

Before the Hearing Panel

Under the Resource Management Act 1991

In the matter of submissions on the Te Pūtahi Ladies Mile Plan Variation

Statement of evidence of Kristan Stalker

20 October 2023

Submitter's solicitors:

Maree Baker-Galloway | Rosie Hill
Anderson Lloyd
Level 2, 13 Camp Street, Queenstown 9300
PO Box 201, Queenstown 9348
p + 64 3 450 0700
maree.baker-galloway@al.nz | rosie.hill@al.nz

**anderson
lloyd.**

Qualifications and experience

- 1 My full name is Kristan Myles Stalker.
- 2 I hold a bachelors degree in commerce.
- 3 I am the Development Manager for Shotover Country and supported the successful delivery of over 800 residential dwelling equivalents, a primary school and various community assets including a 101 lot Special Housing Area within the Shotover Country Special Zone.
- 4 I was successful in having the Glenpanel, Ladies Mile, Te Putahi residential, education, retirement and commercial rezoning project referred under the Covid-19 Fast Track Act 2020.
- 5 I am the Managing Director of Maryhill Limited (“MHL”), a property Development Company actively pursuing development in the Queenstown, Ladies Mile area since 2016.
- 6 I manage the farming operations and am the lead consult for the interests of the Grant Stalker Trust landholding consisting of approximately 120 hectares on the Ladies Mile flats and Slopehill. Both of these areas are within the proposed Te Pūtahi Ladies Mile (“TPLM”) Zone.

Scope of evidence

- 7 In preparing this evidence I have reviewed the following reports and statements:
 - (a) All Maryhill & G Stalker Trust TPLM submissions;
 - (b) Te Putahi Ladies Mile hearing documents, Queenstown Lakes District Council (“QLDC”) website;
 - (c) Te Putahi Ladies Mile Plan Variation documents, QLDC website;
 - (d) RM220624 Decision of Commission - Shotover Country Limited;
 - (e) TPLM Variation s42A Report and supporting Expert Evidence including:
 - (i) 16 briefs of Evidence, dated 28th September 2023;
 - (ii) Appendices A – E of the s42A report dated 28 September 2023;

(f) Council Planners Report Agenda item 3 – QLDC dated 11 August 2016, in relation to the Glenpanel SHA.

8 I have prepared this evidence in relation to:

(a) Providing a description of my background with housing development at Ladies Mile;

(b) Concerns I have in relation to the delivery of housing under the proposed TPLM provisions; and

(c) The required densities for the Medium Density Residential Precinct (MDR) and the High Density Residential Precinct (HDR).

9 I am not presenting this evidence as an expert witness, however I do have significant experience and expertise relevant to property development within the district as outlined in my qualifications and experience. The most recent being a successful resource consent application for 21 lots in Shotover Country within the proposed TPLM boundary.

Executive Summary

10 As a landowner and proven developer in the Ladies Mile area I am in support of the QLDC led proposed TPLM rezoning. As MHL's submissions on the TPLM variation have made it clear, I do have concerns with particular elements of the planning provisions and mapping that will, in my view, prevent the variation delivering the desired outcome sought by all, which is additional housing in the Wakatipu basin. The high level of densities, prescriptive nature of shared infrastructure and community spaces are the core areas of my concern.

Background

11 MHL has been working on obtaining planning approval to enable development of its landholdings at Ladies Mile for 7 years. MHL's objective is to provide additional housing within the Wakatipu Basin through the development of land that is now subject to the TPLM variation. By way of background, I provide a summary of the various processes embarked upon, and the collaboration undertaken with key stakeholders including QLDC, below.

12 I have collaborated with the following Government Agencies/Ministries to assist in facilitating development at Ladies Mile:

(a) Waka Kotahi ("WK"): Via the Stalker Trust I have collaboratively worked with WK on a land acquisition arrangement to enable the

upgrade of the Howards Drive intersection. The upgrade is primarily a safety related project which also provides the Pet Lodge’s alternative access and supports the QLDC TPLM outcome as set out in the TPLM Structure Plan. A plan of the agreed land boundaries to facilitate the land acquisition is shown in Image 1 below.

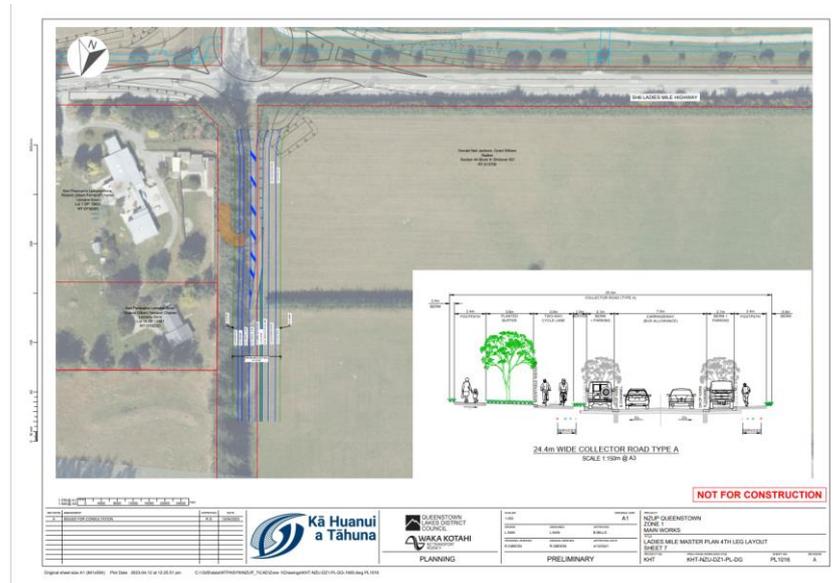


Image 1. – Howards Drive Intersection

- (b) Ministry of Education: It has been acknowledged that the Ministry of Education will require a new primary school site in the Te Putahi Ladies Mile area. MHL and the MoE have been engaged in positive discussions. A school would be a community anchor in the heart of the TPLM Zone and a much-needed amenity to cater for the future growth of the area.

- (c) Ministry for the Environment: MHL was successful in being referred to progress a comprehensive development at Ladies Mile Te Putahi (including housing, school, retirement village and commercial project) via the Covid-19 Recovery Act 2020 Fast Track consenting process. I am yet to lodge the resource consent application for this development.

Shotover Country Stage 17

- 13 As the development manager for Shotover Country I successfully obtained resource consent for a 21-lot subdivision comprising 18 residential lots on the 19th July 2023. The subdivision falls within the proposed TPLM Zone boundary and the proposed LDR Precinct, however the land is currently zoned Open Space in the Proposed District Plan. This development occurred within the area shown as 'zone I1' in Image 3 below:

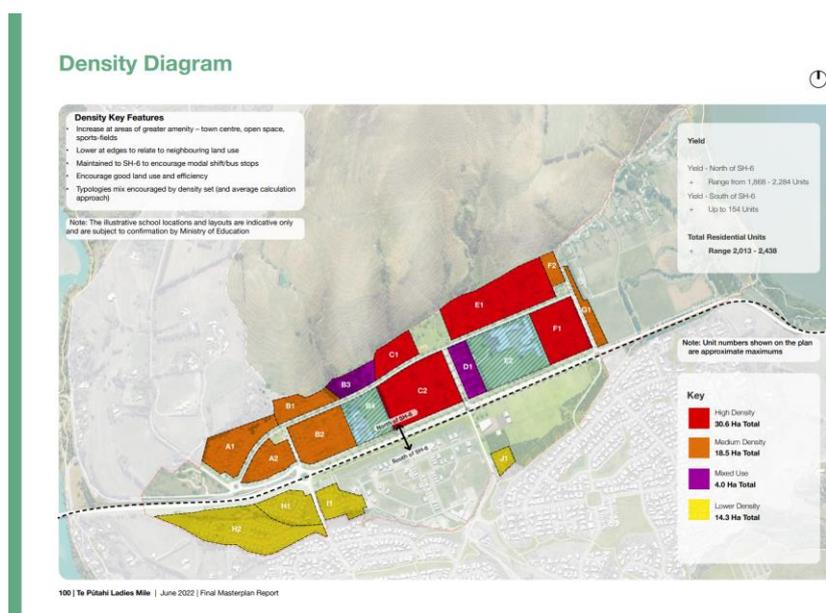


Image 3 - TPLM density plan.

- 14 The application was largely consistent with the underlying notified proposed planning provisions of the TPLM Zone variation. The Lot Layout plan in Image 4 below is the approved plan for this development.
- 15 The resource consent application was lodged with QLDC in July 2022. A request for further information was received in September 2022. I volunteered notification of the application in November 2022. The hearing was held on 15th May 2023, and a decision released on 19th July 2023. I am concerned that it took 12 months to process a notified resource consent for a straightforward residential subdivision, even while consistent with proposed TPLM. This experience reinforces my caution about progressing future developments in the TPLM Zone which may not be able to comply with the TPLM structure plan or provisions.



Image 4. – Shotover Stage 17 lot layout

Housing Development at Ladies Mile

16 Potable Water reservoir: The Grant Stalker Trust worked with QLDC to secure a location for a potable reservoir in 2019 as part of the Housing Infrastructure Funding (“HIF”), to support housing development in the Ladies Mile area. The location for the water reservoir was on Grant Stalker Trust land, which is shown in Image 5 below. I note the WSP report appended to the evidence of Amy Prestige¹ has the location of the reservoir in a different location, but it is still on Grant Stalker Trust land, as shown in Image 6 below.

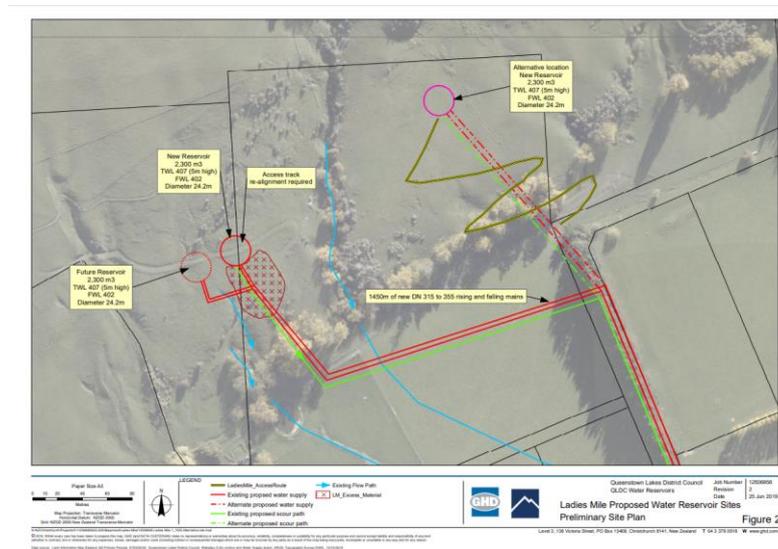


Image 5. HIF reservoir locations.

¹ Evidence in chief of Ms Prestidge, dated 28September 2023, Appendix A.

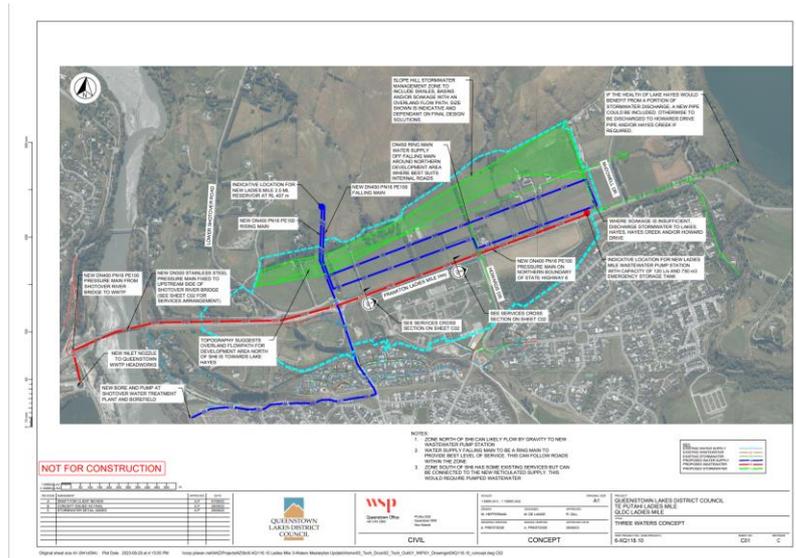


Image 6. WSP proposed TPLM reservoir location.

Special Housing Areas

- 17 I have also been involved with proposals to provide housing at Ladies Mile via the special Housing Areas (SHA) process. In 2016 the Glenpanel (which refers to land at Ladies Mile, not the TPLM Glenpanel Precinct) SHA was put before an extraordinary full council meeting for approval. This application was rejected.
- 18 In 2019 a second Glenpanel SHA in conjunction with two others (Flints Park & Laurel Hills) was put before QLDC full council and was again rejected. In the same meeting the Cone Burn SHA (now Park Ridge) was approved. There are no houses constructed at the Park Ridge SHA site as of today, as shown in 7 Image (taken 11/10/2023).



Image 7 – Entrance to Park Ridge SHA

Covid-19 Fast Track

- 19 MHL was successful in being referred to progress a comprehensive development at Ladies Mile Te Putahi (including housing, school, retirement villa and commercial project) via the Covid-19 Recovery Act 2020 Fast Track consenting process. I am yet to lodge this application.

Delivery of Housing

- 20 While I am supportive of the TPLM variation, I remain concerned that the highly prescriptive nature of the provisions will deter developers from pursuing developments within the zone. I refer you to the planning evidence of Megan Justice which highlights the issues that can be faced when it comes to consenting developments at TPLM due to the highly prescriptive nature of the planning provisions. The direct reference to the structure planned approach at the Kingston Village Special zone should be a lesson for us all. (Notably point 30 in Ms Justices' evidence "Further, 217 non-complying land use consents were required to enable a dwelling to be built on the residentially zoned lots created"). The heavily prescribed approach for TPLM is similar. My primary concerns with the structure plan and prescriptive rules relate to the prescribed location for community assets, which, despite best efforts, may not be achievable when all the elements that must be accounted for when development planning are factored in.

Community Park

- 21 I note there is a persistent theme to prescribe the location of a significant community park as part of the TPLM Structure Plan. I support shared communal spaces however I do not consider that the location of this park and its size is the most efficient use of this land, as MHL discussed in its submission. I consider that the structure plan (and associated rules) should enable flexibility for the final location of parks, including possibly a number of smaller parks, to be decided at the time of subdivision.
- 22 I encourage sensible thinking regarding dual purpose reserves. With the densities sought and limited land available, community parks and stormwater management need to be dealt with in the same spaces through smart design.
- 23 In paragraph 56 of Ms Galavazi's evidence² it is suggested QLDC will collect development contributions for reserve offsets and pass these

² Evidence of Ms Galavazi, dated 28 September 2023.

through to the landowners who are providing Community Parks. Developments of this scale rely on understanding cashflow, therefore if this scenario was to transpire details regarding how the calculation for contributions will be made and when this contribution would pass through to the incumbered landowner is required at the outset, as this will be factored into the decision-making process for proceeding with the development, or not.

24 Ms Galavazi's evidence does not clarify who will be responsible for undertaking the enhancements to the reserves. I consider that this should be QLDC's responsibility, using the aforementioned development contributions.

25 Clarification of these reserve contribution matters should be embedded in the TPLM Zone subdivision provisions.

Stormwater Management

26 The evidence of Amy Prestidge³ references a centralised stormwater management system. As with the location of parks, there will be landowners / developers unfairly incumbered by this approach in terms of land requirement. It is not clear from the TPLM zone provisions how QLDC intends to fairly distribute the required development contributions to offset this land, nor the timeframe for this process and how the value of the land will be calculated.

27 I remain concerned that the uncertainty around where the stormwater assets will be located will result in considerable time delays for any proposed development within the zone, which may result in developers not pursuing developments here. There would be value in the Council proactively facilitating the design process for the stormwater management with all affected landowners immediately upon the conclusion of the TPLM variation process (should the Commissioners approve the variation).

Storage Zone

28 Given my experience building, selling and then observing how people carry out their lives once living in the communities like Shotover Country, I remain adamant that TPLM requires an area dedicated for storage activities. While the density of developments is to influence transport behaviours around commuting, I do not think it will influence the use of boats, caravans, bulky items such as sporting and recreational equipment

³ Evidence in chief of Ms Prestidge, dated 28 September 2023, Appendix A.

etc for all community members. In my observations, people choose to live in Queenstown to enjoy the outdoor lifestyle. Higher density residential development should, in my view, account for this lifestyle and provide adequate storage space for the recreational pursuits people choose to undertake here.

- 29 The densities sought do not provide for sufficient space for storage within the built form nor allow for space on streets for storage of equipment used for leisure activities. In my view, having a storage facility within the TLPM zone will enhance the uptake of the higher density residential accommodation that is required to be developed here. Please refer to Image 8 below which shows the proposed location of the storage facility:



Image 8 – Storage zone

Transportation Upgrades

- 30 Proposed TPLM Rule 49.5.33 sets out the transport upgrades required prior to development occurring within the TPLM zone, which require the Howards Drive intersection upgrade, bus stops on SH6, a pedestrian crossing across SH6 and a dedicated bus lane on SH6. As stated earlier in my evidence I have worked with WK to enable the Howards Drive intersection to be upgraded, and have now executed an agreement for this development to occur. However, there are three additional transportation upgrades required: bus stops, pedestrian crossings and a bus lane, which all rely on works being undertaken by WK and agreement by QLDC and other provide land owners. Therefore, this work is out of my control. Without cross party cooperation, development within the zone will not occur. While a solution to this issue may sit outside of the TPLM provisions, I consider that QLDC should assist with facilitating a process to ensure these upgrades are carried out in a timely manner.

Density

- 31 The MHL site under the proposed TPLM comprises approximately 12 hectares HDR Precinct land, 3 hectares MDR Precinct land and 0.4 hectares Commercial Precinct land (in the Glenpanel Precinct). I remain concerned with the ability to be able to deliver what the market wants and needs with the minima densities set at 60 residential units per hectare across the majority of the MHL site which is HDR Precinct.
- 32 As the development manager for Shotover Country I pursued a commercial and MDR area within the Shotover Country Special Zone. Application RM181520 for 24 two storey townhouses, was granted consent November 2019 and took a further 19 months to be granted Engineering Approval. At 24 townhouses and a gross site area of 7825m² = 30.6 residential units per hectare. No physical work has started on the townhouses, the new owner has applied to vary the consent to increase the number of dwellings, which is over 12 months in processing.

Construction Costs

- 33 In simple terms, for high density development the pipes are bigger, trenches wider, bedding material volumes larger, roads wider and supporting infrastructure larger. The costs to develop land to accommodate the density required in the HDR is far greater than for lower densities.
- 34 I have obtained construction costing from GJ Gardiner (refer **Appendix 1**) and Armitage Williams (refer **Appendix 2**) which sets out expected construction costs for various building constructions. Vertical builds are expensive, time consuming and cannot be done in isolation. A single level detached house is estimated to cost \$3,000 per sqm whereas a six storey build is at least \$6,000 per sqm. These figures are for build only and do not include consenting fees and holding costs, which I have described earlier in my evidence where I have described the challenges in QLDC being able to process resource consent applications for medium density scaled developments in a timely manner. The high cost of construction and lengthy time frames to process consents have a significant influence on margins for developers undertaking high density vertical construction. This introduces risk that is not commercially acceptable.

Cost of Ownership

- 35 Multi story apartment blocks require body corporates with rigid governance and inputs to run. In addition to traditional houses there are fire inspections, exterior maintenance requires scaffold, elevators and so

on. A 6 storey apartment building has high costs to build and run, which will be passed on to the eventual apartment owners.

- 36 I continue to seek a reduction in the densities sought to allow flexibility through working to averages per sub area. For these reasons, I consider that aiming for an average density of between 40-48 residential units per hectare in the MDR Precinct will facilitate development of the zone, as it will allow for some lower density development in the short term, and require higher density (to achieve the average) in the medium to long term. For the HDR Precinct, I consider an average between of 45 - 60 residential units per hectare (as suggested in the evidence of Megan Justice) will allow flexibility for developments to provide a range of densities. This will encourage innovative developments as developers will seek to design developments to maximise the residential units per hectare.
- 37 Furthermore, to avoid a Kingston Village Special zone scenario I encourage changing the activity status for not achieving the density standards from Non-Complying to **Discretionary**.

Conclusion

- 38 I am in support of the QLDC led TPLM variation and have been working with QLDC for many years to bring housing to life on Ladies Mile. I have brought significant dwelling equivalents to market on the south side of Ladies Mile and have seen the Shotover Country community emerge. My primary concern is with the prescriptive nature of the planning provisions, the resource required to navigate them, which will be costly and time consuming, and the ability to deliver a high quality and desirable outcome for the future residents. Flexibility embedded in the rules for the TPLM zone is required to deliver these outcomes, whilst still ensuring QLDC has an opportunity to further influence the outcome via the resource consenting process.

Dated this 20th day of October 2023

Kristan Stalker

Appendix 1

To whom it may concern,

Kristan Stalker of Maryhill Limited requested guidance on the current cost of construction and high level considerations for vertical construction. We understand this is in relation the QLDC Te Putahi Ladie Mile Hearing.

We have assessed this question based on recent projects in the Queenstown area. Scenarios as detailed below:

1. Single story detached build:

1.1. Estimated cost is from \$3,000 m2

1.2. Construction components - Standard nz3604 construction

2. Two story attached (townhouse):

2.1. Estimated cost is from \$3,500 m2

2.2. Construction components – requires fire & acoustic separations, minor structural considerations and cannot be constructed individually.

3. Three story apartments

3.1. Estimated cost is from \$4,500 m2

3.2. Construction components - requires fire & acoustic separations, more extensive structural considerations, cannot be constructed individually, additional build time and more expensive maintenance of finished product.

4. Four story and above

Any construction higher than three story falls out of the scope of what group home builders and private builders would be able to construct.

This would be limited to construction companies that specialise in commercial construction which would limit options and increase construction costs.

The above information is indicative only and not based on any specific design.

Stephen Hardy

Lakes District Construction Ltd Queenstown Franchisee for G.J. Gardner Homes

12 October 2023

Appendix 2

18October 2023



Kristan Stalker
Maryhill Limited
kristan@maryhill.nz

Ground Floor
15 Sir William Pickering Drive
P O Box 39005
Christchurch 8545
New Zealand
Ph 03 359 5901
Fax 03 359 9416
info@awgroup.co.nz
www.awgroup.co.nz

To whom it may concern,

QLDC TE PUTAHI LADIE MILE – ESTIMATE RANGE

Kristan Stalker of Maryhill Limited requested guidance on the current cost of construction and high level considerations for vertical construction. We understand this is in relation the QLDC Te Putahi Ladie Mile Hearing.

We have pleasure in submitting our estimate ranges as noted below scenarios, medium range finishes , all plus GST, for the above works, all in accordance with; NZS 3910 : 2013 and the following:-

CONDITIONS AND CLARIFICATIONS

The following conditions and clarifications form part of this estimate: -

1. We have allowed a design contingency of 5%
2. The estimate validity period shall be 60 days.

We wish to emphasis the above estimate is preliminary and to be used for initial provisional budget indications. No specific design has been seen.

We would prepare a fixed price quotation once further detailed documentation has been completed.

- | | |
|---|------------------------------|
| 1. Single story detached build:
Estimated costs per sqm | \$3,100.00.m2 – 3,450.00 /m2 |
| 2. Two story attached (townhouse):
Estimated costs per sqm | \$3,450.00.m2 – 3,800.00 /m2 |
| 3. Four story apartments
Estimated costs per sqm | \$5,000.00.m2 – 5,400.00 /m2 |
| 4. Six story apartments
Estimated costs per sqm | \$6,000.00.m2 – 6,500.00 /m2 |

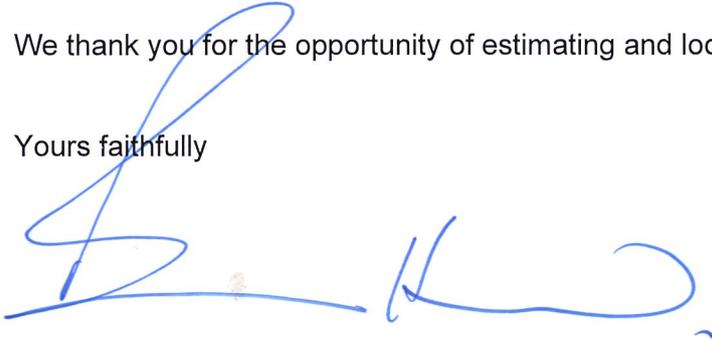
EXCLUSIONS

The following items are not included in our estimate: -

1. Goods and Services Tax.
2. Design Fees
3. Consent Fees, Resource Consent Fees & Development Contributions.
4. Soft Spots/Contaminated Material.
5. Appliances.
6. Gas.
7. Contract Works Insurance.
8. All Local Authority Charges, including but not limited to P.I.M. Fees, Power Authority Connection and Upgrade Charges, Telecom Charges, Water Connections, Development Levy, Road Openings etc. BRANZ Levy and Reserve Contribution.

We thank you for the opportunity of estimating and look forward to your advice.

Yours faithfully

A handwritten signature in blue ink, consisting of a large, stylized initial 'B' followed by a surname that appears to be 'Harrow'.

Ben Harrow
MANAGING DIRECTOR