided to the Mayor and Councillors as soon as it is available.
- 10.7 The valuation of the land is likely to change over the next 5 years. A new valuation should be sought prior to sale.

### Central Government Funding

- 10.8 Crown has reiterated that no further Crown funding will be made available beyond the \$220m, which is the amount Council has allocated from the CRAF to the CMUA project. This is consistent with the Funding Agreement signed with Crown last year.
- 10.9 The Crown has already made a significant contribution to this project:
  - \$10M land decontamination;
  - \$220M Stadium Project<sup>2</sup>;
  - Funding of the Investment Case and Prefeasibility Study; and
  - Cost of the land purchase.

## 11. Is the decision in the Notice of Motion a significant decision?

- 11.1 Staff believe that an increase of \$10 Million or \$50 Million across the construction period would not be a significant decision, based on:
  - \$50 Million is only a small percentage increase to the 10 year capital programme;
  - If no alternative funding or savings are found, the rates impact is only +0.07 in 23/24 and +0.35 in 24/25;

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<sup>2</sup> The Funding Agreement notes that Council has allocated \$220,000,000 from the CRAF for the CMUA project. This may be adjusted within the CRAF envelope, by Council following consultation with the Crown, up to an amount not exceeding \$300,000,000 (the Crown Funding Limit).



- Debt ratios remains above the policy of \$400m; and
- Note that there is a risk of additional unbudgeted escalation in the final Construction price on any option adopted.

11.2 Council has a good understanding of the views of the community which have been expressed or reflected in the Investment Case, the Prefeasibility Studies, submission to several LTPs and Annual Plans and the recent Petition and Central City business survey.

## 12. Conclusion

- 12.1 It is critical that Contractors and staff have clear, unequivocal design direction to move to Preliminary Design as soon as possible.
- 12.2 It would not be prudent to continue to:
- Delay the programme
  - Divert staff and Contractor's time and resources away from the project.
- 12.3 The uncertainty and controversy will impact on cost, public confidence and ability to raise external funding.

## Attachments Ngā Tāpirihanga

No.	Title	Page
A  	CMUA Economic Impact Comparative Analysis	17
B	CMUA Response Team Options Analysis - Venues Otautahi - <b>CONFIDENTIAL</b>	

Additional background information may be noted in the below table:

Document Name	Location / File Link

## Confirmation of Statutory Compliance Te Whakatūrutanga ā-Ture

Compliance with Statutory Decision-making Requirements (ss 76 - 81 Local Government Act 2002).

(a) This report contains:

- (i) sufficient information about all reasonably practicable options identified and assessed in terms of their advantages and disadvantages; and
- (ii) adequate consideration of the views and preferences of affected and interested persons bearing in mind any proposed or previous community engagement.

(b) The information reflects the level of significance of the matters covered by the report, as determined in accordance with the Council's significance and engagement policy.

### Signatories Ngā Kaiwaitohu

<b>Author</b>	Mary Richardson - General Manager Citizens & Community
<b>Approved By</b>	Mary Richardson - General Manager Citizens & Community



# ChristchurchNZ

## memo.

<b>To:</b>	Dawn Baxendale – Chief Executive Christchurch City Council
<b>From:</b>	Loren Heaphy – GM Destination & Attraction, ChristchurchNZ
<b>CC:</b>	Mary Richardson – GM, Citizens and Community Nigel Cox - Head of Recreation, Sports and Events Joanna Norris – Chief Executive, ChristchurchNZ
<b>Date:</b>	9 August 2021
<b>Subject:</b>	CMUA Economic Impact Comparative Analysis

### Purpose

1. To provide a consolidated summary of the key information, data and analysis collated (by ChristchurchNZ) to date, on the impact of:
  - a. A 25,000 seat and 36,000 concert mode capacity Canterbury Multi Use Arena (CMUA)
  - b. A 30,000 seat and 41,000 concert mode capacity CMUA
2. To provide comparative analysis of other stadium capacities in New Zealand, including their ability to attract event content.

### Background, constraints, and assumptions

ChristchurchNZ has been asked to review the economic impact of a 25,000 seat stadium vs a 30,000 seat stadium. ChristchurchNZ is the agency tasked with delivering major and mega events for Christchurch and takes a strategic long-term view to bid for, and attract, major and mega events to the city. CNZ aims to create a balanced portfolio and future pipeline of events which enhance Christchurch's reputation, deliver legacy outcomes, and grow Christchurch's capability as a major events host city.

This analysis is provisional, and the following constraints and assumptions apply:

- This comparative analysis is restricted to seat numbers only. It does not consider other material comparison points such as hotel accommodation capacity, international connectivity, population size and transport options where Christchurch and Auckland have significant advantages in comparison to other regional centres in New Zealand. Advice in relation to these comparative advantages was provided to council in a memo dated July 19, 2021. These comparative advantages are consistent for both options, a and b.
- Detailed stadium specifications are not available for review and thus no adjustment can be made within economic modelling for the quality in-stadia experience, which has the potential to impact event costs and yields, and the ability to attract events.
- Assumed seating numbers in each option are permanent fixed seats. Should either option include removable temporary seating, additional costs would be associated with those options.
- Economic impact forecasts are based on visitor spend, which is highly dependent on event mix (e.g. exclusive to the country or Island, or unique or 'once-in-a-lifetime'). Visitor attendance is a variable difficult to forecast with high accuracy beyond the near-term, as attendance can be impacted by a wide range of variables. It is particularly hard to forecast in a COVID-19 environment.
- An approach has been taken in relation to the number of events attracted per year for analysis of both options and does not consider the other factors involved in event attraction which include a bid incentive fund, premium stadium experience (including VIP suites, change room facilities and concourse), value-in-kind marketing and city amenities.

Previous advice provided to Christchurch City Council by ChristchurchNZ on the 19<sup>th</sup> July 2021 considered the specifications of the following:

1. 25,000 fixed seating capacity with U Shaped concourse, increased VIP spaces and optimal seating comfort (seat spacing).
2. 30,000 fixed seating capacity with no connecting concourse, fewer VIP spaces and reduced seating comfort.

ChristchurchNZ reached the following conclusion contained in the aforementioned Memo:

*Considering construction budget constraints it appears there is greater benefit in having a venue with a minimum 25,000 seating capacity with a U shaped concourse, maximum VIP spaces and optimal seating comfort, at the sacrifice of an additional 5,000 seats and a reduction in features. These features enhance the attendee experience, activate the space and provide additional revenue and alternative-use opportunities to the CMUA. They equip the venue with what is expected at a world-class standard.*

*Capacity challenges will continue to be an issue with seating of 25,000 as they are with Orangetheory Stadium, when trying to bid for and attract major events to the CMUA. This can be mitigated by offering a premium stadium experience, and with the provision of sufficient and considerable incentive funding made available each year to supplement the ticket revenue gap. This will help to ensure that Christchurch does not continue to miss out on hosting of major events, as recently experienced with the upcoming 2023 FIFA Women's World Cup, and what is anticipated to be a 9-year absence of hosting All Blacks test matches in the city.*

**1. High-capacity event impact**

The below outlines the Year 1 and Year 10 economic impact of different capacity and event modes. They are a direct comparison and do not take into consideration the ease or ability to attract events at 25,000 or 30,000 - which could impact the numbers of events hosted in the city considerably.

The analysis presented herein was conducted based on cost-benefit analysis (CBA) methodology and verified through Event Economics, operated by Fresh Info ([Events — Fresh Info](#)).

The reported impact of events varies between regions, depending on the event evaluation framework that is applied, as well as the accuracy and integrity of the data available. Most cities in New Zealand are working towards adopting a national best practice for event evaluation, however reported values can still vary significantly, particularly for historical events.

It can't be claimed that all tourism impacts are incremental because the event may have displaced some "normal" tourism activity. The measured impacts therefore describe the gross tourism activity generated by the event, rather than the incremental activity.

**Estimated 10-year impact analysis for Major Sports Event (i.e. All Blacks Test):**

Capacity	Year 1	Year 10	Year 10
	Estimated Visitor Spend from hosting 2 events at full capacity annually, attracting 17.5% visitation from out of CHC at 1.8 visitor nights	Estimated Visitor Spend from hosting 2 events at full capacity annually, attracting 17.5% visitation from out of CHC	Estimated GDP (total 10 years)
<b>25,000 seated sport mode</b>	<i>4,375 visitors per event</i> <i>7,875 visitor nights per event</i> <i>\$1.8M visitor spend per event*</i> <i>2 events per year</i>  <b>\$3.6M visitor spend per year</b>	<i>87,500 visitors</i> <i>157,500 visitor nights</i>  <b>\$36M visitor spend over a 10-year period</b>	\$18.2M GDP
<b>30,000 seated sport mode</b>	<i>5,250 visitors per event</i> <i>9,450 visitor nights per event</i> <i>\$2.25M visitor spend per event*</i> <i>2 events per year</i>  <b>\$4.5M visitor spend per year</b>	<i>105,000 visitors</i> <i>189,000 visitor nights</i>  <b>\$45M visitor spend over a 10 year period</b>	\$22.8M GDP

**Estimated 10-year impact analysis for Premium International Concert (with reasonably exclusive content e.g. only in Auckland and Christchurch):**

Capacity	Year 1	Year 10	Year 10
	Estimated Visitor Spend from hosting 2 events at full capacity annually, attracting 40% visitation from out of CHC at 1.5 visitor nights	Estimated Visitor Spend from hosting 2 events at full capacity annually, attracting 40% visitation from out of CHC	Estimated GDP (total 10 years)
<b>36,000 concert mode (25,000 seated capacity)</b>	14,400 visitors per event 21,600 visitor nights per event \$5M visitor spend per event* 2 events per year  <b>\$10M visitor spend per year</b>	288,000 visitors 432,000 visitor nights  <b>\$100M visitor spend over a 10 year period</b>	\$50.6M GDP
<b>41,000 concert mode (30,000 seated capacity)</b>	16,400 visitors per event 24,600 visitor nights per event \$5.78M visitor spend per event* 2 events per year  <b>\$11.56M visitor spend per year</b>	328,000 visitors 492,000 visitor nights  <b>\$115.6M visitor spend over a 10 year period</b>	\$58.5M GDP

*\*It is important to note that these are best case estimates based on previous event hosting and opportunities.*

**Net difference between capacities for 2 Major Sporting Events and 2 International Concerts per annum combined\***

Capacity	Year 1	Year 10	Year 10
	Estimated Visitor Spend	Estimated Visitor Spend	Estimated GDP (total 10 years)
<b>25,000 seated capacity (36,000 concert mode)</b>	\$13.6 million visitor spend per year 37,550 visitors 58,950 visitor nights	\$136 million visitor spend 375,500 visitors 589,500 visitor nights	\$68.8 million GDP

<b>30,000 seated capacity (41,000 concert mode)</b>	\$16.06 million visitor spend per year 43,300 visitors 68,100 visitor nights	\$160.6 million visitor spend 433,000 visitors 681,000 visitor nights	\$81.3 million GDP
<b>Net difference</b>	\$2.46 million visitor spend per year 5,750 visitors per year 9,150 visitor nights per year	\$24.6 million visitor spend 57,500 visitors 91,500 visitor nights	\$12.5 million GDP

*\* This calculation is based on an optimistic use (maximum impact) scenario of the CMUA; actual events secured for the venue may differ. This calculation does not consider scenarios in which a larger capacity venue is able to attract more events than a lower capacity venue.*

## 2. New Zealand Stadium Comparison – Events that exceed 25,000 seating capacity

Regional research has been collected from other cities in New Zealand that have stadia with more than 25,000 seated capacities, to ascertain the following information:

- The number of events per year (on average) that attract an excess of 25,000 seated attendance
- What these events typically are (content/genre)

Stadium City Seated Capacity	Sky Stadium Wellington 34,500 (46,474 concert mode)	Mount Smart Auckland 30,000 (60,000 concert mode)	Eden Park Auckland 50,000 (sports and concert mode)	Forsyth Barr Dunedin 30,748 (36,000 concert mode)	FMG Stadium Hamilton 25,800 (does not host concerts)
No. of events (both sport and concerts) per year that have an excess of 25,000 seated attendance	An average of 3 (Pre-COVID)	An average of 3 (Pre-COVID)	An average of 4 (Pre-COVID)	An average of 2 (Pre-COVID)  Note: Forsyth Barr does not attract similar levels of rugby test matches compared to Auckland and Wellington due to its smaller stadium size, and smaller population	An average of 1 (Pre-COVID)  Note: FMG Stadium does not attract similar levels of rugby test matches compared to Auckland and Wellington due to its smaller stadium size, and smaller population

What these events typically are	<p><b>Primarily:</b> Rugby Test Matches and concerts</p> <p><b>Sometimes:</b> Football World Cup qualifiers</p> <p><b>Occasionally: (e.g.)</b> Edinburgh Tattoo</p>	<p><b>Primarily:</b> Warriors/NRL double headers</p> <p>Concerts – recently these include: Queen &amp; Adam Lambert Elton John Taylor Swift Adele Justin Bieber Paul McCartney</p> <p><b>Occasionally: (e.g.)</b> Rugby League World Cup</p>	<p><b>Primarily:</b> Rugby test matches</p> <p><b>Sometimes:</b> Test cricket</p> <p>Tournaments such as NRL Auckland Nines</p> <p>Opening ceremonies such as World Masters Games</p> <p><b>Occasionally:</b> Concerts – new noise allowances have allowed Eden Park to host mega concerts, with the first being Six60 in 2021</p>	<p><b>Primarily:</b> Rugby Test Matches Concerts</p> <p><b>Occasionally:</b> Motocross/Nitro Circus</p>	<p><b>Primarily:</b> Rugby test matches</p> <p><b>Sometimes:</b> Sevens</p> <p><b>Occasionally:</b> Warriors/NRL</p>
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Regional research has identified that metropolitan cities in New Zealand with greater than 25,000 seat capacity stadiums were hosting on average (Pre-COVID) 3 events per year that attracted 25,000+ seated attendance. These events were identified to be primarily:

- *All Blacks Test Matches*
- *Super Rugby or NRL finals, or double-header sports events*
- *Concerts - depending on the artist*

Regional stadiums (Forsyth Barr and FMG) with smaller capacity and population size were hosting fewer large events over 25,000, with an average of 2 per year. However, in the absence of a Christchurch stadium, Dunedin has been able to host more large events than its population can serve, due to the high visitor numbers from Canterbury.

In addition, the regional research identified the following events that required this criterion:

- *Football Qualifiers (applicable every 4 years for the World Cup)*
- *World Cup semis and finals (e.g. Rugby League, applicable every 4 years for the World Cup)*
- *Edinburgh Tattoo (held twice in New Zealand, 6 years apart)*

### 3. Impact Analysis of Key Content - All Blacks Test Matches

Hosting of All Blacks Test Matches has been identified as key event content that could be hosted at the CMUA each year. The selection consideration for All Blacks tenders is heavily weighted on financial return to NZR, as well as quality and compliance of infrastructure. Seating of 25,000 is required to be considered a commercially viable venue for New Zealand Rugby (NZR) but would only guarantee Tier 2 (e.g. Argentina, Fiji) matches without a considerable incentive fee. A Tier 1 (e.g. Australia, British and Irish Lions) test match is likely to require a minimum of 30,000 seats along with an incentive fee.

It is estimated for Christchurch that hosting of an All Blacks Test Match would generate the following in visitor spend for the region (per match), based on the following seating capacities:

- 25,000 seats – approximately \$1.8m in visitor spending
- 30,000 seats – approximately \$2.25m in visitor spending

These estimates are relatively conservative and take into consideration the high resident interest in attending All Blacks Test Matches, along with at least 3 other competitor New Zealand host city destinations, the ability to attract out of town visitors will be lower for rugby than for other event content such as concerts.

The following assumptions and research have also been applied to validate these estimates:

- Assumes sold-out stadium attendance.
- Assumes, based on previous rugby and sporting events held locally and nationally, that **approximately 17.5% of attendees will be from outside of Christchurch**. This is a lower assumption than usual for events given the regional spread of Test Matches around the country, and high demand for local attendance.
- Estimates the approximate **length of stay for visitors to Christchurch that attend a Test Match to be 1.8 nights**. Event spectators will generally stay 1-2 nights (usually a Friday and/or Saturday), benchmarked from average data for a one day/night event.
- Estimates the **average spend per visitor night to be \$238 per person**. Noting that the visitor spend estimates are assumed for category A & B ticket holders, which are primarily adults, and are estimated at a spending level above the current benchmark (\$170) for average domestic spend per visitor night for events (of all genre's). For example, a Test Match is assumed to attract a similar visitor demographic to the 2019 Phil Collins concert attendees, which spent on average \$235 per person/ per night generating in \$5.8m in visitor spend.
- The one-off All Blacks v Argentina Test Match held in Nelson in March 2018, has also been used as a regional reference point. This Test Match attracted a sell-out crowd of 21,000+ and generated \$1.9m in visitor spend for the region. This result is higher than the estimates for Christchurch due to the uniqueness of the event for the region, drawing from a smaller local population and larger out of town attendance, and having a longer length of stay from visitors, given the drive or fly time required.

#### 4. Impact Analysis of Key Content – International Concerts

Hosting of large-scale international concerts has also been identified as key event content that can be hosted at the CMUA, with the potential for up to 3 concerts per year, depending on international touring schedules. With either 25,000 or 30,000 seats the CMUA in concert mode can be extended to 36,000 or 41,000 utilising the pitch for additional capacity. This puts the venue on par with concert capacity of 36,000 at Forsyth Barr Stadium in Dunedin, however still below that of stadium concert capacities in Wellington and Auckland.

The most recent large scale international concert held in Christchurch was Phil Collins, who performed at Orangetheory Stadium in February 2019. This event generated the following impacts for the city:

- 25,000 attendees
- 14,000 visitors (attracted to Christchurch to attend the concert)
- 25,000 visitor nights
- \$5.8m visitor spend generated in Christchurch

In comparison to All Blacks Test Matches, large scale international concerts drive greater visitation from outside of the region, particularly if able to be secured as a South Island, or even New Zealand exclusive event. They often present a once-in-a-lifetime opportunity for fans and a strong willingness to travel.

Further analysis from the Phil Collins concert highlights the value of large-scale international concerts to the city, and importance of being able to attract and host these at the CMUA:

- **Approximately 58% of attendees were from outside of Christchurch.** This is a high ratio, 40% higher than that estimated for an All-Blacks Test Match, driven by the concert being a South Island only event and following sold out concerts in the North Island.
- In addition, **74% of the attendees from outside of Christchurch were overnight visitors**, indicating they have travelled from further afield than regional Canterbury, and required to stay in Christchurch overnight.
- The approximate **length of stay for overnight visitors to Christchurch that attended the concert was 2.3 nights.** This extended length of stay was aided by the concert being held over Waitangi weekend.
- The **average spend per visitor night was \$235 per person.**

In addition to the impact generated by visitors, concerts also bring a high social value to residents, identified through the survey and evaluation of the Phil Collins concert. Notably, the following opinion scores were achieved, that sit well above the considered average national benchmark for events:

**92% Satisfaction** - Percentage of attendees who were satisfied or very satisfied with their experience at the event (*86% average*)

**87% Resident Pride** - Percentage of attendees who agree or strongly agree with the statement "*Hosting events like the Phil Collins concert increases my pride in Christchurch*" (*83% average*)

**93% Resident Liveability** - Percentage of attendees who agree or strongly agree with the statement "*Hosting events like Phil Collins concert makes Christchurch a more enjoyable place to live*" (*90% average*)

## 5. Christchurch International Airport

Previous commentary from Christchurch International Airport noted the airport recorded its highest volume of passengers on February 16, 2018 – which was driven by residents departing to attend major events in Dunedin, Wellington, and Auckland.

Additional analyses provided by the airport estimates that:

- *Approximately 2,000-4,000 Cantabrians depart through Christchurch Airport to attend All Blacks Test Matches in Wellington and Auckland*
- *Canterbury is the largest supplier of out of region patrons to Forsyth Barr Stadium in Dunedin*
- *For a Major Event you can sell roughly 22,000-24,000 tickets locally and you would attract 2,000 - 4,000 out of region visitors, therefore a capacity of circa 30,000 is required to achieve both social (local) and economic (visitor) impact for the city*

This analysis is critical as it represents the net loss to (outbound visitors) the city with a smaller, or not fit for purpose stadium.



## 6. Commercial Accommodation, Food, Beverage, and Retail

The additional visitor nights driven by a 30,000 seat stadium is forecast to be 5,750 nights per year. However, most room nights driven by events at the CMUA will be new visitor nights to the city, given the limited ability of the city to attract major events using current city event infrastructure. This will result in approximately 68,100 additional room nights per year in Christchurch.

There are currently 3,000 commercial hotel rooms available in Christchurch city, with three major hotel developments on hold until the city economy improves. Although the impact of COVID-19 has hit the commercial accommodation sector hard, the additional visitor nights to the city will drive increased investment in hotel infrastructure.

While additional visitation and spend from attendees at CMUA events will not be the only success indicator for commercial businesses serving the central business district, it adds to the economic viability of the central city and adds to the vibrancy of Christchurch for visitors and residents alike. Increased investment in the visitor economy results in greater community amenity including restaurants, bars, and retail, which generate additional revenue from large volume events.

Along with a high performing CMUA, the Christchurch Town Hall, Te Pae Christchurch Convention Centre, the Lyttelton Cruise Berth and Parakiore (Metro Sports Facility) add to a comprehensive portfolio of visitor infrastructure driving greater economic outcomes to the city.

## 7. Impact Analysis – City Reputation Outcomes

Of additional benefit to the city are the profile and exposure outcomes that come from hosting major events with a live broadcast. Live broadcast is traditionally of sporting events and related events such as opening and closing ceremonies. As a rule, an event which attracts 30,000 attendees will also drive greater broadcast viewership and city profile outcomes. Broadcast audiences are influenced by the nations represented in any event, and therefore benefits are greater to Christchurch where the broadcast is in core business and visitor target markets such as Australia.

To quantify the broadcast reach of events likely to be hosted at the CMUA, the following events can be used for comparison:

- T20 Black Clash - 1 million domestic viewers
- SailGP Whakaraupo Lyttelton - 313 million global audience for the series (50 million estimated for the Christchurch event)
- All Blacks Test Match –1.3m average viewers (per domestic Test Match in the lead up to RWC2019)
- FIFA Women’s World Cup 2023 - 328 million global audience (2015 FIFA WWC; Final - average global audience of 62m, Group stage matches – average global audience of 11m)
- ICC Women’s World Cup 2022 – 180 million global audience (2017 ICC WWC)
- Invictus Games – 25.7 million global audience (Sydney 2018)

### Additional ChristchurchNZ Commentary:

Based on the above additional research and impact outcomes, and not considering project budget considerations, a 30,000 seat stadium would allow the city to compete more effectively in attracting both events and visitors, and to maximising the economic, social and city profile outcomes of major events.

However, a 30,000 seat stadium should not sacrifice those factors which would make the CMUA more attractive to event organisers and promoters, for the sake of additional seats such as a U-shaped concourse, considerable premium seating and VIP suites, suitable multi-use changing facilities, a roof and rigging that allows for multiple event use. These factors heavily influence attendee experience and the attractiveness of the venue to commercial event organisers, who can derive more revenue from VIP ticket sales, sponsor activations, food and beverage sales and merchandise sales. In addition, a positive event experience means both promoters and attendees are more likely to return to a venue.

To attract high profile sporting content to the CMUA with 25,000 or 30,000 seats, a bid fund to attract All Blacks Test Matches and other premium sporting events will be required. Depending on the event pipeline and the capacity of the stadium, ChristchurchNZ forecasts this is likely to be required a minimum of 1 and a maximum of 3 times per annum. A higher incentive fund will be required to attract events to a 25,000 seat stadium than a 30,000 seat stadium due to the lower potential revenue from ticket sales to commercial event organisers. However, a 30,000 seat stadium is likely to attract higher quality, larger scale event content, which also should be budgeted for in the operational case.

The CMUA Investment Case is still a relevant foundation document when considering the best stadium capacity for Christchurch, which recommended a 25,000 fixed seat plus 5,000 temporary seat stadia, resulting in a total capacity of 30,000. If required, the purchase of temporary seating should be included in the capital budget, with installation, storage and depreciation incorporated into the operational budget, as should a bid incentive fee relevant to the size of the venue to be used for strategic investment in attracting and securing major events to the venue.

Ultimately, the city will be able to attract and host events in either a 25,000 or 30,000 seat stadium, but is likely to attract more global event content and reap greater benefits from a larger, premium specification Multi-Use Arena.

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## 23. Resolution to Exclude the Public

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*Section 48, Local Government Official Information and Meetings Act 1987.*

I move that the public be excluded from the following parts of the proceedings of this meeting, namely items listed overleaf.

Reason for passing this resolution: good reason to withhold exists under section 7.

Specific grounds under section 48(1) for the passing of this resolution: Section 48(1)(a)

### **Note**

Section 48(4) of the Local Government Official Information and Meetings Act 1987 provides as follows:

“(4) Every resolution to exclude the public shall be put at a time when the meeting is open to the public, and the text of that resolution (or copies thereof):

- (a) Shall be available to any member of the public who is present; and
- (b) Shall form part of the minutes of the local authority.”

This resolution is made in reliance on Section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public are as follows:

ITEM NO.	GENERAL SUBJECT OF EACH MATTER TO BE CONSIDERED	SECTION	SUBCLAUSE AND REASON UNDER THE ACT	PLAIN ENGLISH REASON	WHEN REPORTS CAN BE RELEASED
29.	ADVICE ON NOTICE OF MOTION				
	ATTACHMENT B - CMUA RESPONSE TEAM OPTIONS ANALYSIS - VENUES OTAUTAHU	S7(2)(B)(II), S7(2)(H)	PREJUDICE COMMERCIAL POSITION, COMMERCIAL ACTIVITIES	PREJUDICE COMMERCIAL POSITION	INFORMATION CANNOT BE RELEASED AS IT CONTAINS COMMERCIAL SENSITIVE INFORMATION