

Before the Independent Hearings Panel
at Waimakariri District Council

under: the Resource Management Act 1991

in the matter of: Proposed private plan change RCP31 to the Operative
Waimakariri District Plan

and: **Rolleston Industrial Developments Limited**
Applicant

Evidence of Gary Sellars

Dated: 7 July 2023

Reference: JM Appleyard (jo.appleyard@chapmantripp.com)
LMN Forrester (lucy.forrester@chapmantripp.com)

chapmantripp.com
T +64 4 499 5999
F +64 4 472 7111

PO Box 993
Wellington 6140
New Zealand

Auckland
Wellington
Christchurch



EVIDENCE OF GARY SELLARS

INTRODUCTION

- 1 My full name is Gary Russell Sellars. I am a Director of Valuation and Consultancy at Colliers Valuation. I have been in this position at Colliers for 15 years. Prior to that, I was the Managing Director of Fright Aubrey, where I worked for 23 years.
- 2 I am a Registered Valuer, Fellow of the New Zealand Institute of Valuers and a Fellow of the Property Institute of New Zealand. I was registered in 1976 and have been in continuous practice as a Registered Valuer since that time, including four years employed by the Hong Kong Government. I have been involved in the public sector since 1985 in Christchurch in positions with Fright Aubrey and more recently Colliers Valuation. I specialise in commercial, industrial and land development valuation and consultancy within the CBD and suburban locations of Christchurch and major metropolitan areas in the South Island. I complete research on Christchurch office vacancies on an annual basis and regularly complete research on Greater Christchurch residential land and industrial business land supply and take-up.
- 3 I have been involved in the valuation of a number of large residential subdivision developments during the last 35 years including Pegasus Town, Ravenswood, Wigram Skies, Te Whariki, Yaldhurst Park, Karamu, Prestons, Belfast Village and Bellgrove. I have during this period regularly prepared and presented expert evidence before various courts or tribunals in relation to zoning applications and arbitrations.
- 4 I am familiar with the plan change application by Rolleston Industrial Developments Limited to rezone 155.931 ha of rural land in Ōhoka to Residential and Business Zones.

CODE OF CONDUCT

- 5 Although this is not an Environment Court hearing, I note that in preparing my evidence I have reviewed the Code of Conduct for Expert Witnesses contained in Part 9 of the Environment Court Practice Note 2023. I have complied with it in preparing my evidence. I confirm that the issues addressed in this statement of evidence are within my area of expertise, except where relying on the opinion or evidence of other witnesses. I have not omitted to consider material facts known to me that might alter or detract from the opinions expressed.

SCOPE OF EVIDENCE

- 6 My evidence considers the likely market impacts that the new Medium Density Rules (*MDR*) will have on Waimakariri District.

RESEARCH METHODOLOGY

- 7 My research team at Colliers Valuation has completed extensive research on the residential market in Waimakariri District. This included physically inspecting on the ground and identifying all developed and undeveloped land in Inner North Canterbury. I consider that I have a strong understanding of this residential market and I am well qualified to comment on the uptake of the new MDR legislation.

MEDIUM DENSITY RULES (MDR)

- 8 The Resource Management (Enabling Housing Supply and Other Matters) Amendment Act 2021 (*RM Enabling Act*) amended the Resource Management Act 1991 to rapidly accelerate the supply of housing where the demand for housing is high. This is intended to address some of the issues with housing choice and affordability that New Zealand currently faces in its largest cities.
- 9 The Waimakariri District Council notified Variation 1 on 13 August 2022 to the Proposed Waimakariri District Plan. Variations are required by the Government's new housing intensification legislation which requires some councils to make changes to their district plans to allow more housing and at greater heights in relevant residential areas. To comply with the law, Waimakariri District Council is introducing a new Medium Density Residential Zone on relevant current residential land in Rangiora. I understand the Council will notify a decision on the variation on 20 August 2023.
- 10 Under the proposed changes, up to three residential units, each up to three storeys high (11 metres), could be built on a site within the Medium Density Residential Zone without a resource consent. However, it will be up to land owners to decide if they wish to develop the site to the permitted standards, or to a lesser level of density.
- 11 I have considered the likely market impacts that the new MDR will have on Waimakariri District.
- 12 One of the key attractions of Inner North Canterbury is the low density rural environment where there are few two level residential dwellings. House buyers are attracted to Inner North Canterbury by the price advantage relative to suburban Christchurch, the larger section sizes and the low development density. I am of the opinion this situation is unlikely to change in the foreseeable future.

- 13 The construction costs per sqm of a three level dwelling are significantly higher than the construction costs of a single or two level dwelling due to the additional foundation and structural reinforcement requirements. Therefore, development to the density enabled by the new MDR is unlikely to be economic unless it is completed on larger lot sizes where there is demand for this type of housing product at a price level that is feasible to develop.
- 14 It is too early to gauge the likely take up of this development opportunity. However I am of the opinion it is most likely to only suit locations where medium-high density residential housing is currently demanded close to major commercial hubs and transport routes, such as the inner suburbs of Christchurch in the likes of Riccarton, St Albans and Papanui.
- 15 Potentially developers of new residential subdivisions where medium-high density residential development of the type envisaged by the MDR is possible, will incorporate restrictive covenants which limit residential construction to one and/or two levels. These types of covenants are already common in many residential subdivisions.
- 16 In summary, I consider the MDRs will have negligible impact on Waimakariri District urban areas.

Dated: 7 July 2023

Gary Sellars