

BEFORE AN EXPERT PANEL

FTAA-2512-1158

UNDER

the Fast-track Approvals Act 2024 (“**the FTAA**”)

IN THE MATTER

of an application by **Precinct Properties New Zealand Limited** for approvals under the FTAA for a listed project, The Downtown Carpark Redevelopment – Te Pūmanawa o Tāmaki (“**Application**”)

MEMORANDUM ON BEHALF OF MILLENIUM & COPTHORNE HOTELS NEW ZEALAND LIMITED

DATED: 7 MAY 2026

**ELLIS GOULD
LAWYERS
AUCKLAND**

REF: Douglas Allan [REDACTED]

**Level 31 Vero Centre
48 Shortland Street, Auckland
Tel: 09 307 2172
PO Box 1509, DX CP22003
AUCKLAND**

**MEMORANDUM ON BEHALF OF MILLENIUM & COPTHORNE
HOTELS NEW ZEALAND LIMITED**

May it please the Panel:

Introduction

1. This memorandum and the reports and statements being submitted with it record comments made on behalf of Millennium & Copthorne Hotels New Zealand Limited (“**MCK**”) regarding the implications for MCK’s 13-storey MSocial Auckland Hotel (“**the Hotel**”) located at 196 – 200 Quay Street (“**the MSocial Site**”) of the application under the Fast Track Approvals Act 2024 by Precinct Properties New Zealand Limited (“**the Applicant**”) for the Downtown Carpark Redevelopment, Auckland CBD – Te Pūmanawa o Tāmaki (“**the Application**”).
2. The Application involves:
 - a. Demolition of the Downtown Carpark Building and associated structures;
 - b. Comprehensive redevelopment of the cleared site (“**the Application Site**”) into a mixed-use precinct comprising office, residential, retail, food & beverage, and hotel activities; publicly accessible open space activities; and supporting carparking and service areas within three podium buildings (2-3 storeys and 7 storeys in height, respectively), two towers (162m and 227m in height), and a four-storey basement; and
 - c. Associated earthworks, a discharge consent for contamination, and water permits in respect of groundwater(collectively, “**the Project**”).
3. The MSocial Site is adjacent to the northern boundary of the Application Site. Its vehicle access and carparking arrangements are currently integrated with that on the Application Site and will continue to operate in conjunction with the redevelopment albeit in a different format once the Project has been completed. Both the Hotel building and its operation will be directly and adversely affected by the proposed works, which are

estimated to have a duration of up to seven years.

4. MCK supports the redevelopment of the Application Site and wishes to ensure that its Hotel activity is integrated with and complements the Project once construction of the Project has been completed. MCK is concerned, however, to ensure that the demolition, excavation, site preparation and construction programmes (in short, the demolition and construction work) on the Application Site are designed and implemented to minimise adverse effects on the MSocial Site and the Hotel operations.
5. MCK is concerned that the demolition and construction works may prove to be incompatible with the 24-hour operation of the Hotel and will render it unusable for extended periods of time during those phases. To that end, MCK seeks additions and alterations to the proposed conditions of consent summarised in the statement prepared by its planner, Kay Panther Knight.
6. The balance of this memorandum addresses:
 - a. Consultation with the Applicant.
 - b. Technical advice and comments received from MCK's Consultants.
 - c. MCK observations regarding the Project and Conditions of Consent.

Consultation with Precinct Properties New Zealand Limited

7. As neighbouring landowners operating what to date have been complementary activities on their respective properties, MCK and the Applicant have communicated frequently over the past year in an effort to ensure, from MCK's perspective, that:
 - a. The scale and scope of the Project and the geotechnical and structural engineering conditions and operational constraints applying the Hotel site are fully understood by both parties and their consultants;
 - b. The Applicant's team and MCK's consultants gain a full understanding of how the demolition and construction phases will affect conditions and operations on the Hotel site; and

- c. Consideration is given to how best to undertake and manage the demolition and construction phases so as to minimise potential adverse effects on the Hotel while facilitating an efficient and timely works programme.
8. MCK acknowledges and welcomes the changes have been made to the proposed demolition and construction works programme during that consultation. Those amendments have addressed many of MCK's concerns regarding how vehicle access to and from the Hotel, particularly for service vehicles, will be managed.
9. Through the discussions, the Applicant has provided additional information regarding geotechnical conditions and structural engineering proposals. While that information has resolved some matters of uncertainty, MCK's geotechnical and structural engineering experts remain of the view that additional certainty regarding existing conditions and additional clarity as to the demolition and construction methodologies to be adopted are necessary to assess the potential effects of the Project. These matters are addressed in the reports submitted with this memorandum and are summarised in the following section.
10. A key category of potential effects that will be generated by the demolition and construction phases relates to noise and vibration. These matters will need to be addressed through a comprehensive suite of conditions if the Hotel operation is to continue to function satisfactorily.

Technical Advice from MCK's Consultants

11. MCK files under cover of this memorandum reports from:
 - a. **CMW Geosciences** (Hai An Nguyen-Bui) re geotechnical issues.
 - b. **Structus** (Darren Mitchell) re structural engineering issues.
 - c. **Commute** (Leo Hills) re traffic issues.
 - d. **Styles Group** (Jon Styles) re acoustic and vibration issues.
 - e. **Forme Planning** (Kay Panther Knight) re conditions of consent.
12. The report from **CMW Geosciences** (Hai An Nguyen-Bui) addresses the adequacy of geotechnical information provided to date, geotechnical

conditions on the Application Site and the M Social Site, and issues in that regard that will be by the proposed works during the demolition and construction phases. The report's executive summary states (emphasis added):

“CMW Geosciences has undertaken an independent geotechnical review of the proposed Downtown Carpark Development, with a particular focus on potential effects on the adjacent M Social Hotel. The project involves a deep excavation for a 4-level basement in complex reclaimed ground conditions, immediately adjacent to sensitive structures and the property boundary of the M Social Hotel.

While the applicant's investigations and addendum are sufficient for an initial high-level assessment, they do not adequately constrain and mitigate several critical geotechnical risks. If not robustly addressed, these unresolved risks have the potential to adversely influence ground movements, alter groundwater behaviour and compromise the M Social Hotel structures. Presented below are the main points which need to be addressed further:

- *Ground model uncertainty: Limited site-specific testing and reliance on non-verifiable datasets introduce uncertainty in key parameters governing wall behaviour and ground movements. Additional site-specific investigation and parameter validation is required to support the current assessment and shall be conducted and refined at the detailed design stage.*
- *Retaining wall performance: Independent analysis indicates potentially greater lateral displacements than predicted by the applicant. Wall behaviour is highly sensitive to modelling assumptions, mesh discretisation and construction sequencing, requiring refined modelling, confirmed construction sequence and sensitivity analyses are required at detailed design stage to confirm the expected displacements and adjust monitoring and alert levels if necessary.*
- *Groundwater effects: The groundwater regime is complex and tidally influenced. The diaphragm wall may act as a barrier to groundwater flow, potentially inducing mounding and changes in pore pressures that could affect adjacent structures. A calibrated, site-specific groundwater model is required.*
- *Construction methodology risks: The presence of unmapped buried obstructions and the sensitivity of the system to construction sequencing introduce uncertainty in construction performance. Detailed methodology must be developed, confirmed and provided at detailed design stage and independently reviewed by Council and affected stakeholders' geotechnical counsel.*
- *Monitoring and contingency framework: Proposed trigger levels and monitoring approach are not sufficiently detailed. Continuous, real-time monitoring with building-specific*

thresholds and immediate response mechanisms are required.

In summary, the following key geotechnical risks relate specifically to potential effects on the MSocial Hotel and must be addressed through strengthened and enforceable consent conditions, which shall require:

- *Completion of additional site investigations and formal validation of geotechnical parameters.*
- *Refinement of numerical modelling, subject to independent peer review and verification by Council and affected stakeholders' geotechnical counsel.*
- *Preparation and approval of a detailed, peer-reviewed construction methodology prior to commencement of works by Council and affected stakeholders' geotechnical counsel*
- *Implementation of continuous automated monitoring systems with clearly defined trigger levels and mandatory response actions*
- *Immediate notification procedures and structured stakeholder communication protocols in the event of trigger exceedance*

It is recommended that these critical geotechnical risks are managed through binding consent conditions and detailed design requirements at the consent stage, rather than being deferred to the construction stage. This is necessary to ensure that potential adverse effects on the adjacent M Social Hotel structure are clearly defined, appropriately controlled, and effectively mitigated."

MCK's strong preference is that the technical issues and information shortfalls raised by CMW Geosciences are resolved through the current process rather than being pushed out to the subsequent management plan process. The potential for the Project to adversely affect the stability of the 13-storey Hotel building is of such significance that the existing ground conditions and structural engineering context need to be determined before decisions can be made about the level and nature of information to be included in the management plans.

13. The report from **Structus** (Darren Mitchell) discusses the adequacy of structural engineering information provided to date, implications for the MSocial Site of the proposed structural engineering approach, and additional or different methodologies that ought to be required with regard to the proposed works during the demolition and construction phases. This report records (emphasis added):

"The magnitude of potential adverse structural effects on the MSocial building arising from the Downtown West development is considerable, as currently presented in the developer's information. There are also some unknowns and aspects of the design yet to be developed that could result in considerable adverse effects on the MSocial property."

It is recommended that these critical structural risks are managed through binding consent conditions and detailed design requirements at the consent stage, rather than be deferred to the construction stage. This is necessary to ensure that potential adverse effects on the adjacent M Social Hotel structure are clearly defined, appropriately controlled, and effectively mitigated.

This memorandum records our recommendations regarding additional or amended enforceable and binding resource consent conditions regarding structural engineering issues to be implemented. In our opinion, the applicant's information provided does not adequately address or mitigate several critical structural risks that if left unresolved could compromise the MSocial Hotel structures. Our recommendations regarding conditions are intended to address those concerns.

The main structural risks to the MSocial Hotel arise from the potential for the Hotel structures to lose support and become unstable as a result of the demolition and construction works that will occur immediately adjacent to the common boundary of the sites. Necessary responses to those risks are summarised as follows, but the remainder of this memorandum identifies for further risks that also need are required to be addressed:

- Given the proximity of the MSocial Hotel building to the proposed demolition and construction and the scale of the proposed works, it is essential that a full structural condition assessment of the MSocial Hotel building is undertaken prior to commencement of the existing carpark building demolition, understood to commence in 2026. That will allow the demolition and construction operations to be undertaken in a fully informed way and will minimise the risk of damage to the MSocial building.
- The existing carpark retaining structures along the northern boundary require temporary support during the demolition phase, prior to construction of the diaphragm wall, as these structures are up to circa 4.5m below the MSocial ground level at locations, which is also at the location where the MSocial building is located directly on the boundary. The diaphragm wall should be constructed so that it extends up to underside of the proposed ground floor structure which is to match finished ground level north of the boundary, such that this structure supports the MSocial ground levels in the permanent condition, or an alternative acceptable approach.
- Detailed information should be provided to MCK on demolition of the existing carpark structure at proposed Gridlines J-N/26 where the existing MSocial building is on the boundary and pile foundations are on the boundary, probably founded at a higher

level than the diaphragm wall and thus at significant risk of undermining due to construction of the diaphragm wall.

- *Detailed information should be provided to MCK demonstrating how loading from the MSocial building foundations load the diaphragm retaining wall under geotechnical analysis and structural design, with a sensitivity check of this loading to be provided based on at least +/-20% of the assumed pile lengths due to the uncertainty of the MSocial building pile length information on record.*
- *The Applicant should be required to demonstrate in detail how the proposed superstructure along the northern boundary is supported as it is not vertically aligned with the diaphragm wall and this proposed structure may have adverse effects on the existing carpark retaining wall along this boundary, which in turn could significantly undermine the MSocial building site.*
- *The Applicant should be required to provide confirmation that base shear of the proposed building will not cause northern diaphragm wall deflections greater than those advised in the static condition and that base shear effects of the MSocial building are considered on the Downtown West development basement structures.*
- *The MSocial building is supported on shallow foundations at grids C-D/1-2 and North of Grid A, as shown on the referenced record drawings. Additionally, at least a large portion of the MSocial building ground floor slab is supported on grade. Therefore, these structures are more susceptible to settlement than suspended structure supported on pile foundations. Settlements due to demolition, construction sequencing and diaphragm retaining wall deflection are to be limited to those causing no noticeable damage to these shallow founded structures.*
- *The Downtown West basement needs to be constructed in a manner that does not limit the MSocial building site from being future developed in accordance with Auckland Council Unitary Plan, including allowance for a multi-level basement on the MSocial site.”*

Again, MCK's strong preference is that the key technical issues and information shortfalls raised by Structus are resolved through the current process rather than being pushed out to the subsequent management plan process. The potential for the Project to generate significant adverse effects on the structural integrity of the Hotel building warrants addressing these issues at this stage rather than assuming they can and will be managed through a separate process after consent has been granted.

14. The statement from **Commute** (Leo Hills) discusses the traffic and transportation implications of the Project for the MSocial building and

Hotel operations during the demolition and construction phases. This statement concludes that:

“In short, the most significant concerns arise with respect to the management of access to the M Social site during the demolition and construction phases and the replacement during demolition and construction and once the Development is completed of the 121 carparks located in the Downtown Carpark Building that are currently allocated to M Social. In our opinion, demolition and construction traffic effects on M Social can be addressed provided the conditions of consent require imposition of the measures now proposed by the applicant; and the loss of carparks can be addressed if replacement carparks are provided elsewhere during demolition and construction then incorporated into the Development once it is completed, as is proposed.”

15. The statement from **Styles Group** (Jon Styles) discusses the noise and vibration implications of the Project for the M Social building and Hotel operations during the demolition and construction phases. Mr Styles’s statement:

- a. Identifies the particular sensitivity of the Hotel to noise and vibration that will arise through the demolition and construction phases.
- b. Describes the iterative discussion and correspondence that he has been involved in with the Applicant’s noise and acoustic consultants, Marshall Day Associates.
- c. Includes a series of descriptive recommendations regarding the content and form of appropriate and necessary conditions of consent regarding noise and vibration. These recommendations will be developed and refined when the panel addresses conditions through the statutory process.

16. A statement from **Forme Planning** (Kay Panther Knight) regarding changes and additions to conditions of consent necessary to address the implications of the Project for the Hotel. This statement:

- a. Summarises remaining information gaps regarding the Application that have compromised the ability of MCK’s consultants to assess the potential adverse effects of the Project on the Hotel site and building.

- b. Summarises matters that will need to be addressed in conditions of consent. The matters are grouped by theme, building on the current draft suite of conditions in the Application, taking into account all additional information provided by the Applicant through the fast-track process and in consultation with MCK and its consultants, and having regard to MCK's experts' recommendations.
- c. Records that MCK intends to provide specific comments on condition wording at the appropriate stage in the fast-track process. That approach is intended to minimise the risk of repetition or conflict between conditions.

MCK Observations regarding the Project and Conditions of Consent

- 17. MCK makes the following observations regarding the scale of the Project, the adverse effects that might be generated by it, and how those effects might best be addressed through conditions.
- 18. As a consequence of the proximity of the Hotel to the Application Site and the proposed works, and the orientation of the two sites (whereby the long rear façade of the Hotel is immediately adjacent to the existing carpark building and the proposed structures), the Hotel is the neighbouring activity that will be most significantly and adversely affected by the proposed works. In that context, it is appropriate to impose conditions in respect of the Project's interface with the Hotel that are site-specific, address potential effects and mitigation measures in particular detail, and impose greater obligations on the consent holder than is the case for any other neighbouring site or activity.
- 19. As recorded in the accompanying reports, MCK's consultants have encountered difficulties in assessing the potential adverse effects of the Project on the Hotel site and building. Those issues arise in large part from the scale of the Project works, the extent of excavation that will be required, and the Project's proximity to the Hotel building. As a consequence, assessment of the Project requires:
 - a. Significantly greater understanding of the geotechnical conditions underlying the two sites and the structural engineering of the Hotel building; and

- b. Significantly greater certainty as to the demolition and construction methodologies that are to be adopted for the Project

than would typically be necessary for a smaller scale development.

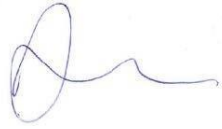
20. MCK proposes to address relevant legislation and caselaw regarding the content and format of conditions of consent (including the use of the management plan mechanism) once the panel has issued its draft conditions for comment. It is submitted, however, that Ms Panther Knight's comments regarding the appropriate content and structure of conditions accurately reflect the law and that:

- a. Given the circumstances applying in this case, the panel needs to be fully informed before making decisions regarding the scale, nature and appropriate responses to potential adverse effects on the Hotel, rather than leaving those matters to subsequent processes pursuant to conditions.
- b. Any conditions involving reliance on management plans should specify clearly the objectives of those management plans and the matters that are to be included within them.
- c. Any obligations to review or certify the content of management plans should be the responsibility of the Council rather than the consent holder or its consultants.
- d. The conditions should provide for MCK, as a significantly affected party, to be consulted and its comments addressed in detail with respect to the content of any relevant mitigation measures or management plan provisions.

21. Given the complexity of the Project and the potential for it to have significant adverse effects on the Hotel building, site and operations, MCK considers that it would be appropriate for the expert panel to consider scheduling expert conferencing and/or facilitated mediation to resolve the suite of conditions. That will enable the Applicant, the Council (as the authority that will be responsible for administering the consent) and MCK to work through the consent structure and the detailed wording of the conditions. Doing so will reduce the risk of issues arising too late in the

demolition or construction process to allow identification and implementation of carefully considered and effective mitigation measures.

Dated this 7th day of May 2026

A handwritten signature in blue ink, appearing to be 'Douglas Allan', written in a cursive style.

Douglas Allan – Counsel for Millennium & Copthorne Hotels New Zealand Limited