



# **ATTACHMENTS**

**Ordinary Council meeting  
Separate Attachments 1**

**Monday, 1 May 2023**



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# TAURANGA MULTI-USE BOUTIQUE STADIUM

PRELIMINARY BUSINESS CASE

18<sup>th</sup> April 2023

Prepared for Priority One & Partners



## INFORMATION

<b>Document Reference</b>	Tauranga Multi-use Boutique Stadium Preliminary Business Case.
<b>Consultants</b>	Visitor Solutions Ltd and Tuhura Consulting, in Association with Warren and Mahoney, Deloitte, Boffa Miskell, Maltby's, Market Economics, Daylight Ltd, Sports Turf Institute and Senate Shj.
<b>Authors</b>	Craig Jones, Dean Kimpton, Steve Armitage, Daryl Maguire, Stephen Di Donato, Brendon O'Connor, Kyle Callow, Richard Bailey, Norm Castles, Mark Apeldoorn, Rebecca Ryder, Te Pio Kawe, Matt Allott, Morné Hugo, Lawrence McIlrath, Susan Sawbridge, Jo Coleman, David Ormsby, Alex Glasgow, Whare Timu, and Gary Townsend.
<b>Sign off</b>	Craig Jones.
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<b>Client</b>	Priority One and partners.
<b>Front Cover Credit</b>	Proposed stadium indicative form - Warren and Mahoney.

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## 1.0 EXECUTIVE SUMMARY

The project partners (Tauranga City Council, Bay of Plenty Regional Council, Priority One, and Sport New Zealand) engaged Visitor Solutions and Tuhura Consulting in association with Warren and Mahoney, Deloitte, Stantec, Senatshj, Boffa Miskell, Market Economic, Maltbys, and Daylight to undertake a preliminary business case for a multi-use boutique stadium in Tauranga.

The preliminary business case built upon earlier work which indicated that there was a need and demand for a multi-use boutique stadium. The client partners desired an evidence-based approach that was not afraid to challenge past thinking. The project's governance group stressed the need to think 'outside the box' and deliver an innovative unique solution fit for Tauranga.

### Brief and Scope

This preliminary business case is set out to specifically meet the needs of the client. The project governance group identified the project still has a degree of evolution before final positions are adopted, especially in relation to areas such as funding, partnership structures, and project governance and management.

The preliminary business case will therefore be used to inform discussions rather than reflect a final position at this time. Recommendations are made in the preliminary business case, but these should not be read as reflecting the final position of the project partners.

The preliminary business case is broadly set out in alignment with the Better Business Case approach. However, the processes implemented in developing the preliminary business case were tailored to meet the clients' specific requirements and the available preliminary business case budget.

<sup>1</sup> A multi-use boutique stadium in this context is a rectangular stadium with surrounding facilities that can be used for a range of sporting and non-sporting

Once the project partners have reached a final position on key project areas additional more detailed work will be required in specific areas to advance the project.

### The Preliminary Business Case

The five cases within the preliminary business case determined the following:

### Strategic Case

Population growth in Western Bay and Tauranga has increased demand for community, sports, and event infrastructure to match both the needs and community and business expectations. One piece of key infrastructure identified as currently lacking is a multi-use boutique stadium<sup>1</sup>. Tauranga Domain grandstand and Bay Park Speedway are not considered fit for purpose in meeting multi-use stadium needs.

The strategic case identified that there was a strategic case for the development of a stadium, but only if it is in the form of a world class boutique community centric development, a "people's stadium". This requires casting aside traditional stadium models and embracing a new concept that welcomes the wider community into the facility continuously (not just for large commercial sporting events). This must be a multi-functional stadium that accommodates community clubs, local cultural events, festivals, professional sport, and commercial concerts alike. It must focus on delivering the best spectator experience possible and be a place with such a buzz and atmosphere that people want to return time after time.

The strategic case identified four core problem definitions. These were:

- **Problem 1:** A gap and poor alignment in events and sports infrastructure is limiting Tauranga's (and the sub region's) economic performance and community sports capacity.
- **Problem 2:** Tauranga and the Western Bay of Plenty are growing and a gap in experience opportunities weakens residents' quality of life.

community and commercial activities (beyond what would normally be found in a traditional New Zealand stadium).

- **Problem 3:** Tauranga has limited CBD land and ambitious urban and commercial development plans. Existing central open space is not optimised to meet the needs of a growing city centre and sub region.
- **Problem 4:** Traditional stadia have long periods of dormancy. Tauranga and the region cannot afford commercially or socially a stadium that is functionally one dimensional, underperforms experientially and financially while siting dormant for large periods of time (especially in a CBD location).

Five investment objectives were generated with input from the project working group and key stakeholders. These were:

- **Objective 1:** The city centre: Te Rapunga Ora ki Te Papa, is seen as great place to live, work, learn and play.
- **Objective 2:** The sub region's event sector is competitive with other similar New Zealand regions.
- **Objective 3:** The multi-use boutique stadium is a catalyst for further private investment in the sub region.
- **Objective 4:** The multi-use boutique stadium is a catalyst for the optimisation of the sub region's facility network.
- **Objective 5:** The multi-use boutique stadium returns social and economic outcomes that justify the investment made.

The benefits of the multi-use boutique stadium were varied but were able to be summarised into four categories. These are:

- **Benefit 1:** The sub region is seen as a great place to live, work, learn, play, and visit.
- **Benefit 2:** Tauranga and the sub-region have a wider range of stronger events experiences for both residents and visitors.
- **Benefit 3:** The sub-region's sports and events facility network is optimised.
- **Benefit 4:** The sub-region gains wider economy benefits from the development of the multi-use boutique stadium.

Most of the stakeholder engagement feedback was supportive of the concept. A multi-use boutique stadium was seen as positive and fulfilling a niche both regionally and nationally.

<sup>2</sup> Detailed operational issues such as detailed operational models, individual booking schedules, allocation of space for memorabilia and operating hours. This level of detail would be explored in future project stages.

Mana whenua representatives were supportive of concept and saw good opportunities for Māori design elements and ongoing governance involvement. The facilities were also seen as offering opportunities for Māori sporting competitions and cultural festivals, such as kapa haka.

Most sports interviewees indicated that they would use such a stadium. Promoters were also supportive with all but one indicating an interest.

Community sport representatives were generally supportive of the concept and had a desire to know more about detailed operational issues<sup>2</sup>. The exception was some of the sports clubs currently located at the Domain who raised concerns about their future options if the stadium was to go ahead.

Some existing national stadia operators perceived that Tauranga had limited need for a stadium given factors such as population size and potential added competition across the national stadia network.

### Economic Case

This section of the preliminary business case outlined the options assessment for the multi-use boutique stadium and how a favoured option was selected and then later developed.

The long listing process considered seven options. These were:

- Option 1: Base Case.
- Option 2: Modified status quo.
- Option 3: Uncovered / 20,000+ seats.
- Option 4: Covered roof / 20,000+ seats.
- Option 5: Uncovered / 8,000 permanent seats and commercial gym.
- Option 6: Covered roof / 10,000 permanent seats.
- Option 7: Uncovered / 8,000 permanent seats and exhibition space.



















































































































































































































































































































































































































































































































































































































































































































































































































