

BEFORE THE DUNEDIN CITY COUNCIL

IN THE MATTER

of an application for resource
consent LUC-2015-548

UNDER THE

Resource Management Act 1991

BY

EAGLE CORP LIMITED

EVIDENCE OF NEVILLE KEITH BUTCHER

**GALLAWAY COOK ALLAN
LAWYERS
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1. My full name is Neville Keith Butcher. I am a director and shareholder of Eagle Corp Limited with my wife Sandra. I am authorised to give this evidence on its behalf.
2. Sandra and I (through 2 companies) currently own and operate Bluestone on George. Bluestone on George is a small 15 unit boutique property that caters to couples and single travellers to Dunedin for business or leisure. We are classified by Qualmark New Zealand as a 5 star property in the Motel accommodation sector. Today with social media playing an important role in defining where we rank in the accommodation sector, we are pleased to say that Bluestone On George has in the 9 years since being built, maintained the number one position for most of that time on Tripadvisor for Dunedin Hotels. More importantly ranks as the number two hotel by ranking in New Zealand when taken across all review sites on Trivago. The rankings are not just an indication of quality of the facilities and services, but of the whole experience, and therefore a lot of effort is put into maintaining the facilities and grounds to a high standard.
3. The previous building at 29 Queen Street was a 2 storey villa, built around 1880. It was run down and had been used as student accommodation for at least the past 9 years we have been at Bluestone. There are still student flats on either side of the property. Over the years as the property degraded the quality of the tenants dropped and the late night parties and unsociable behaviour got worse. The tenants at this property gave us and our guests many hours of lost sleep, and created a lot of stress due to their unpredictable nature. During that time we had many unsatisfied guests and some not wishing to pay for such a bad experience. Sandra and I decided when the property was put on the market that we would buy it to reduce the frequency of guest disturbance. In 2014 we negotiated to purchase the property and took possession on 13th January 2015.

4. We obtained a building condition report before possession to see if the building was capable of retention as a student rental. The report was not favourable for that option as repairs and maintenance had not been undertaken for many years and the structural elements and all the outside claddings needed replaced. We attached a copy of the report that we received in our application for consent. We left the house untenanted while we decided how to redevelop the site. During the University orientation period of 2015 the students in the neighbouring property had a party which spilled out onto the footpaths and street. That night the property at 29 Queen Street was broken into and vandalised. Windows were broken, internal doors, appliances, walls and joinery smashed, and it was some time before we were alerted by the additional noise and attended the property as the last individuals slipped out the back door. The students in the flat at 25 Queen Street in that year of 2015 were extremely troublesome and also used the property as a dumping ground. A decision was made for safety reasons to demolish the house urgently as a fire was a real possibility especially as they had been involved in couch burning on the street. The house was demolished on the 23rd April 2015.
5. As the house was built in the 1880s an archaeological authority was obtained for the demolition, and this has largely been completed, with the last part to be the inspection of any site excavations during construction of the new building.
6. In exploring the options for developing the site we first looked at student accommodation, residential apartments and a standalone residential Bed and Breakfast. The build cost for the site was high due to the sloping nature and limited size of the site. A large amount of retaining is necessary and that requires drainage at a level lower than the street. To deal with this we need to install a holding tank and pumping station to deal with stormwater at the site. To obtain a reasonable return on investment and be able to complete a high quality development of build those options were not feasible. We decided to run with the Bed and Breakfast concept but do it commercially, as this would mean we could have more than 5 paying guests. This allows us to maximise the quality

of the build so as to align it with Bluestone On George and run the two properties together. The name of Bluestone Villa is to link the two properties and to indicate that it is a villa or house in nature. Bluestone Villa will be constructed with some bluestone veneer in order to pay homage to Dunedin's history and our brand.

7. We engaged Architect Philip Gilchrist who worked with us on the Bluestone On George project 9 years ago. We wanted to build something of high quality that fitted in to the existing streetscape, that had a timeless look, but that took a modern approach to building design. The design of the mono pitch roof was to minimise any height plane breaches, but although very simple, works well on this overall design. The design of three levels was to give the building some bulk and size so that it fitted in well with the slightly higher properties on either side. The internal design was around a four bedroom house, with an entrance, guest lounge and dining area and separate kitchen and laundry. This design does allow for multiple uses in that it can be used as a bed and breakfast, a family house or residential building for student accommodation. As a Bed and Breakfast it will accommodate up to 8 people maximum, which is less than on both adjoining rental properties.
8. We did not consult with our neighbours before we commissioned Philip, but our brief to him was to comply with all District Plan requirements to the extent possible. This project was not about squeezing as many rooms as possible on to the land, but was about achieving a quality build with a specific business concept in mind. We provided both adjacent land owners with copies of the application and building designs prior to filing the application. Neither party provided any feedback or affected party approval.
9. It is proposed to run the two properties of Bluestone Villa and Bluestone On George together and they will be connected through a walkway between the neighbouring properties. The staff and on site management at Bluestone On George will also service Bluestone Villa. As both properties will be of a similar standard then the clientele will be mostly of a mature nature and high end visitors to the city. The design of

Bluestone Villa will hopefully give the building a long life as when not run as a commercial Bed and Breakfast it could easily revert to a residential property as a family home or high end student accommodation.



Neville Keith Butcher

Date: 18th March 2016