

**BEFORE INDEPENDENT HEARING COMMISSIONERS APPOINTED BY THE  
WAIMAKARIRI DISTRICT COUNCIL**

**IN THE MATTER OF**

The Resource Management Act 1991 (**RMA** or  
**the Act**)

**AND**

**IN THE MATTER OF**

Hearing of Submissions and Further  
Submissions on the Proposed Waimakariri  
District Plan (**PWDP** or **the Proposed Plan**)

**AND**

**IN THE MATTER OF**

Hearing of Submissions and Further  
Submissions on Variations 1 and 2 to the  
Proposed Waimakariri District Plan

**AND**

**IN THE MATTER OF**

Submissions and Further Submissions on the  
Proposed Waimakariri District Plan by  
**Momentum Land Limited**

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**EVIDENCE OF ALEXANDER SHANE FAIRMAID  
ON BEHALF OF MOMENTUM LAND LIMITED  
REGARDING HEARING STREAM 7B**

DATED: 30 August 2024

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## INTRODUCTION

- 1 My name is Shane Alexander Fairmaid. I am a director and shareholder of Momentum Land Limited (**Momentum** or **MLL**).
- 2 I have 40 years' experience in property development in both management and governance capacities. I am a shareholder, director and the principal manager of Momentum in relation to the Beach Grove development, which is adjacent to the two sites which are the subject of these hearings. I also have wider development expertise specifically in delivering master planned communities both within Waimakariri District and in Central Otago.

## SCOPE OF EVIDENCE

- 3 In my evidence for the Stream 7B hearing I address the following matters:
  - (a) My involvement in the rezoning proposal for Momentum Land Limited.
  - (b) My experience in undertaking land development projects.
  - (c) My support for the Variation 1 notified qualifying matter regarding the 50 dBA airport noise contour, or deletion of this qualifying matter altogether.

## CONTEXT

- 4 Momentum is seeking to rezone approximately 35 ha of land in northeast Kaiapoi (**the Site**) to Medium Density Residential Zone under the PWDP and under Variation 1, with an Outline Development Plan (**ODP**) applied to the site.
- 5 The rezoning would enable a yield of approximately 1000 households.

## INVOLVEMENT IN THE REZONING PROPOSAL FOR MOMENTUM LAND, NORTH KAIAPOI

- 6 Momentum purchased the land known as the North Block and the South Block (or **the Moore Blocks**) at northeast Kaiapoi in November 2021, with the intention of seeking a rezone that will enable the continued successful expansion of northeastern Kaiapoi for residential living, in a similar vein to the

successful Beach Grove development to the south and Moorcroft Estate to the west.

- 7 Since the inception of the rezoning process, I've been personally involved in Momentum's request to rezone the North Block and the South Block to MDRZ under the PDWP and Variation 1.
- 8 If successful with the rezone, it is Momentum's firm intention to continue to develop the Site in a similar style to the Beach Grove development.
- 9 In recent times, Kaiapoi has made big strides as an expanding contributor to the region, with sound business investment in the town and people electing to live in Kaiapoi. The town has a prime location, with convenient access to a multitude of recreational offerings nearby, easy access to Christchurch City and employment in the town and surrounding district.
- 10 If successful in obtaining the rezoning sought, it is Momentum's firm intention to immediately move to work with the Waimakariri District Council and Environment Canterbury towards securing the subdivision, land use and environmental consents to enable these blocks to be offered to this region's expanding residential market.

#### **BEACH GROVE DEVELOPMENT**

- 11 Momentum Land Ltd is an associated company to Beach Road Estates Limited (**BREL**), the developers of the Beach Grove subdivision, immediately bounding the subject sites to the south and east. BREL & Momentum have similar shareholdings and identical board and management structures. Beach Grove totals 46 hectares and was rezoned in 2011, following the Canterbury earthquakes, for approximately 650 homes. Since 2013, Beach Grove has been under the ownership of BREL, which has consistently delivered medium density residential housing solutions to market since mid-2014.

#### **Residential Density within Beach Grove**

- 12 Since inception, Beach Grove has focused on delivering affordable residential solutions and is considered a market leader in the Waimakariri District in developing medium density housing in the 150m<sup>2</sup> – 450m<sup>2</sup> lot size range. Photographic examples of the typical housing typologies delivered to date at Beach Grove are as follows:



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***4-bedroom double garage 2 level homes on 250m<sup>2</sup> sites***



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***3-bedroom double garage attached 2 level homes on 175m<sup>2</sup> sites***



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***4-bedroom 1.5 garage, attached 2 story homes on 175m<sup>2</sup> sites***



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***3-bedroom single garage single level homes on 190m<sup>2</sup> sites***



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***3-bedroom single garage single level homes on 190m<sup>2</sup> sites***



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***3-bedroom, double garage single level homes on 300m<sup>2</sup> sites***



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***6-Hectare McIntosh's Reserve stormwater control and recreational reserve, delivered as part of the Beach Grove development and proposed to be doubled in size to 12-hectares with the North Moore Block development***

21 Typically, Beach Grove has delivered yields in the order of 17 – 28 lots / hectare, and by so doing has developed a proven market following for what has and continues to be a consistently affordable residential housing solution.

- 22 Following quieter market conditions from 2016 – 2019, the Waimakariri residential property market improved considerably following the 2020 completion of the northern motorway from Central Christchurch through to the Waimakariri District.
- 23 Since mid-2021, Beach Grove has delivered 317 lots to market, and we have a further 181 lots remaining to complete the total development and sell down of Beach Grove. Marketing into a recently subdued recessionary market, Beach Grove has continued to sell throughout 2023 and 2024, which can be attributed to the affordable nature of the medium density Beach Grove product. Given the current sales rate of 90 – 100 lots per annum, we expect the final stages of Beach Grove to be completed by late 2026 and sold down by mid-2027.
- 24 Over the last 10 years, Beach Grove has evolved and refined its product mix which now sees us consistently delivering housing solutions located within lots from 150m<sup>2</sup> to 450m<sup>2</sup>. Through the center of the development, we've eased the lot sizes as we moved further from the centre of Kaiapoi, however as we approach the eastern edge closer to McIntosh's reserve, we're again starting to intensify our offerings towards lot sizes starting as low as 150m<sup>2</sup>, and we foresee that this more intensive medium density development will continue right along the eastern edge of the new McIntosh's Reserve extension and into the North Moore Block. This opportunity to offer more medium density in these locations is enhanced by the proposal within the Moore ODP to integrate a small neighborhood commercial hub within the northern Moore Block close to McIntosh's Reserve, and by the proposed extension of McIntosh's reserve itself.





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26 With the Beach Grove development now some 80% completed, I feel quite assured in saying that what we're offering is market tested, affordable and well suited to the growing market in Waimakariri district. The Moore blocks, if rezoned, simply represent a quite organic and natural progression of the work already completed by the Beach Grove development team in delivering much needed affordable housing solutions to the Waimakariri and greater Canterbury markets.

### Site resilience, Flood Hazard & Stormwater Protections

27 The Beach Grove development also builds in significant flood and earthquake resiliency as follows:

- a) Filling the land well above the modelled 1 in 200-year flood events and the 100-year sea level rise scenario; and

- b) Utilizing pumped pressure sewer mains which are significantly more earthquake resistant than traditional gravity sewer solutions.

- 28 The Site will incorporate the same flooding, sea level rise and earthquake protections as Beach Grove, and once completed will provide one of the region's most resilient residential offerings. These protections support higher residential density within the Site.
- 29 Additional to the noted flood mitigations, the Beach Grove development enjoys the advantage of discharging stormwater runoff very near the Waimakariri Estuary. This means discharging stormwater runoff at a level equivalent to or very close to sea level, which has an advantage for more intensified developments.
- 30 One of the challenges with intensification is that it tends to increase the percentage of impermeable surface, which in turn potentially can increase the runoff intensity of storm events. However, with Beach Grove and its location close to the estuary, this means that the stormwater discharge is at a level equivalent to the tide table, which means no or minimal downstream effect from any increased stormwater peak flows (which may challenge developments located further afield by impacting downstream neighbouring properties.)
- 31 As a result, the Council has not stipulated the need for the Beach Grove stormwater runoff to be attenuated (i.e. volume controlled), as our stormwater modelling has shown the downstream effects to be acceptable. Given the location of the Moore Blocks immediately adjacent to Beach Grove, it is likely these sites will equally enjoy the same advantages as the Beach Grove development when it comes to stormwater runoff effects and intensification.

#### **ECONOMIC DEVELOPMENT OF THE SITE**

- 32 I now address the issue of whether the Site can be developed economically, or at all, if the Airport Noise Qualifying Matter (**ANQM**) as sought by CIAL, or even by the District Council, is accepted. In saying this, I acknowledge that Momentum lodged a submission in support of the District Council's notification of the ANQM in Variation 1, which would impose 200m<sup>2</sup> minimum lot sizes within the 50 dBA Airport Noise contour, with smaller lot sizes being a discretionary activity. However, Momentum also opposed the stricter

versions of the ANQM sought by Christchurch International Airport Limited (**CIAL**) in its submission, and particularly the larger minimum lot sizes of 300m<sup>2</sup> or 600m<sup>2</sup> within the 50 dBA Airport Noise contour. Further, Momentum supported the submission of Kainga Ora which sought to remove the ANQM and its provisions altogether.

- 33 Residential property development is a fine balancing act, with many changing variables in the equation leading to whether a development will produce a profit sufficient to risk the considerable costs of development. In the last few years since the Covid pandemic, many costs of residential development have increased significantly. This is making it even more essential, in providing much-needed affordable housing, that a good proportion of smaller-sized sections are available within the range offered in any particular development.
- 34 For example, and particularly in relation to the Moore blocks, there is a significant cost of filling (to avoid flooding hazards) which significantly increases as lot sizes increase. So, to ensure that the Moore Block is commercially viable, we need to deliver a mix of sites from as low as 150m<sup>2</sup> up to 450m<sup>2</sup>, with an average lot size in the low 300m<sup>2</sup>s. If that cannot be achieved, there is a significant possibility that the entire development will not be financially viable, and therefore will not proceed. At best it would mean progressing via non-complying resource consent applications, with the resultant increased costs, time delays and potential appeals to the Environment Court, and at worst that the Moore Block is not viable and cannot be developed at all.
- 35 Related to the question of costs of development is the issue of market demand. Momentum has carefully tested this market over time, and it is apparent that well over 50% of the local market is a mix of first home buyers, investors and empty-nesters looking to downsize. For various reasons all the purchaser groups noted are looking to minimize their level of investment, and so are looking at affordable, right-sized sections, which invariably means sections below 300m<sup>2</sup>.
- 36 In my view as a developer of residential land, this mixture of 50% or more of the market being given the opportunity of smaller, more affordable sections and homes, together with the remainder of the market seeking larger sections and homes at times in their lives when that is feasible contributes to a well-functioning urban environment. I understand that this is a defined term in the

NPS-UD, and I am not seeking to give expert evidence in that regard.

However, my observation is that a neighbourhood in which people at all ages and stages of their lives can find a place to live works well, on all levels.

37 For example, smaller sections enable denser development, which in turn results in the roading network being configured in a way which employs traffic calming measures and therefore encourages active modes of transport.

38 Also, community services such as facilities, reserves and businesses can be better supported in denser developments, and therefore more viable to develop and retain.

39 The CIAL proposal for minimum lot sizes of 300m<sup>2</sup>, or worse, 600m<sup>2</sup>, under the 50 dBA Airport Noise contour would lead to a "cookie-cutter" outcome of all of the housing units in the development being larger houses only suitable for larger and/or more affluent households.

40 In summary, if CIAL's proposal of limiting all development under the airport noise contour to a minimum lot size of say 300m<sup>2</sup> is accepted, this would very likely render the development of the Moore Block at best not market appropriate and at worst unviable.

41 Looking towards the development of the Moore Blocks, I consider both the North Block and the South Block represent a natural urban progression of the medium density development model which has proven successful at Beach Grove. With the Northern Motorway now developed and providing convenient access to Christchurch, and coupled with growing business investment in both Kaiapoi and Rangiora, we fully expect demand for housing in Kaiapoi to escalate heading into the mid / late 2020's, and that the proven medium mixed-density product offered by Momentum within the Moore and Beach Grove sites will continue to be an attractive and conveniently located alternative to other regional offerings further afield in Woodend and Rangiora.

42 With Beach Grove now some 80% delivered and looking to be completed in the next 2 years, I feel quite assured in saying that what we are offering is proven and market tested, affordable and well suited to the growing market in Waimakariri district. The Moore blocks, if rezoned will simply represent an organic natural progression of the work already completed by the Beach

Grove development team in delivering much needed affordable housing solutions to the Waimakariri and greater Canterbury markets.

43 Thank you for the opportunity to present my evidence.

Alexander Shane Fairmaid  
30 August 2024