

Technical Memo

To:	Surf Park Project Team	From:	Insight Economics
Date:	April, 2026	Page:	5 (including this page)
Subject:	Peer review of assessment for Stage 2 of the Surf Park Fast-Track substantive application		

Statement of Qualifications & Experience

Fraser Colegrave

I am the Founder and Managing Director of Insight Economics, one of New Zealand's leading economic consultancies on resource management, property development, and local infrastructure. Prior to that, I was a founding director of another economics consultancy – Covec Limited – for 12 years.

I hold a first-class honours degree in economics from the University of Auckland, where I received numerous prizes and scholarships for academic excellence. Over the past 25 years, I have successfully completed more than 600 consulting projects across a wide range of sectors, including large-scale residential developments, and have appeared as an expert witness at more than 150 hearings before various judiciaries all the way up to the High Court.

Danielle Chaumeil

I am a Consultant at Insight Economics. I have been employed at Insight Economics since 2020. I hold a BCom (Actuarial Studies) / BAppFin from Macquarie University and a BDes (Architecture) from the University of Sydney.

I have 20 years of professional experience in insurance, consulting, and architecture, including roles as an Actuary in both Australia and France. My experience includes economic and retail impact assessments, market supply and demand studies, resource consents, and plan changes.

Nicholas Keith

I am a Consultant at Insight Economics. I have been employed at Insight Economics since 2023. I hold a BSc (Statistics) from the University of Auckland and a first-class honours MSc (Analytics) from Massey University.

I have three years of professional experience in economic consulting, with a background in statistical and econometric analysis. Since joining Insight Economics I have contributed to significant projects across retail, residential, tourism, industrial, and local infrastructure sectors, including Fast-track applications for some of New Zealand's largest property and infrastructure developers.

We are collectively responsible for preparing this review on behalf of Insight Economics. We confirm that, in our capacities as authors of this memo, we have read and agree to abide by the Environment Court of New Zealand's Code of Conduct for Expert Witnesses contained in the Practice Note 2023.

For more information about Insight Economics, including our extensive experience with helping to secure planning approval for major projects (including numerous Fast-track applications), please visit our website: www.insighteconomics.co.nz

Context

This memorandum provides an independent peer review of the Economic Impact Assessment (**EIA**) prepared by Property Economics Ltd (**PE**) in support of the pending substantive application under the Fast-track Approvals Act 2024 (**FTAA**) for Stage 2 of the proposed Surf Park in Dairy Flat, Auckland.

Stage 1 of the broader project has already been approved and includes the surf park and core tourism and recreation activities. Stage 2 primarily enables residential development around the periphery of the site, along with various other activities. For the purposes of PE's EIA, Stage 1 and Stage 2 are presented as an integrated project on the basis that the mixed-use masterplan is intended to function as a single, interdependent, and synergistic development.

Scope and Purpose of Peer Review

The purpose of this peer review is to consider whether the EIA provides a sufficiently robust, transparent, and proportionate assessment of the proposal's economic effects to inform decision-making under the FTAA. This review does not seek to replicate the modelling undertaken by PE, verify all underlying inputs, or provide an alternative economic impact assessment.

Overview of the Proposal & Key Findings

The Stage 2 proposal forms part of a broader master planned development and includes a substantial residential component, together with supporting mixed-use elements such as visitor accommodation, hotel, wellness, retail, early learning, data centre expansion, some industrial floorspace, and associated infrastructure. The EIA assesses the proposal within the FTAA framework, with a focus on the scale of economic contribution and regional significance.

The EIA identifies substantial development-phase economic effects for Auckland and reports clear headline metrics for Stage 2, including direct capital expenditure, value-added (GDP) contribution, and employment over the development period. It also presents broader whole-project (Stage 1 + Stage 2) figures to support its regional-significance framing. On the material presented, that overall economic narrative is coherent and reasonably supported.

General Observations

In our view, the EIA provides a useful and generally well-structured assessment of the economic effects of the proposed development. It combines quantified development-phase impacts with a broader qualitative discussion of longer-term effects and project context, and it engages with the key FTAA question of whether the proposal delivers significant regional benefits relative to its economic costs.

Importantly, the report does not treat the proposal as having only positive effects. It also identifies potential economic costs and trade-offs, including effects relating to industrial land opportunity cost and interactions with existing or anticipated residential areas. That gives the assessment a more balanced and credible footing.

Overall, we consider the EIA provides a reasonable evidential basis for concluding that the proposal would deliver significant regional economic benefits in the context of the FTAA.

Construction-Phase Economic Effects

The strongest aspect of the EIA is its quantified treatment of development-phase effects. The report presents a clear set of headline figures for Stage 2, including approximately \$2.66 billion in direct capital expenditure (excluding land), an estimated value-added contribution of approximately \$1.85 billion (NPV at 8%), and approximately 14,000 FTE-years over the six-year development period (including a reported peak-year figure of 4,780 FTE-years). These are substantial effects in the Auckland context and are clearly signposted in the executive summary.

The use of a multiplier-based framework to estimate direct, indirect and induced effects is standard practice for EIAs of this nature and scale. While different practitioners may place different emphasis on presentation and disaggregation, the overall approach adopted by PE is conventional and suitable for a high-level fast-track economic assessment.

Integrated Project Framing and Stage 2 Scope

A central feature of the EIA is the integrated treatment of Stage 1 and Stage 2, which the wider project team has confirmed as appropriate in this instance. The project is clearly presented as a mixed-use masterplan with interdependent elements, and the EIA's treatment of economic effects reflects that logic. This is particularly relevant where the proposed land uses are intended to support one another commercially and functionally.

At the same time, the report does retain a distinct Stage 2 quantitative "snapshot", which is helpful. In our view, that combination (Stage 2 metrics plus wider project context) is a sensible way to present the economic case for decision-makers.

A minor presentational improvement that may assist readability would be slightly clearer signposting in places where Stage 2-only figures and whole-project figures are both discussed. However, this is a drafting point rather than a substantive issue.

Tourism, Surf Park Context, and Ongoing Effects

The EIA includes a substantial contextual discussion of Auckland's tourism economy, surf participation, and the role of all-weather destination assets. In our view, this material is directionally helpful and strengthens the report's explanation of why the proposal may generate benefits beyond a conventional greenfield development. The discussion is also more balanced than a purely promotional narrative, in that it acknowledges tourism market softness and recovery risk while still identifying a plausible strategic rationale for new attraction investment.

The EIA also reasonably identifies a range of non-monetised benefits, including tourism diversification, housing typology choice, local retail provision, and local economic activity associated with population growth. Those matters are relevant to the FTAA assessment and sit appropriately alongside the quantified construction-phase results.

As a refinement point only, the report could provide a little more explicit discussion of enduring operational effects (for example, high-level annual employment/value-added once the various components are operational). However, the absence of detailed operational modelling is not unusual in a report of this kind and does not materially affect the usefulness of the assessment as presented.

Residential Component and Public Benefit Framing

The residential component is a major part of Stage 2 and, viewed in isolation, is not an unusual feature of Auckland's greenfield growth areas. In our view, the EIA is strongest where it frames the residential element within the broader mixed-use masterplan and identifies its contribution through housing supply, typology diversity, and support for the viability and functioning of the wider project. That is a reasonable way to position the residential component in this case.

The EIA's treatment of residential effects is primarily qualitative (with the residential component included within the aggregate quantified development impacts), and for the assessment approach adopted, that is acceptable. If further detail were ever required, it would most logically relate to incremental housing supply and sequencing rather than a fundamentally different economic methodology.

Industrial Land Opportunity Cost

The EIA appropriately identifies the industrial land issue as a relevant economic cost, given the site's Future Urban / structure plan context and the implication that Stage 2 alters the site's anticipated long-run industrial role. In our view, it is a strength of the report that this issue is expressly addressed rather than omitted.

PE's treatment of this matter is largely qualitative, but for a high-level EIA in a fast-track context, that is still proportionate. The report acknowledges the trade-off and takes a view on balance. While a more detailed "next best use" quantification could be undertaken in a different exercise, we do not regard that as necessary to support the EIA's overall conclusions in this instance.

Transparency and Minor Presentation Matters

There are a few areas where the report could be tightened from a presentation perspective (for example, clearer labelling of some headline figures and consolidation of a small number of overlapping narrative points). However, these are matters of drafting and clarity rather than fundamental shortcomings in the economic analysis.

In substance, the report is readable, decision-focused, and broadly aligned with the level of analysis typically required for this type of FTAA application.

Conclusion

Overall, we consider that the EIA provides a sufficiently robust and proportionate assessment of the economic effects of the Stage 2 Surf Park proposal, in the context of the wider integrated Surf Park project, to inform decision-making under the FTAA.

The report adopts a conventional and fit-for-purpose approach to quantifying development-phase impacts, and it provides a coherent qualitative explanation of the broader housing, tourism, and mixed-use economic rationale for the project. It also acknowledges relevant trade-offs, including industrial land opportunity cost, and addresses these in a balanced way.

While there are minor areas where clarity of presentation could be improved, these matters do not materially affect the substance of the analysis or the reasonableness of its conclusions. On the basis of the material presented, it is reasonable to conclude that the proposal would deliver significant regional economic benefits and that the EIA provides an adequate evidential foundation for reaching that conclusion.

I trust this review is helpful and am more than happy to discuss if/as required.

Sincerely,

A handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke.

Fraser Colegrave
Managing Director