

EXTRAORDINARY MEETING

OF

WELLINGTON CITY COUNCIL

AGENDA

Time: 9:15am
Date: Wednesday, 10 February 2016
Venue: Committee Room 1
Ground Floor, Council Offices
101 Wakefield Street
Wellington

MEMBERSHIP

Mayor Wade-Brown
Councillor Ahipene-Mercer
Councillor Coughlan
Councillor Eagle
Councillor Foster
Councillor Free
Councillor Lee
Councillor Lester
Councillor Marsh
Councillor Pannett
Councillor Peck
Councillor Ritchie
Councillor Sparrow
Councillor Woolf
Councillor Young

Have your say!

You can make a short presentation to the Councillors at this meeting. Please let us know by noon the working day before the meeting. You can do this either by phoning 803-8334, emailing public.participation@wcc.govt.nz or writing to Democratic Services, Wellington City Council, PO Box 2199, Wellington, giving your name, phone number and the issue you would like to talk about.

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Presented by Mayor Wade-Brown and Councillor Coughlan	

Questions

3. Public Excluded	
Nil	

1 Meeting Conduct

1.1 Apologies

The Chairperson invites notice from members of:

1. Leave of absence for future meetings of the Wellington City Council; or
2. Apologies, including apologies for lateness and early departure from the meeting, where leave of absence has not previously been granted.

1.2 Announcements by the Mayor

1.3 Conflict of Interest Declarations

Members are reminded of the need to be vigilant to stand aside from decision making when a conflict arises between their role as a member and any private or other external interest they might have.

1.4 Items not on the Agenda

The Chairperson will give notice of items not on the agenda as follows:

Matters Requiring Urgent Attention as Determined by Resolution of the Wellington City Council

1. The reason why the item is not on the agenda; and
2. The reason why discussion of the item cannot be delayed until a subsequent meeting.

Minor Matters relating to the General Business of the Wellington City Council

No resolution, decision, or recommendation may be made in respect of the item except to refer it to a subsequent meeting of the Wellington City Council for further discussion.

1.5 Public Participation

A maximum of 60 minutes is set aside for public participation at the commencement of any meeting of the Council or committee that is open to the public. Under Standing Order 3.23.3 a written, oral or electronic application to address the meeting setting forth the subject, is required to be lodged with the Chief Executive by 12.00 noon of the working day prior to the meeting concerned, and subsequently approved by the Chairperson.

2. General Business

WELLINGTON CONVENTION CENTRE AND MOVIE MUSEUM STATEMENT OF PROPOSAL - INCLUDING AMENDMENT TO THE 2015-25 LONG-TERM PLAN

Purpose

1. The movie museum and convention centre proposal if approved would require Council to make an amendment to the 2015-25 long-term plan, and this requires consultation to be carried out under the Special Consultative Procedure.
2. This paper seeks agreement from Council to adopt the movie museum and convention centre statement of proposal, which includes the consequential amendment to the 2015-25 long-term plan.

Recommendations

That the Council:

1. Receive the information.
2. Note that Council agreed to purchase land in December 2015 to allow for the future development of the movie museum and convention centre.
3. Note that Council agreed in-principle to develop the new convention centre and movie museum and undertake community consultation on the proposal before making a final decision.
4. Note that the proposal if approved would require an amendment to the 2015-25 long-term plan and that the attached draft convention centre and movie museum statement of proposal includes the proposed amendment to 2015-25 long-term plan.
5. Note that Audit NZ has audited the statement of proposal (consultation document) and are expected to provide their opinion at this Council meeting of 10 February 2016.
6. Agree the convention centre and movie museum statement of proposal including the amendment to 2015-25 long-term plan attached as Attachment 1.
7. Note the detailed funding and financial information that will be available online to support the consultation as outlined in Attachment 2.
8. Note that community and stakeholder feedback, the agreement to lease with The Movie Museum Limited and the final business case will be brought back to Council before a final decision is made.
9. Delegate authority to the Chief Executive and the Mayor to approve any minor editorial or final audit changes that may arise as part of finalising the consultation document for publication.

Background

3. The land was purchased in accordance with the Council resolution of December 2015.

4. Both the convention centre and movie museum have previously been consulted on with the wider community, and after considering community views, funding for both projects was included in the 2015-25 long-term plan.
5. The current proposal has a reasonably high degree of significance, and as a consequence of bringing forward funding allocated for the movie museum component of the proposal, and the changing the way the convention centre is now proposed to be funded, an amendment is required to the 2015-25 long-term plan.
6. The attached statement of proposal for the convention centre and movie museum includes the amendment to 2015-25 long-term plan.
7. In consulting on the consequential impact on the 2015-25 long-term plan, if Council ultimately approves the project the long-term plan will be amended accordingly.
8. Consultation will commence on 15 February and run through to 15 March 2016.

Conclusion

9. This proposal delivers on two key projects agreed as part of Council's Growth Agenda in a way that amplifies their impacts.
10. It is recommended that Council agree to the consultation document to seek further community and stakeholder feedback on the proposal before making a final decision.

Attachments

- Attachment 1. Statement of Proposal Page 10
Attachment 2. Funding and Financial Information - Not available at the time of print and will be separately circulated Page 51

Author	Danny McComb, Manager CCOs & City Growth Projects
Authoriser	Andy Matthews, Chief Financial Officer

SUPPORTING INFORMATION

Consultation and Engagement

Consultation will be carried out following the Special Consultative Procedure as outline in the LGA2002

Treaty of Waitangi considerations

This proposal will be discussed with mana whenua.

Financial implications

The financial implications are included in the consultation document

Policy and legislative implications

There are implications for the Revenue and Financing Policy – this is covered in the consultation document

Risks / legal

The risks associated with the proposal are outlined in the consultation document

Climate Change impact and considerations

NA

Communications Plan

NA

The Movie Museum and Wellington Convention Centre

Including amendment of the 2015-2025 Long Term Plan

Public consultation: have your say

15 February to 15 March 2016

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A summary of what's proposed

Council proposes to build and own a modern purpose-built building to house a Movie Museum and Convention Centre located on Cable Street, directly opposite Te Papa. The purpose of this document is to consult on the proposal to deliver these projects and the consequential impacts on the Long-Term Plan.

The Museum will be leased by Council to The Movie Museum Limited (TMML) who will fit out and operate the Museum. TMML is a company owned by Sir Peter Jackson, Fran Walsh, Sir Richard Taylor and Tania Rodger. The lease will be for 25 years and the Museum will occupy the lower two floors of the new building.

The Convention Centre will be fitted out by Council and will be operated by the Council through Positively Wellington Venues, a part of Wellington Regional Economic Development Agency and part of the Council Group.

The Movie Museum and the convention centre are among the Council's '8 big ideas' for achieving a step-change in Wellington's economic growth.

Both projects will increase Wellington's profile and attractiveness as a visitor and business destination, and bring significant long-term economic benefits to the city and its residents.

In previous consultations, both ideas have received strong support from the public and stakeholders.

The Movie Museum and the convention centre are both demand drivers and will be a catalyst for the city's growth strategy.

Together, these and other economic initiatives will foster growth, lift business confidence, and encourage investment, feeding a virtuous cycle of improved economic performance and higher living standards.

The site for the new building has been acquired and the proposal is for Council to fund and own the new building. Initial concept designs have been completed. The construction of the new building will be managed by Willis Bond.

The Museum and Convention Centre were already included in the Council's Long-Term Plan. This proposal delivers both of these projects, although there are differences in the timing, form, costs, risks and benefits as outlined within this document.

The key differences and changes are set out and discussed within the proposal under the section entitled "How the proposal differs from the 2015-25 long term plan" on pages XX-XX, these would form the basis of any amendments to the Long-Term Plan.

The Cable Street site

The Council proposes to locate the new building on a site opposite Te Papa, on Cable Street. The site has frontages on both Cable and Wakefield streets.

The site includes 50-70 Cable Street, 197-221 Wakefield Street, all of which the Council acquired in December 2015.

The Council has considered numerous other site options for the convention centre and/or The Movie Museum. None deliver all of the advantages offered by the Cable/Wakefield Street site.

The site has been acquired by Council



The location is perfect offering a broad array of advantageous features in an area of the city ready for development

- The site is in the central city, accessible to visitors and residents.
- It is close to the waterfront, with its vibrant atmosphere and stunning views.
- It is close to Te Papa, and in easy walking distance of other cultural attractions such as the City Gallery, the St James Theatre, the Opera House, and the Wellington Museum.
- It is close to the city's main hospitality and entertainment district around Courtenay Place, and to waterfront restaurants and bars. Museum visitors and conference delegates will be able to enjoy Wellington's famous cafe culture.
- It is close to the new Tech Hub and the CBD, and reasonably handy to universities, providing opportunities for convention delegates to do business while in the city.

- It is close to many hotels and retail areas.
- It is easily accessible being close to buses routes and parking facilities, and only 15 minutes from the airport.
- This project is likely to be a catalyst for further investment in the area – for example, in new hotels – leading to further economic growth and urban regeneration.
- Of all sites considered, this is the only one with sufficient land for the building, and sufficiently low levels of risk associated with natural hazards, existing buildings, and resource consents.

The city will have a cluster of cultural attractions all located together. This will encourage growth in visitor numbers, and provide opportunities for attractions to share marketing campaigns, exhibitions, and events.

The proposed building

Preliminary concept designs for the proposed building have been completed by StudioPacific Architecture.

The concept is for a building with a total floor area of 16,700 square metres over three levels. The building details are still to be finalised but the current proposal is that it will:

- be built to 130 percent of National Building Standards
- achieve excellence in accessibility (platinum standard)
- follow Greenstar sustainable building principles
- be built to attain ISO 14001 accreditation (international standards that relate to environmental management).

The current proposed floor plan includes:

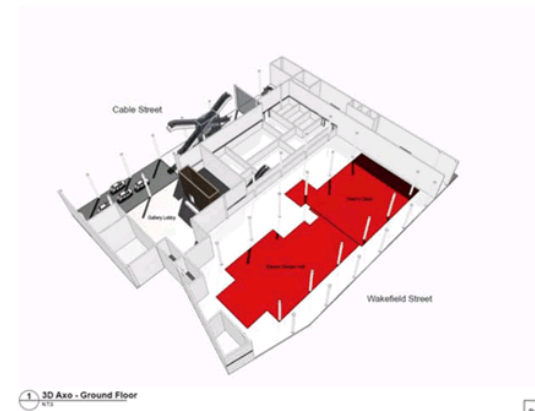
- a ground floor with The Movie Museum and convention centre lobbies, along with The Movie Museum's featured exhibition and retail shop
- mezzanine and first floors with museum exhibitions
- the top floor occupied by the convention centre, with flexible-use convention, banquets, and exhibition spaces.
- a laneway connecting Cable and Wakefield Streets and providing service access to the museum and convention centre.

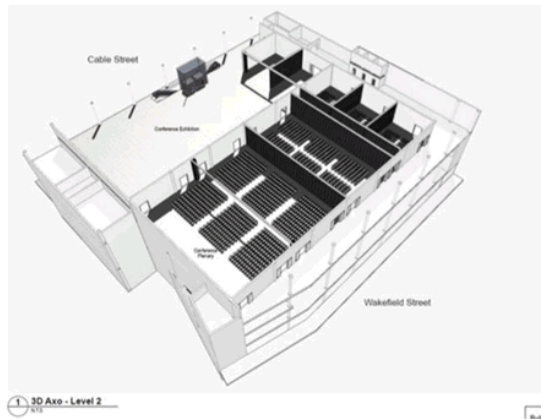
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The development project, if it goes ahead, will be managed by Willis Bond & Co. They bring extensive knowledge and experience in management of major building and property developments and have been instrumental in development of the masterplans for this proposal.

“Wellington has a strong reputation for culture and nightlife, but a lack of attractions to increase length of stay, or capture visitors currently bypassing it. Having must-do attractions will add to length of stay. There is also clear demand for movie related experience.”

[New Zealand Tourism Industry Association](#)





Key benefits

A major new visitor attraction

The Movie Museum will:

- showcase Wellington’s movie-making expertise
- enhance the city’s reputation as the film capital of New Zealand
- complement other cultural tourism attractions such as Te Papa
- attract 350,000 visits per annum to the Museum¹
- attract over 20,000 new visitors annually to Wellington²
- Give visitors and tourists a reason to stay for longer and spend more

¹ Source: *The Movie Musuem Limited*

² Source: *TRC Tourism*

A new purpose built conference venue

The new convention centre will:

- protect and enhance our current share of the convention market in the face of other new proposed facilities around NZ
- allow Wellington to benefit from the growing international conference market
- increase the number of business events held in Wellington attracting new domestic and international visitors and showcasing Wellington through hosting more than 60 new conference events and resulting in over 62,000 new delegate days.

Better together

Though they are separate businesses, the Movie Museum and convention centre will complement each other:

- The Movie Museum will enhance the convention centre's appeal as a conference destination. The convention centre will not be just another convention centre.
- It will offer a unique experience for conference-goers and a unique selling point for organisers
- The convention centre will bring visitors to The Movie Museum through travelling spouses of conference delegates and those that are likely to return as tourists
- The Movie Museum will be able to utilize the convention centre for exhibitions, themed conferences and functions.

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- There will be opportunities for shared marketing and services and through sharing the building, overall costs will be lower.
- Two major projects will be delivered in a way that significantly amplifies their combined impact.

A critical mass of film and cultural attractions

The Movie Museum and the convention centre will:

- complement other cultural attractions such as Te Papa, creating a precinct incorporating Wellington's major cultural, business, dining and entertainment offerings enhance Wellington's reputation as a culture/events/film tourism destination
- Stimulate secondary investment in the precinct resulting in an improved urban landscape
- complement other film attractions such as the Weta Cave

More visitors, staying longer

Together, the Movie Museum and convention centre will:

- attract more domestic and international visitors to Wellington
- encourage visitors to stay longer and spend more

Delivering significant economic benefits to Wellington.

Economic impact

Wellington City Council contracted TRC Tourism, Horwaths HTL and BERL to assess the project’s likely visitor and economic impacts.

That analysis suggests The Movie Museum and convention centre both have significant potential to attract visitors, boost Wellington’s economy, and provide sustainable jobs.

TRC Tourism expects that the Movie Museum will attract new visitors to the city each year, as well as keeping visitors here for longer and encouraging them to spend more in the city.

Horwath HTL estimate a new convention venue will protect our current conference business and grow our business event numbers and delegate days, in turn bringing more spend in the city.

When the projects are combined, the economic impacts are even more compelling. The proposal will create hundreds of new jobs, both during construction and on an ongoing basis. Each year, together they will bring tens of millions of dollars of new spending delivering GDP of \$38 million per year on an ongoing basis.

The range of economic impacts are expected to be up to the levels set out in the table below:

	Construction Phase (one-off)	Ongoing Operations		Total Economic Benefits Operations	Market Protection	Total Economic Benefits to City
	Combined	Convention Centre	Movie Mueum	Combined	Convention Centre	Combined
Expenditure	\$109.5m	\$31.9m	\$28.2m	\$60.1m	\$12.3m	\$72.4m
GDP	\$35.7m	\$16.7m	\$14.4m	\$31.1m	\$6.4m	\$37.5m
Employment (FTEs)	444	225	258	483	85	568

A catalyst for Secondary Investment – Growing the rating base

When The Movie Museum and the convention centre open for business, the number of visitors they bring to this area is likely to attract more businesses to locate nearby.

It is expected that there will be increased demand for hotel and other accommodation. Shops, cafes and restaurants will also benefit from increased traffic, and new businesses are likely to open.

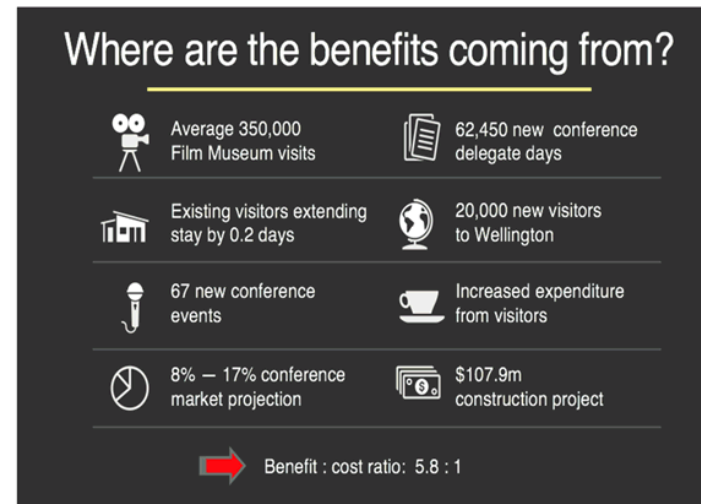
In turn, this is likely to also encourage other building projects. This directly translates into growth in the Council ratepayer base, which in turn increases Council’s ability to provide services and maintain future rates increases at lower levels than otherwise would have been possible.

In other words, the project will be a catalyst for urban regeneration, turning the area into a modern and vibrant cultural and visitor district.

“The Movie Museum will create a tipping point: international visitors who would not otherwise have visited Wellington will choose to do so.”

“The people behind the museum will ensure that it is world class.”

Matt Clarke (Chief Commercial Officer, Wellington Airport)



Edits to above table please:

1. up to 20% of existing visitors extending their stay by 0.2 days
2. 8% - 17% conference market protection (not projection)

Economic benefits
during construction

Source: BERL

444

new FTE jobs

\$110m

new spending in Wellington

\$36m

GDP added to Wellington's economy

Ongoing economic benefits

Source: BERL

568

new and protected FTE jobs

\$72m

new and protected spending in Wellington each year

\$38m

GDP protected and added to Wellington's economy each year

What it will cost

The total capital cost to Wellington City Council will be \$134.4 million.

Council acquired the land in December 2015 at a cost of \$21.5m. The building and fit out of the Convention Centre will cost an additional \$112.9m bringing the total project cost to \$134.4m. The Movie Museum Ltd will pay for the museum's exhibitions and fit-out themselves.

The \$134.4 million total cost works out as \$65.6m for the convention centre and \$68.8m for The Movie Museum. The overall costs have been worked up based on the concept designs, outline building performance specifications and construction costings which have been subject to QS review.



During this and the next two financial years of planning and construction, net operating costs to ratepayers totaling \$5.9m will be incurred in interest and convention centre pre-opening costs. Once the facilities are opened, the average net cost to ratepayers will be \$2.3 million per year over the first 25 years of operations.

By way of comparison, the Council currently spends \$2.25m per year supporting Te Papa.

The combined project can be delivered within Council's Financial Strategy and can be delivered within the rates targets set out in the Long-term Plan.

Further explanation of the project costs, how they are funded and the key differences compared to the Long-Term Plan are set out on pages XX-XX

For every \$1 spent on this project, the Council forecasts a \$5.80 return on investment³ to the city.

\$76m

Total net cost to WCC over 25 years

(Net present value)

\$442m

Total benefit to Wellington GDP over 25 years

(Net present value)

Source: BERL

³ Return on investment represents the benefits to the community through the increased GDP against the net cost to Council associated with delivering the proposal over a 25 year period.

Why the city needs a movie museum

A celebration of movie-making

For the past two decades, Wellington has been synonymous with world-class film-making.

The Weta group of companies, based in Miramar, has made or contributed to many of the world's most successful films: *The Lord of the Rings* and *Hobbit* trilogies, *Avatar*, *The Hunger Games*, and much more.

The industry's economic and cultural impact on Wellington has been transformational. The industry has employed thousands of people, and brought millions of dollars of earnings and economic growth.

More broadly, it has made an incalculable contribution to Wellington's global profile, and to the city's identity.

The industry has shown us that Wellingtonians with creative drive and a sense of adventure can and do compete with the best in the world and succeed.

*Film is part of
Wellington's DNA*

A SHOWCASE FOR WELLINGTON MOVIE-MAKING

The Movie Museum provides an opportunity to showcase the industry, and celebrate the contribution it has made to Wellington and to global film-making.

It promises to inspire Wellingtonians and visitors alike, with exhibitions spanning the Weta Group's award-winning Hollywood-scale productions and their earlier home-grown movies.

Thousands of designs, props, models, and set pieces will be featured, encompassing individual characters and whole worlds.

Exhibits will be refreshed, and will provide an immersive, interactive experience featuring the Weta Group's innovative film-making technology, special effects, make-up and costumes.

It will also feature one of the world's most valuable collections of Hollywood memorabilia – the private collections of Sir Peter Jackson and Fran Walsh, and Sir Richard Taylor and Tania Rodger. These collections include such items as the original car from *Chitty Chitty Bang Bang*, and Charlie Chaplin's cane.

Presented with the Weta Group's characteristic vision and flair, this will be an iconic tourist attraction that is the envy of other cities around the world.

Together with other attractions such as the Weta Cave, it will further cement Wellington's image as a global force in film-making.

Wellington has a global reputation for film-making.

But the city doesn't yet have a large-scale tourist destination that showcases the industry's achievements.

A new visitor attraction

Impact of film tourism

Tourism is increasingly influenced by what people see on screen.

In Northern Ireland's County Antrim, for example, international visitor numbers have grown by almost two-thirds since *Game of Thrones* first screened in 2011.

Here, the *Lord of the Rings* and *Hobbit* trilogies have had comparable impacts, featuring in global marketing campaigns, raising New Zealand's international profile, and directly attracting many visitors.

Over the 14 years since the first *Lord of the Rings* film was released, the number of international visitors has grown by well over 1 million.

While there are also other factors in that growth, the contribution made by Weta films is undeniably significant.

The ongoing contribution is demonstrated by the continued visitor numbers to attractions such as the Weta Cave and Hobbiton.

Cultural Tourism

Cultural tourism is globally growing faster than nature based tourism at 4.1% per year and the competitive landscape is favourable for a film museum in Wellington as there are no directly comparable tourist attractions in Wellington or New Zealand.

1.93m

Year to 31 Oct 2001

3.05m

Year to 31 Oct 2015

International visitors to NZ

Growth since 2001, the year *The Lord of the Rings: The Fellowship of the Ring* was released

Source: Stats NZ

Side box

Film tourism has enduring appeal: 75% of US visitors to the Austrian city Salzburg cite *The Sound of Music* as their main reason for going. The film was released 50 years ago.

POTENTIAL IMPACT OF THE MOVIE MUSEUM

The Movie Museum is a huge opportunity for Wellington to cement its reputation as a global centre of film-making and take advantage of the huge worldwide interest in film.

The museum is expected to attract more than 300,000 visitors by its third year of operation, and to average over 350,000 visitors a year during its first 10 years. This is about the same as Hobbiton, and comparable to other paid attractions such as Kelly Tarlton's in Auckland.

TRC Tourism have estimated that The Movie Museum would, on its own, attract thousands more visitors to the city, as well as encouraging existing visitors to stay longer and spend more. BERL have calculated the expected economic benefits this would bring:

- up to \$28.2 million in new spending each year
- up to \$14.4 million in additional GDP each year
- up to 258 new FTE jobs.

Alongside Te Papa, The Movie Museum would provide another iconic 'must see' visitor attraction, making Wellington a 'must visit' destination for people coming to New Zealand and contributing to the city's reputation as New Zealand's creative capital. The Movie Museum can be expected to attract visitors to Te Papa, and vice versa.

The Museum will be a commissionable product whereby travel agents are able to earn commissions from including visits to the Museum. This

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makes Wellington more attractive for travel agents booking tours of New Zealand to include within travel packages they sell.

Side box

- In Matamata, 350,000 people visited Hobbiton last year and this is expected to exceed 400,000. More than 84% of them are from overseas.
- Those visitors bring \$53m each year into the local Matamata economy.
- In Wellington, last year 75,000 visited the Weta Cave
- Te Papa's *Lord of the Rings* exhibition remains one of the most popular in the museum's history.

"Apart from Te Papa, Wellington has no 'must see' visitor attractions. The Movie Museum will not only boost the domestic tourism market, but put Wellington centre stage for international visitors with something that is unique and authentic for New Zealand."

Kerry Prendergast (Chair of Tourism New Zealand)

Film is part of Wellington's DNA.

It's everyday working life for more than 2000 people: artists, designers, software developers, digital artists, film editors, animators, sound technicians, musicians, writers, editors, producers, Oscar-winning directors, and more.

Film-making is celebrated throughout the city – in the Gandalf and the Great Eagles and other installations at Wellington Airport, in signs, sculptures, and famous locations throughout the city.

It's already a significant visitor attraction, with thousands of people visiting the Weta Cave and taking Weta Workshop tours each year.

The Movie Museum will be the industry's new public face – providing a focal point for Wellington's celebration of film, and a bridge between the city centre and the industry's home in Miramar.

The proposal

- A movie museum of approximately 10,000 square metres occupying two levels of the new building and a mezzanine
- The museum will be owned, created, and operated by a private company headed by Wellington's film industry leaders.
- The museum will feature permanent and temporary exhibitions celebrating Wellington film-making
- It will also feature a truly unique and world-class collection of Hollywood memorabilia.
- Exhibits will be immersive making use of innovative technology.
- Exhibits will be continuously updated and refreshed.
- The museum will have a café and retail store open to the public.

"The Movie Museum will enable Wellington to capitalise on the high level of interest in movies produced in New Zealand, and will increase Wellington's appeal as a visitor destination."

"It will offer an additional reason to visit Wellington, and support the city's reputation as New Zealand's 'creative capital'."

Jenny Simpson (Tourism Partnership Manager, Air New Zealand)

The Movie Museum will be the only museum of its kind in New Zealand, Australasia and the arguably the world

The Movie Museum will be one of a kind, nowhere else in the world can this collection of memorabilia or array of talent be showcased.

350,000

Visitor numbers

Forecast average number of annual visitors per annum to The Movie Museum during its first 10 years

Source: The Movie Museum Limited

By way of comparison, Te Papa receives in excess of 1.4 million visitors each year.

\$6.20

Return on investment

Amount of new GDP generated for every dollar of Council net spending on The Movie Museum over a 25 year period⁴

Source: WCC, BERL

⁴ Equal to the term of the lease of the Movie Museum

Why the city needs a convention centre

The conventions market

Conventions are big business. Every year, tens of millions of people attend conventions worldwide.

New Zealand attracts a fraction of this business, but it is still very valuable to the country. Each year, more than 2.5 million people attend conferences, conventions, trade shows and other business events in this country, bringing more than \$400 million in annual expenditure to the economy.

The conference business is growing steadily, at rates of 4 percent a year or more over the last decade. This growth is likely to continue for the foreseeable future.

Convention business is valuable because conference delegates spend considerably more per day than other tourists, and because conventions are held year-round, not just in peak tourist seasons.

Conventions also provide exposure to domestic and international visitors, encouraging them to return. They foster valuable business and research links, contributing to business innovation and success.

And they support hotels, restaurants and cafes, and retail outlets.

Side box

- International delegates at NZ conventions stay an average 6.5 nights and spend an average \$304 per night.
- Domestic delegates at NZ conventions stay an average 2.9 nights and spend an average of \$483 per night.
- Delegates' partners may add up to 20% to these totals.
- Australian research suggests that international conference delegates commonly return as tourists.
- The average spend for all international visitors to New Zealand is just \$161 per night.

*Conventions are
important to all cities
because of the
economic benefits
they bring*

What Wellington offers

Wellington has many advantages as a convention destination.

It is compact and attractive. It is the capital city. It has a great range of accommodation, restaurants, and cafes. And it has a reputation as a vibrant and creative place to visit and do business.

However, the city's existing convention facilities lack the capacity to host large conventions and other events (banquets, awards shows, exhibitions and trade shows) or to meet demand during peak conference periods. For example, during WOW the city's major conference venue is unavailable for conferences in what is the height of the conference season.

Many of these facilities are ageing, and are not up to the standard conferences organisers demand.

The city has no purpose-built convention facility, and no facility capable of hosting a full format convention for 800 or more people.

As a result, Wellington is currently poorly placed maintain its current market and to take advantage of the growing market in convention tourism.

While convention tourism has been growing worldwide, Wellington's share has been static for many years, and is likely to decline as other cities develop new and more attractive facilities.

What other cities offer

Auckland, Christchurch and Queenstown are all building or proposing to build new conference centres which are expected to open in 2018 or soon afterwards.

These will all be modern purpose built facilities able to offer a much higher standard than Wellington's current facilities.

If nothing is done, Wellington is projected to lose up to 17 per cent of its current share of the convention tourism market. That means losing up to \$24.5 million each year of spending in the city's economy, and up to 171 jobs.

Wellington's opportunity

A modern, purpose-built convention centre would allow Wellington to benefit from growth in the conventions market, and to protect our current market

BERL have estimated the economic impact that a convention centre protecting Wellington's market share and attracting additional conferences to the city would be expected to bring:

- up to \$44 million in spending each year

- up to \$23 million in GDP each year
- up to 310 FTE jobs.

Wellington's convention centre will principally target medium-sized conventions as this is where there is most demand. It will also target some larger conventions and banquets

A unique selling point

Increasingly, convention organisers are looking for a point of difference – something that will make their events attractive for delegates and their partners.

They want convention venues to offer an experience, not just a meeting place. The venue has to be appealing – a place that conference-goers want to visit.

Co-locating The Movie Museum with the convention centre provides that point of difference.

The Wellington Convention Centre will not simply replicate the new facilities planned for other centres but will move the Wellington offering onto a different level that goes beyond providing a service and modern facilities to providing these within an overall experience for conference delegates.

The Government is investing \$34 million to raise New Zealand's profile as a business events destination. Without a new convention centre, Wellington will be poorly placed to take advantage of the opportunities created by the Government's investment.

The proposal

- A convention centre of approximately 6,000 square meters with the entrance and reception areas on the ground floor off Cable Street and the main conference areas on level 2).
- Located in the heart of the city's cultural, tourist and entertainment precinct close to hotels, restaurants and bars.
- The convention centre will include a large plenary area with adjacent exhibition areas.
- The floor spaces will be flexible and able to be divided into smaller spaces to host several events at once
- The main exhibition and networking areas will overlook Te Papa and afford views from an elevated level 2 position out into the Wellington waterfront.
- The centre will be capable of hosting up to 1100 people in conventions, 1380 for banquets, and 2250 in theatre-style seating
- The location directly opposite Te Papa affords the opportunity of jointly hosting larger conventions
- Co-located with an international quality Movie Museum
- Providing a laneway connecting Wakefield Street and Cable Street and another route to and from the waterfront and Te Papa.
- The convention centre will be operated by Positively Wellington Venues.

Potential ongoing economic impacts of new convention centre

Sources: BERL, MBIE

Current situation	Potential losses under 'do nothing' option ⁵	Potential gains with a new convention centre
692,000	- 61,102	+ 62,450
Delegate days		
\$146m	-\$12m	+ \$32m
Annual spend		
\$76m	-\$6m	+ \$17m
Annual GDP		
1,000	- 85	+ 225
Jobs		

Sources: BERL, MBIE

⁵ Source: BERL – Under a 'do-nothing' scenario BERL estimate the city will lose market share of between 4 and 17 percent. The figure shown represents the likely loss of 8% of market share.

Advantages of locating them together

Having the Movie Museum and the convention centre on one site will maximize the impact of both for the city, and also bring significant benefits to the surrounding area and nearby attractions.

- *Increased business:* The convention centre will benefit from being able to offer a unique point of difference – a movie experience in the same building. This will significantly enhance the convention centre’s appeal as a conference destination. The Movie Museum will benefit from a steady flow of conference visitors and accompanying partners and their potential return as tourists.
- *Partnership opportunities:* The Movie Museum and the convention centre will have opportunities to work together on joint marketing campaigns, utilizing spaces for functions and temporary exhibitions.
- *Relationship with Te Papa:* Both facilities will benefit from their immediate proximity to Te Papa. Having a ‘cluster’ of cultural attractions will be likely to increase visitor numbers to both museums. There may be opportunities for Te Papa and the convention centre to host large conferences together. And there may be opportunities for The Movie Museum and Te Papa to work together on joint exhibitions.
- *Cost-effectiveness:* Locating the convention centre and The Movie Museum in one building means building and land costs are shared over both projects.
- *Prospect of completion:* Both of these projects are important for the city. Wellington City Council has explored several options for bringing them to fruition. The current option – developing both facilities together – has by far the greatest prospect of success.

Why they’re better together

This proposal is unique. It allows us to deliver two key projects in a way that amplifies the benefits and impacts of both. There is no comparable facility of its kind in New Zealand or Australasia.

The convention centre and The Movie Museum will clearly both benefit from being in the same building.

The ability to provide a unique experience is important to conference organisers. The convention centre will offer a unique point of difference for delegates – a movie experience in the same building. The proposed combination will differentiate Wellington as a conference destination based on the conference experience rather than a more conventional service offering.

That point of difference is further enhanced by the site, opposite Te Papa and in easy walking distance of numerous art galleries, entertainment venues and our waterfront. The location for the combined proposal is ideal and there are no better suited sites in the City.

The convention centre, in turn, will provide a steady stream of visitors to The Movie Museum.

In addition, combining these two projects provides better value for money. The costs of land and building will be shared, and there will also be opportunities for joint marketing campaigns and other ongoing operational savings.

INDUSTRY SOUNDINGS

Wellington City Council has sought feedback from various industry experts about the two projects, and the feedback has been overwhelmingly positive.

There is general agreement that The Movie Museum will make Wellington a significantly more attractive visitor destination – adding another major “must see” attraction alongside Te Papa. This is important given the growth in the NZ tourism industry which is now the number one export earner for the country and it is important Wellington benefits from this important sector of the economy.

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There is also widespread agreement that locating The Movie Museum and the convention centre together will help to maximize the impact of both.

Tourism, hospitality, and film sector leaders see this as an opportunity to create an iconic offering that will boost Wellington’s profile and attract visitors in greater numbers.

OPTIONS

The Council has previously explored options for delivering a movie museum and convention centre as separate projects.

During 2014, we considered a partnership with a private developer to establish a Hilton hotel and convention centre on the Cable Street site. In this partnership Council would have leased the convention centre on a long term basis from the developer. However, satisfactory commercial terms were unable to be secured.

Council however believe that the Cable Street site remains the perfect location for a convention centre development and through 2015 explored new options to develop the site and bring these projects to fruition. In December 2015 Council acquired the Cable Street site.

The current proposal is by far the best of those options. It is superior to the proposal in the long term plan and those evaluated since in terms of return on investment and potential economic and cultural benefits to the city.

In comparison to the previous hotel/convention centre scheme this new proposal does not deliver much needed additional hotel rooms to the city. However the demand created by the combined Movie Museum and Convention Centre is expected to stimulate investment by the hotel sector without further public involvement.

How the proposal will be funded

Financial responsibilities

Wellington City Council will be responsible for the building, including its construction and associated construction cost risk, funding and the fit out of the convention centre. However delivery of the construction project itself will be managed by Wills Bond.

The Council will also be responsible for ongoing operation of the convention centre and all of the associated financial revenues and costs. It is intended that the convention centre will be operated on behalf of Council by Positively Wellington Venues, part of the Council Group.

The Movie Museum Ltd will be responsible for the fit-out of the museum and its ongoing operation, and will pay an annual lease fee to the Council.

Capital costs

The total cost to the Council to deliver the film museum and convention centre including land, building, and full fit-out of the convention centre is \$134.4 million. This comprises:

- land – \$21.5m (which has already been acquired)
- building – \$107.9m
- convention centre fit-out – \$5.0m

This would be funded through Council borrowing. Capital renewals have been factored into the project's long run costs and borrowing requirements.

Pre-opening costs

There are a range of costs that will be incurred prior to the opening of the convention centre and Movie Museums totaling \$5.9 million over three financial years before opening.

These costs are predominantly the interest costs incurred through the construction phase and some pre-opening costs, such as marketing and training, for the convention centre that are not able to be capitalized.

Building ownership costs

The Council's ongoing operating costs will be in relation to the ownership of the building and include interest, depreciation, building insurance and rates.

These costs will average at \$10 million per year over first 10 years, or \$9.3 million per year over 25 years on an inflation adjusted basis. These costs will be offset by a range of income streams.

Net Operating income

The Council will receive ongoing income from:

- The Movie Museum Ltd annual lease over the 25 year term of the lease
- The convention centre net operating surpluses, this is the surplus after all of the costs of operating the convention centre have been offset against the convention centre operating revenues.
- The convention centre naming rights revenues.
- Additional rates income from the development, to the extent that rates are payable on the building in excess of the current rates for the site.

Net operating Income will average \$5.9 million per year over the first 10 years, or \$7.0 million per year over 25 years on an inflation adjusted basis.

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To the extent that the Net Operating Income does not offset the Council Building ownership costs then the difference would be funded from rates. This represents the net cost to ratepayers from the proposal.

Net cost to ratepayers

The expected net cost is made up of the pre-opening costs, the building ownership costs less the net operating income.

The annual net cost to be funded from rates totals \$5.9m in the pre-opening phase, and will then average \$4.1 million per year over the first 10 years of operation, and \$2.3 million per year over 25 years on an inflation adjusted basis.

The rates funding requirement reduces over time as interest costs reduce in line with the reduction in borrowings and as the expected net operating surpluses from the convention centre increase.

The table below shows the year on year profile of the Net Cost to ratepayers.

	Pre Opening	LTP Period 2015/16 - 2024/25							Yr8	Yr9	Yr10	10 year Average	25 year Average	
		2016-2018	2019	2020	2021	2022	2023	2024						2025
Building Ownership Costs	5.6	10.5	10.4	10.3	10.1	10.0	9.9	9.8	9.7	9.6	9.5	10.0	9.3	
Less: Net Operating Income/(Loss)	-	0.3	3.3	4.1	4.9	5.7	6.2	6.6	6.7	6.9	7.0	7.2	5.9	7.0
Net cost to ratepayers		5.9	7.2	6.3	5.3	4.5	3.8	3.3	3.1	2.8	2.5	2.3	4.1	2.3

Full financial analysis of the proposal is included in the business cases which are available online.

How the proposal differs from the 2015-2025 long-term plan

Both The Movie Museum and the convention centre are already included in the Council's 2015-25 Long Term Plan. However, there are some differences from the current proposal and require the long term plan to be amended, these are summarised below. Full details of the LTP amendments and financial comparisons are available online..

The convention centre

- In the long-term plan it was that the convention centre would be built by private investors, with the Council taking on a long term lease (20+ years) and sub-leasing to a third party operator – under the new proposal Council will build and own the building in which the convention centre will be located.
- Council therefore had no capital costs to fund under the long-term plan. Under the new proposal, Council will fund the estimated \$65.6m of capital costs attributable to the convention centre through increased borrowings.
- The convention centre was anticipated to be part of a development incorporating a hotel and managed by the hotel with Council receiving any Net operating surpluses, after all operator costs. Under the new proposal there is no hotel and it is intended that PWV will operate the convention centre on behalf of Council. Instead of receiving the net operating surplus from a third party operator, Council will receive all of the Net operating surplus (or deficits)

through PWV and will account for all of the revenues and expenses of the convention centre.

- The fit-out of the convention centre will be the responsibility of Council and \$5m has been budgeted to meet the costs of furniture, fittings and equipment. Under the previous proposal, these costs were met by the developer and were incorporated within the convention centre lease charge to be paid by Council.

The Movie Museum

- Within the long-term plan construction of The Movie Museum was planned to start in 2021/22, rather than 2016/17 as now proposed. This is the result of being able to combine the Movie Museum with the convention centre on the same site and deliver the project earlier than planned.
- \$30 million of capital expenditure for the Movie Museum was provided in the long term plan, funded by Council borrowings with no lease income planned. Under this proposal, the Movie Museum component of the new building is budgeted at a higher capital cost of \$68.8 million. The increased costs reflects a larger scale facility and represents the nature of the proposal whereby Council builds and owns the facility and The Movie Museum lease it and pay an annual lease fee.

- The full costs of building ownership are now reflected in the proposal and are offset by lease income from the 25 year lease to TMML which was not factored into the long term plan.

A more efficient use of Council funds

The current proposal has higher initial net operating costs than forecast in the long-term plan budgets, however it will cost less in the long term.

This proposal brings together the financial strength of the Council which is able to borrow and fund long term asset ownership on significantly better terms than private investors and the strengths of the private sector in managing and delivering a large development project. This combination provides a materially better financial outcome for Council over a 25 year period and beyond compared to PPP schemes or alternative long term lease arrangements.

The project risks also change. Under the proposal the primary risks are construction and building ownership risks for a larger project, whereas under the long term plan the major risks were related to long term lease commitments and automatic rent reviews for the convention centre. The whole area of risks is covered in more detail on page **XX**.

Financial impacts - current proposal v long-term plan

Under the previous proposal, included in the Council's 2015-25 long term plan the net operating spending on the two projects was forecast at \$33.2m over the long term plan period and \$156.5m when extrapolated

over 25 years of operation beyond the long term plan period on an inflation adjusted basis.

Under this proposal, operating spending on the two projects is forecast at \$44.6m over the same long term plan period and \$86.3m over 25 years of operation on an inflation adjusted basis.

This results in an operational cost increase over the long term plan period of \$11.4m which is primarily due to bringing The Movie Museum forward from 2021/22 to 2016/17. However, the proposal delivers significant savings in the long term compared to the previous proposals and also brings forward the associated economic benefits.

	Long term plan	Current proposal
The Movie Museum	\$7.6m	\$15.7m
Convention centre	\$25.6m	\$28.9m
Combined	\$33.2m	\$44.6m

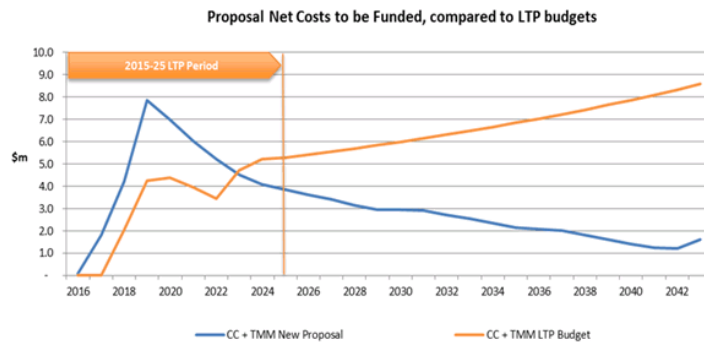
LTP period operational spending forecast 2015-2025

	Previous plan ²	Current proposal
The Movie Museum	\$49.2m	\$25.6m
Convention centre	\$107.2m	\$60.7m
Combined	\$156.4m	\$86.3m

25-year operational spending forecast 2015-2043

²Based on the LTP costs then extrapolated beyond out to 25 years

The graph below illustrates the variance between the current proposal and what was included within the long-term plan, this is shown as being within the 2015-25 LTP Period. The graph also shows the impact of the proposal over the 25 year term which aligns with the lease term of the Movie Museum. Beyond 2025 the LTP budgets shown are based on an extrapolation of what was included in the LTP.



The new proposal requires an increase in the level of capital expenditure compared to the way these projects were planned to be funded in the long-term plan. The total capital expenditure required to deliver the proposal is \$134.4m compared to the amount of \$30.0m which was provided in the long-term plan. This is driven by two factors:

Firstly, the convention centre is now planned to be built and owned by Council whereas in the long-term plan the assumption was that the convention centre would be built and owned by private investors and Council would lease this on a long term lease.

And secondly, the capital expenditure related to the Movie Museum has increased from the \$30.0m included in the long-term plan. This is due to the scale of the museum and reflects the full gross capital cost of the museum. This increase in capital expenditure is largely offset by the lease income received from TMML, the long-term plan did not contemplate a lease revenue stream.

The table below sets out the changes in capital expenditure for the proposal from the long-term plan as a result of this proposal.

\$ million	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	TOTAL
Capex LTP	-	-	-	-	-	4.3	17.5	7.8	-	29.6
Capex New	21.5	53.9	58.9	-	-	-	-	-	-	134.4

The capital expenditure requirement for the proposal will be funded by an increase in Council borrowings. Accordingly, there will be a change in the Council borrowing profile compared to the long-term plan.

Council borrowings will increase as a direct result of the increased capital expenditure and thereafter it is assumed that depreciation will be used to reduce borrowings.

The table below sets out the changes in Council borrowings from the long-term plan as a result of this proposal.

\$ million	2015/ 16	2016/ 17	2017/18	2018/19	2019/20	2020/ 21	2021/22	2022/ 23	2023/ 24	2024/25
Borrowing	416.	492.	570.2	623.6	636.5	651.	732.9	763.	780.	806.6
s LTP	2	0				3		1	0	
Borrowing	437.	567.	704.5	755.1	765.1	772.	834.0	854.	869.	893.4
s Proposal	8	4				8		2	0	

Impact on rates – year on year

While the overall impact on rates will be within the rates limits set within the Financial Strategy, the rates requirement compared to the LTP will differ on a year to year basis and in turn this will flow through into the overall rates increases.

In order to ensure that rates increases during the early years remain within the levels established in the Council’s Financial Strategy as set out in the Long-Term Plan, \$3.9m of funds from the Wellington Economic Initiatives Development Fund (WEID) have been allocated to the new museum/convention centre project. The funding that has been allocated from WEID to this project is \$1.8m in 2016/17 and \$2.1m in 2017/18 and will offset the pre-opening costs in those years.

The Wellington Economic Initiatives Development Fund was included in the long-term plan with a budget of \$3m per year plus inflation. The funding allocated from WEID will no longer be available within the fund, however the purpose of the fund will still be achieved with respect to the generation of new GDP and jobs for Wellington.

The following table shows the rates funding requirement for the proposal and the change compared to the LTP and also the resulting consequential annual rate changes compared to the LTP.

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\$ million	2015/ 16	2016/ 17	2017/ 18	2018/ 19	2019/ 20	2020/ 21	2021/ 22	2022/ 23	2023/ 24	2024/25
Rates LTP	-	-	2.1	4.2	4.4	3.9	3.4	4.7	5.2	5.3
Rates Proposal	-	1.8	4.2	7.8	7.0	6.0	5.2	4.5	4.1	3.9
Change	-	-1.8	-2.1	-3.6	-2.6	-2.1	-1.8	0.2	1.1	1.4
WEID Fund Allocation	-	1.8	2.1	-	-	-	-	-	-	-
Net Rate impact	-	-	-	-3.6	-2.6	-2.1	-1.8	0.2	1.1	1.4

%	2015/ 16	2016/ 17	2017/ 18	2018/ 19	2019/ 20	2020/ 21	2021/ 22	2022/ 23	2023/ 24	2024/25
Rates LTP %	4.9%	3.6%	5.1%	5.8%	2.5%	4.0%	3.0%	2.9%	4.1%	2.0%
Rates Proposal %	4.9%	3.6%	5.1%	7.0%	2.2%	3.8%	2.9%	2.4%	3.8%	1.9%

Over the term of the LTP there will be a total increase in the rates requirement of \$7.4m⁶, this is largely the impact of bringing the Movie Musuem project forward.

⁶ Equivalent to the \$11.4m net operational cost increase referred to on page xx less the impact of the allocation of funding from the WEID Fund.

How the rates requirement will be funded

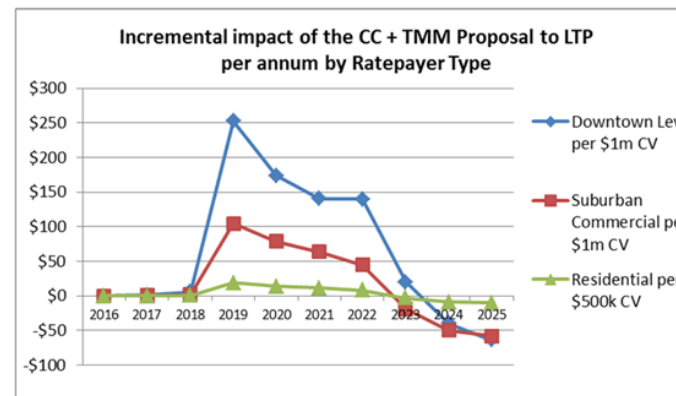
The rates funding required for the convention centre will be in accordance with the Council’s Revenue and Financing Policy as set out in the Long-term Plan. That is, 60 percent comes from general rates and 40 percent from the downtown levy.

The Revenue and Financing policy in the Long-term plan for the Movie Museum is that the activity is 100% funded by general rates through the Major Projects Activity (3.1.6). It is proposed that the costs of the Movie Museum are now funded through the existing Activity 4.1.1, Museums and Galleries, whereby 75 percent comes from general rates and 25 percent from the downtown levy to better reflect where the benefits will accrue.

The downtown levy is a rate on central city businesses, which recognizes the benefit to them of Council-funded central city facilities.

General rates are made up of residential rates (55 percent) and business rates (45 percent).

The following graphs show the impact these changes have on rates by ratepayer type.



Impact on Council Financial Strategy - Debt levels

This proposal will require the Council to take on more debt that had been budgeted under the 2015-25 Long-term Plan. That is because, under this proposal:

- (a) the Council (not private investors) will be funding the costs of building the convention centre
- (b) construction of The Movie Museum will be brought forward, and the initial capital cost will be higher than previously anticipated.
- (c) The increased costs of the movie museum reflect a larger complex with offsetting long term lease revenues

The proposal can be funded within the Council’s Financial Strategy as set out in the long-term plan which sets a debt limit of 175% of operating

income. Under the proposal debt levels reach a peak of 153% before reducing over time.



	3 year average 2015 to 2108	10 year average 2015 to 2025
2015-25 LTP	4.5%	3.8%
Proposal ⁷	4.5%	3.8%

Average rates increases after growth

Impact on Council Financial Strategy – Rates Limits

The proposal will have very little impact on the overall rates requirements and average rates increases over time. The proposal and consequential changes to the long term plan remain compliant with the Financial Strategy set as part of the 2015-25 long-term plan.

The table below shows the average rate increases within the long-term plan compared to the revised rates increases resulting from this proposal. On this basis the proposal can be delivered within the Council Financial Strategy.

⁷ After allowing for funding from the WEID fund discussed under Impact on rates – year on year

This is a once in a lifetime opportunity to swiftly deliver not one but two major projects and to improve the economic and cultural life of our city for years to come.

Risks

While these projects were included in the long-term plan the risk profile associated with this proposal differs in a number of key areas. Under the proposal:

- Council will operate the Convention Centre through PWV rather than a third party operator; and
- Council would own the proposed building rather than the long-term lease of the convention centre.

The table below sets out the major risks and risk mitigation, further information and discussion of the risks is contained within the business cases which are available online.

Risk	Risk Description	Risk Mitigation
Site not being available	The proposal is dependent on the selected site on Cable and Wakefield Streets being secured	<ul style="list-style-type: none"> Council has secured unconditional agreements to acquire these sites
Construction risk	Construction risk is the risk that the cost of the build project exceeds the budgeted amounts as set out in the proposal. Under this proposal all construction risk is a risk for Council.	<ul style="list-style-type: none"> The development project will be managed by Willis Bond who are familiar with the proposal having worked on the master-planning and are experienced development managers. The costs have been thoroughly worked up and cross checked by independent QS The construction cost estimates incorporate a 20% contingency which reflects the early stage of design.
Funding risk	The proposed building will be funded through Council borrowings. As such there is a risk that interest rates could increase above the levels assumed in the business case	<ul style="list-style-type: none"> The exposure to adverse movements in interest rates will be managed through a programme of hedging.
Operational risk – Convention Centre	Under the proposal the operations of the convention centre will be undertaken by PWV. Therefore the risk that forecast operating surpluses are lower than assumed in the business case is a Council risk	<ul style="list-style-type: none"> The event forecast and revenues have been independently assessed The key risk mitigation is around ensuring the quality operational management supported by strong marketing. This will be achieved through the appointment of PWV, the connection through WREDA and sufficient funding being available for marketing.
Operational risk – Movie Museum	Under the proposal the operations of the Movie Museum will be undertaken by TMML. Council will not be directly exposed to any operational risk from the Movie Museum. However in the event that the Movie Museum proves to be financially unsustainable then the Council lease revenues may be at risk.	<ul style="list-style-type: none"> The parties involved with TMML are highly credible Significant work has been undertaken to assess visitor projections and market testing The lease arrangements will include a form of lease guarantee that provides run on lease payments in the event the Movie Museum ceased to operate. A range of options would be available for alternative uses of the building
Contractual risk	A range of contractual arrangements will need to be completed before the project can be confirmed. The key risk is around the finalisation of the agreement to lease with TMML, until finalised this remains a key risk to the project going ahead	<ul style="list-style-type: none"> A formal term sheet agreeing the key terms of the lease arrangements with TMML has been executed and will form the basis of the agreement to lease.

Impact on existing facilities

Wellington has no other facilities capable of meeting market demand for conventions of 800+ people. Some of the city's conference/banquet facilities are currently closed for earthquake strengthening and are likely to be re-purposed.

The Movie Museum is unique and will have no direct competitors in New Zealand.

While the convention centre is likely to attract existing business away from current venues from a city-wide perspective the impact on other venues or visitor attractions should be more than offset by these projects bringing more visitors and events to the city.

The consultation process

Previous consultation

The Council has already consulted extensively about The Movie Museum and the convention centre as separate projects:

- in our 2015-25 long-term plan
- in our consultation over the previous convention centre proposal involving private investment undertaken in July/August 2014

Public and stakeholder feedback has been positive for both projects.

The Council did not consult before buying the Cable/Wakefield Street site which will be used if the current proposal is adopted.

That was because the option to buy was open for a very limited time. If this proposal is not adopted, the land can be sold or used for another development.

Current consultation

As this is a variation to how these projects were planned to be delivered in the Long-Term Plan and represent a relatively significant proposal, we are conducting a new round of consultation on the proposal and the consequent impact on the Long-Term Plan and required amendments.

We are seeking public views, as well as engaging intensively with key stakeholders in the tourism, hospitality, business, research, and film worlds.

For full copies of the business cases and LTP impacts please refer to our website xxx. The business cases will be redacted to remove any information that remains commercially confidential.

The next steps

If the Council and TMML agree to support a combined Movie Museum and convention centre on the Cable/Wakefield Street site, we would expect The Movie Museum and the convention centre to be open for business in late 2018 or early 2019.

Your views

Consultation is open from 15 February to 15 March.

Make a submission

- You can send written submissions to *[address]*
- You can also email submissions to *[address]*.
- Or you can make a submission online at *[address]*.

You can also discuss the proposal on Facebook at *[address]*.

[add any other options for submitting/participating]

If you make a written or online submission, you'll have an opportunity to present your views in person during March.

Council decision

The Council proposes to make a decision on this proposal in April/May.

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Should the Council support this proposal?

Is a combined Movie Museum and convention centre a good idea for Wellington?

Appendix 1 – Audit Opinion - Audit New Zealand

[Insert the Audit NZ audit opinion]

Placeholder for Attachment 2

**ITEM /16 Wellington Convention Centre And Movie
Museum Statement Of Proposal - Including
Amendment To The 2015-25 Long-Term
Plan.DOC**

**Funding and Financial Information - Not available
at the time of print and will be separately circulated**