

**BEFORE THE QUEENSTOWN LAKES DISTRICT COUNCIL  
INDEPENDENT HEARINGS PANEL**

**IN THE MATTER** of the Resource Management Act 1991

**AND**

**IN THE MATTER** of submissions to the Stage 1 Proposed  
Queenstown Lakes District Council Plan  
by **Hogans Gully Farm Limited**  
**(Submitter 2313).**

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**STATEMENT OF EVIDENCE OF RYAN BRANDEBURG  
ON BEHALF OF HOGANS GULLY FARM LIMITED  
TOPIC 14: WAKATIPU BASIN LAND USE VARIATION**

**13 June 2018**

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## **1.0 Introduction**

- 1.1 My name is Ryan Brandeburg and I am a PGA Professional and a New Zealand based golf consultant. I hold a Bachelor of Science degree in marketing with a specialization in Professional Golf Management from Coastal Carolina University in South Carolina, USA, one of a select number of schools that offer this program.
- 1.2 I currently serve as both the Executive Director of Golf Tourism New Zealand and the Golf Specialist for the government's tourism board, Tourism New Zealand. Both roles are fully funded by central government. In these roles, I am tasked with executing the government's Golf Tourism Strategy, providing expert advice on how New Zealand's golf courses can satisfy the needs of international visitors, how investment is best leveraged on golf events, and how to best market our golf product internationally. In addition to these roles, I advise private clients both domestically and abroad, speak to golf stakeholder groups, and am a monthly contributor to worldwide golf publications. Prior to my time as a consultant, I served in golf management roles in the USA with several high-profile facilities and one of the world's largest private equity firms, The Blackstone Group. From 2009 – 2014 I served as the director of golf for both Kauri Cliffs and Cape Kidnappers, two New Zealand courses owned by American billionaire Julian Robertson and ranked among the world top 100. I sit on the board of the New Zealand Golf Industry Council, and have authored two books aimed at educating young PGA Professionals.
- 1.3 While this is a Council hearing, rather than an Environment Court process, I confirm I have read the Code of Conduct for Expert Witnesses contained in the Environment Court Practice Note 2014, and agree to comply with it. I can confirm that this evidence is within my area of expertise, except where I state that I have relied on material produced by other parties, and that I have not omitted to consider material facts known to me that might alter or detract from the opinions expressed.

## **2.0 Support for Hogan's Gully Golf Course:**

- 2.1 Golf is officially the highest participation sport in New Zealand, with approximately 500,000 New Zealanders who play golf. Over 100,000 of these golfers belong to a golf club. Lesser known is that New Zealand is home to 400 golf courses, providing the distinction of the second highest golf courses per capita in the world behind Scotland.

The benefits of golf are far reaching and go well beyond that of a basic sport. Golf provides life skills and quality family time, produces champion athletes representing New Zealand, is an excellent form of exercise, ensures greenspace is maintained, employs thousands of people, provides a financial contribution, has a significant charitable impact, promotes New Zealand through events, and is a significant tourism earner for the country.

### **3.0 Life Skills**

Golf is a sport that promotes key life skills, namely courtesy, honesty, respect, and integrity. These life skills are a core fundamental of junior golf programs. In the Basin, Wakatipu Junior Golf is envied both domestically and abroad for its innovativeness, inclusion, and opportunities. For \$110, junior golfers under 19 have playing rights at three local courses, with additional limited rights at Millbrook. Parents can also join for \$110 and enjoy the same rights as long as they play with their child.

### **4.0 Family Time**

The new course at Hogan's Gully fully intends to provide a platform for the Wakatipu Junior Golf Program to continue growing. While an individual pursuit, golf is often enjoyed with others and provides excellent opportunities for quality family time in a fun, safe environment. Since golf can be played at any age, it is one of a few select physical activities that families, and multi-generational families can enjoy together.

### **5.0 Elite Golfers**

New Zealand has produced several champion golfers with several more currently in development. The accomplishment of these golfers provides profile to New Zealand internationally, and inspires the younger generation to engage in an outdoor activity such as golf.

**5.1** Local golfer and Hogan's Gully course architect, Greg Turner, has won 12 times on the world stage and is well known to golfers around the world as a proud New Zealander. Major Champions Sir Bob Charles, Michael Campbell, and Lydia Ko are also household names amongst golfers around the world who associate these high performing athletes with New Zealand.

**5.2** Ko's Silver Medal at the Rio Olympics in 2016 made international news, as did her apparel and equipment, which were emblazoned with the Silver Fern and New Zealand flag. In the coming weeks, stars of the younger generation will also be on television screens around the world when Ryan Fox plays in the British Open, and Michael Hendry starts in his first US Open.

### **6.0 Exercise**

Golf provides crucial health benefits by means of non-strenuous, low impact exercise. Additionally, while several activities are inaccessible to handicapped persons or those with breathing conditions such as asthma, golf is not. According to New Zealand's Ministry of Health:

*"Regular physical activity can reduce your risk of some health conditions, and help you to manage others. Physical activity helps reduce the risk of conditions like heart disease, obesity, type 2 diabetes and cancer, and puts you in a better position manage conditions*

*like arthritis, diabetes and depression. Physical activity has mental health benefits, particularly for depression and anxiety, and is very good for reducing stress.”*

The course at Hogan’s Gully has been designed to encourage walking, which is traditionally how golf is meant to be played. With that said, golf carts will be available to those who require them for health reasons or personal preference. A golfer walking the course will burn over 2,000 calories and cover over eight kilometres...one more kilometre than a rugby player during a game. Even golf by cart has exercise benefits, with golfers choosing to ride still walking over three kilometres during a round. For a golfer that plays golf walking 18 holes once per week, the annual distance covered on a golf course of over 416 kilometres, almost the distance from Arrowtown to Christchurch.

## **7.0 Greenspace**

Golf courses are a unique habitat that support plants and wildlife by providing significant greenspace. The aggressive planting program at Hogan’s Gully will see a high concentration of native species introduced on land that was previously insignificant from a vegetation standpoint. This vegetation, along with a golf course’s, are excellent producers of oxygen.

**7.1** According to the United States Golf Association, a landscape of turf, trees, and shrubs about 185 square metres in size generates enough oxygen for one person for one year. Several golf bodies with ties to New Zealand are championing environmentally friendly golf courses such as the New Zealand Golf Course Superintendent’s Association, who provide an Environment Award, which was won by Millbrook Resort in 2013 and Arrowtown Golf Club in 2012.

**7.2** Remuera Golf Club in Auckland was the first in the country to achieve GEO Certification, which is a highly regulated program delivered by the Golf Environment Organization, and Cape Kidnappers in Hawke’s Bay was the first in New Zealand to become a recognized Audubon Sanctuary by Audubon International.

**7.3** Hogan’s Gully has already expressed its desire to become an Audubon Sanctuary and has incorporated this stringent criterion into its golf course planning. This includes an efficient irrigation system designed to deploy water to necessary areas only, the use of hybrid equipment where possible, and an overall philosophy of using less inputs on the golf course for a more natural look and feel.

## **8.0 Charitable Causes**

Golf courses have long been associated with supporting charitable causes through several means. The most popular are through rounds of golf donated to charities, and the use of golf courses as venues for fundraising activities. While data on this from New Zealand is not readily available, a recent report released by We Are Golf, a US based alliance of golf industry stakeholders, showed that from 2012 – 2016, golf has raised nearly \$20 billion for charity in the United States. New Zealand

operates on a much smaller scale, but it would not be a stretch to say that golf contributes in excess of \$250,000 annually to charitable causes in New Zealand.

- 8.1 At the 2018 New Zealand Open, co-hosted at The Hills and Millbrook golf courses, event sponsor Hyundai put up a \$60,000 Santa Fe SUV for one of three charities selected by the public as part of their 'Drive for Good' campaign.
- 8.2 Elsewhere, Tara Iiti Golf Club in Mangawhai holds an annual "Shorebird Trust" event to raise money for Mangawhai Wildlife Refuge, and the Malaghan Institute of Medical Research will hold five events across the country in 2018 to raise funds for diseases such as cancer and asthma. A simple Google Search will reinforce that these events mentioned, while of a high profile, are just a few of hundreds that take place across New Zealand annually.

## 9.0 Employment

In the greater Queenstown area alone, golf directly and indirectly employs a significant amount of people when golf related tourism, construction, retail, coaching, maintenance, and food and beverage are considered. The recent addition of the new par three course at The Hills, Millbrook's construction on their newest nine holes and the surrounding real estate, and the work at Hogan's Gully will have a significant employment impact on the local area.

- 9.1 A recent report titled 'The Impact of Golf in Auckland' shows 749 full time equivalent (FTE) jobs in Auckland directly attributed to golf. This is spread across 34.5 18-hole equivalent courses, but shows an average of 21.7 FTEs per course. Using this as a base, nation-wide golf would easily employ well into the thousands of people.
- 9.2 A search of seek.co.nz using the keyword "golf" currently shows 49 jobs available. At Hogan's Gully, it is expected that the golf course and clubhouse will employ 45 people when fully operational. During the construction stages of the golf course, civils, and residences, it is anticipated that hundreds of jobs will be created.

## 10.0 Financial Contribution

Through wages paid, fees collected, and ancillary spend on golf related retail items, on-course food and beverage, hire equipment and golf related travel, the financial contribution golf provides to the economy is significant.

- 10.1 According to the sport's governing body, New Zealand Golf, there are currently 2,072 members across the five courses in the Queenstown region (Millbrook, Arrowtown Golf Club, Queenstown

Golf Club, Frankton Golf Club, and Jacks Point). When fees are applied for the current year, this results in more than \$5M in membership revenue, or in excess of \$750,000 in GST.

- 10.2 When golf tourism is factored in (see the Tourism section), the financial contribution to both the Queenstown area and the country resulting from golf is substantial. The Auckland report referenced above shows that golf contributes an estimated \$54M NZD per annum to the Auckland economy. Once again, we recognize that Auckland's golf market has a larger amount of facilities, but while Queenstown has less quantity, it would be overwhelmingly considered to have golf of a much higher quality that draws high numbers of both domestic and international visitors. Auckland's report also highlighted the economic impact from recent course construction in the region. Three new courses recently opened in the region all built to an international standard, but two (Windross and Wainui) are believed to be to a lower standard than what Hogan's Gully will provide as a final product. These new courses are estimated to have generated \$252.7 M in output, \$101.4 M in GDP, and 1,175 FTE jobs through the construction.

## 11.0 Events

Golf events, especially those occurring in the last 12 months, have helped New Zealand make tremendous strides on the world stage. Starting with the country's first LPGA Tour event, The MCKAYSON New Zealand Women's Open, staged at Windross Farm in Auckland in September/October 2017, then followed by the Asia Pacific Amateur Championship held at Royal Wellington Golf Club in October 2017, and lastly the Men's New Zealand Open held in Queenstown in March 2018, our exposure to the golf world as a fabulous golf and lifestyle destination has never been better.

- 11.1 The Women's Open was broadcast to 150 countries around the world, hosted by local superstar Lydia Ko, and was the largest major tour to ever play in New Zealand. The Asia Pacific Amateur Championship is considered the most prestigious amateur championship in the world, with the winner receiving an entry into both the British Open and The Masters Tournament. The event is co-funded by Augusta National, home of the Masters Tournament, and the R&A, the governing body of golf for the majority of the world. New Zealand won the hosting rights to this event, which was funded with \$8M USD of private capital, after a series of site inspections to several countries. While the event was a showcase of amateur talent in the Asia Pacific region, the broadcast was much wider, with over 150 countries receiving the tournament. Additionally, approximately 40 international media visited to cover the event.
- 11.2 The Men's New Zealand Open enjoyed its 99<sup>th</sup> event with the ever popular pro-am format attracting not only some of the best professional golfers in the world, but also business leaders, athletes, and influencers to Queenstown for this week-long celebration of golf. Once again, the event was broadcast to over 50 countries, and international media from Australia, the USA, and South Korea

were on hand to provide on-site coverage. Hogan's Gully has been identified as a likely future host of the New Zealand Open, allowing the tournament to remain, and flourish, in Queenstown.

- 11.3** These events are essentially multi-hour "commercials" showcasing the best of New Zealand not only through the host venue, but through the short vignettes that play throughout the broadcast on a range of tourism topics including our golf courses, activities, food, wine, and accommodation. While spectators attending the event are important, the ability to leverage the event's success for the remaining 51 weeks of the year is incredibly valuable to New Zealand's brand. It isn't just major televised events where golf makes a significant contribution to the local and international market, but in the many smaller events that occur throughout the year.
- 11.4** Queenstown's popularity as a golf destination has attracted golf tour operators from around the world who host groups and events across the region's golf courses. Later in 2018, Queenstown based Peak Golf will host their Queenstown Classic over five days with prices starting at \$2,245 NZD per person (excluding airfare). This is just one of many groups who find Queenstown an ideal place to host a golf event.
- 11.5** Additionally, the Club Manager's Association of America (CMAA), one of the most powerful golf education bodies in the world, has chosen Queenstown as the destination for a joint conference with the Golf Manager's Association of New Zealand. Held from October 4-11, this event will draw golf managers from New Zealand and the world to Queenstown for an educational conference. While these are just a few examples, it is clear that Queenstown's reputation as a golf destination has gone beyond the short couple's getaway and transitioned golf into a vital part of the local economy.

## **12.0 Education**

Inbound education is an important sector for New Zealand, and the opportunities that exist for inbound golf education are significant. Currently, a handful of golf coaching groups are targeting the inbound tourism market and doing so with reasonable success.

- 12.1** There is a significant opportunity to provide not only a golf holiday, but a golf coaching experience alongside it in Queenstown. To this end, Hogan's Gully has proposed a purpose built golf academy. This academy, while architecturally significant and minimalist in style, has been designed to allow for a mix of indoor and outdoor coaching, and spec'd for all the necessary technology required for a world-class, destination golf academy.
- 12.2** This will serve as both a local asset for Queenstown golfers, especially junior golfer and as a national and international asset for coaching in an amazing environment, providing a full-circle golf holiday to Queenstown.
- 12.3** To our knowledge, this will be the first purpose built academy of its kind in New Zealand and will follow similar successful models overseas such as those in place at Pinehurst Resort, Pebble Beach,



and Doral, where golfers travel specifically for the mix of great golf, activities, and dedicated instruction.

### **13.0 Tourism**

An undisputed area of golf's benefit is through golf tourism, championed by Tourism New Zealand and several regional tourism organisations (RTOs) including Destination Queenstown, Auckland Tourism Events and Economic Development (ATEED), Wellington Regional Economic Development Agency (WREDA), Destination Great Lake Taupo, and Hawke's Bay Tourism. Much of this work started in 2012 when then Prime Minister and Minister of Tourism, John Key, commissioned a small group to write New Zealand's International Golf Tourism Strategy. Since the report's acceptance in 2013, significant work has been undertaken to execute the strategy with all funding provided by Central Government. In short, golfers are high spending, high value visitors who travel in small numbers and have a strong desire to visit regional New Zealand in both summer, shoulder, and winter seasons. Pertinent information about golf tourism and its importance to both New Zealand's and Queenstown's economies is as follows:

- 13.1** At the time of writing the Strategy in 2013, international inbound golf tourism to New Zealand was valued at \$145M NZD annually. The Minister of Tourism set a goal of achieving \$223M NZD in annual revenues from golf tourism by the end of 2016. By mid-2016, annual revenues had exceeded \$300M NZD, and at the end of 2017 these revenues exceeded \$400M NZD. A core component of the strategy relies on a trail of 14 "Marquee" courses, which are defined as being of high quality, aspirational with inherent international interest, has history and/or a particular identity, and is accessible for visitor play. Queenstown has three of these Marquee courses with Jacks Point, Millbrook, and The Hills. Additionally, the Marquee courses are insulated by 24 "New Zealand Experience" courses, which help create clusters encouraging a longer length of stay. Queenstown has two Experience courses with Queenstown Golf Club and Arrowtown Golf Club.
- 13.2** The Central Government funding was critical, as data shows that only 22% of a golf holiday to New Zealand is spent on green fees. The remainder is spent on activities, accommodation, food/wine, and transportation within New Zealand. With 22% going to the golf industry, it would have been unfair for them to shoulder the full burden of a golf marketing initiative. Additionally, several other golf strategies around the world work on a "co-op" platform, with courses paying in a share, and all funds being used to promote the co-op. This ultimately leads to golf courses with the deepest pockets being promoted, and often times those may not be the golf courses that are inherently of the most interest to a visitor. With New Zealand's strategy being centrally funded, it allowed a small group of experts to determine what courses should be included.
- 13.3** Golfers are the highest spending of all visitor segments to New Zealand, making them a premium customer. They are also the most satisfied of all visitor segments, rating a New Zealand golf holiday a 9.3/10. Additionally, golfers stay longer, with an average length of stay at 27 nights versus a

normal holiday visitor at 16 nights. Statistics shows that the average spend from an American visitor on a golf holiday to New Zealand is a staggering \$19,000 NZD per person (excluding international airfare).

- 13.4** Golfers are much easier to reach than typical holiday visitors, and easier to reach than other special interest segments such as cyclists and wine drinkers, making them not only high spenders, but easily targeted. Cyclists can be found on cycleways, streets, sidewalks, and parks. Wine drinkers can purchase wine through several channels...from Four Squares to bottle shops and restaurants, and they can consume wine in several places including the comfort of their own home. This makes marketing to a cyclist or a wine drinker more expensive, less targeted, and harder to measure. Golfers congregate at golf courses, and marketing can target the most affluent courses in target markets and speak directly to the end user.
- 13.5** Our country's golf assets were overwhelmingly built with private funds, and in the past 20 years over \$300M NZD has been invested into the development of these facilities.
- 13.6** Data has been collected on international visitor rounds at Queenstown's three Marquee courses since January 2014. From the end of calendar year 2014 through calendar year 2017, Queenstown's three Marquee courses have seen a 26% lift in volume. During that same period, Queenstown's three Marquee courses accounted for 56% of all inbound rounds into New Zealand's Marquee courses.
- 13.7** The government's investment in golf tourism has championed the Marquee and Experience courses at worldwide travel-trade shows, consumer events, familiarisation tours for travel-trade and media, through digital marketing campaigns, photo and video shoots, and Queenstown has been heavily showcased in these.
- 13.8** New Zealand's inbound golf travel sellers prominently feature Queenstown as a "must visit" destination for not only golf, but the other exceptional activities the region offers. Among these inbound travel sellers are two based in Queenstown that especially champion the region...Remarkable Golf Tours and Peak Golf Queenstown.

## 14.0 Summary and Conclusion

With the tremendous amount of benefits our golf courses and wider industry provide as a local, regional, national, and international asset, we must not forget about the critical nature of keeping the supply side robust, and at a level that meets and exceeds the expectations of golfers.

While we do have 400 courses in the country, the 38 considered “of interest” to a visitor and selected by Tourism New Zealand represent less than 10% of our product. For the most part, we have tremendous quantity, but require more quality to continue growing as a golf destination.

Specifically, Queenstown’s dramatic rise in popularity among golfers has put pressure on existing facilities. The Hills has recently limited the volume of visitor play they accept, and Queenstown Golf Club and Arrowtown Golf Club exist primarily for their members, with visitor golf a *component* of their overall business. This has placed the majority of the golf pressure on Jacks Point and Millbrook, who while openly accepting public play, also face pressure from both resort guests and members.

A golf course at Hogan’s Gully built to an international standard with amenities and service to match will be a welcomed addition from both a local and national perspective.