

**BEFORE THE COMMISSIONERS APPOINTED BY
DUNEDIN CITY COUNCIL**

IN THE MATTER

of applications for resource
consent pursuant to the Resource
Management Act 1991.

And

By

**BALMORAL DEVELOPMENTS
(OUTRAM) LIMITED**

**LUC 2017-255 and SUB 2017-49,
94 Holyhead Street, Outram**

BRIEF OF EVIDENCE OF RUSSEL LUNDY

**GALLAWAY COOK ALLAN
LAWYERS
DUNEDIN**

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1. My name is Russell Lundy. I am the residential manager of Southern Wide Real Estate in Dunedin. I have 8 years of experience marketing residential properties on the Taieri.
2. My colleague Mr Ray Kean of Southern Wide Realty, has a listing agreement in relation to Stage 1 of the Balmoral subdivision that already has a subdivision consent. I am not the listing agent and do not share in the commission on any sales. I am not a director or shareholder of the company.
3. The purpose of my evidence is to address whether there is a sufficient land supply at Outram to meet the short term and medium term demand for residential sections on the Taieri.
4. In the last 5 years I have been involved in the sale of close to 100 sections around Mosgiel. I have not sold any in Outram as none have come to the market since the last Formby Road sections (sold by Ray Kean) some years ago now. At the present time there are no sections in Outram on the market. The Balmoral sections that already have subdivision consent will be the first in a long time.
5. The supply of new residential development in Mosgiel is rapidly drying up and there are major infrastructure constraints to be overcome (storm water on the Owhiro side, and sewerage for the whole of Mosgiel) before a significant new land supply is expected.
6. I understand that the Dunedin City Council's policy staff have identified a shortfall in residential land supply on the Taieri in the course of preparing their reports for the urban land supply (stage 2) hearings for the proposed District Plan. This accords with my own experience. Dunedin is rapidly running out of new sections.
7. The vast majority of new residential development pressure has occurred on the Taieri. That is not surprising because it is mostly flat and cost effective to build new houses, compared with in the city. There is very little suitable land in the city for most people to build a new house for themselves.

8. Once people have made the decision to build a new house, then most people will choose to go to the Taieri plain. On the Taieri then there is little market distinction between Mosgiel and Outram. It is a question of availability and price. Both areas serve as commuter suburbs to Dunedin City. There will be some people with family or employment associations with one area or another but my experience is that people mainly choose between being on the Taieri or in the City.
9. I understand that the Council's policy planning people consider there to be a surplus of residential sections zoned in Outram (including Balmoral's first stage) that will come on stream in the future, but a shortfall in Mosgiel. The point I want to make is that the market makes no such distinction. The Taieri is a single market for residential sections. Any supply at Outram will serve to relieve the pressure on Mosgiel and vice-versa.
10. For this reason I consider that Outram has a vital role to play in meeting the Council's short and medium term residential land supply needs. Because Outram is self-served for sewerage (septic tanks), is relatively flood free, and there is available water supply, sections can be brought to market quite quickly to meet demand. This is not the case with Mosgiel, which faces major infrastructure headaches that will not be resolved quickly or cheaply. In the meantime, market pressure for Taieri sections can be relieved a bit by increasing supply in Outram.

Russell Lundy

1 November 2017