
ZEAL – funding request for relocation costs

The Proposal

The Zeal Education Trust is relocating from their Garrett St premises and have sought a \$50,000 one-off contribution from Council for relocation costs and the fit out of their new premises. Zeal are also applying for funding support for their relocation costs from other sponsors and are planning to apply to DIA for support.

The new venue – at 109 Ghuznee Street above Bar Bodega - is larger and the proposed refit includes three sound-proof rehearsal rooms, a separate café and performance areas. The use of the first floor of the building is currently listed as office and therefore the proposed use and alterations will be a change of use under the Building Act. The existing building façade has a heritage status and changes to the exterior of the building may have implications under the Resource Management Act. Zeal's architects will be meeting with BCLS to discuss plans and consents.

Proposal Costs

Project Component	Operating expenses \$000									
	09/10	10/11	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19
<i>Funding request</i>	50	-	-	-	-	-	-	-	-	-
<i>Total</i>	50	-	-	-	-	-	-	-	-	-

Discussion of proposal

Zeal's \$100,000 a year contract delivers against agreed outputs with high numbers of young people accessing their events and other programmes which include; leadership programmes in high schools, DJ courses, hip hop and barista training. Their March/April report to Council shows high use of their current venue with a total of 2,724 visits through 40 events or sessions within the period, averaging 303 visits from young people every week. The impact of their activity at their current venue on Glover Park is increasingly problematic for Zeal and local residents, particularly when an event attracts a large crowd - by increasing their capacity and having an indoor area they will contain their activities within the venue.

Zeal are funded on a three year contract which will be reviewed at the end of June 2010. Their current rent at Garrett Street is \$103,000 and finishes on 1 August 2009, rent for the new space will be \$68,000 pa. When officers review the three year contract the impact of the reduced rental and the effect of the shifting costs and fit out can be assessed.

Considering that Council will not review Zeal's funding support for another year, and that for most of that year they will be in new premises with significantly lower rent costs, Zeal should have sufficient flexibility within their budgets to allocate funding to the refurbishment of their new premises and help with moving costs. It is also noted that Zeal applied to grants for support for their relocation costs and were allocated \$5,791 in the March 2009 grant round. Zeal will be applying to the Department of Internal Affairs for support for their fit out costs through the Lottery Community Facilities Fund which makes grants to organisations for projects to build or improve community facilities. This panel next meets in November 2009, with applications being submitted in July 2009.

Officer recommendation

That Council decline additional funding support to Zeal to assist with relocation costs and fitout of their new premises.

Contact officer:

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