Barker & Associates Auckland

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12 May 2025

The Honourable Chris Bishop
Minister for Infrastructure
C/o: Ministry for the Environment
Via email: referral@fasttrack.govt.nz

Tēnā koe Hon Chris Bishop

Auckland Surf Park Community – Stage 2 referral under the Fast-track Approvals Act 2024 – Applicant's Response to Further Information Request 1.

We refer to the Ministers request, received on 11 April 2025, for further information from AW Holdings 2021 Limited under the Fast-track Approvals Act 2024 ('the Act').

Our response to the further information request is set out below:

(1) How the housing benefits of the project are significant in the context of the Auckland region or nationally

Please refer to the Legal Advice prepared by Jeremy Brabant included as **Attachment 1**, the Planning Memorandum prepared by Barker & Associates and included as **Attachment 2**, the letter prepared by Richard Duff, Aventuur Co-Founder and included as **Attachment 3**, the Economic Memorandum prepared by Property Economics and included as **Attachment 4** and the Letter of Support prepared by Sir John Kirwan included as **Attachment 5**. In summary, the "project" as defined by the Fast-track Approvals Act is the project as described in the referral application for the project and includes any activity that is involved in, or that supports and is subsidiary to a project. As set out in the referral application, this project is both regionally and nationally significant. Notwithstanding, the unique nature, lifestyle, social and mental health and wellbeing benefits of the housing component of the project are both regionally and nationally significant.

(2) How the direct economic benefits of the project are significant in the context of the Auckland region or nationally

Please refer to the Planning Memorandum prepared by Barker & Associates included as **Attachment 2** and the Economic Memorandum prepared by Property Economics included as **Attachment 4**. In summary, the proposal will result in \$2.2 billion of direct and indirect economic benefits. The direct economic benefits of the project are significant in the context of the Auckland region as this equates to approximately 7% of the annual regional value of building development in Auckland.

(3) Whether the building line restriction on the title Lot 1 Deposited Plan 151504 will need to be removed and if this will impact on project delivery



Please refer to the Planning Memorandum prepared by Barker & Associates included as **Attachment 2**. In summary, applications have been made to remove the building line restriction which is very likely to be approved prior to the lodgement of the substantive application. In the unlikely event the building line restriction is not removed, the masterplan can be amended to allow for the required setback.

We trust that this further information addresses the Ministers request. Please do not hesitate to contact us should any additional clarification be required.

Yours sincerely | Nāku noa, nā

Ryuth

Barker & Associates Limited

Magdalena Regnault

Senior Planner

s 9(2)(a)

Nick Roberts

Managing Director

Payett

s 9(2)(a)



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E. jeremy@brabant.co.nz

9 May 2025

AW Holdings 2021 (LP) C/ Barker & Associates by email

Attention: Nick Roberts

Dear Nick

Auckland Surf Park Community – Application for Referral for Fast-Track Consent – 'Surf Park' Stage 2 - Applicant's Responses to Planning Comments Received

- 1. You have asked for advice regarding an application by AW Holdings 2021 Limited (AWHL) for referral under the Fast Track Approvals Act 2024 (FTAA) relating to 'Stage 2' of the Auckland Surf Park Community Project (the **Project**).
- 2. Specifically, the Minister has requested further information. One aspect of that request raises a potential legal issue for consideration.

Background

- 3. I have seen the application and a subsequent request for further information on behalf of the Minister for Infrastructure.¹
- 4. I do not propose to summarise the referral application in detail. It is sufficient to observe that the project, described as "Stage 2", involves a variation to an earlier existing consent ("Stage 1") and a range of new currently unconsented activities. The detail is set out in the application and further referenced in the response to the request for further information which you are

¹ The RFI appears to be undated, but I understand was received on 11 April 2025.

preparing. The variation and the new activities are relevant to the Minister's decision on the application for referral.

- 5. There are three specific further requests, the first two being:
 - How the housing benefits of the project are significant in the context of the Auckland region or nationally
 - How the direct economic benefits of the project are significant in the context of the Auckland region or nationally

Analysis

- 6. In particular, the Minister's decision must follow a process prescribed at ss13 25 of the FTAA.

 That process includes (inter alia):
 - (a) The power to request further information under s20 FTAA.
 - (b) The power for the Minister to accept the application if it meets the criteria in s22.
 - (c) Criteria in s22 which includes whether:
 - (i) the project is an infrastructure or development project that would have significant regional or national benefits (FTAA, s22(1)(a)).
 - (ii) For the purposes of s22(1)(a), whether:
 - the project will increase the supply of housing, address housing needs, or contribute to a well-functioning urban environment...²
 - The project will deliver significant economic benefits.³
- 7. Thus, there is no question the Minister has the ability to request further information.
- 8. The two requests I replicate above refer to "the project" and then effectively seek justification for how "the housing benefits" are significant and how the "direct economic benefits" are significant.
- 9. In guiding your response, I make the following observations:

² FTAA, s22(2)(a)(iii).

³ FTAA, s22(2)(a)(iv).

- (a) The "project" is a defined term and may encompass what in some parts of the application is referred to as "Stage 1".
- (b) It is unclear if justification is sought for the housing benefits considered alone being regionally or nationally significant. Justification on that basis is not required.

Project

10. The FTAA includes a definition of "project". The definition is:

project-

- (a) means,—
 - (i) in relation to a listed project, the project as described in Schedule 2:
 - (ii) in relation to an unlisted project,—
 - (A) the project as described in the referral application for the project or, if the referral application is yet to be lodged, as it will be described in the application; or
 - (B) if the project has been referred, the project as described in the notice under section 28; and
- (b) includes any activity that is involved in, or that supports and is subsidiary to, a project referred to in paragraph (a).
- 11. This advice relates to an unlisted project which has not yet been referred. Therefore the definition provides that the project is "as described in the referral application".
- 12. This advice would become unnecessarily lengthy if I purported to reproduce or summarise the descriptions in the referral application of the project. It is sufficient for my purposes to make the following observations:
 - (a) The project is defined by reference to what is sought it is not for the Minister to reinterpret that description.
 - (b) In this case the use of "Stage 1" and "Stage 2" while understandable in the context of shorthand references is perhaps unhelpful to the degree that it suggests that these 'stages' are standalone and distinct.⁴

⁴ It is also important to record that these references are not to "stages" which are intended to be progressed as potentially separate and standalone packages of work. In other words, this is not intended to be a "staged project" as defined in the FTAA, where a separate substantive application may be subsequently lodged for each stage of the project.

- (c) This project not only integrates Stage 2 with what is referred to as "Stage 1", it makes a range of significant and important changes (through variation of an existing consent) to Stage 1. The implication is that the overall project is indivisible.
- (d) This project as described has a project area encompassing the entirety of what is in some places referred to as Stage 1 and Stage 2.
- (e) The project as described delivers an overall outcome which is not limited to distinct elements introduced through Stage 2.
- (f) Consequent on the above, it is my opinion that for this referral application the "project" is the entirety of the proposed Auckland Surf Park Community (i.e what is referred to as both Stage 1 and Stage 2).

Regional or National Benefit

Housing

- 13. It is unclear from the further information request whether the Minister has taken a position that the additional housing proposed in 'Stage 2' when considered in isolation must be of regional or national significance.
- 14. For the avoidance of doubt I advise that there is no requirement in law that the additional housing proposed be of itself regionally or nationally significant.
- 15. The applicant says the Project (as defined and therefore considered as a whole) is a development project which has significant regional benefit. Even if my advice were incorrect and assessment of Stage 2 and variations of Stage 1 had to be considered independent of any other aspect, the economic advice remains that a project defined in that way has significant regional benefit.
- 16. Whether considered as a whole or considered as 'Stage 2 and variations of Stage 1', the proposal encompasses a range of activities over and above housing. Most notable of those is the hyper scale artificial intelligence datacentre.
- 17. Housing is proposed as part of the project and the applicant says that this would increase the supply of housing, address housing needs and contribute to a well-functioning urban environment. That aligns with FTAA, s22(2)(a)(iii). It would have have some important

economic benefit of itself. But the application is not solely reliant on housing to establish regional benefit and/or economic benefit.

- 18. The housing is a constituent part of a project which overall meets the necessary regional benefit hurdle. The housing of itself does not need to stand alone as an element which has significant benefit.
- 19. Accordingly, I do not say it is unlawful for the Minister to ask for further information about the housing benefits of the project in a general sense. But there is no requirement for a project such as this (which includes a range of activities and is not limited to housing alone) to establish that housing benefits in isolation are significant.

Economic Benefit

- 20. The Minister is entitled to seek further information as to the significance of the direct economic benefits of the project either regionally or nationally.
- 21. The only issue of interpretation which arises relates to my discussion above of the definition of project and thus what works are encompassed by the "project". For reasons which I have set out, I say:
 - (a) the "project" is the entirety of the proposed Auckland Surf Park Community (i.e what is referred to as both Stage 1 and Stage 2), and therefore assessment of economic benefits would relate to that entire development.
 - (b) Even if I am wrong in my analysis above, and assessment of Stage 2 and variations of Stage 1 had to be considered independent of any other aspect, the economic advice remains that a project defined in that way has significant regional benefit.

Yours faithfully

Jeremy Brabant

Memorandum



To: The Honourable Chris Bishop -C/- Ministry for the Environment

From: Magdalena Regnault & Nick Roberts – Barker & Associates Limited

Date: 12 May 2025

Re: Auckland Surf Park Community – Stage 2 – Applicant's Responses to Planning Comments

Received

This memorandum has been prepared to address the Ministers request for further information, received on 11 April 2025. The Ministers requests are provided in italics and our responses follow.

1.0 Item 1

How the housing benefits of the project are significant in the context of the Auckland region or nationally

Applicants Response

As set out in the Legal Memorandum included as Attachment 1, the 'project' as defined in the Act:

- (a) means:
 - (i) In relation to a listed project, the project described in Schedule 2:
 - (ii) in relation to an unlisted project
 - A. **the project as described in the referral application for the project** or, if the referral application is yet to be lodged, as it will be described in the application; or
 - B. if the project has been referred, the project as described in the notice under <u>section 28</u>; and
- (b) includes any activity that is involved in, or that supports and is subsidiary to, a project referred to in paragraph (a).

The project is as it has been described in pages 11 - 21 of the referral application. In summary, the Stage 2 Masterplan builds upon the foundational elements of Stage 1, introducing key developments that enhance the park's functionality, community focus. The masterplan expands on Stage 1 through the inclusion of additional land holdings to the north and south of the consented development site. The key elements of the Stage 2 proposal include:

- A hyperscale artificial intelligence data centre campus:
- A northern and southern residential neighbourhood;
- A village centre;
- Live-work precinct;
- Accommodation; and,
- Associated infrastructure.

The proposal also includes variations to the Stage 1 development. The variation seeks to rationalise the existing site layout and incorporate the additional elements described above thereby creating a surf centric precinct. As set out within the letter prepared by Richard Duff, Co-Founder and Chief Investment Officer of



Aventuur and included as **Attachment 3**, the Auckland Surf Park Community, since its inception was always intended to be a comprehensive master-planned development. The investment required to deliver on the original consent is contingent on a belief that there is a pathway to fully realising the aspiration articulated under this current application. The Auckland Surf Park Community has already received global recognition due to its innovative approach combining and creating a symbiotic relationship between the surf park, data centre and solar farm. Building upon these foundational elements by incorporating residential neighbourhoods, a town centre and open spaces will achieve similar global acclaim.

As set out in the referral application, this project is both regionally and nationally significant. Notwithstanding, the unique nature and lifestyle, social and wellbeing benefits of the housing component of the project make it both regionally and nationally significant. The significant benefits of the project include:

- The delivery of new regionally and nationally significant infrastructure including:
 - o An Artificial Intelligence (AI) data centre campus. An AI data centre facility specifically designed to handle the high computational demands of AI workloads, providing the necessary infrastructure to train, deploy, and run complex machine learning models and algorithms, typically equipped with powerful servers, advanced storage systems, and specialised hardware accelerators to process massive amounts of data efficiently. A data centre of this nature is nationally significant and an important piece of infrastructure required to keep up with the AI market. At this time, we are aware of only one other AI data centre in the country, located within the Auckland's North Shore¹. Another facility will provide for competition in the region and national markets.
 - Opportunity to integrate with the future delivery of the Rapid Transit Network which will intersect the site by facilitating a village centre and residential neighbourhoods in the location of a future potential bus/light rail station.
 - o The delivery of the collector road connecting Dairy Flat Highway Postman Road as anticipated under the Silverdale West and Dairy Flat Structure Plan. The collector road represents a key link single connection to the arterial network which was proposed by the Supporting Growth Alliance (Auckland Transport and New Zealand Transport Agency) to avoid having multiple intersections close to the motorway interchange.
- Increasing the supply of housing, addressing housing needs and contributing to a well-functioning urban environment:
 - The delivery of approximately 400 modern and high-quality homes in Dairy Flat represents a highly significant boost to housing supply for the Auckland Region, particularly in the context of Auckland's housing affordability challenges and supply constraints. Related to this, the additional housing supply will assist to boost competition in the housing market and therefore increase economic efficiency.
 - The proposed housing will make significant contributions to a well-functioning urban environment in the Auckland Region through enabling:
 - A highly accessible, walkable, neighbourhood to be delivered as a single stage where people can work, live and play. Benefits associated with a community of this nature have been addressed in detail on page 3 of this memorandum.

¹ https://www.rnz.co.nz/news/national/536389/microsoft-opens-first-hyperscale-data-centre-in-new-zealand



- A large variety of homes (large lots, single dwellings, townhouses, terraces, walk-up apartments and live-work units) that will meet the needs of the surfing and active community by enabling residents to realise the benefits of the surfing lagoon and ancillary amenities contained within the larger development as well as providing increased market choice in terms of type, price and location. These well-being and mental health benefits are addressed on page 4 of this memorandum in response to other matters that the minister may consider relevant. The variety of homes proposed will also meet the needs in terms of type, price and location for different households.
- A sustainable development which will support the removal of greenhouse gas emissions. The reduction in greenhouse gas emissions have been addressed in detail on page 3 of this memorandum.
- Delivering significant economic benefits:
 - o Please refer to the response to Item 2 below in addition to the Economic Memorandum prepared by Property Economics and included as **Attachment 4**.
- Supporting climate change mitigation, including the reduction or removal of greenhouse gas emissions through:
 - The expansion of the consented solar farm increasing energy generation from 8,400MWh 10,900MWh and thereby offsetting an additional 9,000 tons of CO² each year.
 - o The surf park, solar farm and data centre present a unique symbiotic relationship. The data centre's sustainable energy requirements, as well as the surf park, will be supported by the onsite solar power generated from the solar farm. The waste heat generated through the operation of the data centre will be captured and fed into the water treatment plant for the surf lagoon in order to heat the water and provide for an enhanced experience and increased year-round usage.
 - o High quality riparian planting will increase the ecological value of the site and the riparian integrity of the realigned stream through increasing connectivity, shade, ground filtration, bank stability and organic matter input.
 - o The proposal will support future sustainable transport patterns by providing an employment hub alongside a key potential future public transport station associated with the Rapid Transit Network thereby reducing private vehicle trips and consequential CO² emissions.
 - o The provision of approximately 400 dwellings will enable people to live closer to areas of future employment, services and recreation. Thereby further reducing private vehicle trips and consequential CO² emissions.
- Any other matters the Minister considers relevant:
 - Significant regional and national lifestyle/community, mental and physical well-being benefits will be derived from the on-going development of Stage 1, both exclusively and together with Stage 2 noting that the project is both synergistic in nature and since its inception, has always intended to be a comprehensive masterplanned development. These benefits have been addressed in detail below.

A Unique Housing Development with Work, Live and Play Benefits for the Residential Community

This project is not comparable to a typical housing development. Significant regional housing benefits will be realised through the unique nature of the project being a surf-anchored, lifestyle, masterplan



community that incorporates all elements of the project as summarised above and described within the referral application.

The above combined elements of the project mean that the surf park community will have all the necessary amenities to live, work, and play within a walkable area. There will be significant benefits in the context of Auckland, and Nationally for residents for living in a community with this unique offering including:

- Convenience and reduced commuting: Residents will benefit from not having to commute long distances for work, shopping, dining, recreation and other needs. This benefit is unique to other green field developments in Auckland as the project seeks to deliver a complete development in a single stage rather than piecemeal subdivision and development.
- Enhanced Work-Life Balance: The proximity of work (including home offices) to the surf lagoon and other amenities including a skate park, walking and cycle pathways allows for a better balance between work and personal life than a traditional residential development. There are no other developments in Auckland that are providing such a significant and high-quality offering in terms of recreational opportunities.
- Community Building: Access to shared spaces, such as the club house, and amenities encourages social interaction and the development of strong community bonds.
- Variety of Housing Options: Mixed-use developments offer a range of housing types, accommodating singles, couples, families, and the ageing population. The proposed development provides a unique range of housing options including single dwellings, townhouses, terraces, apartments and a live – work precinct.
- Improved Overall Well-being: The combination of living, working, and leisure all in one location can contribute to a healthier and more balanced lifestyle. Health and wellbeing benefits have been assessed in detailed below.

Mental Health and Wellbeing Benefits of the Residential Community

AW Holdings 2021 and its principal shareholder, Aventuur, purpose is to enhance physical and mental wellbeing by unleashing the power of surfing for people all over the world; enriching lives as they transform communities. The mental and physical wellbeing benefits of surfing are well documented and will be predominantly realised by the community residing in this unique environment. These benefits include:

- Co-locating a high-quality, sport and recreational facility being the surf lagoon, with a residential community will provide a sense of identity, place, and be a unique focal point for the community.
- The provision of a controlled and supervised environment where wave height and frequency can be
 adjusted and thereby creating an ideal learning environment to attract new people to the sport of
 surfing, or to help learners improve in a reduced timeframe compared to within the ocean.
- In regard to inclusivity, a man-made surfing lagoon presents an opportunity for young people from across a broad range of socio-economic backgrounds to participate in surfing. Co-locating a community with such a facility means that participants do not necessarily need to own a private motor vehicle or holiday home near the sea. This ensures that social effects are spread across the entire community, and not limited to one particular group.
- In terms of cultural benefits, co-locating the surf lagoon with a residential community will allow for an opportunity for Māori to reconnect with surfing or Whakekeheke. Whakekeheke was an observed feature of Māori life at the time of European arrival (as it was in wider Polynesian culture throughout



the Pacific). In a broader sense, it also offers people a greater opportunity to access or experience surf culture; which spans fashion, music, linguistics, lifestyle and even environmentalism and spirituality.

- Surfing is a highly active sport, so as a recreation facility, it will also offer an opportunity to improve the community's fitness, strength and physical wellbeing.
- Surfing has also long been considered a method of improving people's mental wellbeing. The surf park community will realise the following mental health benefits from co-locating with the surf lagoon:
 - o Surf Therapy: Surf Therapy is the fast-growing global practice of combining the positive health benefits of surfing with activities proven to build relationships, grow self-esteem and build a positive image of the future.
 - o Biophillia: Biophilia is the hypothesis that humans possess an innate tendency to seek connections with nature and other forms of life. Studies have shown that connecting with nature through biophilia can lead to numerous benefits, including reduced stress, improved mood, enhanced cognitive function, and even physical health improvements.
 - o Blue Health: Blue health refers to the concept that being near or on water positively impacts physical and mental well-being. This includes the positive effects of spending time in, on, or near the water, as well as even just having a view of it.

In addition to the above, Sir John Kirwan, New Zealand project partner and mental health advocate, has provided a letter of support for the project (refer to **Attachment 5**). In Sir John Kirwan's letter, he discusses his own journey with mental health, the six pillars of mental health and how these pillars are tied into the Auckland Surf Park Community development. He states that a surfing park that has a permanent community built around it offers much more than waves and thrills. It presents a foundation for a vibrant community focused on mental and physical health, underpinned by the six pillars of mental health.

Further to the health and wellbeing benefits listed above, a driver to co-locate a residential community with a surf lagoon is to provide for an active ageing community. In November 2024, Ministry of Health released a Long-Term Insights Briefing on *Unlocking the Potential of Active Ageing* for public consultation². The briefing was driven by the trend of an ageing population in New Zealand and heavily referenced materials published the World Health Organisation (WHO). WHO states that *'if ageing is to be a positive experience, longer life must be accompanied by continuing opportunities for health, participation and security'*³. To promote such opportunities, the WHO introduced the concept of active ageing in 2002 which it defines as *'increasing opportunities for participation so people are contributing to society and taking opportunities to enhance their wellbeing and quality of life as they age'*. Active ageing acknowledges that broad factors, including social and physical environments, affect how individuals age and how they continue to contribute to society. These factors can include housing and the wider built environment and social connectedness. The challenges of ocean surfing can become intimidating as surfers age. The sport also requires regular participation to retain skills and confidence. The provision of a controlled and supervised environment where wave height and frequency can be adjusted and thereby creating an ideal environment for ageing and adaptive surfers. The arrival of surf parks is already creating a surge of beginners but is also now

² https://www.health.govt.nz/news/unlocking-the-potential-of-active-ageing

³ World Health Organization. 2002. Active Ageing: A policy framework. URL: extranet.who.int/agefriendlyworld/wp-content/uploads/2014/06/WHO-Active-AgeingFramework.pdf



extending the joy of surfing for years to come for many committed participants who will soon be able to reside and active age in the community.

A community of this kind is not only the first for Auckland, New Zealand but also globally. The unique nature of this project will provide significant health and well-being benefits participants, and these will be magnified for the residents of the development. These combined benefits along with the unique nature of the development, are significant regionally and nationally within the New Zealand context.

2.0 Item 2

How the direct economic benefits of the project are significant in the context of the Auckland region or nationally.

Applicants Response

Please refer to the response to Item 2 below in addition to the Economic Memorandum prepared by Property Economics and included as **Attachment 4**. In summary, the project represents a substantial level of investment and expenditure to complete the entire project. The nominal value attributable to this project is materially significant, exceeding \$2.2b over the project timeframe (estimated at 6 years). The direct economic benefits of the project are significant in the context of the Auckland region as this equates to approximately 7% of the annual regional value of building development in Auckland⁴.

3.0 Item 3

Whether the building line restriction on the title Lot 1 Deposited Plan 151504 will need to be removed and if this will impact on project delivery

Applicants Response

Building line restrictions (BLR's) are registered on the titles for 89 and 105 Lascelles Drive. The BLR's relate to the protection of a 28m strip from the western boundary to provide for a future road as shown below in **Figure 1**. This future road would have sought the continuation of Lascelles Drive. The BLR was registered on the titles in 1990. The road has not been constructed.

⁴ Statistics NZ https://www.stats.govt.nz/topics/building/, Property Council https://www.propertynz.co.nz/news/aucklands-property-industry-continues-growth-trajectory (2022)



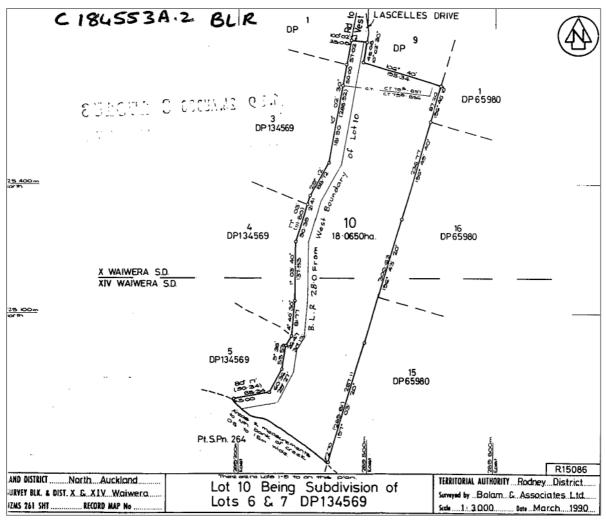


Figure 1: Historic Building Line Restriction Plan. Source: LINZ.

The BLR's will need to be removed from the titles to give effect to the development as currently designed. The applicant has made applications to Auckland Transport for a Certificate of Cancellation and is awaiting approval. This process typically takes up to 30 working days.

The BLR's are considered to be historic and are no longer considered to be necessary for the following reasons:

- The road is not anticipated by the Silverdale West Dairy Flat Structure Plan⁵ which was developed in collaboration with Auckland Transport;
- The Supporting Growth Alliance (SGA) (AT & New Zealand Transport Agency (NZTA)) recently obtained a number of Notices of Requirement for route protection within the area⁶. No route protection was sought to establish a future road in this area.

https://www.aucklandcouncil.govt.nz/plans-projects-policies-reports-bylaws/our-plans-strategies/place-based-plans/Silverdale%20West%20Dairy%20Flat%20Industrial%20Area%20Structu/silverdale-west-dairy-flat-industrial-area-structure-plan-april-2020.pdf

 $[\]frac{6}{\text{https://www.aucklandcouncil.govt.nz/plans-projects-policies-reports-bylaws/our-plans-strategies/unitary-plan/auckland-unitary-plan-modifications/notices-of-requirement-to-designate-land/Pages/default.aspx}$



- There is no BLR registered on the title to the south. No future roading connection has been provided for beyond 105 Lascelles Drive;
- The road is not required to provide access to the subject site. The Transport Assessment prepared by
 Flow confirms that the northern neighborhood will be serviced by the proposed internal roading
 network.

We anticipate receiving the Certificates of Cancellation from Auckland Transport prior to lodgement of the substantive application. Therefore, the removal process will not impact on project delivery.

In the unlikely event that Auckland Transport does not issue a Certificate of Cancellation for one or both titles, the masterplan can be modified to provide for the required setback at the substantive application stage without materially impacting on the significant regional benefits generated by the project.



Auckland Surf Park Community

April 30th, 2025

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The Ministry for the Environment

PO BOX 10362 Wellington 6143 New Zealand To whom it may concern,

The EPA has requested further information on the significance of the Auckland Surf Park Community's – Stage 2 Application under the Fast Track Approvals Act 2024.

As a way of background, I am a co-founder of <u>Aventuur, Inc.</u> - a global developer and operator of integrated surf park developments and majority shareholder of the applicant (AW Holdings 2021 Ltd). Aventuur's mission is to create exceptional surfing destinations and experiences that generate meaningful social and economic value. Further, as a proud New Zealander and given my unique position in the surf park industry, I have focused significant attention on ensuring my hometown deal is an industry defining project.

The Auckland Surf Park Community, since its inception has always intended to be a multistaged comprehensively master-planned development. In order to execute on our vision of ensuring this is (one of) the world's pre-eminent surf park developments we have worked to assemble both:

- 1. A project of significant scale that allows us to invest in both the best-in-class wave technology but also the surrounding landscaping and architecture.
- 2. A best-in-class team of both local partners and consultants who share a similar vision.

The Auckland Surf Park Community has already received global recognition due to its innovative approach of combining the Surf Park and Data Centre and we believe once consented our unique combination of Town Centre, Walkable Residential Neighborhoods, Open Space, Sustainable On-Site Servicing Solutions and Surfing Lagoon will achieve similar global acclaim.

The Auckland Surf Park Community will be the first of its kind, and a project that continues to uphold our country's reputation as a place of innovators and forward thinkers.

With that all said, the investment required to deliver on our original consent is contingent on a belief that there is a pathway to fully realizing our aspiration articulated under this current application. In the unlikely scenario the project was not referred, especially given current financial market conditions, it is likely that the project would need to:

Aventuur.com
@aventuurco
info@aventuur.com

Offices:

Los Angeles, CA (Americas) Perth, WA (APAC) Gold Coast, QLD (APAC)



- 1. Pursue more patient capital that is understanding of complex planning environments, and/or,
- 2. Undergo significant value engineering to be more in line with the existing surf park facilities in Australia, reducing the investment need and undermining the quality and uniqueness we sought to achieve under our original consent.

Both these courses of action will: 1) delay the project 2) push out the timeline of the economic benefits at a time the economy sorely needs it and 3) result in a worse outcome for the Dairy Flat community who are fully supportive of the project.

It is my firm belief, that this project is entirely unique and provides both significant regional and national benefits — a belief shared by the support of the Mayor and Local Council.

Regards,

Richard Duff

Co-Founder and Chief Investment Officer

PROPERTY **E**CONOMICS



AUCKLAND SURF PARK STAGE 2

FAST TRACK ACT EIA

ECONOMIC RESPONSE

Client: AW Holdings 2021 Limited

Project No: 52465

Date: May 2024



7 May 2025

ECONOMIC MEMORANDUM

To: AW Holdings 2021 Limited

c/- Magdalena Regnault

Senior Planner

В&А

Email: magdalenar@barker.co.nz

RE: ECONOMIC RESPONSES TO MINISTRY FOR INFRASTRUCTURE RFI – AUCKLAND SURF PARK

INTRODUCTION

Property Economics has been commissioned by AW Holdings 2021 Limited to provide a response to the Ministry for Infrastructure's Request for Information (**RFI**), relating to the application for referral of the Auckland Surf Park Community under the Fast-track Approval Act 2024.

This response relates to RFI query 2 which states:

"how the direct economic benefits of the project are significant in the context of the Auckland region or nationally".

ECONOMIC RESPONSE

The 'Project' includes both Stage 1 and 2 of the overall application for the site. The components of the two stages function as one integrated project that, as we understand, have material crossover and symbiotic benefits for co-location. As such it is considered appropriate to represent the economic benefits as a whole.

There have been two economic impact assessments (**EIA**s) - (Stage 1 and Stage 2) encompassing the following land uses:

Stage 1:

- A surfing lagoon with associated services and facilities
- Farm to table restaurant
- Short-term visitor accommodation
- Wellness centre and associated visitor accommodation cabins
- Data Centre
- Solar Farm
- Associated infrastructure

Stage 2:

• 98 Apartments (incl. 40 apartments, 28 walk-ups, 30 live-work units)



- 184 Terraced Houses
- 78 Duplexes
- 44 Large Lots
- Surf Park Members Club
- Wellness Centre
- Village Centre
- Live / Work Precinct (including workshops)
- Data Centre expansion (80MW)
- Associated infrastructure

As outlined more extensively in the accompanying EIA's for both Stage 1 and 2 the project represents a substantial level of investment and expenditure to complete the entire project.

In total the economic injection for the Auckland Region is estimated to result in activity over \$2.2 billion over the total timeframe of the project. Given the nature of the activities included in the project, much of the activity is likely to be unique (i.e. this is not simply a redirect of existing growth potential and existing capacity).

The substantive nature of this project is likely to support over 16,000 FTE years over the total development timeframe, when considering the indirect and induced activity generated.

The nominal value attributable to this project is materially significant at over \$2.2b over the project timeframe (estimated at 6 years). This equates to approximately 7% of the annual regional value of building development in Auckland¹. The direct value, of around \$740m is also comparable to the estimated \$13b in property activity per annum (2022).

It is also noted that even if Stage 2 data centres, residential development, town centre, and additional solar farm was looked at independently the nominal value attributable to this stage is materially significant at a total of over \$1.6b over the project timeframe. This equates to approximately 5% of the annual regional value of building development in Auckland².

If you	have	any	queries	, please	give	me	а	call.

Kind Regards

Phil Osborne

¹ Statistics NZ https://www.stats.govt.nz/topics/building/, Property Council https://www.propertynz.co.nz/news/aucklands-property-industry-continues-growth-trajectory (2022)

² Statistics NZ https://www.stats.govt.nz/topics/building/, Property Council https://www.propertynz.co.nz/news/aucklands-property-industry-continues-growth-trajectory (2022)

Sir John Kirwan

Marau Street, Mission Bay, Auckland

12 May 2025

Dear Minister

I hope this letter finds you in good spirits.

Last year, my fellow Kiwi partners and Aventuur Inc <u>received resource consent</u> to construct the first stage of the Auckland Surf Park Community at 1350 Dairy Flat Highway. Preliminary earthworks are now underway for the surf lagoon and accompanying amenities and the Spark data centre which will heat the pool.

We are now applying for additional resource consent under the Government's <u>Fast Track</u> <u>Approvals Act 2024</u> to add more than 400 homes to be built around the surf park itself along with a hyper scale data centre, village centre, live-work precinct and additional accommodation units.

Our vision is to create a surf-anchored lifestyle master planned community that incorporates the Surfing Lagoon, Town Centre, residential units, hospitality (hotel and cabins and Live / Work industrial units.

This is not only a first for Auckland and New Zealand but also globally.

The additional community benefits – including a surfing clubhouse and additional nature-scaped walking and cycling paths – will benefit all ages.

This project is intensely personal to me.

Surfing has been a life-long activity for me since discovering riding waves at Waihi at my parents' bach when I was six years old. I credit surfing as an activity that has helped save my life and now plays a vital ongoing role in my wellbeing, and I have heard similar testimony from many of my friends.

If you live in Auckland, surfing is a challenging sport despite having the largest population of surfers in New Zealand (almost half of NZ's regular 400,000 surfers live in or near Auckland). We are often waiting for giant west coast swells to drop in size so as to be safely surfed. And east coast swells are not as prevalent as elsewhere with dedicated surfers regularly waiting for waves to materialise.

This divide between younger and fitter surfers gravitating to west coast beaches like Piha and Muriwai and the more senior of us favouring smaller east coast conditions at beaches like Mangawhai and Te Arai means it is challenging to bring a like-minded community together.

This challenge of bonding the surfing and ocean-focussed community more closely is one of the factors that inspired my interest in surf parks as the need is especially high within Auckland.

I wanted to share my thoughts on the promising impact of a community centered around a Wavegarden Cove surfing park and how it can play a pivotal role in enhancing mental and physical health.

My own personal journey around mental health is anchored within the <u>Six Pillars of Wellness</u> – **Chill, Do, Connect, Move, Enjoy and Celebrate.** These are concepts embedded within behavioural science that have provided me and many others with a road-map to improved physical and mental health.

I have devoted my life to demonstrating how regular practice of the Six Pillars can greatly enhance our lives.

I am a believer in <u>"Blue Health"</u> therapy. Water-related activity, particularly when also associated with green spaces, calms, inspires and regenerates us.

However, one of the key challenges I have found is creating environments that foster the activities this consistent behaviour can be practised in.

<u>Biophilia</u>, the human longing to interact or be closely associated with other forms of life in nature, is a driving force for the community we wish to build for permanent residents and visitors of all demographics.

Mental health is about what you feel and what you are doing within your community.

Our goal is that visitors to our community leave feeling better than when they arrived – and that the residents within are a vivid and inspiring example of a modern community looking after each other.

Through growing understanding of neuro-science, society is becoming increasingly aware of the threat of isolation, negative influences and too much screen time and other unhealthy behaviours.

We believe we can create a community where you actually know your neighbour, where the entire precinct is walkable so you visit each other regularly, where the kids are outside and not hidden away in their bedrooms on screens.

The positive energy within the park will drive social connection while enhancing mental and physical health among all no matter whether you surf or not.

I liken this to the Māori concept of Te Whare Tapa Whā which uses the wharenui (meeting house) with its strong foundations and four equal sides, as the cornerstone of wellbeing.

In this sense, our wharenui – or gathering place – is the surf park. It is the beating heart of our community who will be drawn to live there.

The wider park environment will allow people to do things that regularly tick off several of the Six Pillars at any given time. Examples are Move/Do (surfing, walking, cycling, skateboarding, learning new skills), Chill/Connect/Celebrate/Enjoy (meeting and relaxing with others at homes or other gathering places within the park).

Connect/Do/Move/Enjoy/Celebrate

At the heart of our community is the Wavegarden Cove surfing park which creates the opportunity for connection—both to the ocean and water, and to one another.

Surfing is inherently a social sport, bringing together individuals from various backgrounds to share a common passion. As people gather to learn, practice, and enjoy surfing, they create bonds that extend beyond the water. These connections help foster a strong sense of belonging and inclusivity within the community, essential for good mental health.

Nurturing connections significantly reduces feelings of isolation and loneliness. Regular meet-ups can be organised in a relaxed surf community setting, allowing families, friends, and new acquaintances to engage in meaningful interactions, transforming the park into a hub of socialisation.

Move/Enjoy

It is no secret that physical activity is essential for maintaining good health. Surfing at a Wavegarden is not just an exhilarating experience but also an effective full-body workout. Paddling out, riding waves, and maintaining balance all engage various muscle groups, promoting cardiovascular fitness and muscle strength.

Physical exercise releases dopamine and endorphins—our body's natural mood lifters. Participants are likely to experience reduced anxiety and depression, which are prevalent in today's fast-paced society.

Encouraging the local community to embrace surfing can cultivate a culture of wellness, creating opportunities for people to engage in physical activity while having fun in an inspiring environment.

Chill

Surfing also offers a profound connection to mindfulness. When individuals immerse themselves in the rhythmic flow of waves, they often experience a state of flow, where stressors fade, and focus sharpens. This presence in the moment can serve as a form of meditation.

Mindfulness will be a key part of the Wavegarden community. It is our intention to emphasise The Six Pillars of mental health via workshops, teaching community members how to incorporate mindfulness techniques into their daily lives, benefiting their overall mental well-being.

Do

A surfing park provides a unique platform for learning—not only for beginners eager to ride their first wave but also for seasoned surfers seeking to improve their skills. Surf instructors can impart valuable techniques, fostering both personal growth and confidence. The culture of learning is enriching and supports an environment where individuals feel encouraged to challenge themselves.

In this way, learning is integral to the Wavegarden experience. Regular surfing clinics and educational programs will allow community members to develop their abilities while gaining knowledge about ocean safety, environmental conservation, and the physical and mental benefits of surfing and other activities within the park such as skateboarding and climbing.

Celebrate

Community is all about giving, and the Wavegarden Cove will embody this spirit. Surfing events, charity competitions, or programs aimed at underprivileged youth can facilitate opportunities to give back.

Giving acts as a powerful antidote to personal struggles, promoting feelings of purpose and fulfilment. The surfing community can thrive on a culture of kindness, with groups organising charity events or mentorship programs to inspire and uplift others. This environment fosters a sense of celebration, hope and community spirit, critical for mental and emotional health.

Finally, the growth that comes from difficult experiences is unparalleled. For many, learning to surf can initially be challenging; however, progress often leads to immense personal satisfaction. As surfers navigate their fears, overcome obstacles, and celebrate small victories, they cultivate resilience.

Establishing support groups or workshops at the Wavegarden that draw on these challenges can offer community members tools for personal development. Engaging in collective stories of growth can empower others to face their fears and grow, leading to a more supportive and thriving community.

In conclusion, a Wavegarden Cove surfing park that has a permanent community built around it offers much more than waves and thrills. It presents a foundation for a vibrant community focused on mental and physical health, underpinned by the Six Pillars of mental health.

Together, we can create an environment that fosters connections, encourages physical fitness, promotes mindfulness, inspires learning, cultivates a spirit of giving, and nurtures personal growth.

Finally, I would stress the uniqueness of this project.

Let's together embrace this opportunity for a healthier, happier community.

Warm regards, Sir John Kirwan