

MEDIA RELEASE
15 February 2015



SKYCITY to review design of NZICC

SKYCITY Entertainment Group has agreed to review the design of the New Zealand International Convention Centre following discussions with the Crown.

SKYCITY Chief Executive Nigel Morrison says the Crown has confirmed that it is not prepared to make any contribution to the funding of the project, the estimated cost of which is currently significantly over SKYCITY's contractual commitment of \$402 million.

Mr Morrison said that SKYCITY respected and accepted the Crown's decision. "Accordingly, we have agreed to review the design for the NZICC so that the expected total project cost, which SKYCITY will be totally responsible for, will be more in the vicinity of SKYCITY's \$402 million commitment, as set out in the NZICC Agreement," says Mr Morrison.

SKYCITY and the Crown have agreed that the date for approval of the design of the NZICC will be extended to facilitate this.

"This decision gives SKYCITY the clarity needed to move forward with the development of this exciting project. We remain committed to delivering a landmark Convention Centre for Auckland and New Zealand," Mr Morrison says.

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Hon Steven Joyce

Minister for Economic Development



15 February 2015

Media Statement

SkyCity to amend design of NZICC

Economic Development Minister Steven Joyce today announced that the Government and SkyCity have reached agreement on the next stages of the International Convention Centre (NZICC) project.

SkyCity has agreed not to pursue a financial contribution from the Government and instead will amend its design to ensure the facility can be completed without financial input from the Crown.

“I welcome SkyCity’s agreement with the Government’s approach,” Mr Joyce says. “This clears the path for the project to continue.

“I have repeatedly stated since December that our least preferred option is for the Government to contribute funding for the project. I am pleased to confirm that will be the case.”

SkyCity submitted a Preliminary Design for the NZICC in October 2014 for approval by the Crown. However the total construction cost exceeded those costs as set out in the NZICC Agreement.

“The Crown has also indicated today that it may be prepared to accept a slightly smaller NZICC, if that is required to meet the agreed total construction cost,” Mr Joyce says.

“SkyCity will now work on a revised Preliminary Design in the coming weeks and will submit it on a date that will be agreed by both parties.

“The Government is pleased to be moving forward with this project which will create 800 permanent new jobs, an increase in GDP of \$49 million, and an important public facility for Auckland.”

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