



# V8 Supercar championship SERIES

Street racing in  
central Wellington?  
Have your say

**Absolutely**

**POSITIVELY**

ME HEKE KI PŌNEKE  
WELLINGTON CITY COUNCIL

**Wellington**

## The Proposal

Wellington City Council is considering a proposal for the return of motor racing to the streets of the central city for the first time in nearly a decade.

The proposal is for the Council to host V8 Supercar street racing every April for seven years, starting next year. Each race event would be for three consecutive days, from midday Friday to Sunday. The event would be part of Australasia's premier motorsport series, and the Council has been approached by the Australian Vee-Eight Supercar Championship Organisation (AVESCO) to submit a proposal.

The proposed event is forecast to bring around \$23 million in new spending into the Wellington economy every year, and means the Council would need to raise about an extra \$2.5 million in rates each year of the race. It would also result in some disruptions to traffic, pedestrians and businesses in the vicinity of the race circuit.

We want to hear your views on the idea before City Councillors make a final decision on 5 May 2005.

**This brochure provides an outline of the proposal and explains how you can have your say.**

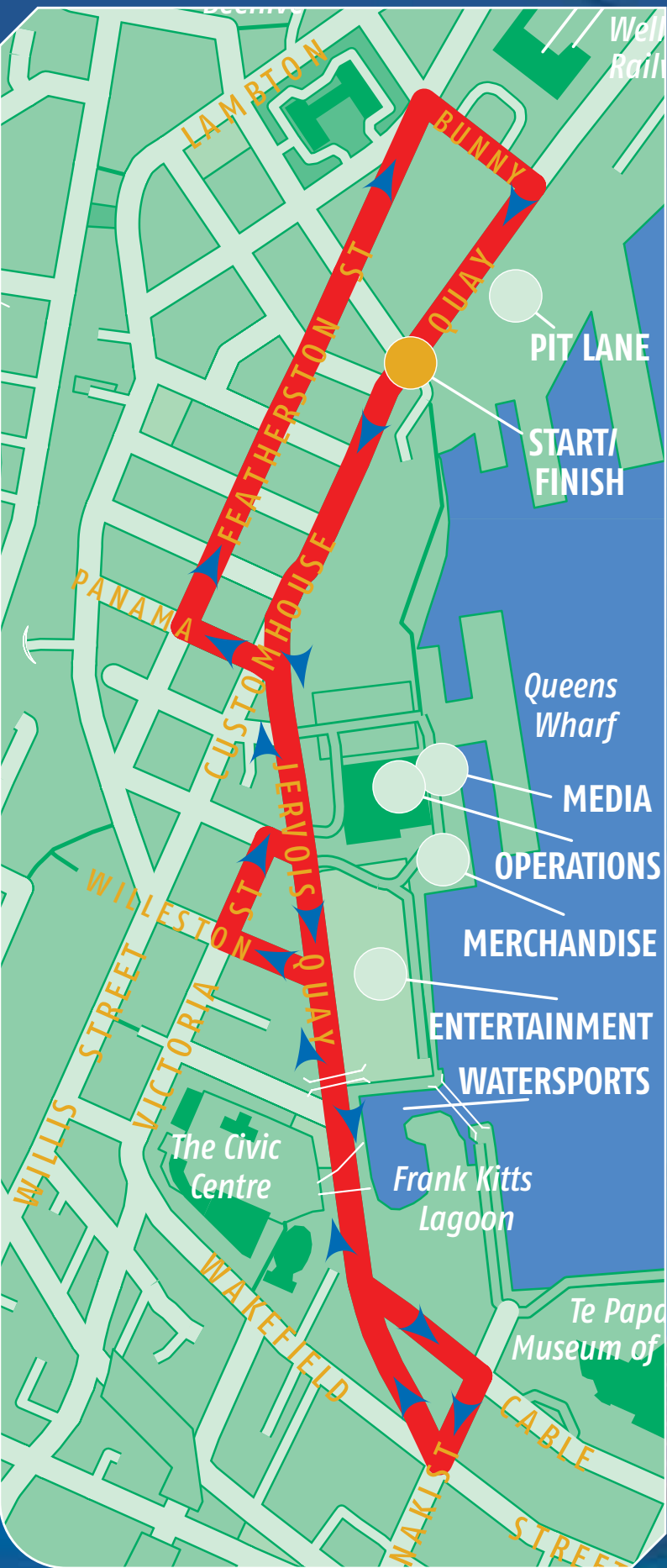
## Why are we considering the street race?

The Council has identified the proposal as its preferred option to contribute to its vision for Wellington to be the 'Events Capital of New Zealand'. The proposed event would fit with the Council's Events Strategy, which seeks an 'icon' event by June 2006 to provide continuing new income and international exposure for the city.

## The proposed street race circuit

The likely race circuit is illustrated on the race map (right). The actual street circuit, should this proposed be endorsed, might vary a little from that illustrated. An engineer's report commissioned by the Council has found Wellington City is a 'natural' for a street race, and that it is technically feasible to construct the proposed race circuit. Approval for the street circuit would have to be obtained from the Motorsport Association of New Zealand on behalf of the International Automobile Federation (FIA).





## What does the proposal require of the Council?

The costs to the Council of hosting the V8 street race would be the capital costs involved in constructing the race circuit; a fixed annual contribution to a race promoter to help run the event, and specific annual operating costs involved in setting up the street circuit for the event each year.

The race promoter would take all commercial risks and responsibility for running the event (tickets selling, race promotion, corporate sponsorship and so on).

The total cost to the Council is estimated to be an average of \$3.95 million each year. Of these costs, it is estimated that each year an average of \$0.65 million would be funded from external revenue (Government grants and external funding agencies) and \$0.8 million from existing related Council funds.

The balance – around \$2.5 million each year – would be funded through rates. This equates to a 1.6% increase in total rates for 2005/06.

## What does this mean for you?

The Council is considering a range of funding proposals that would have a varying impact on rates for different sectors of the community.

The table below outlines five options for how the Council might split the 1.6% rates rise across the city's ratepaying sectors, and how that might affect different ratepayers. The estimates are based on average property values for downtown, commercial, and everyone else (which includes residential ratepayers).

The Council has voted on option 5 as its preferred option, however this could change following consultation and would be subject to change each year of the event – when the Council votes on its Annual Plan.

Option	Share of rates			\$ rates increase for average capital value (see notes below table)		
	Down town	All Commercial	Everyone else – including Residential	Down town	All Commercial	Everyone else – including Residential
1	20%	80%	-	\$478	\$217	-
2	100%	-	-	\$1,084	-	-
3	-	59%	41%	-	\$353	\$17
4	40%	35%	25%	\$439	\$209	\$10
5	50%	40%	10%	\$542	\$239	\$4

- Average property values: Commercial (downtown only) \$1.973m, Commercial (all properties) \$1.631m, Everyone else (including residential) \$0.380m.
- Downtown commercial properties would also be liable for the general commercial rates increase
- Indicative rates increases are shown exclusive of GST.

## Economic impact

The race is expected to generate total new spending in Wellington of \$22.9 million each April. The immediate beneficiaries of this new expenditure would be restaurants, cafés and bars; commercial accommodation; retail shopping outlets; and general services purchased by teams, organisers, and ancillary services. The \$22.9 million figure relates to money coming in from visitors from outside Wellington – no spending from Wellingtonians is included.

In addition to new spending, there would also be a number of less-quantifiable benefits to be accrued from hosting the race, such as tourism growth, television exposure to large international audiences, and the build-up of local services and skills that support the race event.

## A sense of fun and vitality

Hosting the race would signal a return of motorsport to Wellington City for the first time in nearly a decade. For thousands of motorsport fans in Wellington, the event would provide a unique opportunity to watch high-class street racing. Events of this scale also add to a sense of excitement and vitality in the city – there would be a significant influx of visitors who come to be part of the event.

The Australian experience with V8 races points to a high proportion of families attending races, attendance from people across all ranges of income levels, and a growing proportion of female attendees and interest levels.

## Environmental impacts

The City Council's District Plan provides for a street race event as a permitted activity, within certain conditions that control the hours of operation and maximum noise levels. The race cars would generate considerable noise, but noise levels would have to be within the limits prescribed by the District Plan.



## Street closures

The event would require the closure of the streets used for the race, and in the surrounding area, to vehicle and pedestrian traffic. Pedestrian access to the race site, which includes the track itself and the surrounding perimeter area, would be restricted during the event to those with accreditation or entry passes.

The limited general public access to businesses within the event site would be balanced to some degree by the large numbers of race-goers and other pedestrians within the site. Individual negotiations with affected retailers and businesses would take place to seek to arrange suitable access. Every effort would be made by the event promoter to ensure negative effects were minimised.

## Building the track – and then dismantling it

Work on building the race circuit would begin a maximum of four weeks before the event, and dismantling would be completed up to three weeks afterward. There would be some limited disruption to traffic during the construction and dismantling phases.

## What other options did the Council consider for an icon event?

The Council has considered two other options for securing an icon event with significant, recurring benefits – to find an alternative to the V8 street race, or to develop a local event.

'Icon' events are limited in availability, usually bound by several-year contracts with host cities, and often not recurring in nature. It would be difficult to secure such an alternative icon event by June 2006.

While the Council actively supports growing local events – such as the Cuba Street Carnival and the Diwali Festival of Light – these take a long time to grow to 'icon' status with the level of economic benefit that the Council's Events Strategy is seeking.



