

## Before the Independent Hearings Panel

In the Matter of                      the Resource Management Act 1991

And

In the Matter of                      the Canterbury Earthquake (Christchurch Replacement  
District Plan) Order 2014

And

In the Matter of                      the Proposed Christchurch Replacement Plan  
**(Proposal 21: Specific Purpose (Ruapuna  
Motorsport Zone))**

# Brief of Evidence of **Keith John Cowan** for The Canterbury Car Club Incorporated 3679/FS5035

Dated:     9 May 2016

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## Introduction

1. My full name is Keith John Cowan.
2. I hold a Bachelor of Commerce in Accountancy, and following 32 years in the IT industry, have spent the last 14 years operating in the wool industry. My current position is Director, Company Secretary, Accountant and General Manager for The Escorial Company Limited, the owner and operator of international wool fashion brands.
3. I have been involved with The Canterbury Car Club Incorporated (**Car Club**) for 20 years. I joined the Car Club in January 1996. In April 1996, I was elected onto Management Committee, in August 1996 I was elected Vice President, and from 2001 to 2005 held the office of President.
4. I was granted Life Membership in 2006. I am still very active in the Car Club, as an active racer, as President of The Motor Racing Club (a subgroup of the Car Club for senior members) and assisting with administration.
5. My current role since 12 July 2013 has been as a consultant to the Car Club to assist it in relation to Plan Change 52 to the Christchurch City Plan (**PC52**) and to guide the Car Club to implement a robust set of noise related processes to ensure they meet, adhere to and provide evidence that they operate within the noise standard as specified for the Raceway at Ruapuna Motorsport Park (**Motorsport Park**).
6. This has led to being involved in the Replacement Plan process as it relates to the Motorsport Park to ensure that the new stand alone zone recognises the full range of activities that occur at the Raceway and enables the future use and development of the facility.
7. I am familiar with the Specific Purpose (Ruapuna Motorsport) Zone provisions.
8. I am authorised to provide this evidence on behalf of the Car Club.

## Scope of Evidence

9. My evidence will address the following matters:

- (a) A brief background and history of the Car Club and Raceway;
  - (b) An overview of the facilities available at the Raceway today and how the Raceway operates;
  - (c) An overview of the PC52 process from the Car Club's perspective;
  - (d) The Future for the Car Club following PC52; and
  - (e) An outline of the Car Club's position in relation the Specific Purpose (Ruapuna Motorsport) Zone provisions.
10. The naming Terminology used in this statement is as follows:
- (a) The "Motorsport Park" includes the land occupied by the Christchurch Speedway and The Canterbury Car Club;
  - (b) The "Raceway" includes the land occupied by the Canterbury Car Club only; and
  - (c) The "Racetrack" includes the Circuit itself, and does not include the area outside of the Federation of Internationale Automobile (FIA) registered Circuit.

## **Executive Summary**

11. Motorsport activity in Christchurch was condensed onto the Motorsport Park in 1961. The Raceway and Speedway have both operated in the same location for over 54 years.
12. The Car Club manages the Raceway, a significant sporting venue, for the City of Christchurch and beyond, available for use by competitors and residents from Christchurch to enjoy and experience motorsport in all forms. It is also attracts people from all over the world.
13. At the Raceway, the Canterbury Car Club provides a facility for over 55 different forms of motorsport, and other non-motorsport and community activities including driver safety training, race engineering services, vehicle crash barrier testing, and rider licensing, as well as running and cycling races.
14. The Raceway generates significant economic benefit to Christchurch City, and operates in a safe and professional manner.

15. However, not including the expense of being involved in PC52, it now costs just over \$750,000 each year to run the Raceway facility. The Raceway operation is entirely self funded relying on hireage of the Racetrack, rent from Motorsport related businesses at the Raceway and sponsorship.
16. We are proud of what we have achieved at the Raceway but are more aware of our surroundings as a result of the PC52 process and understand the need to have controls in place to provide for residents while also allowing the Raceway to function.
17. However, PC52 will have an impact on the Car Club's operations and in order to provide for the continued viability of the Raceway, the Car Club needs a workable zone which reflects the full range of activities that currently occur at the facility and offers flexibility to explore opportunities for non-noisy activities.

## **History of the Car Club and Raceway**

18. The Canterbury Car Club has been operating in Christchurch since the late 1940s. Initial events of the Car Club were held on the roads of Canterbury, and temporary Race Tracks at Bryndwr and Mairehau.
19. In 1961, the Canterbury Car Club obtained a lease from the then Paparua County Council (Templeton Domain Board) to take over 85 acres of the Ruapuna Reserve, not required by the Christchurch Speedway, to build and operate a raceway.
20. A gravel racetrack was created on the land in 1961 with little or no design. A smaller sealed Racetrack was built and finally opened in 1963.
21. The original land area was added to in 1992 when the Car Club and the Paparua County Council jointly purchased approximately 15 acres of land from Paparua Prison to facilitate a Racetrack extension (this meant a total land area of almost 100 acres for the Park as a whole).
22. In 1996, the Paparua County Council surrendered the property under the lease to the Christchurch City Council. The City Council has administered the lease since then.
23. The timeline of major developments at the Raceway is as detailed in a schedule attached as **Appendix 1**. The timeline describes over 50 years of

continuous investment and improvement in motor sport facilities by Car Club volunteers.

### **Leases Associated with the Raceway**

24. Lease terms and conditions have altered over the 52 year terms. A copy of the current lease is attached as **Appendix 2**. It is currently in the process of being renewed.
25. The Car Club is required to maintain and develop the Raceway and owns the improvements on the land.
26. In the event the Car Club becomes unable to operate the Raceway, the assets on the land revert to the Christchurch City Council.

### **Objectives of the Car Club**

27. The Car Club's objectives are to:
  - (a) Promote, organise, conduct and assist motorsport and associated activities for Car Club members and the general public.
  - (b) Promote, organise and assist driver training and road safety.
  - (c) Promote, organise, conduct and present motor shows and social activities for Car Club members and the general public.
28. The Car Club seeks to do this by operating the Ruapuna Raceway and facilities in a professional and business like manner but with Club values and charging. The Canterbury Car Club introduced this approach in 1996 when it was technically bankrupt to ensure the continuity of the Raceway.
29. Like any mostly voluntary, not for profit organisation, improvements have been made over time to the way the facility is run.

### **Membership of the Car Club**

30. There are 877 current Canterbury Car Club members most of whom are domiciled in Christchurch, but with members from all over New Zealand, and overseas, particularly USA and the UK. Membership is renewed annually.

31. Membership since 2005 has generally fluctuated between 850 and 1100 members.

## **The Raceway Today**

### **Facilities Provided At Ruapuna**

32. The Raceway includes a control tower, ambulance station and first aid rooms, pit lane garages, administration block, numerous toilet blocks, showers, meeting rooms, clubrooms and bar, fuel bunker, and grandstands. It is regarded by many as the best “club operated” facility in New Zealand.
33. The Racetrack has a Grade 3 FIA Race Track licence which allows it to run National race series meetings, and international classic race meetings for qualifying race vehicles, but not International Formula 1, GP2, GP3 racing.
34. The Racetrack relies on natural lighting, so its use is restricted to daylight hours.
35. The Racetrack has seven differing navigation options.
36. The Racetrack can be utilised in two modes – full racetrack mode, or operating as two smaller racetracks operating concurrently. In full racetrack mode, the maximum number of cars allowed to race concurrently on the Racetrack is 50 cars, unchanged since the extension in 1992. When two racetracks are in operation, one smaller racetrack is used for racing while the other can be used for driver safety training.

### **Raceway Utilisation**

37. The Raceway today is utilised by over 55 different events/organisations. The most regular Racetrack users include:
  - (a) The Canterbury Car Club Inc.;
  - (b) Motorcycling Canterbury Inc.;
  - (c) Bears Inc.;
  - (d) Pegasus Bay Drag Racing Club Inc.;
  - (e) Canterbury Motor Racing School;

- (f) Mainland Motorcycles;
  - (g) Driver Safety Program – Don Elvy;
  - (h) Cycling organisations.
38. Generally each organisation has its own officiating body, rules and regulations.
39. Whilst most organisations are of a motorsport nature, the Raceway is not used just as racetrack for fast and noisy cars. It provides an important venue for a number of other far less noisy motor related activities including rider licensing, advanced driver education, crash barrier testing, race car engineering, and as a MAF registered transition facility for the importing and exporting of racing cars.
40. There has been an increasing community focus in recent years on driver and vehicle safety with the consequence that the Raceway hosts advanced driver training for many types of vehicle, rider licensing, and crash barrier testing on a daily basis.
41. The Raceway also provides a community venue for non-motorsport recreational activities which seek safe operational venues including running, cycling, and roller blading.
42. A video showing the wide range of events and activities that take place at the Raceway is provided as **Appendix 3**.
43. As well as the Racetrack, the Raceway provides additional support facilities for other organisations including a race fuel dispensing service, rescue vehicles, a race timing suite, noise meters and monitoring, rubbish collection, spectator banks and competitor and spectator communication systems.
44. Events including racing, training, and testing attract a large number of users to the Raceway from all over New Zealand and the World to participate, crew for, or spectate.
45. The Lady Wigram Trophy race meeting in January was another such event where 16 out of 20 of the competing drivers in the Trophy race were from overseas.

46. Events at the Raceway vary in size. The International SKOPE Classic meeting in February this year saw some 208 cars entered and competing with drivers and crews from all over the world. Spectator crowds were estimated to be in excess of 8,000 people over the weekend. This event has attracted between 200 and 250 annual entry numbers over the past 25 years.
47. Traffic Management is implemented on Hasketts Road whenever an event is expected to draw a competitor, crew and spectator attendance of over 1,000 people per day. This occurs for around 8 or 9 events per year totalling around 20 to 25 days.
48. By comparison Car Club events are generally single day events involving approximately 70 competitors and generally do not draw more than a few hundred spectators.
49. The Car Club has two separate roles in relation to the Raceway:
  - (a) The first is hire or sublease the Raceway to third party organisations who either run their own events, or provide support services to motorsport. Some of these user organisations may be affiliated to MotorSport New Zealand (**MSNZ**), while others are not.
  - (b) The second role is to organise activities for Car Club members, all of which operate under MSNZ requirements for noise and safety.
50. The Raceway is under pressure for its facilities as it is located a convenient distance from Christchurch City and the neighbouring districts and as a consequence, it has generally operated approximately 328 days per annum.
51. The Canterbury Car Club faces real challenges managing its timetable for use of the Racetrack. Bookings for weekends in the racing season (between 31 October and 31 March) are especially keenly sought after.

### **Costs of Operating the Raceway**

52. The Car Club receives no direct financial assistance or logistical assistance from the Christchurch City Council in maintaining the approximately 40 hectare Raceway.

53. The compliance costs of operating a racetrack to FIA safety levels and associated maintenance, health and safety, and administration costs have grown significantly in recent years. The cost of running the Raceway has also increased and accordingly, the Car Club has had to increase its entry fees for all events to cover these increased costs in recent years.
54. I note the Car Club over the last 6 years has not made any profit after depreciation is deducted. Prior to the last 6 years, any income that exceeded the overheads was reinvested in the Raceway.
55. It currently pays the City Council \$2,000 per annum in rates.
56. The operational costs of gardening, lawn mowing, circuit and internal roadway repairs, maintenance of fencing, spectator grandstands and bankings, toilet block cleaning, septic tanks, buildings maintenance, rubbish clearing, shelter belt clearing, power, phones, website, noise monitoring, safety equipment, facilities compliance costs, and support personnel are all part of the financial overheads of the Ruapuna Raceway.
57. Total annual overhead operating costs for the year ended 2014/15 have risen to just over \$1,065,000. This included the costs related to the Car Club's involvement in PC52 appeals. Without these additional costs operating costs have typically been between \$750,000 - \$800,000.

### **Charging**

58. The events at the Raceway are essential activities for the Car Club to earn revenue to support the operational infrastructure and daily operating costs of currently over \$2,000 per day for the Raceway.
59. There is a base fee for the use of the Racetrack. This is \$2,000 for a weekday and \$3,000 for a weekend day.
60. If a club or other organisation wishes to hold a commercial motorsport event where they will collect money at the gate, then the Car Club will charge a fee relative to what it assesses the event will make. This fee is usually based on the revenue of the previous year's event.
61. Larger event promoters will be charged a fee that the Car Club considers is fair and reasonable based on what the promoters will make.

62. At the other end of the spectrum, community groups receive discounted fees assessed on a case by case basis. In the past these have been generally for winter dates where there is less demand. Some of the community groups that the Car Club supports by offering sizeable discounted or zero fees are:
- (a) Mid Canterbury Fire Brigade;
  - (b) Camp Quality Christchurch;
  - (c) Secondary school cycling;
  - (d) Primary school duathlons;
  - (e) After school cycle training; and
  - (f) Kids in Cars.

### **Tenants**

63. The Car Club also has a number of tenants who have premises at or use the Raceway facility. They are:
- (a) Motorsport Solutions New Zealand Limited which provides race day support, repairs, engineering, restoration and manufacturing of race cars.
  - (b) Autotek which is a sub-lessee of Motor Sport Solutions which prepares race cars for events and builds and repairs race cars.
  - (c) V8 Superdrive which provides customers with V8 race car driver experiences.
  - (d) Canterbury Motor Racing School which provides race driver training.
  - (e) Holmes Solutions Limited who use a site at the Raceway. They are a roadside safety hardware test facility, the only one in the southern hemisphere.
  - (f) FRDC Motorsport Rescue Inc which provides fire support at race events throughout Canterbury. Like the Car Club, they are an

affiliated MSNZ Club. They have a small membership of around 30 and have their clubrooms and garages at the park.

64. All of the tenants contribute to the overhead of running the facility by paying currently \$65,500 per year and all are reliant on the use of the Raceway to undertake their activities.

#### **Value of the Raceway**

65. The insured replacement value of the buildings and plant at the Raceway is \$4.338 million and while it is unknown what the replacement value the track itself would be, it is understood to be well in excess of \$10 million.

#### **The Economic Benefit to Canterbury of the Raceway**

66. The Ruapuna Raceway is a busy facility involving thousands of competitors and support crew together with tens of thousands of people passing through the gate. It is not only supported provincially, but nationally, and internationally.
67. The events run at the Raceway have become “bucket list” events for international competitors many of whom bring their multi-million dollar cars to Christchurch for restoration prior to major events. Organisations such as Auto Restorations have world renowned capability and Motorsport Solutions, a local firm based at the Raceway is world renowned for its F5000 manufacturing expertise.
68. There is a significant bodywork restoration and technical engineering motorsport infrastructure within Christchurch which supports both local and overseas competitors.
69. In addition many Christchurch motor racers prepare their racing cars in Christchurch before shipping them to compete at overseas races.
70. I believe the Motorsport Park with its wide range of organisational users and events is a significant earner for Templeton. Christchurch, and Canterbury, generating millions of dollars of economic benefit from its activities.
71. The Raceway activity indirectly provides employment for a significant number of people in its various support businesses all of who depend on access to the Racetrack to support their existence.

## **Overview of PC52 Process from the Car Club's Perspective**

72. The Car Club has been involved in the PC52 process since issues around noise from the Motorsport Park became apparent in 2006/2007.
73. Prior to the notification of PC52, the Car Club worked with the Council and the community to cap use and noise to existing levels and to address issues around particularly annoying cars.

### **Notification of PC52**

74. PC52 was notified in 2012. The Car Club made a submission generally supporting the Plan Change apart from raising some concerns about the limitation on drag racing events that could comply with lower noise limits, the PA system rule in terms of safety, and querying the meaning of some of the new rules that seemed to be unclear.

### **Council's Decision on PC52**

75. The Car Club had two major concerns about the Council's decision on PC52.
76. Firstly, it introduced a requirement to have 10 weekend days in the busy racing season free of motorised activities. The way in which motorised activities were defined meant that no activity could take place on those days even if they could not be heard outside of the Motorsport Park. This would limit administrator's vehicles, lawn mowers, rubbish collection, and essential park maintenance within the facility.
77. Secondly, the decision introduced a new rule that restricted motorised activities at the Racetrack and Speedway operating on the same day with a requirement to finish by 6pm. This would have been unworkable for both the Car Club and the Speedway as the Speedway generally runs on Saturday evenings and the summer calendar has always included a number of these so-called double event days.
78. These reductions in available days would have removed the flexibility for the Car Club to operate effectively as well as reduced the revenue contribution to fixed operating costs. It would have also reduced the attractiveness of the Raceway and consequently, the ability of the Car Club

to raise passive income from advertising hoardings within the Raceway property.

79. The Car Club considered these rules would have reduced its operating income to such an extent that it may not have had the financial capability to manage the Raceway. It would also have meant price increases to user organisations who are already struggling to pay.
80. As a result the Car Club decided to appeal those parts of the PC52 decision.

### **Noise Management Initiatives Following the Filing of Appeal**

81. Prior to the appeal being heard the Car Club introduced a number of initiatives to try and manage and reduce noise from the Raceway. This included, among other things, assistance with installing the Council's public permanent noise logger, removing one of the Car Club's two weekday open test days, developing trackside noise limits and PA system improvements.
82. The Car Club also actively worked (and continues to do so) with the Raceway users to focus on user responsibility, limiting noise from Raceway activities and ensuring race cars do not exceed the individual 95dba limit (except for special interest vehicles). I have personally noticed that the majority of users have embraced this greater focus on vehicle noise.
83. The Car Club also engaged with the community to assist in reporting annoying noise and worked with the community to develop a draft noise management plan and community liaison committee.

### **Environment Court Decision**

84. The Car Club was actively involved in mediation in order to try to resolve the appeals. However, ultimately agreement could not be reached and a hearing was necessary.
85. During the Environment Court process the Car Club, Speedway and the Council proposed sets of provisions based on the Council's decision provisions. The Car Club then developed a simplified set in response to concerns raised by the Court which the Court used as the base for its

decision but imposed some additional restrictions on what had been proposed.

86. In these various provisions the Car Club voluntarily offered to reduce the total number of noisy days but with the knowledge that this would require very careful scheduling of activities and management of noise.

### **Impact of the PC52 Process and the Environment Court Decision**

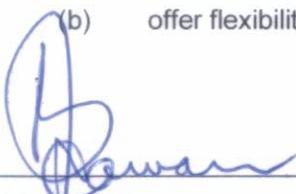
87. The Car Club is totally committed to implementing the outcome of PC52. There is however no escaping the impact of the reduced revenue on the Car Club as it accommodates a reduced number of the noisiest race days and noisier weekend days, 50 quiet Mondays, a Christmas/New Year shutdown period, 10 quiet weekend days during the race season, a reduced number of drag days and overall operating hours.
88. The total cost for the Car Club of being involved in the PC52 process has also taken its toll costing over \$465,000 to date. This unbudgeted expenditure came from funds set aside for the replacement pit lane garages and hospitality complex, and the track resealing fund.

### **The Future**

89. For the past 10 years, the Car Club has to focus on getting through PC52 and retaining flexibility for the future. This has been disappointing as race circuits in other parts of New Zealand have continued to innovate and develop.
90. As a result of the lengthy and expensive PC52 process and the delay in lease renewal, the Car Club's plans for the future of the Raceway have of necessity been put on hold. These plans will need to be re-invigorated once the new lease is in place.
91. In order to do this, the Car Club needs a workable zone that reflects the wide range of activities that currently use the facility and enables the Car club to explore opportunities for non-noisy activities to ensure the viability of the Raceway for the future.

## Specific Purpose (Ruapuna Motorsport) Zone Provisions

92. I note the Car Club was not consulted during the initial development of the notified Specific Purpose (Ruapuna Motorsport) Zone provisions.
93. The notified provisions did not provide a comprehensive zone for the Motorsport Park instead they relied solely on the Court's decision on PC52 to provide the objectives, policies and activities at Ruapuna. We were advised that the problem with this was that the provisions decided in PC52 only related to the management of noise at Ruapuna and therefore would not adequately provide for the current and future activities at the Motorsport Park.
94. Since the provisions were notified, the Car Club has worked with the Council to address the Car Club's submission. A representative from the Car Club attended formal mediation with the Council and Sara Harnett, Quieter Please's representative. I was not able to attend mediation as I was overseas. The mediation resulted in the Council and the Car Club agreeing to a set of provisions and since mediation these have been further refined.
95. The Car Club and the Council are now agreed on the proposed provisions.
96. As discussed above, of most importance to the Car Club is that the provisions:
- (a) provide for the full range of activities that occur at the Motorsport Park including community recreation activities, driver training, and motor vehicle fabrication and repairs facilities; and
  - (b) offer flexibility to pursue new opportunities for non-noisy activities.



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Keith John Cowan  
9 May 2016

## **Appendix 1: Development Timeline**

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## **Investment at the Ruapuna Circuit**

24 November 1963	Opening Ruapuna Circuit Event
1984	Chris Amon clubrooms built at circuit
1982	Drag strip extension & main straight widened
1985	Dipper added to original circuit
1990	Bears toilet block built in pits
1993	Childrens playground developed
1991	Pit wall installed for Lady Wigram Trophy event
1992	Race School operation commenced
1993	Circuit extension completed
1993	Ambulance Room installed
1995	Bruce McLaren & Denny Hulme grandstands erected
1996	Av-Gas fuel bay installed
1997	Motorsport Rescue garage completed
1998	New control tower replaced caravan on containers
1999	New joint Circuit/Speedway toilet block built
2000	Pitlane garages used for Formula Holdens
2002	Reinforced spectator safety fences installed
2003	Prison boundary spectator bank opened
2008	Drag wall inserted on main straight
2013	New Race School building developed
2013	MotoGP track developed
1 November 2013	50 Year Anniversary + Lady Wigram Trophy event

## **Appendix 2: 1998 Lease**

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DATED

28<sup>th</sup> day of April

1998

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THE CHRISTCHURCH CITY COUNCIL

CANTERBURY CAR CLUB INCORPORATED

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DEED OF LEASE

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**BUDDLE FINDLAY**

BARRISTERS & SOLICITORS, NEW ZEALAND

AUCKLAND • WELLINGTON • CHRISTCHURCH

DATED

28<sup>th</sup> day of April 1998

**PARTIES**

- (1) **THE CHRISTCHURCH CITY COUNCIL** at Christchurch ("the Lessor")
- (2) **CANTERBURY CAR CLUB INCORPORATED** at Christchurch ("the Lessee")

**RECITALS**

- A. The Lessor and the Lessee have agreed to enter this Deed to give effect to a lease of premises at Ruapuna Park.
- B. The Lessor acknowledges that improvements on the premises including the buildings and the track are the property of the Lessee.

**TERMS OF THIS DEED**

1. **Agreement to Lease**

The Lessor leases to the Lessee who accepts on lease for the purpose of motor sport racing and associated activities and other appropriate recreational activities the land shown outlined in purple on the attached diagram marked "A" being an area of 39.4673 hectares or thereabouts and being part of Ruapuna Park and comprising both Part Reserve 2351 and Section 1 SO 18899 together with all buildings and improvements situated on the land ("the premises") on the terms set out in this Lease.

2. **Term**

This Lease shall be for a term of 19 years 364 days commencing on 1 January 1997 ("the commencement date") and terminating on 30 December 2016 ("the expiry date").

3. **Rent**

- 3.1 The annual base rent shall be the sum of \$2,000.00 plus Goods and Services Tax (if any). In addition the Lessee shall pay to the Lessor 5% plus GST of any gate-take (net of GST) for all meetings promoted to the general public (whether held by the Lessee or by third party users as provided for by clause 8) subject to a minimum payment of \$50.00 plus GST per meeting.
- 3.2 The Lessee covenants to pay the rent to the Lessor in accordance with the terms of this Lease.

- 3.3 The annual base rent shall be payable to the Lessor quarterly in advance on 1 January, 1 April, 1 July and 1 October in each year. The first payment is due on the commencement date.
- 3.4 The 5% plus GST of the gate-take (net of GST) or \$50.00 plus GST per meeting, whichever is the greater, is to be paid by the 20th of the month for meetings held the previous month. A statement prepared by the Lessee or by the third party user detailing the gate-take shall accompany every such payment.
- 3.5 All payments of rent under this Lease shall be paid without deduction or set off of any kind to the Lessor, and in such manner as the Lessor may in writing direct.
- 3.6 The annual rent shall be subject to review by the Lessor on 1 July 1998 and thereafter at 3 yearly intervals on 1 July 2001, 2004, 2007, 2010 and 2013 to adjust the same to be in accordance with rents charged by the Lessor for leases and licences to similar societies and organisations.
- 3.7 The review on 1 July 1998 shall have regard to the return to the Lessor from rental, gate taking levy and meeting charges.
- 3.8 All details provided by third party hirers for purposes of complying with this clause shall be treated by the Lessee and the Lessor in the strictest confidence.
- 3.9 All rent reviews carried out during the term of the lease shall take no account of the improvements now existing or to be carried out on the premises by the Lessee with the approval of the Lessor.

**4. Outgoings and other charges**

The Lessee shall pay all rates, taxes or other charges including power and excess water charges payable now or in the future in respect of its occupation of the premises or any part thereof during the term of the Lease. In no circumstances shall this clause impose an obligation on the Lessee to pay any monies in relation to any part of Ruapuna Park other than the premises itself.

**5. Goods and Services Tax**

The Lessee will pay to the Lessor all Goods and Services Tax in respect of all goods and services provided by the Lessor or its agents to the Lessee pursuant to the provisions of this Lease and without limiting the generality thereof shall in particular pay:

- (a) All Goods and Services Tax assessable on the rental payable from time to time in the same manner as provided herein for the payment of the rent on which such tax is assessed, and
- (b) All Goods and Services Tax assessable in respect of any outgoing or other amount paid by the Lessor but which is reimbursable by the Lessee to the Lessor in the same manner as provided herein for the payment of the outgoing on which such tax is assessed.

**6. Maintenance of Premises**

- 6.1 The Lessee will maintain to the reasonable satisfaction of the Lessor the premises including (but not limited to) the track and other structures (including all fences and gates enclosing the premises) and all utility services as the Lessor determines are associated with and are necessary and suitable for the use of that part of the premises for the sport or recreational activity specified in this Lease and will indemnify the Lessor against all claims and proceedings arising out of the Lessee's use and occupation of the same.
- 6.2 The Lessee shall at its own cost provide all necessary workmen and caretakers to maintain supervise and control the premises.
- 6.3 The Lessee will in association with the Lessor jointly carry out all landscaping in accordance with the agreed landscaping plan and any amendments thereof. The Lessee shall maintain the landscaping so carried out to the satisfaction of the Parks Manager of the Christchurch City Council.

**7. Use**

The premises shall be used solely for -

- (a) The purposes as set out in clause 1 hereof including driver education and motor vehicle testing and all associated sporting activities permitted by the Lessee's club rules and including the activities of the Canterbury Racing School and if at any time the Lessor is of the opinion that the same are not being used or are not being sufficiently used for that purpose the Lessor after making such enquiries as the Lessor thinks fit and giving the Lessee an opportunity of explaining the usage of the premises and if satisfied that the premises are not being used or are not being sufficiently used for the purpose specified in this Lease, may terminate the Lease on such terms as the Lessor thinks fit, or
- (b) Any other recreational activities that may be approved in writing from time to time by the Lessor.

**8. Assignment/Sub-Letting/Use by Third Parties**

The Lessee shall not at any time during the said term transfer, mortgage, sublet to any body or person other than the Canterbury Racing School, charge or otherwise part with the possession of the premises or part thereof or its estate or interest therein without the previous consent in writing of the Lessor but may without the need for prior permission of the Lessor hire the premises or any part thereof. Further, the Lessee will be under a positive obligation to allow the hire of the premises to third party users as much as possible having regard to the requirements of the Lessee and the reasonable expectations of the third party users for the use of the premises. The Lessee shall ensure that all third party users (whether the Canterbury Racing School, or any other user from time to time) do not breach any of the covenants of this Lease and observe the general conditions of hire of the Lessee as approved by the Lessor from time to time.

**9. Additions and Alterations**

- 9.1 No buildings, improvements, fences or other structures or alterations or additions to any existing building, improvement, fence or structure that requires either a resource consent and/or a building consent shall be carried out without the prior written consent of the Lessor.
- 9.2 The Lessee prior to making any additions or alterations to the racing track, pit areas or safety features shall first consult with any affected third party user.
- 9.3 It is agreed that the Lessor and the Lessee will prepare a management plan for the premises ("approved management plan"). Once the approved management plan has been agreed between the Lessor and Lessee, then notwithstanding clause 9.1, where any building, improvements, fences or other structure is in accordance with an approved management plan for the premises the prior written consent of the Lessor shall not be required.
- 9.4 The Lessee acknowledges that the issue by the Lessor of a Project Information Memorandum or building consent, in the Lessor's capacity as a consent authority under the Building Act 1991, does not constitute a consent by the Lessor for the purposes of this clause.
- 9.5 The Lessor acknowledges that improvements on the premises including the buildings and the track are the property of the Lessee.

**10. Access by Lessor**

The Lessor and its staff shall have access to the premises at all reasonable times to view the condition of the premises and to monitor the performance of the Lessee under this Lease.

**11. Signage**

The Lessee shall not erect or display or permit to be erected or displayed on that part of the premises which is visible from outside the premises, any hoardings or advertising matter of any description without first obtaining the approval of the Lessor. The intent of this clause is to restrict the Lessee from displaying advertising hoardings/signs to the travelling public, using Hasketts Road whose destination is not Ruapuna Park.

**12. Accounts and Rules**

The Lessee shall on an annual basis forward to the Lessor a copy of its latest audited accounts and proposed charges and general conditions of hire for the next season no later than 30<sup>th</sup> day of September.

**13. Costs**

The Lessee will pay the Lessor's reasonable costs of and incidental to the preparation and completion of this Deed and the stamp duty payable hereon.

**14. Maintaining Order**

14.1 The Lessee shall ensure there is provided adequate security in order to allow patrons, users of the premises and other visitors full enjoyment of and safety in the premises.

14.2 The Lessee may refuse to admit to the premises or may remove from the same any person:

- (a) Who is disorderly or a disreputable person.
- (b) Who by reason of intoxication or other reason is not in a fit and proper condition to use the premises.
- (c) Who is not properly or decently attired and clean in person.
- (d) Who behaves in an indecent or disorderly manner or annoys or is offensive to any other person using the premises.
- (e) Who acts contrary to any of the Lessee's Rules for the conduct of persons using the said facilities, provided that any omission or failure to observe any such Rule if made in good faith and if any such person so offending complies with such Rule upon his attention being drawn to it shall not be deemed to be a reason for his removal or expulsion.
- (f) Who fails or refuses to comply with any lawful request of the Lessee's servants, employees or agents given for the purpose of enforcing the Lessee's Rules or of preserving the proper management and preservation of the premises, and the comfort and convenience of the persons using the same.
- (g) Who wilfully damages or destroys any of the Property of the said Lessor or Lessee or of a third party.

**15. Staffing**

The Lessee shall ensure the premises are manned with suitably qualified personnel to ensure that the public's and user's safety and access to and enjoyment of the premises is not jeopardised.

**16. Access Charges, Rules and Conditions of Hire**

The Lessee shall consult with the major third party users affected prior to establishing any new charges, rules and general conditions of hire in relation to all access to the premises.

**17. Sale of Liquor Act 1989**

17.1 Should the Lessee hold a Licence authorising the sale or supply of liquor on the premises under the Sale of Liquor Act 1989 then the Lessee will ensure that any such Licence is restricted to authorise the sale or supply of liquor only during the hours as may from time to time be approved in writing by the Lessor in terms of the Lessor's policy.

17.2 It shall be the responsibility of the Lessee to ensure that organisers of social functions on the premises at which liquor is served comply with the provisions of the Sale of Liquor Act 1989 and the relevant Local Body requirements governing such activities.

**18. Compliance with other Statutes and Regulations**

18.1 The Lessee shall comply with the provisions of all statutes, ordinances, regulations, and rules including those of Motor Race New Zealand, FIA or appropriate nationally recognised governing bodies, and by-laws relating to the use of the premises by the Lessee.

18.2 The Lessee shall before granting use of the premises to any third party require the third party to provide written evidence of its authority to hold the event, and an undertaking to comply with the rules of the body governing its activities and shall further provide details of a complying Health & Safety plan for the event.

18.3 In particular and without derogating from the generality of clause 18.1, the Lessee shall at all times ensure that its obligations as occupier of the premises under the Health and Safety in Employment Act 1992 are fully satisfied and that the obligations of any third party user are similarly satisfied in accordance with 18.2 above.

**19. Rules**

The Lessee may from time to time make Rules for the regulation of the use of the premises by the public, provided that such Rules shall not take effect without the prior approval in writing of the Lessor and shall not be inconsistent with the provisions of the relevant Statutes, Regulations or By-Laws.

**20. Breach**

If and whenever there shall be any breach or non-observance or non-performance of any covenant, condition or provision herein on the part of the Lessee contained or implied or if the Lessee shall become bankrupt or shall make any assignment for the benefit of or enter into any composition with its creditors or being a corporation shall be dissolved or shall go into liquidation or a receiver of its assets or any part thereof shall be appointed, or if the estate or interest of the Lessee shall be made subject to any writ of sale or charging order, then it shall be lawful for the Lessor forthwith without making any demand or giving any notice or doing or seeing to the doing of any act deed matter or thing whatsoever to re-enter upon and take possession of the premises and to expel and remove the Lessee therefrom and all the interest of the Lessee shall absolutely cease and determine and that without releasing the Lessee from liability for any antecedent breach of agreement, condition or provision hereof.

**21. Notices**

Any notice demand or consent to be given by the Lessor under this Lease shall be given for and on behalf of the Lessor in writing signed by an authorised officer of the Lessor. Any notice required to be given to the Lessee under this Lease may be served on the Lessee by delivering the same to the President, Chairman or Secretary of the Lessee Club or by posting the same to the Lessee at the address of the premises at Christchurch. Any notice required to be given by the Lessee to the Lessor under this

Lease may be served by delivering or posting the same to the Lessor at the Civic Offices, Christchurch.

**22. Lessee's Improvements**

On the termination of this Lease under any provision hereof or by effluxion of time, surrender or otherwise the land together with all improvements remaining thereon shall revert to the Lessor provided that the Lessee or other organisations with improvements on the premises may remove or sell, all of its improvements and the Lessee shall leave the premises in a clean and tidy condition to the satisfaction of the Lessor. Improvements not so removed or sold shall be the property of the Lessor and no compensation will be allowed to the Lessee. This clause shall place no obligation on the Lessor to relet the premises and if the premises are not relet to the owner of the improvements, then such improvements shall vest in the Lessor without compensation if they are not removed within a reasonable time.

**23. Registerable Lease**

The Lessee may request the Lessor to enter into a Lease in registerable form and request the Council to acquire a fee simple title for the property in order for that Lease to be registered against the same. The Lessor shall not be obliged to accede to such request and may impose such conditions in relation to such registration process as it sees fit.

**24. Lessor's Agents**

All or any of the powers and functions exercisable by the Lessor under these presents may from time to time be exercisable by any person authorised in that behalf by the Lessor.

**25. Reserves Act 1977**

These presents are intended to take effect as a lease under section 54(1)(d) of the Reserves Act 1977 and of any enactments passed in amendment or substitution thereof and the provisions of the said Act applicable to such leases shall be binding in all respects upon the parties hereto in the same manner as if such provisions had been fully set out herein.

**26. Arbitration**

26.1 If at any time any question, dispute or difference whatsoever shall arise between the Lessor and the Lessee whether as to the construction of this lease or the rights duties or obligations of either party hereunder, or any matter arising out of or concerning the same, either party may forthwith give to the other notice in writing of the existence of such question dispute or difference and the same shall be referred to the arbitration of the Minister of Conservation or a person appointed by him. Such submission shall be deemed to be a submission to arbitration within the meaning of the Arbitration Act 1996 and its amendments. The award of the Arbitrator shall be final and binding on the parties. Upon every such reference the costs of and incidental to the reference and the award shall be in the discretion of the Arbitrator who may determine the amount thereof or direct the same to be taxed as between Solicitor and client, or as between

party and party and shall direct by whom and to whom and in what manner the same shall be borne and paid.

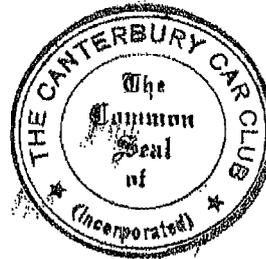
26.2 If at any time any question dispute or difference whatsoever shall arise between the Lessee and any third party user whether as to the construction of this lease or the rights duties or obligations of either party hereunder, or any matter arising out of or concerning the same, either party may forthwith give to the other notice in writing of the existence of such question dispute or difference and the same shall be referred to the arbitration of the Minister of Conservation or a person appointed by him. Such submission shall be deemed to be a submission to arbitration within the meaning of the Arbitration Act 1996 and its amendments. The award of the Arbitrator shall be final and binding on the parties. Upon every such reference the costs of and incidental to the reference and the award shall be in the discretion of the Arbitrator who may determine the amount thereof or direct the same to be taxed as between Solicitor and client, or as between party and party and shall direct by whom and to whom and in what manner the same shall be borne and paid.

THE COMMON SEAL of THE )  
CHRISTCHURCH CITY COUNCIL )  
was hereto affixed by and )  
in the presence of: )

R.B. Alright Mayor/Councillor

[Signature] Administration Officer

THE COMMON SEAL of )  
CANTERBURY CAR CLUB )  
INCORPORATED was hereto affixed )  
in the presence of: )



[Signature] PRESIDENT  
[Signature] VICE PRESIDENT  
[Signature] COMMITTEE MEMBER  
[Signature] COMMITTEE MEMBER

The consent of the **MINISTER OF CONSERVATION** is given to the within Lease.

Signed for and on behalf of the )  
MINISTER OF CONSERVATION )  
pursuant to a delegation under )  
Section 10 of the Reserves Act 1977 )  
by the ~~Regional Conservator~~\*) for the )  
Canterbury Conservancy )  
in the presence of: )

*Cheryl C. Colley*  
Regional Conservator \*Community Relations Manager

\* Community Relations Manager

Witness *[Signature]*

Occupation Community Relations Officer

Address Dept of Conservation Christchurch



**Appendix 3: Video showing the range of events and activities which occur at the Raceway (provided as a separate file)**

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