

# Mid-Rise Wood Construction July-September 2019 Quarterly Executive Summary

# 1.1 Summary of progress during this quarter

## **Project 1: Residential Reference Building**

#### **Decision**

The Programme Governance Group decided that the first reference building will proceed, based on the outcome of the redesign and costing review.

#### **Main Contractor**

Discussions continue with Logic Group towards formal appointment as lead contractor. Early contractor involvement is underway on the basis of their pending appointment.

### Consent

The building consent for stage 1 of the first reference building (foundations and building pad) has been filed and approval is awaited. Resource consent application for additional garaging has been made to council with results pending. Stage 2 consent (for the superstructure) will be filed prior to Christmas 2019. Site preparations will start early in 2020, subject to consent.

Further interaction with the Christchurch City Council will be programmed once the consent for the main structure has been lodged. At that point the consenting parties and the design engineers will interact frequently, providing an opportunity to familiarise the Council with many of the unique properties relating to design in mass timber.

Project meetings are scheduled weekly amongst the immediate team in Christchurch. This ensures all steps are taken to deal in advance with consenting issues, also to plan construction and ensure costings and scheduling of services are managed effectively.

## **Material Supply**

Uncertainty about the supply of CLT panels has been recognised as a risk since XLAM, the primary supplier, withdrew manufacture from New Zealand. Since then a supply agreement to secure CLT from XLAM Australia has been agreed.

#### **Pre-Sales**

The relatively low level of presales remains unchanged. Marketing of apartments will become a priority again during 2020 when physical building progress is visible to potential buyers.

## **Project 2: Commercial Reference Building**

This project remains in the planning stage. Red Stag Investments is working to find a developer that will be compatible with the aims and objectives of this PGP programme. A developer will co-fund the project and assist with the location of a suitable site, which is likely to be in the Auckland region. Initial discussions have taken place with major developers that have national coverage and the objective is to progress these with a view to agreeing on a project in Q1 2020.

## **Project 3: Communications and Promotion**

Red Stag has negotiated a contract with Innovatek to be the programme's primary contractor for communications and promotion. This contract will be signed in late November.

Discussions are taking place with the Wood Processors and Manufacturers Association (WPMA) to explore the dissemination of the programme's documentary output via the Wood NZ Website.

# 1.2 Key highlights and achievements

Decision for the first reference building to proceed, based on design and cost feasibility. The consenting process was initiated.

# 1.3 Collaboration with other SFFF programmes

Collaboration with other SFFF programmes has not yet been pursued.

## 1.4 Upcoming

- Approval of the stage 1 building consent and lodging of the phase 2 consent application for the first reference building.
- Signing of contract with Innovatek to supply communications and promotional services and the preparation of the survey to be carried out early in 2020 which will establish baseline for programme benefit measurement.

## 1.5 Investment

Investment Period 1 Nov 18 – 30 Sep 19	Co-investor Contribution	MPI Contribution	Total Investment
During the Quarter ending 30 Sep 19	\$132,320	\$88,213	\$220,533
Programme to Date ending 30 Sep 19	\$296,359	\$197,573	\$493,932



Notice that this mid-rise building, constructed in steel, shows Cross Laminated Timber (CLT) being used for the flooring instead of concrete. The CLT was supplied by Red Stag Investments, the industry partner in the Mid Rise Wood Construction programme. This building is in Rotorua, New Zealand's first city to adopt a "Wood First" policy.