

8. CANTERBURY CAR CLUB TRACK HIRE CHARGES

RR 10206

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The purpose of this report is to submit an application from the Canterbury Car Club to increase hire charges for Ruapuna Raceway for the 1999/2000 season. The increase proposed is approximately 5%. 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 as per clause 16 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 running the most significant events, e.g. the NZ Grand Prix, the PDL Classic Motor Race, and the Wigram Revisited meetings, all of which attract large numbers of visitors to Christchurch with the associated economic benefits benefiting the Christchurch community as a whole.

Statistics presented in a recent funding application made to the Metropolitan Grants Committee indicate that the track is well used throughout the season. The statistics are attached for Councillors' information.

Ruapuna Raceway is a community asset for motor sport in Canterbury, whilst also being of international standard, thereby attracting international race meetings. To enable the club to maintain its present status it will be necessary for the club to continue with its capital development programme of upgrading facilities, for patrons, and sports participants alike. Further capital work the club wishes to undertake in its upgrading programme is:

- extending the spectator banking
- providing spectator seating
- the planting of more trees (with associated irrigation, this will be especially important with the new quarry development to the north of the site)
- further training of personnel as track marshals etc
- continue with the track refurbishing programme (it appears some significance expenditure on this item will be required in the short term to maintain safety standards).

The club also needs to service a loan for capital improvements already completed e.g. construction of the control tower etc. The club has four main sources of funding to fund its maintenance and capital development programme at Ruapuna Raceway 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 therefore believe that small annual increments in the charges need to be made to obtain fair recompense for the use of the facilities. A schedule of both the 1998/99 approved charges, and the proposed charges for the 1999/2000 years will be tabled at the meeting.

Recommendation: That the application by the Canterbury Car Club to increase charges for the use of Ruapuna Park by 5% for the 1999/2000 season be approved.

Chairman's

Recommendation: That the above recommendation be adopted.