

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 CLINTON JOHN LOVELL

Introduction

1. My full name is Clinton John Lovell. I am the owner of Silver Fern Rotorua Accommodation and Spa (**the Silver Fern**), a five star motel, located on 326 Fenton Street, Glenholme, Rotorua. I am also a committee member of the Rotorua Moteliers Association, which at the time of this brief, consists of 30 members of moteliers from this city. A true copy of aerial and street view photographs of the Silver Fern are annexed and marked as Appendix 1.
2. A true copy of a map showing the Silver Fern, relative to the proposed sites for the emergency housing is annexed and marked at Appendix 2.
3. I submit this updated brief of evidence (from my evidence submitted in December 2021) from my perspective as a business owner. My evidence covers the adverse changes I have seen around Glenholme and Fenton Street as a result of the existing concentration of visitor accommodation being used as emergency housing in central Rotorua. Specifically, the

increase in noise, vandalism, rubbish, anti-social behaviour, and crime around Glenholme in the last 18 months which has meant my wife, children and I no longer feel safe.

4. The compounding effect of the current applications by the Ministry of Housing and Urban Development (**MHUD**) mean that the troubling situation we are now facing as a business owner will become more permanent, and more intense, as my evidence describes the many negative effects that have resulted from concentrated motel-style emergency housing in central Rotorua.
5. Restore Rotorua have shared a list of confirmed emergency housing accommodation locations with me. This list confirms my knowledge of the widespread use of emergency housing accommodation in central Rotorua. A true copy of a map showing my business (marked as a pink dot) relative to all of the existing accommodation sites where emergency housing is provided is annexed and marked as Appendix 3.
6. I submit this brief of evidence on behalf of myself, and my wife Yiqing (Josephine) Zhao, in support of Restore Rotorua Incorporated, to assist the independent Panel who I am informed will decide on the question of whether all of MHUD's resource consent applications before the Council to convert motels in central Rotorua into emergency housing should be granted.
7. 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.
8. This brief of evidence covers my observations as a business owner, father, and resident of Gleholme, Rotorua.

Family, work and life in Rotorua

9. Yiqing Zhao (**Josephine**) and I have 2 children. Kian Lovell, aged 9, Zach Lovell, aged 7.
10. My wife and I have worked in the tourism industry for approximately 30 years. Our careers have taken us all around the globe. We have worked and trained in Switzerland, and New South Wales, Australia and we have working in various hospitality and motel roles in the United States, China, Thailand, Bali, Malaysia, Australia, Hong Kong, Siem Reap, and Cambodia. This means our family has become incredibly adaptable and resilient to a range of different environments and cultures.
11. Our family moved to Rotorua in March 2021. We decided to return to New Zealand and settle here to provide our children a safe and stable home, and a good schooling community.
12. We spent approximately five months looking into the most suitable city to invest into a motel business in New Zealand. We chose Rotorua because we decided it was most suitable to us due to its brand as a premier tourist destination in New Zealand (we call "**Brand Rotorua**"). The combination of our experience in the industry, and Brand Rotorua, provided us the certainty that Rotorua would be the most appropriate investment location to apply our industry crafts, and to support our family.
13. From our own due diligence, and based on our memory of Rotorua, Fenton Street and Glenholme had a reputation for being a vibrant, safe, and friendly location. As a key entrance way into tourism in Rotorua, Fenton Street is the city's hub and popular starting point for a large range of tourist activities.

14. We purchased the Silver Fern in March 2021 because it provided a luxury, five-star visitor experience in the heart of Rotorua for local and domestic tourists and other high market clientele.
15. The location was ideal to attract the range of high market tourists that we knew would make our business a success. The Silver Fern was purchased with goodwill and it came with a great reputation. The Silver Fern has been awarded a TripAdvisor Certificate of Excellence from 2011-2019 and it won the TripAdvisor Travellers' Choice Award in 2014, 2016, 2017, 2018, and 2019.
16. The accommodation capacity at Silver Fern is 25 Suites and a Spa Studio offering massages, facials, and Rotorua themed mud wraps. The Silver Fern is designed to cater to all types of visitors, including families, business travellers, group travellers and romantic getaways (referred to collectively as "**Visitors**").
17. We entered a 44 year lease term for the property at 326 Fenton Street. The location of the property is perfect for a thriving motel. We selected the property as it has easy access to the city, local restaurants, thermal parks, tourist attractions, and the greater Bay of Plenty area.
18. We take enormous pride in our business and strive to provide some of the best accommodation Rotorua has to offer. As the owner, I manage a staff team of 8 who all report to me on all aspects of the business operation. In addition to the operations, my staff and I have worked hard for the last 18 months to create strategic partnerships with local restaurants and attractions, such as Mitai, Te Puia, Wai O Tapu, Skyline Rotorua, and more, to provide our guests a multitude of ways to enjoy all things Rotorua has to offer.

19. In addition to the acquisition of the asset and goodwill, we have invested from the period of 15 March 2021 to 3 October 2022, \$154,794.00 on repair and maintenance as well as replacements, and \$72,055 for air conditioning installation in November 2022 to maintain the Silver Fern as one of the top accommodation spots in Rotorua.

General observations of effects of transitional and emergency housing from motels in Central Rotorua

20. Fenton Street is Rotorua's 'Golden Mile'. There is a high concentration of visitor accommodation, with approximately 26 motels operating in a 1.7 kilometre, 4-lane main street strip, providing a range of visitor accommodation options from budget backpackers, to five-star motels. This includes:

- (a) Distinction Rotorua Hotel and Conference Centre, on 390 Fenton Street;
- (b) Regal Palms Resort, on 350 Fenton Street;
- (c) Copthorne Hotel Rotorua, on 328/348 Fenton Street;
- (d) Coachman Motel, on 335 Fenton Street;
- (e) Rose Court Motel, on 329 Fenton Street;
- (f) Silver Fern Motel and Spa, on 326 Fenton Street;
- (g) Apex on Fenton, on 325 Fenton Street;
- (h) Malones Spa and Motel, on 321 Fenton Street;
- (i) Ace Motor Lodge, on 319 Fenton Street;
- (j) Pure Motel and Guest House, on 315A Fenton Street;
- (k) Devonwood Manor Motel, on 312 Fenton Street;
- (l) Fenton Court Motel, on 305 Fenton Street;
- (m) Baden Lodge on 301 Fenton Street;
- (n) Geneva Motor Lodge, on 299 Fenton Street;
- (o) Midway Motel, on 293 Fenton Street;
- (p) Thermal Oak Motel, on 291 Fenton Street;

- (q) Asure Palm Court, on 288 Fenton Street;
 - (r) Emerald Spa Motor Inn, on 286 Fenton Street;
 - (s) Executive on Fenton, on 285 Fenton Street;
 - (t) Tuscany Villas, on 280 Fenton Street;
 - (u) Four Canoes Hotel, on 273 Fenton Street;
 - (v) Arista of Rotorua Motel, on 269 Fenton Street;
 - (w) Gateway International Motel, on 263 Fenton Street;
 - (x) Golden Glow Motel, on 253 Fenton Street;
 - (y) RotoVegas Motel, on 249 Fenton Street; and
 - (z) Jet Park Motel, on 237 Fenton Street.
21. The Silver Fern looks directly out to four motels. Three currently house emergency tenants - Apex on Fenton, Ace Motor Lodge, and Rose Court. And one motel houses contracted emergency housing tenants - Malones Spa Motel. From our property over the past year, our staff often observe from these locations incidences of domestic disputes, regular police presence and police vehicles, dumped shopping trolleys, and scattered litter.
22. It became clear to us ever since April 2021, that our experiences on Fenton Street from the Silver Fern is a mismatch to the character of Fenton Street and Rotorua that we gathered from our earlier due diligence. It has become a regular occurrence since the first 2020 lockdown to hear the sound of sirens, yelling, drunken and substance-driven behaviour, fights, along with the sights of rubbish, tipped over shopping trolleys, and poorly kept motel fronts from most neighbouring motels up and down Fenton Street.
23. Based on our observations, the Silver Fern appears to be one of the only motel locations in central Rotorua that has managed to maintain its known reputation in our neighbourhood and kept to its core business model. We made a conscious decision to continue providing exclusively tourist and business trip accommodation through the standard private-paying booking

channels available. Our staff make a huge effort to keep our grounds, lawns, and gardens, in a presentable state. From an operational standpoint, our staff have observed that there has been almost daily occurrences in the last year undermining our efforts where passers-by have carelessly dumped and overturned shopping trolleys, and littered rubbish, onto our premises. The noise coming from the nearby emergency housing motels has become intolerable. It seems, from my own observations and the feedback I receive from my staff and customers that this has continued to increase in frequency and intensity in the last 4 months.

24. As of October 2022, to my knowledge, Silver Fern, Asure Palm Court, Thermal Oak, Capri/Arista, Regal Palms and Executive on Fenton are the only remaining motels providing exclusive use visitor accommodation on Fenton Street. The remaining motels are providing mixed-use accommodation for visitors, sole use for transitional housing, and sole use for emergency housing.
25. I am frustrated by the lack of pride and care that some of the emergency and transitional housing tenants and the motel operators that house them have toward the Fenton Street neighbourhood. Occasionally, our Silver Fern guests comment on their observations to us of the changes for the worse to Fenton Street.

Short-term impact to Silver Fern

26. The impact from change in use for a large number of motels in Rotorua central (from visitor accommodation to mixed, or single use, emergency and transitional housing) has produced both good and bad effects. In the short-term, the reduced motel stock available for private paying visitors has been positive for the Silver Fern.

27. The reduction in available visitor accommodation in Rotorua central has meant that our bookings are consistent, and our occupancy is high, because visitors have limited, to no other options for visitor accommodation that is safe, and with a predictable mix of other similar visitor groups staying simultaneously.
28. The negative effect of highly concentrated emergency and transitional housing in Rotorua central is that it is detracting visitor attention from Brand Rotorua and the many amazing experiences our city has to offer. It is also making our job, to provide our guests a positive accommodation experience, significantly harder as we try to off-set the adversities guests experience from the surrounding neighbourhood. Often the best we can do is explain to guests at every opportunity possible that the situation in Rotorua is not as bad as the media portrays. We also supply aggressive discounts for rooms and explain that there is active CCTV.
29. The use of motels for emergency and transitional housing has become a central point of discussion, and concern, for visitors of Rotorua. From July 2021, there was a noticeable change observed by our staff in how visitors approached booking at Silver Fern. The first question that many potential bookers ask is: "do you take in emergency housing guests?" The next question asked is: "have you had any incidents with the emergency housing occupants in the city?"
30. It is concerning that the knowledge of emergency housing is at the forefront of the minds of potential visitors of Rotorua. The issue has become so widespread that many visitors evaluate their travel plans based on how these questions are answered. Typically, we find that guests are highly concerned, and reluctant, to book accommodation from places that takes even a small portion of emergency housing guests.

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

31. The Silver Fern has faced numerous security breaches, since we commenced. As a consequence, we have invested significant money into upgrading the security on our premises so we can ensure our guests, and their property, remains safe. We have installed the following security systems:
- (a) Sensor lighting on property perimeter;
 - (b) Six new CCTV cameras; and
 - (c) The use of Watchdog Security to monitor and respond to guests concerns of noise or security.
32. Previously we responded to guests concerns regarding noise and security, but with increased disturbances we believed it was safer to use Watchdog Security. This creates an additional cost to us of \$42 a month for the service and an additional \$72 per call out.
33. These additional security measures came as a huge surprise to my wife and I, as our due diligence indicated that the Glenholme neighbourhood had relatively low crime rates, especially in contrast to the many dangerous cities that we have lived in. This is not the reality we have experienced since operating the Silver Fern, as evidenced by the number of incidences stated below.
34. The first incident we had was about 3 weeks into our tenancy at the Silver Fern premises in March 2021. We had placed outdoor furniture outside the living room to provide a nice indoor, outdoor flow for guests to enjoy our outdoor space. The furniture was stolen the night we placed it outside.

35. On the evening of 3 September 2021, Josephine and I had a very sleepless night because of the loud sounds of yelling, crashing, and cars screeching were echoing from just outside the Silver Fern. On 3 September 2021 late in the night, we looked out of our living room window to see a car, clearly at the centre of the chaos, crashed and abandoned on the grassy area near the pavement. A true copy of the photo taken of the abandoned vehicle on 3 September 2021 is annexed and marked Appendix 4.
36. On the morning of 4 September 2021, we woke up to find the mess left from the rowdy group from the night before. The water feature on our property had been vandalised by someone carelessly dumping a street sign and rubbish into it. The lawn of the Copthorne, opposite the Silver Fern, had been ripped up and destroyed by tyre marks. It was upsetting to see such disrespect for our premises and neighbourhood. This is not the sort of thing we had ever experienced before. There were broken vehicle parts scattered across Fenton Street and around the neighbourhood. These unsightly scenes were clearly visible from the Silver Fern. It was upsetting to see such disrespect for our premises and neighbourhood. This is not the sort of thing we had ever experienced at hotels we have managed in the past. True copies of the photos showing the broken vehicle parts, left from the night before, the broken street sign dumped into our water, and the torn up fields are annexed and marked Appendix 5 to 7.
37. On the evening of 18 September 2021 or early morning of 19 September 2021, a guest of the Silver Fern had their car stolen from our premises.
38. On 15 November 2021, the Police arrived at Silver Fern to ask for any information about a missing person who they suspected had run away from one of the nearby emergency or transitional housing complexes. To assist the Police, we were required to carry out and complete a detailed check of all rooms to ensure the person was not hiding out in our motel. The incident

was very concerning to our guests, and it was disruptive to our normal flow of business.

39. On the afternoon of 21 November 2021, I was sitting at the dining room table in the living room of the Silver Fern when I was interrupted by the sound of a loud group, carrying a boom box down the street. As I looked over, I accidentally made eye contact with a young man who was eating a chicken drum stick. He hurled his half eaten piece of chicken at the window toward me. He then snarled and walked off with the group. A true copy of photos taken on 21 November 2021 of the incident are annexed and marked Appendix 8 to 9.
40. It is a common occurrence that groups of rowdy youths occupy the boundary wall between the Silver Fern and Fenton Street. It is my understanding this issue has worsened in light of the reduced Police presence, and capacity, in the Glenholme area. The youths tend to be very loud and obnoxious, and hold a perception that there are no rules or consequences for their anti-social behaviour. My wife and I have had to call the police on a number of occasions. On one occasion, there were four of the young people at the boundary wall between Silver Fern and Fenton Street who were drinking quickly, and in excess. They shouted at the cars that drove by and threw their empty alcohol cans and bottles at the cars.
41. It is also a common occurrence to see children playing on the berms and on the grass island in the middle of the road. These are not safe places for children to play and could pose a risk to drivers.
42. Although I cannot speak to the range of different viewpoints and stances taken by the Rotorua Moteliers Association, I can certainly confirm that over the 2021 year, emergency and transitional housing have been the sole issue discussed amongst the membership due to the sorts of issues and instances I have recounted above.

Change of Living Arrangements

43. On 16 February 2022 we purchased a house at 12 Foley Drive, Springfield, Rotorua for \$900,000.00 to move the family out of the motel. We did this as we did not feel safe to raise the children on Fenton Street as originally intended, and it felt wrong to continue to restrict them from going to play outside or in playgrounds nearby un-supervised. We subsequently renovated the house in Springfield and moved in on 2 June 2022.
44. Furthermore, we hired a full time Duty Manager at Silver Fern to work closely with us as we were no longer residing on-site. The Duty Manager sleeps there instead of us and carries a salary cost of \$55,000.00 per annum. We continue to work there full time on a daily basis but no longer sleep there with the children.
45. This response to the evolving situation was unforeseen and quite expensive but ultimately we felt the best way to find balance and continue our journey in Rotorua.

Long-term impact to 'Brand Rotorua'

46. If the Applications currently are granted, I am very concerned about the safety of guests staying at the Silver Fern, and the impression of Rotorua that they will be left with as visitors. It is already becoming an observation of many that visit Rotorua that the city has changed. I am concerned if the Applications go through, it will do long-term damage to the reputation of Rotorua as an attractive tourism destination, and as a result, to the viability and success of the Silver Fern.
47. We feel strongly that the homeless deserve to be housed, but it seems contradictory to the economy, and businesses, of Rotorua to place so many

homeless people in Rotorua in the heart of the city, the place that many of our visitors are attracted to. Rotorua has built a brand as an unmissable destination, based on the unique geothermal features and rich cultural history that Rotorua has to offer.

48. Prior to the first lockdown, our business was thriving and exceeding the revenue forecast we anticipated for that period. But now, with the existence of the 13 Applications, we are in a position where we are concerned for our livelihood, and for the safety of our children.

49. We have lived all across the globe, in cities and countries far more dangerous than New Zealand, but Rotorua is starting to feel similarly unsafe to many of these cities. It is becoming an increasingly unsafe place to raise children, and for tourists to visit.

Clinton John Lovell

12 October 2022



Silver Fern Rotorua Accommodation & Spa

DATA SETS
 Accuracy of property boundaries +/- 0.2m - 0.3m in urban areas and up to +/- 30m in rural areas. Property boundaries, titles, legal descriptions and legal areas sourced from LINZ.
 Geyserview represents Council's most up to date compiled and published data. Council does not warrant the accuracy of the information represented by this map. LINZ Licenses. CROWN COPYRIGHT RESERVED.

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Aerial Imagery
 1:1000 data set flown 2016, XY accuracy +/- 0.5m.
 1:2000 data set flown 2016, XY accuracy +/- 0.5m.

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Rotorua Lakes Council



Google

Image capture: Jul 2019 © 2021 Google

Rotorua, Bay of Plenty

Google

Street View - Jul 2019



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