

PUBLIC EXCLUDED

Item 3: Request from the Tasman Rugby Union (TRU)

Decision released from public excluded session			
Recommendation from (agenda report)	Date of meeting	Recommendation to (decision-making meeting)	Date of meeting
Council	19 Sep 2019	Council	19 Sep 2019
Report Title and number			
Request from the Tasman Rugby Union (TRU) – R10421			
Documents released			
Decision			
Resolved CL/2019/202			
<i>That the Council</i>			
<i>1. <u>Receives</u> the report Request from the Tasman Rugby Union (TRU) (R10421); and</i>			
<i>2. <u>Approves</u> support for the Crusaders game on 1 February 2020 as follows:</i>			
<i>a. A grant of \$20,000 in unbudgeted expenditure for the installation of temporary stands at Trafalgar Park; and</i>			
<i>b. A grant of \$6,200 in unbudgeted expenditure towards the cost of the ground hire and lights hire for Trafalgar Park.</i>			
<i>3. <u>Agrees</u> that Report (R10421) and the decision be released from public excluded business.</i>			
Skinner/Her Worship the Mayor			<u>Carried</u>

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Council

19 September 2019

REPORT R10421

Request from the Tasman Rugby Union (TRU)

1. Purpose of Report

- 1.1 To consider a request from the Tasman Rugby Union (TRU) in support of hosting a Crusaders rugby game on 1 February 2020.

2. Summary

- 2.1 The TRU has negotiated with the Crusaders (Super Rugby Franchise) to secure a Super Rugby game in Nelson. The game, Crusaders vs. Waratahs, is to be hosted at Trafalgar Park on Saturday 1 February 2020. The TRU expects a crowd of around 16,000, including 10,000 seated tickets, and general admission tickets (standing/embankment tickets).
- 2.2 The Chief Executive of the TRU, Tony Lewis, has written to Council requesting support for the cost of additional temporary stands at Trafalgar Park. This is in addition to the existing temporary stands at Trafalgar Park. The TRU also requests that Council waives the ground hire and light hire costs for the game. The value of support sought from Council is \$56,200. Of this, \$30,000 is available from the Events Fund, meaning that Council approval is required for the balance of \$26,200.

3. Recommendation

That the Council

1. ***Receives the report Request from the Tasman Rugby Union (TRU) (R10421); and***
2. ***Approves support for the Crusaders game 1 February 2020 as follows:***
 - a. ***A grant of \$20,000 in unbudgeted expenditure for the installation of temporary stands at Trafalgar Park; and***

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b. A grant of \$6,200 in unbudgeted expenditure towards the cost of the ground hire and lights hire for Trafalgar Park.

3. Agrees that Report (R10421) and the decision be released from public excluded business.

4. Exclusion of the Public

4.1 This report has been placed in the public excluded part of the agenda in accordance with section 48(1)(a) and section 7 of the Local Government Official Information and Meetings Act 1987. The reason for withholding information in this report under this Act is to:

- Section 7(2)(i) To enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)

5. Background

5.1 Crusaders' Chief Executive Officer (Colin Mansbridge, CEO) has said that the Crusaders are excited to return to Nelson, following the success of the game that was hosted in Nelson on 29 May 2015. The game will be the first Super Rugby game of the season for the Crusaders, and will be televised to a live audience. The game has not yet been publicly announced and therefore this report is in Public Excluded until negotiations have been finalised and an announcement made by the Crusaders/TRU. The TRU anticipates that tickets will go on sale by 1 November 2019.

5.2 The Nelson Regional Development Agency estimates an economic impact of around \$3.8m across the region, including Tasman. This is based on 40% of the attendees to the game residing outside Nelson (i.e. 5,900 NZ visitors and 100 from Australia). It is expected that for major events visiting attendees would stay at least one night in the city.

5.3 The budgeted cost for the installation of the temporary stands and ground and light fees is an estimated \$56,200. The Economic Development Committee (EDC) advises that it has \$30,000 earmarked for a top level rugby game in early 2020. The TRU is to apply to the EDC for this funding. The balance of \$26,200 is now sought by the TRU from Council for the event.

5.4 As is normal for such events, approval for exclusive use of Trafalgar Park will be sought from the Chief Executive and considered in accordance with section 53 of the Reserves Act.

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6. Discussion

Temporary Seating

- 6.1 The TRU requires 10,000 seats for the game. Currently at Trafalgar Park, there are 1,800 seats in the East Stand and 4,640 seats in the temporary stand, a total of 6,440 seats in situ. Therefore an extra 3,560 seats are required to make up the shortfall.
- 6.2 At Saxton Oval, there are two stands with a total of 1,200 seats. The stands would need to be deconstructed and relocated to Trafalgar Park. After the game, the seats are to be reinstated back on site at Saxton Oval.
- 6.3 Additional temporary seats will be required to make up the shortfall. The TRU has been in contact with Good Sports Motueka, which owns around 2,500 temporary seats. These seats are currently in storage. The TRU will negotiate with Good Sports Motueka to hire the seats, however there will still be costs associated with transport and installation.
- 6.4 The exact configuration of the additional temporary seating is yet to be determined, but the intention is to construct some of the temporary seating on either side and in front of the East Stand (similar configuration to the All Blacks match in 2018).
- 6.5 It has also been indicated by the TRU that they may wish to erect a stand at the southern end. If the Bay Dreams stage is still in place, the TRU will build around it.

Ground Hire and Lights Fee

- 6.6 The TRU requests that the ground hire fee is waived. The ground hire fee is \$5,600 plus the additional cost for lights, at approximately \$600. Therefore the total for ground hire and lights is \$6,200.
- 6.7 Waiving the ground hire fee and lighting (\$6,200) should be considered as a grant. If approved, this will be recorded as such in the general ledger rather than as a reduction in revenue.
- 6.8 Applying to Council's venue hire fund for this portion of the request is not considered an option, because the event does not fit the criteria (ie, fully commercial).

City Activation: Nelson Anniversary Weekend

- 6.9 The game will be played on the Saturday during Nelson Anniversary weekend at 7.35pm. The game will coincide with the Trafalgar Street Market Day and Buskers Festival, hosted by Uniquely Nelson. Hosting the Crusaders game on the same day as the city activation will encourage rugby supporters into the city earlier than otherwise. This will be a big weekend for locals and tourists alike, typically drawing around 12,000 -15,000 people over four days (rugby attendance aside). The

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biggest day is expected to be Saturday 1 February with the Trafalgar Street Market Day and the Buskers Festival combined. The city will be activated pre-game, with an array of entertainment options for both spectators and the general public.

- 6.10 Uniquely Nelson each year works in conjunction with the Buskers Festival to activate Nelson City over the Nelson Anniversary weekend. Uniquely Nelson is supportive of hosting the Crusaders event and is looking at adjusting their overall marketing for the annual Trafalgar Street Market Day to be fully inclusive of the Crusaders coming to Nelson City on 1 February. They have advised that they would market and support the weekend through Uniquely Nelson's online platforms and radio advertising.
- 6.11 The NRDA also advises it will promote and support the Crusaders event through their channels, including in the main promotional regions, Auckland, Wellington and Christchurch.

Festival Times and Road Closures

- 6.12 The TRU will require road closure for the game, but that application has not yet been made. There is enough time following the election to present the road closure application to a Hearings Panel for approval, however if there is a delay it will be necessary to refer the matter to a Council for decision.
- 6.13 In regard to the other events taking place that weekend, the following road closures are to be presented for approval to the Hearings Panel on 5 September 2019:
- 6.13.1 Trafalgar Street Market Day will take place on Trafalgar Street, between Bridge Street and Hardy Street from 9.00am to 3.00pm on 1 February 2020. Stalls will come down and be cleared by 5.30pm.
- 6.13.2 The Buskers Festival on Upper Trafalgar Street will run from 10.30am to 3.00pm and again from 6.00pm to 8.30pm on 1 February 2020.
- 6.13.3 Trafalgar Street will be closed on 1 February 2020 from Selwyn Place to Bridge Street from 5.00am to 6.00pm.

7. Options

Option 1: Approve request from the TRU to support the Crusaders game (recommended option)	
Advantages	<ul style="list-style-type: none">• The game will bring economic benefits to Nelson City, especially for the hospitality and accommodation sectors.• The game will be televised to a worldwide live audience.

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	<ul style="list-style-type: none">• There is an opportunity to build on the back of the Trafalgar Street Market and Buskers Festival.• Nelson City has the opportunity to showcase Trafalgar Park again as a first class venue.
Risks and Disadvantages	<ul style="list-style-type: none">• Financial support would be an unbudgeted expense.• Staff resources required to support delivery.• Further stands would need to be acquired from an outside provider (Good Sports Motueka).
Option 2: Status quo – no financial support to the TRU for Crusaders game	
Advantages	<ul style="list-style-type: none">• No impact on budgets and the ratepayer.• Staff resources will not be required to support delivery.
Risks and Disadvantages	<ul style="list-style-type: none">• There may be a risk of not attracting further games in the future.• Regional economic benefits and media profile will not be realised.• Trafalgar Park will not be utilised for this opportunity.

Author: Gary Alsop, Team Leader Facilities

Attachments

Nil

Important considerations for decision making

1. Fit with Purpose of Local Government

The approval for financial support for the Crusaders game will bring economic benefit to Nelson, and will also provide the opportunity for residents and visitors to attend a major sporting event.

2. Consistency with Community Outcomes and Council Policy

Support for the Crusaders game contributes to the following community outcomes:

- Our communities have access to a range of social, educational and recreational facilities and activities.
- Our Council provides leadership and fosters partnerships, a regional perspective, and community engagement.

3. Risk

Total Council input is estimated to be \$56,200. This is mitigated by the fact that most of the funding will come from the Events Fund, however the balance will be unbudgeted expenditure. The potential regional economic benefits are estimated by the NRDA to be \$3.8m.

4. Financial impact

This is an unbudgeted expense of \$26,200. Internal staff time will be required to support delivery of the event.

5. Degree of significance and level of engagement

This matter is considered as a low level of significance because it will not change Council's levels of service or service delivery and will have a temporary impact. The impact to the community is low if the recommendation is accepted.

6. Inclusion of Māori in the decision making process

No engagement with Māori has been undertaken in preparing this report.

7. Delegations

The decision relates to recreation, leisure, facilities and services, including sport fields and business, economic development and tourism. Responsibility for these areas falls across more than one committee. The matter is therefore referred to Council for decision.

It is also noted that the Chair of the Sports and Recreation Committee called for a report on this matter to the Council in his Chairman's Report on 20 August 2019.

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