

25 November 2023

PO Box 8036
Havelock North
New Zealand

To whom it may concern:

The purpose of this letter is to express support for the proposed upgrades to The Hills, a private golf club located in Arrowtown.

These upgrades include improvements to the golf course, the addition and expansion of golf related amenities, and residential housing with short stay visitor accommodation.

Golf Tourism New Zealand's (GTNZ) role is to promote New Zealand as a golf tourism destination to a global audience. Since 2014, this work has been done in cooperation with Tourism New Zealand and Golf New Zealand, the governing body for the sport. GTNZ does not sell travel, but works to educate, create demand, facilitate industry connections, and advocate for the continued improvement of the supply side of golf in New Zealand.

GTNZ would like to state the following in support of the OIO application for the Tara Iti Family Office (TIFO):

- Pre-Covid 19, inbound golf tourism (defined as international visitors whose primary purpose was golf) was worth in excess of \$400m NZD annually.
- This represents significant growth from when central government first commissioned and accepted New Zealand's International Golf Tourism Strategy (2013), which valued inbound golf tourism at \$143m NZD.
- Inbound golf tourism is based on high value, low volume visitors that support regional dispersion and a willingness to travel in shoulder seasons. Only 5 – 14% of spend from these visitors goes to New Zealand's golf courses, with the remainder spent in the wider tourism economy.
- Over the past 25 years, the private sector has invested more than \$500m NZD into golf and golf related activities in New Zealand.
- The worldwide market for golf tourism is valued at \$30-40b NZD, and significant opportunities exist to attract more of this market to our shores.
- Analysing our most complete data set (calendar years 2014 – 2019), Queenstown's three Marquee courses (The Hills, Millbrook, and Jack's Point) played 56% of all inbound golf rounds in New Zealand. The region is important for the ongoing success and growth of our national golf tourism initiative, and improved supply is a critical component of this success.
- Australians accounted for a staggering 76% of these rounds.
- Of key international markets of focus, Australia is the highest volume, but lowest per person spend. Long haul markets such as the USA and China are the highest spending inbound markets we track, however they are currently North Island focused for golf.
- There exists an opportunity at The Hills to upgrade the facility to raise the spend profile of golf visitors coming to Queenstown by attracting more long haul visitors who seek a higher level of service and quality than what currently exists in the market.

During the Covid-era, global golf participation surged, with a 15% increase since 2020. Golf was able to be played outdoors, in a bubble, and had significant appeal to those working from home. Research undertaken on the "stickiness" of golf, or rather the importance of golf to those who have contributed to the growth in participation, shows that golf has become an important part of their lives, and it is unlikely this is a short term relationship with the sport. New Zealand has seen our own rebound in golf tourism, with forward bookings for the 2023/24 summer looking to be our strongest ever. To continue and build on this success as a destination, we must continue to improve and develop our golf and premium tourism assets.

GTNZ believes that the resource behind this proposal is extremely capable, from both a funding, competency, and execution perspective, of delivering a new level of world-class golf and hospitality in the Queenstown region. This has been proven with their recent development of Tara Iti and Te Arai Links, both internationally revered golf facilities near Mangawhai. The wider group proposed for the redevelopment of The Hills has significant experience with other projects of a high standard across New Zealand.

The family of Sir Michael Hill, with advisory assistance from the TIFO, has already invested in a new general manager and director of golf, both of which come with significant international experience and will raise the standard of service at The Hills.

To summarise, the proposed investment from the TIFO will:

- Produce a "best in class" product for the Queenstown market
- Contribute to the local economy during the build phase, and with an increase in FTEs with longterm future employment when fully operating
- Provide a venue for future major events, such as The New Zealand Open
- Benefit New Zealand's economy by offering international memberships and therefore encouraging overseas travellers to form a relationship with New Zealand
- Provide a product in Queenstown that appeals to the long haul premium market

It is the opinion of GTNZ that the Tara Iti Family Office be granted approval to proceed with their investment into the revitalisation of The Hills.

Sincerely,



Ryan Brandeburg, PGA
Executive Director
Golf Tourism New Zealand

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