**IN THE MATTER OF** the Resource Management Act 1991

AND

IN THE MATTER OF 13 publicly notified resource consent applications by Te Tūāpapa Kura Kāinga the Ministry of Housing and Urban Development (MHUD) to the Rotorua Lakes Council

### STATEMENT OF EVIDENCE OF PETER MICHAEL GUILFORD

## Introduction

- 1. My full name is Peter Michael Guilford. I currently reside at 17 Wylie Street, Glenholme, Rotorua (my Home), with my wife and have been living at this address for 4 and a half years.
- 2. A true copy of a map showing my home relative to the proposed sites for the emergency housing resource consents is annexed and marked as Appendix 1.
- 3. I submit this brief of evidence from my perspective as a Real Estate Agent with 17 years of experience and as a resident of Glenholme, Rotorua. My evidence covers the adverse changes I have seen in relation to Real Estate in Rotorua and around Glenholme and Fenton Street as a result of the existing concentrated motel-style emergency housing in central Rotorua. Specifically, the difficulty to achieve certain house prices in Glenholme due to the diminished aesthetic of Fenton Street.

- 4. The existing transitional and emergency housing motels will have a compounding effect with the Ministry of Housing and Urban Development (MHUD)'s 13 resource consents for motels. I understand that these sites are currently being used as transitional and emergency housing while the owners await the outcome of these applications. This will mean that the situation I am now facing as a Real Estate Agent in Rotorua will become permanent and more intense.
- 5. Trevor Newbrook, Chair of Restore Rotorua Incorporated (Restore Rotorua), has shared a list of confirmed emergency housing accommodation locations with me that was provided by the Ministry of Social Development. This list confirms my knowledge of the widespread use of emergency housing accommodation in central Rotorua.
- 6. My evidence speaks to how the 13 resource consents are likely to affect Real Estate in Rotorua, my wife and myself.
- 7. I submit this brief of evidence in support of Restore Rotorua to assist the independent Panel who I am informed will decide on the question of whether all of the MHUD's resource consent applications before the Council to convert motels in central Rotorua into emergency housing should be granted.
- 8. I am familiar with the matters set out in this brief of evidence, and they are true to the best of my knowledge and belief. I am prepared, if required, to answer any questions concerning this brief of evidence from the Panel.

## Work and life in Rotorua

9. I am 70 years old and I have resided in Rotorua for almost 56 years. I moved to Glenholme for the easy-going lifestyle and because it was walking distance to town, the forest and to work.

- 10. I am a licenced Real Estate Agent and have spent 17 years in the real estate industry selling residential, lifestyle properties and rural. For the first 12 years of my career, I worked at McDowell Professionals and subsequently moved to Sotheby's, where I currently work which is situated at 1127 Fenton Street, Rotorua.
- 11. I am an inaugural Sotheby's member and have worked there for 4 years. I have only sold properties within Rotorua and in the following suburbs:
  - (a) Fordlands
  - (b) Western Heights
  - (c) Glenholme
  - (d) Okere Falls
  - (e) Ngongataha Valley
  - (f) Pomare
  - (g) Sunnybrook
  - (h) Koutu
  - (i) Kawaha Point
  - (j) Tihiotonga
  - (k) Fenton Park
  - (I) Springfield
  - (m) Tikitere
  - (n) Lynmore
  - (o) Mangakakahi
  - (p) Pukehangi
  - (q) Hamurana
- 12. Over the course of my 17-year career in this industry, I have sold/transacted numerous properties. I have the experience to speak to market updates for the residential and lifestyle markets.

# Observations as a Licenced Real Estate Agent before 2019/2020 Summer

- 13. Fifteen years ago, in 2006, it was very uncommon to see a million dollar house in Rotorua. The average house was around \$175,000-\$220,000 for a freehold, ¼ acre section. Between 2010-2012, Rotorua began to grow into an attractive destination to visit for both domestic and international tourists. The activities that Rotorua had to offer developed from hangi's, cultural concerts, mud pools and Fairy Springs to the Rotorua Skyline and mountain biking. By 2016, the average house prices increased to \$300,000-\$320,000. I am assisted by information that is privy to me about the market place.
- 14. In the suburb of Glenholme, the population has always comprised of more mature and retired people and professionals. Vendors in Glenholme most typically sell only under circumstances such as death (in an estate sale) or in need of moving to a retirement home. For those reasons Glenholme has developed a reputation as an exclusive area to get into and one of the top locations in Rotorua.

## Observations as a Licenced Real Estate Agent after April 2021

- 15. The current epicentre of the issues are on Fenton Street. It is the main southern arterial thoroughfare to the city and the street where most of Rotorua's current emergency housing accommodation is located. An increase in crime observed on the street along with the diminishing aesthetic of Fenton Street, has resulted in the flattening of real estate demand in central Rotorua over the last 4-6 months and I am finding that the price I can obtain for the vendor is dropping.
- 16. The core concern that I have is that if the 13 MHUD resource consents that are before the Council are approved, there will be a detrimental impact on the transacting of residential real estate in the central Rotorua area. There

are potential purchasers now who make it known to me during sales campaigns that they are concerned with the "scruffy" look of Glenholme and the increase in crime. As a result, I have had to adapt the way I sell houses in Glenholme.

- 17. I have to acknowledge to potential buyers that Glenholme is experiencing, at the moment, a bit more of those undesirable things in the area, but matters will likely improve because the Council has reassured the city that the housing arrangements on Fenton Street are temporary. National tourists and international tourists will eventually return and the motels will need to get themselves ready. I tell them that given Glenholme's track record and reputation as an exclusive suburb, it is in fact a perfect buying opportunity as buyers will not be able to secure such reasonable prices like this again when the city improves.
- 18. Another key observation our office has had since the winter of 2020 was that we are starting to have vendors in Glenholme who are instructing us to sell their property due to their personal concerns of the uncertainty around how long the transitional and emergency housing tenant would stay in the central Rotorua motels. If the existing number of resource consent applications to convert motels in the city centre into emergency housing were to be approved, we will most certainly see an uptick in vendor activity to sell out of the suburb for reasons that the typical Glenholme vendor would never have had before. Although the prevalence of transitional housing tenancies in central Rotorua will not cause an outright evacuation of established residents in Glenholme, it will certainly remove the gloss from the city centre that businesses and local residents have worked hard to establish.
- 19. The reassurance that I provide to vendors when they sell their house is that Aucklanders will be frustrated from being in lockdown and will want to move out to the regions and bring their Auckland wealth. However, this has only

been a more recent topic given the 2021 Covid-19 related lockdown restrictions.

- 20. As a real estate professional in this part of the city, I have genuine concerns that the kind of conversations I have with both vendors and purchasers will have to change, especially if the observations we have experienced in the market in the past 2 years become the new norm.
- 21. The news media has emphasised the problems in Rotorua compared to the rest of New Zealand. This has created uncertainty about buying and selling homes in the Glenholme area.

# Specific incidents of effects of transitional and emergency housing from motels in central Rotorua

- 22. In my first 25 years in Rotorua between 1990 and 2015 when our family lived in the north western suburb Ngongotaha, our house was burgled once. Ngongotaha was known in Rotorua to be a relatively rougher neighbourhood so it was a real surprise when we came to the nicer suburb of Glenholme to have been burgled here more often. My family home in Glenholme has been burgled three times since we have lived there:
  - (a) The first incident, we were asleep in our home and the burglars forced one of the windows open and came into our garage and stole my bike.
  - (b) The second incident occurred only 6 months after the first incident, where my replacement carbon fibre bike was stolen out of my garage.
  - (c) The third incident occurred in 2021 when my wife was riding home from work and once she arrived home, she placed the bike against a

tree by the house and went inside for a moment, when she came back the bike was gone.

- 23. When we originally moved to our home four and a half years ago, no security had been installed. Since the onset of these security incidents above, we have changed the design of our fence and installed a 2 metre tall concrete block fence with built in lighting, electric sliding entrance gates, and lockable street access gate. In total this cost just over \$10,000.
- 24. Since the upgraded security, and our very large and vigilant dog, we have not experienced criminal activity or anti-social behaviour at home.
- 25. I would like to emphasises that before Covid and emergency housing, it was safe for Glenholme residents to walk into town. However it no longer feels safe for Glenholme residents to walk into town. To help Glenholme's residents feel safe a Facebook group called "Keeping Glenholme safe" was created on August 4, 2020, after emergency housing was established in Glenholme.

### Conclusion

- 26. I strongly agree that the homeless deserve to be housed. However from both the perspectives of a real estate agent selling in this area and a resident living in this area, I do not think the current locations of emergency transitional housing are appropriate, or helpful, to both the families that are housed there themselves and the existing residents of Glenholme.
- 27. It is clear from my daily observations that the emergency and transitional housing occupants are also disadvantaged by this accommodation. I typically see families of young parents and young children that are housed in those motels, the size of those motel rooms clearly do not suit the needs of their family as they have insufficient space to live or play.

- 28. I am genuinely concerned about the compounding effect that the 13 resource consent applications before the Council may have on central Rotorua if the environmental effects resulting from the existing concentration of visitor accommodation being used as emergency housing in central Rotorua that I have personally observed are not accounted for.
- 29. I am therefore providing this evidence to highlight how important it is for the Council to get the overall assessment of each of these applications right as the actual effects currently experienced shows that our city is already under considerable strain.

Peter Michael Guilford 12 October 2022