

Technical Memo

To:	Expert Consenting Panel	From:	Insight Economics
Date:	Tuesday, 14 April 2026	Page:	4 (including this page)
Subject:	The Point Mission Bay – Response to Council Economic Feedback		

Introduction

Insight Economics prepared an Economic Impact Assessment (EIA) in support of the Fast-track Approvals Act 2024 (FTAA) substantive application for The Point Mission Bay (the proposal). Auckland Council has subsequently provided an economic review memorandum (Rodney Yeoman, 16 March 26), which identifies a number of areas where further information or clarification is sought.

This memorandum responds to those matters. For clarity and ease of reference, the response is structured to reflect Section 7.0 of the Council’s review (items 7.1–7.6).

Council Item 7.1: Quantification of benefits for Ngāti Whātua Ōrākei

Further detail is sought on the nature and scale of benefits to Ngāti Whātua Ōrākei, to better understand the significance to Ngāti Whātua Ōrākei and its members, and potentially the region.

Response

Ngāti Whātua Ōrākei provided a letter dated 11 March 2026 in response to Minute 3 of the Panel providing further detail on the nature and scale of benefits of the proposal to Ngāti Whātua Ōrākei.

The proposal is predicted to deliver significant economic benefits to Ngāti Whātua Ōrākei, alongside a range of broader cultural and community outcomes.

While the financial value of these benefits is commercially sensitive, from an economic perspective, the proposal:

- improves the iwi’s financial position by transitioning from an asset associated with ongoing costs and financial risk to a more sustainable long-term model, including secure ground lease income;
- reduces exposure to ongoing operating losses and substantial remediation liabilities, which have constrained the ability to invest in other priorities for whānau; and
- provides employment, contracting and skills development opportunities for whānau, both during redevelopment and ongoing operations.

In addition to these significant economic benefits, the proposal also delivers a range of broader outcomes, including:

- remediating and completing a currently degraded and incomplete site, addressing long-standing issues;
- supporting Ngāti Whātua Ōrākei in fulfilling its role as kaitiaki of Takaparawhau, ensuring redevelopment on the proposal site (immediately adjoining Takaparawhau) appropriately reflects its cultural and historical significance;

- strengthening cultural connection and access to Takaparawhau, a site of deep significance for Ngāti Whātua Ōrākei and the wider community; and
- improving safety, quality and certainty for residents of the surrounding neighbourhood.

These outcomes are underpinned by a long-term partnership model, which embeds cultural recognition, design principles, and operational commitments over the life of the proposal.

In the EIA, we concluded that the proposal would generate significant regional benefits, which included some of the benefits outlined by Ngāti Whātua Ōrākei. The additional benefits outlined in Ngāti Whātua Ōrākei's letter dated 11 March 2026 further strengthen our conclusion that the proposal delivers significant regional benefits.

Council Item 7.2: Baseline / counterfactual

Gross economic benefits are presented without accounting for potential development under a baseline scenario or displacement of demand elsewhere in Auckland. Further assessment of net benefits is sought.

Response

The EIA is framed as a project-level analysis (i.e. with and without the proposal), which we consider appropriate in the FTAA context. This approach is consistent with the Panel's findings in *Homestead Bay*, which indicate that the FTAA does not require adoption of a counterfactual, and that counterfactual scenarios are an evaluative tool rather than a legal precondition.¹

In this instance, there is a high degree of uncertainty regarding what alternative development could realistically occur on the site (including timing, scale, typology and delivery). Redevelopment of a comparable scale to the proposal at the site would require a very substantial capital commitment. With a limited pool of capable developers, it may not be appropriate to assume that maximum theoretical capacity would be realised in practice. We also understand that the Auckland Unitary Plan does not enable redevelopment of a comparable scale to the proposal as of right (i.e. without requiring a resource consent).²

Given the site's context, location and aspect, any realistic alternative development is also likely to be premium in nature, meaning simple dwelling yield comparisons do not provide a complete or meaningful basis for assessment.

The EIA therefore presents gross economic effects as an indicator of the scale of the proposal, which can then be considered alongside a broader range of factors (including potential offsets) in the Panel's overall assessment.

Council Item 7.3 Market assessment

Further market analysis is sought to support assumptions regarding demand and the nature of the proposed development, including implications for pricing and affordability.

Response

The site is located within a high-value market, and the proposal will deliver premium retirement living

¹ Fast-track Expert Panel, *Homestead Bay Project* decision at [390]–[394], [415]–[416].

² That is, redevelopment of the site is not a permitted activity. All new buildings require resource consent as a Restricted Discretionary Activity under the zone provisions.

options. The quality of the proposal represents a market-led response to the characteristics of the site and surrounding area, and does not diminish the relevance of the proposal's economic effects.

In this context, the willingness of informed market participants to commit substantial capital investment to a project of this nature provides a strong indication of underlying demand for this product in this location.

Finally, the EIA does not rely on the proposal delivering affordable housing. Rather, it considers the proposal's contribution to overall supply, which can support price moderation at a market level, alongside its role in enhancing housing choice and typological diversity within the retirement living sector.

Council Item 7.4 Present value and CBA assessment

The review notes that the assessment relies on input-output modelling, which does not account for the time value of money, opportunity costs or externalities. It suggests that applying a present value framework and/or cost-benefit analysis would provide a more complete assessment of net benefits.

Response

Economic impact assessments that rely on input-output modelling are commonly used to estimate the economic effects of developments like The Point Mission Bay. This reflects both the intuitive nature of input-output modelling, and its ability to generate metrics such as employment, GDP, and incomes. These indicators are typically of keen interest to local and central government as they directly relate to government priorities, such as economic growth, job creation, and household wellbeing, and provide a clear, comparable basis for assessing how a proposal may improve outcomes for communities.

While we are aware of the increasing interest in the role of cost-benefit analysis in this context, it is not required under the FTAA. Rather, it represents one of several possible analytical frameworks.

Overall, we consider that the methodology adopted in the EIA provides an appropriate basis for quantifying the gross economic impacts of the proposal, which can then be considered by the Panel alongside any adverse effects and other relevant considerations.

Council Item 7.5 Externalities

An assessment of externalities associated with the proposed building height relative to that anticipated by the underlying zoning is requested.

Response

As noted above, the EIA is not framed as a comparison with a theoretical alternative development scenario, and we do not consider this to be necessary for the EIA.

External effects associated with building height, including potential visual amenity impacts, are more appropriately addressed within the relevant technical assessments accompanying the application.

Council Item 7.6 Population projections

The review notes that the population projections are outdated and/or incorrectly applied, and should be updated. This is not expected to materially affect the overall findings, but would improve the robustness of the assessment.

Response

Table 7 of the EIA has been reproduced below to reflect Stats NZ's latest population projections. The projections indicate that the number of Auckland residents aged 75 and over will increase by more than 165,000 over the 30 years to 2053, ultimately comprising more than 10% of the region's population. The most rapid growth is projected among those aged 85 and over, with a compound annual growth rate (CAGR) of 4.6%.

Table 7: Auckland Region Official Medium Population Projections by Age Group

Year	Under 15	15 - 74	75 - 84	85 +	Total
2023	334,250	1,322,860	72,840	25,240	1,755,190
2028	328,650	1,435,230	89,670	32,550	1,886,100
2033	325,150	1,528,100	107,620	42,900	2,003,770
2038	328,320	1,608,140	128,630	54,190	2,119,280
2043	338,620	1,680,900	145,680	67,650	2,232,850
2048	349,690	1,748,400	160,980	83,410	2,342,480
2053	357,130	1,823,830	166,770	97,100	2,444,830
30-year Change	22,880	500,970	93,930	71,860	689,640
30-yr % change	7%	38%	129%	285%	39%
CAGR	0.2%	1.1%	2.8%	4.6%	1.1%

These projections continue to indicate a growing need for housing that meets the needs of the region's older population. The Point Mission Bay will make a meaningful contribution to meeting this growing demand by providing new accommodation for up to 512 residents.

Sincerely,



Fraser Colegrave
Managing Director