29 May 2020

The Registrar
Environment Court
Christchurch

Attention: Christine McKee

Project Ref: 1970007

RE: Malborough Environment Plan

I, Nik George, on behalf of Kirk Roberts Consulting (Kirk Roberts), wish to be a party to the following proceedings:

- Levide Capital Limited's Appeal to the Proposed Marlborough Environment Plan (PMEP) - Court Identifier reference: ENV-2020-CHC-65.

Kirk Roberts has an interest in the proceedings that is greater than the interest of the general public.

Kirk Roberts is a specialist Engineering and Project Management Consultancy working out of Auckland, Hamilton, Tauranga and Christchurch, New Zealand. Kirk Roberts has vast experience in many industries including commercial, residential, education, industrial, agribusiness and petrochemical; providing expertise across structural, civil, geotechnical, fire and environmental engineering, project management, quantity surveying, architecture design, fabrication design, BIM, funding, acquisitions, development and investment opportunities. For the last 12-15 months Kirk Roberts have been in communications with Marlborough District Council (MDC) staff with a view to purchasing some Central Business District (CBD) zoned land known as 24A High Street, Blenheim. Project planning has been underway for the last 6-9 months to site a new 20m high boutique hotel on the site under the "Sudima Hotel" brand.

Prior to COVID-19 lockdown Kirk Roberts had an exclusivity agreement with the MDC over the land at 24A High Street, Blenheim and Kirk Roberts is in the process of negotiating a new agreement now that Level 2 has been reached.

Kirk Roberts is not a trade competitor for the purposes of section 308C or 308CA of the Resource Management Act 1991.

Kirk Roberts is affected by MDC's Decision and the subsequent appeal. Not being able to utilise the airspace up to 20 metres height above the land at a Permitted Activity level could reduce the attractiveness of building

new developments in Blenheim's CBD from a financial perspective and severely impact project timeframes for such 'anchor' developments unnecessarily.

The part of the proceedings Kirk Roberts is interested in is:

- Standard 9.2.1.5 in MDC's Decision outlining the height restriction in the Business 1 Zone chapter (Volume 2) seeking to limit the height of any building or structure to 12 metres as a Permitted Activity within the CBD and Levide Capital Limited's appeal on the matter.

Kirk Roberts is interested in the following issues:

- Various types of apartment and visitor accommodation style living options should be supported and encouraged in the PMEP for Blenheim
- There are not that many suitable development sites available in the CBD, which is why Blenheim is only slowly transitioning to an inner-city type accommodation change process
- MDC's position could effectively limit new buildings to 3 storeys in height and unnecessarily restrict the viability of CBD accommodation options going forward
- Setting a 12 metre Permitted Activity height restriction does not allow the value of the underlying land to be recognised and will lead to inefficiencies that could be gained by economies of scale
- A 20 metre Permitted Activity height limit enables buildings of five to six storeys which is a height that is appropriate to Blenheim's character and scale and is the height currently allowed at a Permitted Activity level in the Wairau Awatere Resource Management Plan.

Kirk Roberts supports the relief sought by Levide Capital Limited and the basis of support can be defined in three separate sections as noted below:

1. Architectural View
2. Structural Performance; and
3. Financial Implications.

1. ARCHITECTURAL VIEW

Although New Zealand is globally recognised for its extensive open spaces and wilderness, over 85% of New Zealanders live in cities or towns making New Zealand a highly urbanised country. In general, the urban form of the world is becoming taller as population growth necessitates towns and cities to become more dense and sustainable places. Taller buildings promote opportunities for central areas to be regenerated though higher density and mixes of activity.

Research has shown how sprawling low-density development may compromise the quality of life in suburbs, with more reliance on cars and more leisure time spent commuting. Higher urban densities can reduce the amount of transport required, lower pollution and help prevent attractive rural spaces being lost to development. Therefore, it is important to consider how we can achieve higher urban densities and taller buildings can have distinct advantages over low-rise, low density developments such as:

- Lifestyle and inner city living
- Proximity to work
- Proximity to shopping and entertainment
- Low maintenance
- Better safety and security; and
- Better thermal insulation and lower heat loss as walls and floors connected within building.

Blenheim is predominantly a low-rise urban environment, with several exceptions (Porse building and the old Blenheim Post Office building) of one, two and three storeys, with a small number of high-rise buildings in the CBD. With careful consideration and good design, there is an opportunity to utilise taller buildings to generate positive urban developments within the CBD area to allow for enriched spaces at both a public and private level.

Even at 20 metres building height (i.e. five – six storeys), this is still comparatively low in terms of world standards for an urban centre. This height would arguably be able to deliver appropriate densities, but at what is considered 'human scale', meaning the scale of a building is fundamentally human in nature (i.e. people can still relate their own physical size to the architecture). For this to be achieved, there are several design considerations to integrate within the architecture (and infrastructure) that embody a pedestrian scale and enhance the quality of life for inhabitants, and the experience for visitors.

When implementing taller buildings, urban design rules can ensure that an enhanced public realm is achieved at ground level with a mix of interesting spaces. Active edges are necessary for vibrant street life and help provide a safer environment with 'eyes on the street'.

The form of the building should respond to the context it is in, as well as be orientated so that public edges respond to the street and private activities are located appropriately with associated outdoor areas (as well as respond to solar orientation).

The silhouette of a building's roofline against the sky is a prominent element of a building and can add a point of interest and contribute to a city skyline in a positive manner.

With some building activity up to a 20-metre permitted activity height limit, Blenheim can realise the opportunity for commercial development to support more people living, working and visiting the CBD area. This is likely to result in more retail, hospitality and commercial opportunities which will in turn attract more exciting and innovative companies, more visitors, enhance recreational opportunities and support an improved public transport service.

This would also allow opportunities for taller ground floor retail spaces and for ground-floor apartments to be lifted above street level for greater light and privacy.

Higher density residential and commercial development would mean opportunity would exist for a more activity-focused environment. There would be more foot traffic in the CBD, less cars and traffic, and the subsequent economic benefits.

Considered development allowing some taller buildings in Blenheim's central area, with high quality urban design and architecture principles, will support a town centre that has a strong identity and sense of place and is an attractive place to visit, live and work.

2. STRUCTURAL PERFORMANCE

Kirk Roberts understands that a contributing factor to the rationale of limiting building heights within the *Business Zone 1* to 12 metres is the perceived risk that tall buildings perform poorly when compared to low-rise buildings during a seismic event.

As professionally qualified Structural Engineers, Kirk Roberts can provide a professional opinion on the performance of buildings in New Zealand when subjected to seismic loading. Not only have Kirk Roberts designed several leading-edge buildings across New Zealand that efficiently exceed the Code requirements, but they have also assessed numerous existing buildings against the New Building Standard.

The ground motion felt during earthquakes causes a building to sway as the energy from the earthquake wave moves through it. This induced motion and its affects relate to the design and fundamental response of the building form.

In designing a building, it is important to understand that the more flexible it is the better it can absorb the energy transmitted from an earthquake. By being able to move less structural resistance is needed to ensure the necessary performance is within the stipulated requirements. By contrast a shorter, stiffer building will not flex and so will require more effort to resist the induced energy from the earthquake. This means the structural engineer will need to design shorter buildings to withstand greater forces than those required for taller buildings, potentially making them disproportionately expensive. Simply put, a well-designed tall building is far safer than a poorly designed short building when subjected to seismic force. Potentially limiting the height of buildings to 12 metres may tend to produce standard designs to satisfy Code as a maximum and not drive efficient design to exceed the performance required. However, taller buildings will attract better design and so help increase the safety of the building occupants and their surroundings in the town centre.

Building structures apportion a significant part of their construction costs and risks to working in the ground and producing a suitable foundation option. The proportion of cost and risk for a 3-storey building will be the same for a 6-storey building particularly if the ground at shallow level is poor and requires ground improvement or deep foundations, such as piles. By allowing additional height at a Permitted Activity planning level the sometimes-prohibitive cost of 'getting out of the ground' can be alleviated transforming an unfeasible idea into a successful project.

Kirk Roberts are of the professional opinion that taller buildings perform more favourably under seismic loading and are more cost effective by diluting the relatively fixed cost of substructure over more upper levels. There is no valid structural argument to unnecessarily limit the height of buildings within the Blenheim town centre, rather it is our responsibility to see they be encouraged in CBD areas to reduce the impact of urban sprawl on our natural environment.

3. FINANCIAL IMPLICATIONS

For property owners the entitlement includes rights to the earth beneath and the air above the land at ground level. A retrospective ruling to restrict building heights within Blenheim's CBD has an imposed detrimental financial impact to the current landowners and Kirk Roberts as property developers.

The height restriction will potentially severely limit the type of buildings that can be built in the area without going through timely and exhaustive planning processes. In Kirk Roberts opinion, a limit of 3 storeys will make most 'anchor' projects unviable and as such, Blenheim's CBD is unlikely to attract growth and investment into the region.

The previous restriction of 20 metres height as a Permitted Activity is reasonable in Kirk Roberts opinion and would allow the construction of most typical CBD buildings without allowing incongruous high-rise buildings, however unlikely, in the CBD. It allows land values to remain stable and provides the opportunity for developers to target Blenheim as a sustainable market with appropriate proposals.

Kirk Roberts is proposing a hotel development that will bring tourism and jobs to the local economy, but a hotel needs a certain number of rooms to sustain the ancillary costs and land purchase. For anything other than motels we typically need a minimum of 80 to 100 rooms to deliver a quality product. For typical land parcels available this requires a medium-rise development of 5 to 10 storeys to remain financially viable or alternatively there must be a marked decrease in the land value to accommodate the lower return.

We believe the proposal to restrict height has effectively devalued the land within the central area of Blenheim's CBD by up to 40% and could stifle any significant investment in this zone. Developers will be forced to either build in towns without such limitations or will look to build larger footprints in other areas which leads to urban creep rather than a vibrant CBD.

CONCLUSION

Kirk Roberts believe there are no valid reasons to lower the height restriction from 20 metres to 12 metres at a Permitted Activity level. In fact, we strongly believe, as summarised above, there are many valid reasons for retaining the Permitted Activity height limit at 20 metres and that lowering the restriction to 12 metres is architecturally, structurally and financially flawed and could realistically prevent or hinder future investment in Blenheim's CBD.

We agree to participate in mediation or other alternative dispute resolution of the proceedings.

Signature of person wishing to be a party:

Nik George

Kirk Roberts Consulting Regional Manager - Christchurch

Date: 29 May 2020

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