

**BEFORE INDEPENDENT HEARING COMMISSIONERS  
AT CHRISTCHURCH**

**I MUA NGĀ KAIKŌMIHANA WHAKAWĀ MOTUHAKE  
KI ŌTAUTAHI**

**UNDER** the Resource Management Act 1991

**IN THE MATTER** of submissions and further submissions on Proposed Plan  
Change 14 to the Christchurch District Plan (PC14):

**SUBMITTER** Danne Mora Limited

*Submitter 903*

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**STATEMENT OF EVIDENCE OF IAN THOMPSON**

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**Christchurch**

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## **1 INTRODUCTION**

- 1.1 My full name is Ian Ross Thompson.
- 1.2 I have been involved in Property Development since 1998 having previously been a Senior Manager at Westpac Property Finance. Since 2015, I have specialised in residential land subdivision.
- 1.3 I am currently the General Manager for Danne Mora Residential, a position I have held since 2017. As part of my role, I am involved in a day to day basis with all aspects of the development of the Residential New Neighbourhood Zoned land within the North Halswell Outline Development Area, alongside other residential projects at Sabys Road and at Belfast.
- 1.4 Danne Mora Residential is a land development brand for the Wayne Francis Estate companies with a wholly owned subsidiary, Spreydon Lodge Limited, being the land owner, applicant and registered owner of 71 ha of land within the North Halswell ODP Area.

## **2 SCOPE OF EVIDENCE**

- 2.1 My evidence covers the following matters:
  - (a) A brief summary of development of the North Halswell ODP Area since rezoning in 2015;
  - (b) Issues Encountered in the Development, including market response;
  - (c) The need for flexibility in District Plan standards and rules.
  - (d) Additional Relevant Comments.
- 2.2 I have read the evidence of Mr Mactier and Mr. Verstappen on behalf of Danne Mora, with which I agree. The purpose of my evidence however is to provide a perspective from the development community as to the potential implications of PC14 and the changes recommended by the s 42A Reporting officers.

## **3 SUMMARY OF DEVELOPMENT TO DATE WITHIN NORTH HALSWELL ODP**

- 3.1 Since rezoning in 2015, Danne Mora Residential has undertaken development within the ODP area, including the following stages within the now removed Meadowlands Exemplar Overlay;
  - (a) Stage 1, comprising 11 allotments was developed and titled in 2016. The first building was only completed in 2019 with the last lots only completed in 2022 – 6 years after title.

- (b) Stage 1a, comprising 18 lots was developed and titled in 2018. 3 of these remain vacant today and another 3 are currently under development. In 5 years, it has not been fully developed.
- (c) Stage 1b comprised 10 lots that reflected Residential New Neighbourhood Zone (RNN) rules as they neighboured existing Hendersons Road houses. They were developed and titled in 2018, and all have been sold and built on. Stage 1b also incorporated 1 super lot with plans for further subdivision into 5 blocks. This failed to sell and was abandoned.
- (d) Stage 2 divided 3 blocks of previous super lots into 38 residential lots and was modified by Resource Consent to provide a hybrid development model between RNN and the Meadowlands Exemplar. This resulted in a protracted sale process, discounted land sales and subsidised investment by Danne Mora Residential in the form of interest free loans and building works to enable the sale of the end house and land packages. 4 high density, 2 storey lots remain unbuilt after 3 years despite the post Covid residential boom.
- (e) Stage 3 comprises 28 lots, with another Resource Consent to provide a hybrid RNN/Exemplar set of rules. Sales and development have been slow due to the complexity of the consent conditions and consent requirements. An entire block of 13 lots with high density & 2 storey requirements remain as unimproved bare land today.

3.2 In comparison, within the same land holding but with RNN zoning, we have consented, detailed designed, constructed and sold 155 individual lots at Meadowlands on Sparks Road within 2 years. Approx 85% of these lots have been built on and are occupied today. The contrast between the two forms of development is therefore very striking.

#### **4 ISSUES ENCOUNTERED**

- 4.1 In terms of the more comprehensive and intensive form of residential development undertaken in accordance with the Exemplar Overlay, there was a complete lack of market demand for all the time I have been involved. As the highly prescriptive rules associated with this framework of development have now been removed, it is possible that the remaining undeveloped allotments will attract greater market interest, but this will be dependent on the replacement framework in the District Plan.
- 4.2 Further, development of the high-density area has not been commercially viable, primarily because large subsidies were required simply in order that some development within this area could be advanced. To continue to

subsidise development of this form was simply not financially sustainable from Danne Mora's perspective.

- 4.3 In contrast, development of the RNN zoned land has been much more attractive to the market. This is evident not only from the level of interest in Danne Mora's development of RNN land, but also the development completed to date by other landowners within similarly zoned land in the ODP area.
- 4.4 The specific examples we have are Meadowlands residential subdivision on Sparks Road, 155 new lots created post Covid, developed, titled, sold and vast majority now have completed houses on the lots. Milns Park on Milns Road has been developed under RNN rules developed to date, the vast majority of which are fully sold lots with houses built and occupied. In addition, the Banbury Park retirement village located on a 12ha block between Milns Park and Sparks and is at an advanced stage of construction.

## **5 FLEXIBLE V PRESCRIPTIVE DISTRICT PLAN RULES**

- 5.1 The point of outlining my experience to date above is simply to illustrate that care is required to ensure that the provisions of the District Plan are enabling as opposed to prescriptive.
- 5.2 From my experience, district plans should avoid, to the extent possible, the inclusion of prescriptive standards which essentially require or mandate a certain form or typology of development, particularly if that form of development is not/unlikely to be commercially viable. The minimum building height requirement of 7m in the High-Density Residential Zone (HRZ) is an example of a very directive standard which, if included in the final version of PC14 in its notified form would essentially require all residential development to meet this standard. If it does not meet this standard, a resource consent would be required.
- 5.3 I appreciate that the overall intent of PC14 is to respond to changes in the RMA which have been mandated by the Government to ensure that a more intense form of residential development can be enabled via the MDRS provisions.
- 5.4 In my view, as a developer, there is merit in these provisions to the extent they avoid the need for protracted and costly resource consent processes, while at the same time enabling the market to respond to demand for a range of different typologies.
- 5.5 This enabling focus is, in my opinion, more appropriate than a directive planning framework which seeks to require specific typologies without sufficient flexibility to provide the variety of requirements of the housing market in such a way that is commercially feasible.

- 5.6 I also appreciate that the market for different housing typologies has evolved in recent times, and indeed is likely to continue to evolve over the coming decades particularly if there is a shortage of available and suitable land for housing in greenfield sites.
- 5.7 At the moment, there is very limited demand for greater than two storey housing/ apartment in the North Halswell ODP and I cannot envisage this situation changing in the foreseeable future.

## **6 ADDITIONAL RELEVANT COMMENTS**

- 6.1 I note Mr Mactier addresses this matter in his evidence, however I think it is prudent at this time to emphasise that what was once referred to as the Key Activity Centre is now renamed a Town Centre Zone (TCZ) and includes the ability to deliver extensive high density residential units above ground floor level. This has always been a cornerstone principle of the Danne Mora masterplan for their landholding within the NH ODP.
- 6.2 Given capacity of the TCZ to deliver high density residential development, I fail to see the merits of mandating additional high-density development beyond the TCZ given the implications and consequences such a change may have.
- 6.3 I Have read Mr Verstappen's evidence and provide additional comments in respect of the implications of the infrastructure effects of HRZ on our landholding in the North Halswell ODP:
- (a) As part of a master planned subdivision, Danne Mora's Spreydon Lodge Ltd land in the North Halswell ODP provides an extensive area of land set aside for onsite stormwater management. The land caters for stormwater across the full extent of the ODP area and beyond. The scope and size of this facility under current ECan requirements has seen the required land area increase even under the medium density zoning of RNN. The increased size of the facility has removed previously identified residential zoned land from development. As per Mr Verstappen's calculations, the increased level of proposed high density zoning will have an even greater impact and land requirement for stormwater facilities onsite further reducing the amount of developable land. The overall effect of a high-density zone will result in significantly less land being able to be developed due to the Stormwater requirements. Furthermore, the stormwater land requirement will be required to service land that is predominantly not within Danne Mora's ownership. We would essentially be required to foreclose the development potential of our landholding in order to

facilitate the development potential of other landowners within the ODP.

- (b) As above, the establishment of high density residential within the TCZ has always been planned as an essential adjunct to the town centre function. This has already been factored into the infrastructure in place.

6.4 The zoning of this area in PC14 needs to recognise the dynamic market and demand for residential housing and ensure it is flexible and adaptable to needs and demands rather than replacing current rules with a set of prescriptive high-density rules. To date, our experience of prescriptive rules results in delayed development, high-cost individual resource consents and zoned land remaining idle and undeveloped.

6.5 This proposed change to zoning with the North Halswell ODP further frustrates our attempts to deliver a master planned residential and commercial development in this area. Since the ODP was confirmed in the Replacement District Plan process there have been incremental changes to the ODP which have had significant implications on our development intentions, particularly given the master planned nature of this development. These include but are not limited to the following:

- (a) The removal of the Quarryman's Trail cycle route from the ODP
- (b) The removal of the Public Transport Interchange from the Town Centre
- (c) Council now requesting the preferred alignment of Monsaraz Boulevard is altered to deviate from its current alignment and connect with Hendersons Road
- (d) Significant expansion of the stormwater treatment facility.

## **7 CONCLUSION**

7.1 In summary, from a developer perspective, I have real concerns with the introduction of HRZ within the North Halswell ODP as it is a form of development that to date has not been either commercially feasible or attractive to the housing market.

7.2 The proposed town centre has been designed to cater for high density residential development and the capacity of this area is more than sufficient to cater for future demand for this type of residential living. I believe the extent of HRZ proposed will far exceed any foreseeable demand for this type of residential product.

- 7.3 Finally, the HRZ has significant financial implications in the form of redesigning and upgrading existing infrastructure, requiring significantly more land for flood attenuation and stormwater treatment and foreclosing the development potential of our remaining land in favour of providing sufficient land for infrastructure solutions for development elsewhere within the ODP.

Ian Thompson  
20 September 2023