

36TH AMERICA'S CUP – HOST VENUE AGREEMENT

Executive summary

Auckland Tāmaki Makaurau has been selected as the location of the next America's Cup, in March 2021. The next instalment of the famed event will put a global spotlight on the city and New Zealand and is a massive undertaking.

The 36th America's Cup (AC36) will transform Auckland's waterfront and result in a fantastic legacy for the region and New Zealand. To support this, funding has been committed or brought forward by the New Zealand Government and Auckland Council.

It is common practice in major events for the key parties to enter into a Host Venue Agreement (HVA), which sets out the responsibilities of the event owner and/or organiser alongside the host city and/or country.

The HVA sits alongside the Protocol for the 36th America's Cup that was published shortly after Emirates Team New Zealand (ETNZ) won the 35th America's Cup. The Protocol defines the event and details the roles and responsibilities of the Defender (the Royal New Zealand Yacht Squadron, represented by ETNZ) and the Challenger of Record (Circolo Della Vela Sicilia, represented by Luna Rossa).

The AC36 HVA is between ETNZ as the event 'Owner'; ETNZ's events arm America's Cup Event Ltd (ACE) as the event 'Organiser'; and the Ministry of Business, Innovation and Employment on behalf of the Crown, – together with Auckland Council – as the 'Hosts' for AC36.

Background

On 26 March 2018, a Host City Appointment Agreement (HCAA) was signed between ACE, ETNZ, MBIE and Auckland Council confirming Auckland Tāmaki Makaurau as the location of the 36th America's Cup.

The HCAA was a high-level agreement outlining there would be a partnership approach towards the hosting of AC36. In line with global practice regarding major events of its type, the HCAA made provision for a follow-up HVA.

Between August 2018 and April 2019, the parties negotiated the AC36 HVA. The agreement was signed by all parties by 4 April 2019 and is now a legally binding document, and effectively supersedes the original HCAA.

Details

The HVA is a comprehensive document, made up of a base agreement supported by several schedules and annexures.

The HVA covers the aspects required to make the AC36 event a success on land and on water, including elements such as public safety, commercial considerations for sponsors and rights of the various partners.

The HVA references a number of sub-agreements covering specific areas between fewer parties, but which are important to the event's overall success. An example is the Master Base Supply Agreement, agreed between Auckland Council, Panuku Development Auckland (the Council Controlled Organisation which owns the waterfront assets to be used for AC36) and ACE.

The key elements of the HVA agreement are:

- The Base Agreement - confirms which party is responsible for which aspects of the overall delivery and co-ordination of the event, including confirmation of the event investment by the Crown and how this is released. In addition to delineating responsibilities, it provides the context for all schedules and annexures, clarifies required insurances, governance structures and reporting as well as allowing for escalation and dispute resolution.
- Schedule 1 – Definitions - provides detail of the terms used in the agreement.
- Schedule 2 – Rights and Benefits - in return for hosting the event the Hosts receive defined rights and benefits which are described in this section. This includes use of brands and logos, media exposure for brands, branding of event and team, hospitality rights to leverage around the event and the team.
- Schedule 3 – Funding Milestones - provides a breakdown of the schedule of payment for the Event Investment along with milestones to be satisfied by ACE and ETNZ in order for each investment payment to be released.
- Schedule 4 – Public Sector Delivery Obligations - further obligations which the Hosts have agreed to take on to ensure the delivery of a successful event. These broadly relate to providing the on-land and on-water support for the event and also planning to ensure the event can take place in the city and country with minimum disruption and maximum benefit.
- Schedule 5 – Venue - a map of the Wynyard Quarter showing the physical extent of the race village venue.
- Schedule 6 – Race Village - a series of maps showing the race village in the various stages of activation. It also shows details of sites to be used and provides a detailed reference for each site.

- Annexure 1 – AC36 Event Concept - prepared by ACE, describes the vision all parties have for the event and the principles on which delivery will be based.
- Annexure 2 – Master Base Supply Agreement - covers the obligations of the Hosts to provide to ACE, through Panuku as landlord, the challenger team base platforms and floating infrastructure for the 36th Americas Cup. It also provides for ACE to be able to sub-lease these bases to the challengers.
- Annexure 3 – City Logo and Government Logo and Licences - defines the logos to be used in connection with the event from both Auckland Council and Crown and refers to FernMark Licencing for use of the FernMark logo.
- Annexure 4 – Final Event Report - details the post-event reporting required from ACE and ETNZ to allow the Hosts to confirm final value for public investment. It also provides for the establishment of an evaluation workstream to further develop this outline.
- Annexure 5 – Yacht and Clothing Branding - provides visual representations of how the FernMark will be used on sails and clothing of ETNZ.
- Annexure 6 – Project Alliance Agreement Schedules - relates to the Wynyard Edge Alliance contract arrangements established for the design and construction of the AC36 infrastructure.

A section on the recognition of New Zealand’s Māori culture and heritage is being finalised and will be added.