

IN THE MATTER OF the Resource Management Act 1991

AND

IN THE MATTER OF proposed private Plan Change 12 to the
Waipā District Plan by Sanderson Group
Limited and Kotare Properties Limited for
the rezoning of Growth Cell T2 from
'deferred residential zone' to 'residential'

STATEMENT OF EVIDENCE OF NATHAN JOHN SANDERSON

DEVELOPER

15 March 2021

Introduction

1. My name is Nathan John Sanderson. I am the development manager for the Sanderson Group (**Sanderson**).
2. I have a Bachelor of Construction majoring in Property Development from Unitec New Zealand which I completed in 2010. Since then, I have worked at Sanderson Group and now lead Sanderson's developments from feasibility through to construction management and project close out.

Scope of evidence

3. My evidence will cover:
 - (a) an introduction to the company;
 - (b) Sanderson's experience with retirement village development;
 - (c) the process which has led to the plan change application;
 - (d) the extent of our consultation with stakeholders and submitters;
 - (e) the demand for a retirement village in Te Awamutu;
 - (f) the likely development timeframe if the plan change is granted;
 - (g) the northern part of the growth cell.
4. I have read and am familiar with the submissions, officer's report and the proposed changes to be made to the Waipa District Plan.
5. I have visited the plan change site on multiple occasions.

Executive summary

6. Sanderson is a family owned business that develops and operates retirement villages and aged care facilities. We have a reputation as New Zealand's leader in providing the highest quality luxury independent living villages and aged care facilities.
7. Sanderson became aware of the demand for retirement village capacity in Te Awamutu in 2017, and began searching for a suitable site which it found and purchased in 2020. We then set to work in developing a plan for the site and consulting with neighbours and other stakeholders.
8. There is significant interest and demand for a retirement village in Te Awamutu, which is why Sanderson has chosen to develop a retirement village in this location. Without any marketing, the proposed retirement village is already generating a very encouraging number of expressions of interest.
9. If the plan change is accepted, Sanderson intends to begin earthworks and civil construction in October 2021, with a view to first homes in the village being occupied by November 2022 and the development completed by 2029.

Introduction to the Company

10. Sanderson is a family owned business that develops and operates retirement villages and aged care facilities. Sanderson is passionate about providing retirees with only the very best care and luxury facilities and with each new development continues to set new benchmarks in the industry for quality and service.

11. Sanderson was started by my father in 1987 and has since built a reputation for creating the county's most desirable retirement villages and operating them to a very high standard.
12. Our project portfolio includes retirement villages, aged care facilities, specialist medical facilities, hospitality, retail, accommodation, education and residential subdivisions.
13. Sanderson employs its own design, earthmoving and construction teams. This enables Sanderson to control each step of the development process and ensure the highest standards of quality are met in all areas. Sanderson creates ongoing local employment when projects become operational.
14. Sanderson is well funded and has a solid foundation of experience and expertise to apply to development opportunities.
15. Sanderson is often referred to as New Zealand's leader in providing the highest quality luxury independent living villages and aged care facilities. A reputation that is taken graciously but not complacently.

Sanderson Experience with Retirement Village developments

16. Sanderson has significant experience with the development of retirement villages. The projects I have listed below have all been developed and operated by Sanderson:
 - (a) Omokoroa County Estate, a retirement village in Omokoroa, Bay of Plenty that has been operating since 1987;
 - (b) Metlifecare Bayswater, a retirement village in Mount Maunganui, Bay of Plenty that has been operating since 1995;

- (c) Metlifecare The Avenues, a retirement village in Tauranga, Bay of Plenty that has been operating since 1997;
 - (d) Cascades, a rest home and hospital in Hamilton that has been operating since 2003;
 - (e) Bethlehem Country Club, a retirement village in Bethlehem, Bay of Plenty that has been operating since 2004;
 - (f) Bethlehem Views, a rest home, hospital and dementia care facility in Bethlehem, Bay of Plenty that has been operating since 2010;
 - (g) Bethlehem Shores, a retirement village in Bethlehem, Bay of Plenty that has been operating since 2013;
 - (h) Bethlehem Lodge, a rest home, hospital and dementia care facility in Bethlehem, Bay of Plenty that has been operating since 2017;
 - (i) Queenstown Country Club, a retirement village, rest home and hospital care facility in Queenstown that has been operating since 2017; and
 - (j) Tamahere Country Club, a retirement village, rest home and hospital care facility in Hamilton that has been operating since 2019.
17. Other than Omokoroa Country Estate and Tamahere Country Club, all of the above developments have now been sold to a publicly listed retirement village operator.
18. Outside of retirement villages and aged care facilities, Sanderson also undertakes other commercial developments. Examples of this include the Wakatipu Medical Centre and Shotover Pharmacy in Queenstown and Bloom Early Learning and Childcare in Papamoa, Bay of Plenty.

Process leading to the Plan Change Application

19. In 2017, Sanderson became aware of the long waiting lists for the Highfield Country Estate Retirement Village in Te Awamutu. We also noticed that residents were moving from Te Awamutu to the Tamahere Country Club.
20. Following this, Sanderson began exploring sites in Te Awamutu and considering the feasibility of a retirement village development in this location.
21. In 2020 Sanderson located a site with a willing seller and at a feasible rate. The seller preferred to sell the site as a whole, not part of it.
22. When we purchased the property in January 2020, our feasibility model indicated that a retirement village covering the whole site was viable and we planned to develop a Country Club of 200 villas on about 20 hectares of the site. However, the Covid-19 outbreak in March 2020 led to a reassessment of risk of a development of that scale in an uncertain economic environment. As a result, reluctant to put the whole development on hold, we decided to scale back the retirement village and bring Kotare on as a residential developer to spread cost and risk.
23. We knew Kotare could be trusted to ensure that their residential development would match our retirement village in terms of quality. Having a partner in developing the site means that the major infrastructure costs can be shared, including roading and three waters, as well as the significant consultant fees attracted for a project of this scale.
24. In addition to making our retirement village development viable, there are significant marketing advantages to partnering together in this way. We have used this approach before in relation to Bayswater Village in Mount Maunganui, where we purchased a stockcar raceway and shared the site and

development costs equally with a residential developer and knew that it worked well.

25. In that situation and for this development, we have found that we are able to refer prospective clients to each other where the other is better able to meet the needs of a particular client, and we expect that will continue as we proceed with the development.
26. In addition our experience is that our retirement villages integrate well into residential areas where there are often several generations of extended families living nearby. For example, it is very common for our residents to want to live close to their children and grandchildren in neighbouring residential areas; in this case this could be Kotare or Frontier developments land.

Consultation with Stakeholders and Submitters

27. Sanderson has undertaken extensive consultation with the local community surrounding the plan change site.
28. We initially consulted with neighbours during the design phase, in May 2020. We did this through a combination of door knocking and calls to neighbours.
29. We undertook a second consultation with neighbours prior to submission in July 2020. Overall, 40 neighbours and interested parties indicated that they would support the plan change, while only nine neighbours said that they would not support.
30. We specifically consulted with the owners of the properties within Stage 2 of the T2 Growth Cell. All property owners in this area except for Graeme Blackstock, whose submission 17 is addressed in John Olliver's evidence, were supportive of the proposed plan change. They were aware that the land would be developed in to residential sections in the future anyway and were pleased

that we wanted to bring high quality housing to the area. Some mentioned that they may need the facilities of the retirement village in the future and all agreed that Te Awamutu is lacking in retirement village living options. Some also noted that having only one property owner for the northern part of the Stage 1 area, rather than a significant number of individual residential property owners, was a positive for them.

31. Kotare also held a group consultation. Overall, the feedback received from the community was very encouraging to Sanderson and Kotare.

Demand for a retirement village and residential

32. Sanderson's initial motivation for seeking a suitable retirement village site in Te Awamutu was becoming aware that there is a demand for retirement village living in Te Awamutu. We were also aware that the population of over 65's in Waipa District is going to increase from 9,400 in 2018 to 17,700 in 2043 and that retirement village accommodation would be required to cater for some of those additional people.
33. The interest in the retirement village to date has been significant, particularly given we have done no marketing of the site at all.
34. We maintain a database with details of those who have inquired about the retirement village. To date that database has collected 25 people's details.
35. We have had ten clients sign expressions of interest for a site and house plan. An expression of interest is a one page document signed by potential residents, formally expressing their interest in a property within our village. For this stage in the process, it is encouraging to see ten expressions of interest already.

Development timeframe

36. If the plan change is granted, Sanderson will then proceed to seek the necessary resource consent required for the establishment of the retirement village in the residential zone. Resource consent has already been granted from the Waikato Regional Council for earthworks and stormwater disposal.
37. We intend to commence works on site in October 2021, with earthworks and civil construction starting in January 2022. We estimate that earthworks would be completed by March 2022 and house builds would then begin. Civil construction and first homes would be complete by October 2022, with the first homes taking occupancy in November 2022.
38. Our intention is that the development would be complete in 2029.

Northern Part of the Growth Cell

39. Sanderson has no legal interest in the northern part of the growth cell nor does it have any current intention to develop it. As set out in the proposed plan change, this part of the growth cell would remain subject to the Deferred Zone rules until 2035.

Officer's Report

40. I have reviewed the Officer's Report and have no comments to make.

Conclusion

41. I have set out in the above Sanderson's experience with development of retirement villages, the comprehensive consultation Sanderson has carried out, the demand and interest in the retirement village already and the development timeframe if the plan change is successful.

42. Sanderson is passionate about providing retirees with only the very best care and luxury facilities and looks forward to bringing this level of service to Te Awamutu.

NATHAN JOHN SANDERSON

15 March 2021