
REPORT 1*1215/11/IM*

**SUSPENDING CONSULTATION ON THE V8 SUPERCAR
SERIES PROPOSAL**

1. Purpose of Report

This paper recommends that Council suspend the special consultative procedure in respect of the proposal to host the V8 street race and proposes that officers report in May with recommendations for pursuing an alternative V8 street race proposal.

2. Recommendations

It is recommended that Council:

1. *Receive the information.*
2. *Agree to suspend the special consultative procedure on the V8 Supercar series that was initiated by Council resolution on 15 March 2005, because the long-term viability of the proposed race track cannot be assured without compromising the future development of the Jervois Quay Boulevard.*
3. *Note that officers will inform all submitters on the V8 Supercar series proposal that the special consultative procedure has been suspended and inform them of the process from here.*
4. *Note that times/dates scheduled for hearing oral submissions will be cancelled.*
5. *Note that an alternative track (the Stadium track) for hosting the V8 Supercar series has been identified, which would require resource consent.*
6. *Note that officers will report in May on the Stadium track proposal seeking approval for resource consent preparations and for the Mayor to travel to the AVESCO Board meeting on 17 May to outline the Stadium track proposal, and providing advice in respect of a number of issues as outlined in section 4.2*

3. Background

Council initiated the special consultative procedure on the street race proposal on 15 March 2005. Submissions opened on 18 March 2005, and closed on 18 April 2005. Oral hearings were scheduled for 26 April, with reserve days available if needed. A final decision on whether to bid for the race was scheduled for the Council meeting of 5 May.

4. Discussion

Following the demise of the Auckland bid to host the V8 race, AVESCO approached Wellington City Council to see if we wanted to submit a bid for a street race. Wellington had the natural elements for an attractive proposal. They also said that, following the Auckland experience, if Wellington required resource consent, they would look elsewhere for a race.

Therefore Council's Statement of Proposal focused on a race track inside the CBD area, and specifically inside the area where a street race is permitted under the District Plan (the waterfront track).

4.1 The viability of the Waterfront race track

Officer briefings and Committee papers to elected members, and the Statement of Proposal, noted some risks attached to the technical viability of the proposed waterfront track that would need to be overcome if the proposal was to proceed. They were:

- *The location of the race pits on the Kumutoto site on the Waterfront*
- *The ability to develop Jervois Quay as a boulevard (including the planting of trees) in future whilst retaining a viable track.*

Investigations undertaken during the consultation period have revealed that the race pits cannot be located on the Kumutoto site unless development of that site ceases until the end of the seven years of the proposed street race. Two to three years is considered the maximum time before development becomes delayed. Therefore an alternative pit site was investigated, using Port land, which provided a possible solution to the Kumutoto issue.

However engineers have advised that future urban developments, including the integration of the city and the waterfront along the Jervois Quay Boulevard, will compromise the safety requirements and the resulting commercial viability of the waterfront race track below acceptable levels.

4.2 An alternative proposal – the Stadium track

It was recognised that the Council is unlikely to opt to prevent progress on the waterfront/ Jervois Quay Boulevard for seven years in order to accommodate the race track. Officers therefore investigated an alternative race track (the Stadium track), attached as appendix two. It has been reviewed from a technical perspective by Council engineers and Weathered Howe, and confirmed 'in principle' as being viable.

The Stadium track would need resource consent, as parts of the circuit are outside of the District Plan permitted activity area for a street race. Given AVESCO's earlier position in respect of the need for resource consent, discussions were held with them regarding the Stadium track. AVESCO's first response was that it was willing to consider using the waterfront track initially, until the Kumutoto and Boulevard developments took hold, when the race would switch to the Stadium track in approximately the third year of the race, subject to resource consent approval.

Because of the risk of not obtaining resource consent for the Stadium track, officers cannot recommend this approach as Council could be left without a race event after having committed significant capital expenditure to build a race track. Further, even if consent was gained there would be some associated sunk costs in shifting the track location during the 7 year period proposed to host the event.

Officers have therefore raised an alternative arrangement with AVESCO whereby Pukekohe or another New Zealand circuit is used for one more year, in 2006, with Wellington bidding for 2007 to 2013 on the basis of the Stadium track, subject to the Council gaining all necessary approvals required to put a bid together, including further public consultation.

AVESCO's chairperson was positive about the alternative proposal, and invited Council to submit its case to the AVESCO Board at its meeting of 17 May 2005.

Officers have therefore recommended that details on the requirements for the alternative proposal are reported on prior to the 17 May AVESCO Board meeting. That paper will cover a number of issues, including:

- Analysis of written submissions received during the consultation on the street race proposal (submissions will be made available to Councillors for this meeting as part of the analysis)
- The estimated costs of hosting the V8 street race on the new Stadium track, including any implications for the 2005/06 Annual Plan deliberations
- Commentary on the projected economic impact of hosting the race, including analysis of comments provided by submitters such as Mr Lally of Victoria University, and a rebuttal from McDermott Miller
- Advice on the process for gaining resource consent for the new Stadium track
- An indicative timeframe for decision-making and further consultation in respect of the alternative proposal
- Advice in respect of race promotion and contract negotiations
- An assessment of the risks associated with the alternative proposal
- Advice on personal liability issues.

4.3 Process issues and legal advice

Legal advice has been sought on the procedural options available to Council given the outcome of the work on assuring track viability for the 7 years proposed for the race.

Council has the option of completing the special consultative procedure and making a substantive decision on the proposal or ceasing the special consultative procedure, by either withdrawing the proposal or suspending consultation on it. (Attached is a copy of the legal advice confirming Council's options and answering additional questions raised at the elected members briefing on Monday 18 April 2005).

It is recommended that Council *suspends* the special consultative procedure pending the outcome of future decisions on whether to pursue the Stadium track, as it:

- Provides the opportunity to amend the statement of proposal approved by Council on March 15 2005 to provide for the new track location should Council decide to pursue the Stadium track (and initiate special consultative procedure on that proposal)
- Would give an opportunity to value the input of those who have responded to Councils consultation process – while recognising the need to ensure that the proposal with the changed track location is consulted on fully.

5. Conclusion

On 15 March 2005, Council initiated the special consultative procedure on a proposal for Wellington to host the V8 Supercar series. Because the long-term viability of the race track proposed in the Statement of Proposal cannot be assured without compromising the future development of the Jervois Quay Boulevard, it is recommended that Council suspend the special consultative procedure on the V8 Supercar series.

An alternative track has been identified. It is proposed that officers report back to the Strategy and Policy Committee in May 2005, with more information on this alternative track proposal, an analysis of the results of the submissions received during the consultation on the original proposal, and recommendations for the next steps to be taken.

Contact Officer: *Garry Poole, Chief Executive Officer*

Supporting Information

1) Strategic Fit / Strategic Outcome

The project supports Council's Events Strategy "Wellington is the Events Capital of New Zealand", and several objectives aimed at meeting Council's vision.

2) LTCCP/Annual Plan reference and long term financial impact

The impact of suspending the special consultative procedure on the proposal to host the V8 Supercar series will be taken into account in the 2005/06 Annual Plan deliberations.

3) Treaty of Waitangi considerations

No Treaty issues have been identified.

4) Decision-Making

The decision-making requirements are set out in the paper and in the legal advice attached as appendix 1.

5) Consultation

a) General Consultation

N/A

b) Consultation with Maori

N/A

6) Legal Implications

Legal advice on the paper is provided in appendix 1.

7) Consistency with existing policy

This proposal is consistent with Council's Event Strategy.



LEGEND

- VIA SUPERCAR TRACK
- VIA SUPERCAR RHS
- PROPOSED GRANDSTANDS AND COORDINATE SITES
- PEDESTRIAN BRIDGES

TRACK DETAILS

TRACK LENGTH	- 4.7 km
GRANDSTAND CAPACITY	- 1001 APPROX.
COORDINATE GUESTS	- 4,000 APPROX.