

### 3. CANTERBURY CAR CLUB TRACK HIRE CHARGES RR 10206

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Corporate Plan Output: Consents Sub Output Leases (9.4.8)	

The purpose of this report is to submit an application from the Canterbury Car Club to increase hire charges by approximately 5% for Ruapuna Raceway for the 1999/2000 season. The management committee believes that the increase is necessary to address such factors as inflation, the ongoing costs of complying with continuing changing safety requirements, reserve funding for future maintenance and the need to maintain a high standard of presentation.

The club has indicated it has consulted with the major users of the facilities in accordance with the requirements of their lease. Not all major users were happy with the increase proposed because of the increase costs to their clubs. However the Canterbury Car Club need to be able to continue to maintain and develop Ruapuna as an internationally recognised racing circuit which currently enjoys premier status in New Zealand Motor Sport. To maintain this status it is necessary for the club to continue with its capital development programme of upgrading facilities for patrons and sports participants alike.

The club also needs to service a loan for capital improvements already completed e.g. construction of the control tower. The club has four main sources of funding for the maintenance and capital development programme i.e. track hire charges, spectator gate takings, grants and loans for capital items. The Management Committee believe that track and facility hirers need to pay a fair contribution towards the total operational budget of Ruapuna, and consider that small annual increases in the charges need to be made to obtain fair recompense for the use of the facilities. The current charges, and the proposed charges for the 1999/2000 year are as follows:

<b>Commercial Hire</b>	<b>Current Charges</b>		<b>Proposed Charges</b>	
Mon, Wed, Thurs	Half day \$300	half circuit \$550	full circuit \$320	half circuit \$580
	Full day \$500	half circuit \$1,100	full circuit \$525	half circuit \$1,160
Sat or Sun	Half day \$500	half circuit \$900	full circuit \$525	half circuit \$950
	Full day \$900	half circuit \$1,800	full circuit \$950	half circuit \$1,900
<b>Event Hire</b>	<b>Current Charges</b>		<b>Proposed Charges</b>	
Club level (non-promoted)	Half day \$350	half circuit \$500	full circuit \$370	half circuit \$600
	Full day \$500	half circuit \$850	full circuit \$525	half circuit \$900
Promoted (subject to approval)	Half day \$500	half circuit \$850	full circuit \$525	half circuit \$900
	Full day \$850	half circuit \$1,500	full circuit \$900	half circuit \$1,580

<b>Extras</b>	<b>Current Charges</b>	<b>Proposed Charges</b>
Clubrooms	\$55 per day	\$60 per day
Bar	By arrangement	By arrangement
PA System	\$875 per day	\$710 per day
Control Tower	included in circuit hire	included in circuit hire
Timing Room	\$50 per day	\$55 per day
Brooms, cement etc	At cost	At cost
Pit power outlets	\$ TBA	\$ TBA
Hand Held Radios	\$18 per radio per day (base sets included with control tower)	\$19 per radio per day (base sets included with control tower)

All prices exclude GST.

The club is retaining individual hire charges at the current level for the 1999/2000 season.

**Recommendation:** That the application by the Canterbury Car Club to increase charges for the use of Ruapuna Park for the 1999/2000 season be approved.