Precinct

20 May 2026

Environmental Protection Authority
Private Bag 63002
Wellington 6140
New Zealand

Dear sir/ madame

1. My name is Tim Woods. I am the General Manager – Development at Precinct Properties New Zealand Limited ("**Precinct**").

2. The purpose of this letter is to respond to Stephen Quin's concerns, on behalf of Auckland Council, around the visual dominance and height of Tower 1 (T1).

3. A technical response to Mr Quin's concerns has been provided by landscape and urban design experts Mr Jones and Mr McIndoe on behalf of Precinct. This letter focuses on the commercial and delivery considerations that underpin the proposed height of T1.

4. As outlined in my previous corporate statement, and that of our CEO Scott Pritchard, the Project has undergone a multi-year optimisation process. This process has involved extensive input from architects, cost consultants, engineers, leasing advisors, and funding partners to arrive at a scheme that carefully balances:

   (a) Design quality and city shaping outcomes;

   (b) Construction cost and buildability;

   (c) Leasing demand and long-term asset performance; and

   (d) Risk allocation and funding feasibility.

5. Through this process, T1 has been deliberately configured as a premium, large floorplate office tower of 55 levels (including podium), forming the commercial anchor of the wider mixed-use precinct.

6. The optimisation process was not limited to height in isolation. It involved iterative testing of multiple variables across the entire scheme, including:

   (a) Tower height, floorplate size and efficiency;

   (b) Structural systems and core configuration;

   (c) Podium scale and integration with public realm;

   (d) Mix of uses across commercial, residential, hotel and hospitality;

(e) Construction methodology and staging; and

(f) Capital cost, funding structure and required returns.

7. These variables are interdependent. Adjustments to one element (such as reducing tower height) have direct and material consequences for the overall feasibility of the Project.

8. T1 performs a critical role in underpinning the financial viability of the entire development:

(a) It delivers the primary income generating component of the project through premium office space in Auckland's core CBD;

(b) It supports the significant capital investment required to deliver the public realm, laneways, and civic spaces that form part of the project's essential requirements; and

(c) It enables cross subsidisation of other elements of the scheme, including residential, hotel, hospitality and cultural components.

9. Given the scale of upfront costs (including site acquisition, demolition of the existing structure, and complex construction), a sufficient quantum of premium office floor area is required to support the overall investment.

10. Reducing the height of T1 would have a disproportionate effect on the viability of the Project for the following reasons:

(a) Loss of net lettable area: Each floor removed would directly reduce the building's revenue generating capacity, without a commensurate reduction in fixed development costs.

(b) Erosion of project returns: The project requires a minimum scale to meet funding and investment thresholds. A reduction in height would materially weaken projected returns below acceptable levels given the risk profile.

(c) Inefficiency of design: T1 has been designed with an optimised structural, lifting and services strategy based on its current height and massing. Reducing height would not proportionately reduce costs, resulting in a less efficient building.

(d) Undermining whole of project balance: The project has been calibrated as an integrated mixed-use scheme. Reducing T1 would disrupt the balance between its components and the ability to deliver the wider precinct outcomes.

11. In practical terms, while a reduction of T1 by 'a few floors' may appear minor from a visual or other technical perspective, it would in fact result in a material loss of value and, as such, would undermine the economic feasibility and viability of a project of this scale.

12. As noted in previous submissions, the project represents an investment in the order of $1.6 billion and carries significant development and market risk. The consented scheme must therefore be capable of being delivered in practice. From a development and fiduciary perspective, Precinct cannot commit to proceeding with a scheme that does not meet minimum feasibility thresholds that it requires, including those of investment partners.

13. The current design represents the point at which:

    (a) The project achieves the required scale to justify the capital investment; and

    (b) The associated risks of delivery can be responsibly accepted.

14. In summary, the proposed height of T1 is the outcome of a rigorous and integrated optimisation process. It is not an isolated design choice, but a fundamental component of a carefully balanced scheme. Any reduction in height would disrupt that balance and render the Project commercially unviable in its current form.

15. I appreciate the Expert Panel's consideration of this matter.

Yours sincerely,

Tim Woods
GM - Development