
ORDINARY MEETING

OF

GOVERNANCE, FINANCE AND PLANNING COMMITTEE

MINUTE ITEM ATTACHMENTS

Time: 9:15 am
Date: Monday, 21 March 2016
Venue: Committee Room 1
Ground Floor, Council Offices
101 Wakefield Street
Wellington

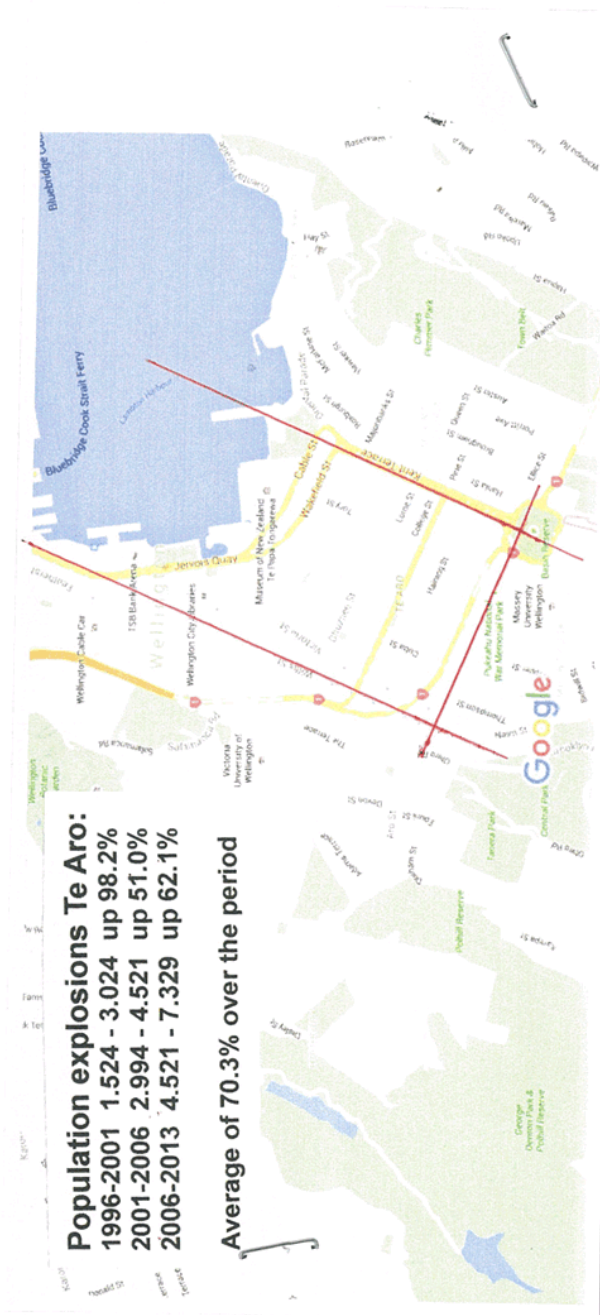
Business

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**2.1 Hearings - Wellington Convention Centre And Movie Museum
Statement of Proposal**

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| 1. Maria van der Meel Submission 11 | 2 |
| 2. Pauline Swann Submission 17 | 3 |

Item 2.1 Attachment 1



ORAL SUBMISSION BY PAULINE SWANN 21st MARCH 2016

CONVENTION CENTRE ETC ANNUAL PLAN 2016/17

As stated in our written submission on the 3rd March 2016 we would like to refer you to our written submissions made in March 2014, August 2014 and April 2015 and email 1st February re Annual Plan 2016/17.

In August 2014 we had no problem with the proposal for a Hilton hotel incorporating a Convention Centre but we did not support the provision by ratepayers of the funding of \$2million a year over 10 years to sustain this project. We questioned has the council done any research to show how many conventions with 1200 participants are being held every year in New Zealand, a convincing business case is needed. The benefits to ratepayers are illusory whereas the commercial community will be the main beneficiaries if indeed the economics prove viable.

Then in April 2015 we followed up and said we were still waiting for the reply to how many conventions of a 1,000 or more would be held a year and at what cost and pointed out there is already so much on offer at the Michael Fowler, Town Hall (which we have covered many times with our concern at the delays to restore this heritage treasure which is world renowned for its acoustic qualities), Opera House, St James, Te Papa, TSB Arena and Shed 6 (in October 2012 approval was given for \$6million plus for a temporary convention facility while the Town Hall was to be seismically strengthened), not to mention the many excellent hotels available like the Inter Continental and Amora.

However, all this is now history and as we said in March 2016 our concern was the meeting held by the council on the 8th December 2015 (public excluded) when the subject was a proposal to bring forward by five years for the city to spend \$134 million on a new building to house a Movie Museum and a council owned and operated Convention Centre. This plan was reported on the 11th February 2016 in the Dominion Post and we can only question again - 67 new conference events will be held in Wellington - that is more than one a week and where have these figures come from?

Would also like to refer you to an article by Patrick Smellie in The Listener February 26th 2015 where he quoted an article by Texan academic Heyward T Sanders where he says "how limited and elusive the returns from convention centre investments have proven to be in the USA, despite a kind of arms race among cities to build more of them" (copy attached for all to read)

With regard to the Movie Museum would refer you to the DomPost 11.02.16 editorial under the heading - NEGOTIATING FAIR MUSEUM LEASE VITAL- where it questions WHAT IS A FAIR LEASE DEAL? THE COUNCIL MUST ENSURE IT DOESN'T GET TRAMPLED ON.

However, do we need another movie museum as on the 29th February 2016 there was an article in the Dompost under the heading "KUDOS FOR WETA TOURS" and the English Guardian has ranked Weta alongside Warner Bros studios in Los Angeles and the Leavesden studios near London as being one of the 10 best places for movie buffs to visit. We would recommend a visit to the Weta Workshop website which shows all that is currently available. Again we question whether 310,000 people a year will visit the museum with an entry fee of \$35 (just across from Te Papa which is free).

In our email 1st February 2016 in Response to CHANCE FOR YOUR SAY ON COUNCIL'S ANNUAL PLAN 2016/17 we have made a number of points and we can only repeat apart from retaining the artificial

turf in Civic Square and temporary seating for any functions we can see no need for more cafes except for temporary ice cream, coffee/tea stalls and would like to remind you that the Michael Fowler café closed through lack of patronage. It has been great to see the many attractions like the Morris Dancers, Orchestras, Festival of the Arts functions, etc

We are also totally opposed to the sale/leasing of Jack Ilott Green to allow construction of a high rise building which would block out views from the Library, Art Gallery to the harbour and would cast shadows across Civic Square. We disagree that the park is not well used and refer you to the survey undertaken by the Save Jack Ilott Green lobby group. It is also a delight after an evening concert in the MFC or Town Hall to walk through the Square and over the bridges to see the Boat Sheds, Lagoon, Frank Kitts Park and the "Lighthouse" slide all lit up.

Finally we have always supported a Chinese Garden but not on Frank Kitts Park as the loss of the amphitheatre which provides comfortable seating space for the many concerts, family entertainment, and a great place to watch events on the harbour, etc would be missed. This well used area is the heart of the waterfront and its close proximity to the CBD makes it a favourite destination for office workers, lunch hour keep fit classes and school parties after visiting the Museum of City and Sea gather in the amphitheatre for lunch and games. We also oppose the flattening of the play area and moving closer to Jervois Quay and the service lane to TSB and Shed 6. The undulating grass surrounding the play area is very popular with young children who like to roll and tumble down the slopes from the slides etc. Would like to quote from Page 39 of the 2014-2043 Wellington Urban Growth Draft Plan "WE CONSIDER FRANK KITTS PARK SHOULD BE THE PREMIER RECREATION AREA FOR THE CITY, PARTICULARLY CHILDREN."

Finally we are concerned to see the Expressions of Interest advertised for the Michael Fowler Car Park. We understand the Wellington Regional Council 10 storey quake prone building opposite the MFCP was built on land classified as having a high potential for liquefaction. What engineering assessment has the council made on this site?

Pauline and Athol Swann

lost ground in the market for major conventions – a concern more hotly argued during the global economic downturn of the late 2000s than today, when international tourism arrivals are again on a strong uptrend.

However, a question remains as to how much Auckland will be competing with the rest of the world compared with the three other multi-million-dollar convention centres due for construction in Christchurch, Wellington and Queenstown before this decade is out. Notably, all are investing on a “build it and they will come” basis and none expect their facilities to make money in their own right. In fact, this is the dirty secret of convention centres everywhere.

In “Convention Center Follies: Politics, Power, and Public Investment in American Cities”, published last year, Texan academic Heyward T Sanders highlights how “limited and elusive” the returns from convention centre investments have proven to be in the US, despite a kind of arms race among cities to build more of them. As a 2013 Queenstown Lakes District Council business plan document notes, “events facilities do not generate a direct financial return on the cost associated with developing them”. Instead, they’re built in the hope and expectation, usually supported by economic consultancy modelling, that they’ll generate new economic activity elsewhere in the economy that outstrips their cost.

That makes their construction a leap of faith and one both central and local government try to structure in ways that limit exposure. In the case of SkyCity, that was achieved by agreeing that SkyCity would build the Auckland facility in exchange for new gaming rights. In Wellington, the city council is underwriting operational costs but not investing in the convention centre. In Queenstown, the plan is to split the \$50 million-plus cost with the Government.

So there are many ways to skin the cat to reduce taxpayer and ratepayer risk, but there are very few reliable ways of measuring the value of the exercise to the wider economy and no expectation of a profit on the resulting asset.

– Patrick Smellie

formation of new services that have been built on top of the block-chain using the bitcoin protocol.”
– Suze Metherell

Feb 26th 2015

Convention centres’ dirty secret

The dust-up between the Government and SkyCity Entertainment over the Auckland international convention centre may be over, with the global-scale facility still to go ahead with the original budget of \$402 million. Tourism industry bodies firmly believe the investment is vital if New Zealand is to make up

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Absolutely Positively
Wellington City Council
Me Heke Ki Pōneke

SUPPORTING INFORMATION

Consultation and Engagement

No public consultation is required for the initial stage of exploring this option. The Local Government Commission would be expected to engage with relevant stakeholders.

Treaty of Waitangi considerations

N/A

Financial implications

Costs for this early stage of this work will be funded from within existing budgets or be met by the Local Government Commission.

Policy and legislative implications

N/A

Risks / legal

Risks associated with any merger will be canvassed as part of the early work.

Climate Change impact and considerations

N/A

Communications Plan

This will be developed if Council agrees to explore this option.

