

FACTS (NOT FICTION) ABOUT EDEN PARK

FICTION	FACT
 Eden Park is bankrupt.	 Eden Park generates a small cash surplus and continues to meet all operating costs including interest . Eden Park inherited debt of \$40m from the 2011 Rugby World Cup redevelopment and has never breached its banking covenants with ASB. On 19 March 2019, Auckland Council's Finance and Performance Committee resolved to take over this loan on commercial terms.
 Eden Park is set to lose nearly \$80m over the next 10 years.	 After depreciation, Eden Park could incur a \$79.4m cumulative book loss over the next 10 years. The stadium operates at a small cash surplus before depreciation.
 Eden Park requires \$250m spent on it over the next 10 years.	 Eden Park estimates that over the next 10 years \$65m is required for capital repairs and maintenance, not including any new development.
 Auckland Council could sell Eden Park to fund a new downtown stadium.	 Eden Park is owned and operated by an independent charitable trust. Auckland Council has no ownership rights or control over the Trust.
 Eden Park opposes a downtown stadium.	 The Eden Park Trust has never opposed a downtown stadium but given any new stadium is 10-15 years away, if at all, the Trust's focus remains on ensuring Eden Park is sustainable for that period , serving the needs of the local community, Auckland and New Zealand. The Mayor has indicated that any business case for a new stadium will be evaluated alongside a redeveloped Eden Park.
 Eden Park got itself into this debt situation and is requesting a bail out from Auckland Council.	 This is not a bail out but recognition of a legacy debt burden . The majority of the Rugby World Cup redevelopment budget was funded by a \$190m Government grant. This contribution anticipated an approximately \$50m contribution from the various Auckland Councils (the now defunct Auckland Regional Council and the region's seven city and district councils). Ultimately the Councils refused to contribute other than \$10m from the Auckland Regional Council. This left a \$40m shortfall to fulfil a construction contract and ensure the 2011 Rugby World Cup could be delivered . In order to complete the redevelopment Auckland City Council agreed to guarantee a bank loan of \$40m on commercial terms.
 Ratepayers don't want to commit funds to Eden Park.	 Ratepayers have never had the opportunity to consider whether Auckland Council should assist Eden Park. In 2018 ratepayers provided \$27.5m for operating funding and \$44.5m for capital funding for Regional Facilities Auckland (RFA) venues operated on behalf of Auckland Council.
 Eden Park's operating costs are a financial drain on the ratepayers of Auckland.	 Prior to the recent confirmation of grant funding of \$9.8m approved by the Finance and Performance Committee on 19 March 2019, Eden Park never previously received ratepayer/funding support from Auckland Council. Eden Park pays full rates and commercial interest on any loans (Auckland Council-controlled stadiums do not).
 Eden Park is not allowed to host concerts.	 Auckland's Unitary Plan provides Eden Park with the discretionary right to host up to six concerts per year, with each application subject to a cost prohibitive resource consent process. Auckland Council-controlled stadiums can host concerts freely. Enabling six concerts per year as a permitted activity would underwrite Eden Park's financial viability for the next 10 years.

 Concerts at Eden Park would be a zero-sum game for Auckland.

 Auckland has **missed out on concerts** by Bon Jovi, Phil Collins, Eminem, Monster Trucks, Royal Edinburgh Military Tattoo and Billy Joel because their venue of choice, Eden Park, **can't give practical effect to the discretionary right to hold concerts**, irrespective of the promoter or ticketing partner. Auckland Council remains Eden Park's competitor and regulator and is therefore conflicted.

 Local residents do not want concerts at Eden Park.

 UMR's independent research found that 87% of locals would **support up to six concerts** per annum at Eden Park and 91% of Aucklanders were in support of the LifePod Appeal concert. There is no evidence that the Neighbours Association, who oppose concerts, are anything other than a vocal minority. On 27 February 2019 the Albert-Eden Local Board resolved to: 'support Eden Park in the process of becoming independently financially sustainable through the limited and reasonable use of Eden Park for public non-sporting events.'

 All the neighbours around Eden Park want the stadium bulldozed.

 Eden Park's neighbours' supporters club The Hood now has more than 1,000 members, comprised of neighbouring houses in the immediate area. On 27 February 2019 the Albert-Eden Local Board resolved to: 'confirm its support for Eden Park continuing to operate over the next ten years.' and 'call on the Governing Body to confirm that it will not allow Eden Park to cease operating.'

 Eden Park is in the wrong place and is difficult to get to.

 Eden Park is the city's **most accessible stadium** with its own bus hub on-site and is located beside Kingsland train station. Eden Park is just a 3.5km walk, cycle or Lime scooter ride from Auckland's CBD. It takes just 14 minutes to clear an at-capacity Eden Park. Both the City Rail Link and light rail will make Eden Park even more accessible to all parts of the city leveraging already significant infrastructure investment.

 Auckland Rugby and Auckland Cricket are the beneficiaries of the Trust.

 Auckland Rugby and Auckland Cricket were recognised as the beneficiaries of the old Eden Park Trust Act 1955. As a consequence of the 2009 amendments to that they have both foregone those beneficial rights. The Trust Deed states:

The Objects for which the Trust is continued are:

- (a) *To promote, operate and develop Eden Park as a high quality multi-purpose stadium for the use and benefit of rugby and cricket (including under the organisations of ARU and ACA respectively pursuant to their rights under this deed) as well as other sporting codes and other recreational, musical, and cultural events **for the benefit of the public of the Region;** and*
- (b) *To administer Eden Park and the Trust Assets on a prudent commercial basis so that Eden Park is a successful financially autonomous **community asset.***

Region means The Auckland Region constituted by clause 4 of the Local Government (Auckland Region) Reorganisation Order 1989.

 Eden Park is too expensive for hirers.

 Eden Park's costings are **on par with other stadia** on a per-head basis. As expected, hiring Eden Park with its superior seating capacity, transport connectivity, proximity to the city and facilities that cater to all demographics, is not comparable with smaller, less well-appointed venues. **Eden Park's capacity provides opportunities** for higher revenues and greater returns. Eden Park **competes against** the country's **Council-funded** venues which provide minimal (or zero) rent and other financial incentives to attract events.

 Eden Park opposes NZ Cricket moving to Western Springs.

 Eden Park has been the **home of international cricket** in Auckland since 1930 including the 1992 and 2015 Cricket World Cups. Eden Park considers this a decision for NZ Cricket, Auckland Cricket and Auckland Council and will work with whatever judgement is made.
