BEFORE THE INDEPENDENT HEARINGS COMMISSIONER

UNDER the Resource Management Act 1991

IN THE MATTER of seven land use consent applications to use tourist

accommodation for contracted emergency housing

BETWEEN TE TŪĀPAPA KURA KĀINGA - MINISTRY OF HOUSING

AND URBAN DEVELOPMENT

Applicant

AND ROTORUA LAKES COUNCIL

Consent Authority

ANDSUBMITTERS

STATEMENT OF EVIDENCE OF REBECCA ANNE FOY Dated 08 / 10 / 2024



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INTRODUCTION

- 1. My full name is Rebecca Anne Foy.
- 2. I hold the qualification of Master of Arts (Hons, in Geography) from the University of Auckland. I am a member of the New Zealand Association for Impact Assessment, the International Association for Impact Assessment, and the Resource Management Law Association.
- I have been a Director of Formative, an independent consultancy, specialising in social, economic, and urban form issues for three years.
 Prior to this, I was an Associate Director of Market Economics Limited for three years and was employed there for 20 years.
- 4. I have 23 years' consulting and project experience, working for commercial and public sector clients. I specialise in social impact assessment (SIA), understanding the form and function of urban economies, and the evaluation of outcomes and effects.
- I have applied these specialties in studies throughout New Zealand (NZ) and across most sectors including natural hazards, freshwater, urban transformation, housing, retail, transport, wind farms, urban and rural form, land demand, commercial and service demand, and local government.
- 6. I provided evidence on the likely social effects of contracting 13 motels for Contracted Emergency Housing (CEH) for Rotorua Lakes Council (Council) for the 2022 hearing.

PURPOSE OF THIS EVIDENCE

7. My evidence focuses on the assessment of the likely social effects of the proposed one-year extension of resource consents for seven motels to be used for CEH in Rotorua.

- 8. Council has asked me to consider the social effects and review the SIA prepared by Beca on behalf of Te Tūāpapa Kura Kāinga Ministry of Housing and Urban Development (MHUD or the Applicant) and provide this evidence. Specifically, this has involved:
 - (a) Providing some preliminary expectations for the social effects assessment and scope of the surveys being undertaken for MHUD.
 - (b) Reviewing the seven applications prepared by the Property Group on behalf of MHUD, including the Beca SIA.
 - (c) Reviewing MHUD's responses to Council's requests for further information (RFI) under section 92 of the Resource Management Act 1991 (RMA).
 - (d) Reviewing submissions.
 - (e) Conducting site visits to the seven motels by accompanying Council for compliance and monitoring visits on 8 August 2024.

CODE OF CONDUCT

9. I confirm I have read the Expert Witness Code of Conduct set out in the Environment Court's Practice Note 2023. I have complied with the Code of Conduct in preparing this evidence and I agree to comply with it while giving oral evidence before the Independent Hearings Commissioner appointed by Council. Except where I state that I am relying on the evidence of another person, this written evidence is within my area of expertise. I have not omitted to consider material facts known to me that might alter or detract from the opinions expressed in this evidence.

SCOPE AND STRUCTURE OF EVIDENCE

- 10. My evidence is structured into the following key sections:
 - (a) The **Key issues** section summarises the background to the application for seven CEH motels in brief, describes changes to the social environment since the 2022 hearing, outlines the key social

wellbeing considerations for the applications, and key conclusions are summarised.

- (b) The proposal section provides a brief overview of the key details of the applications.
- (c) The Social impact assessment section addresses the following matters:
 - (i) Reviews the Beca SIA methodology.
 - (ii) Briefly describes social housing demand, which is driving the need for emergency housing (EH).
 - (iii) Describes submitters' key areas of concern.
 - (iv) Reviews Beca's social effects assessment using the social wellbeing categories I generally use for assessment: environment (amenity), health and safety (crime), livelihoods (economic), social cohesion and stability, access to goods and services, and social equity. I note there are a range of other matters which do not fit well into these categories.
 - (v) Provides a discussion on the proposed mitigation measures.
- (d) The **Conclusions** section summarises the key points of my assessment.
- 11. I note that there is some degree of overlap between the expert evidence on behalf of Council and the Applicant, as Beca's SIA has covered areas relating to tourism businesses and tourism reputation. Where possible, I have endeavoured to keep discussions brief to ensure that there is limited overlap between my evidence and the economic evidence of Ms Hampson (for Council) and Mr Eaqub (for the Applicant), although I note it is common practice for SIAs to consider demand and supply and the effects on livelihoods which form a part of the economy.

KEY ISSUES

Background

- 12. MHUD previously sought consent for the use of 13 motels for CEH for up to five years at a hearing in 2022. The CEH model differs from uncontracted EH (**UEH**) due to the provision of wrap around support services being available at the motels. Those services aim to help provide a path for occupants to move into other accommodation types when they have the necessary skills. The motels are also used solely for the purpose of EH rather than being part of a mixed model.
- 13. The recommendations from the Independent Hearings Panel (IHP) regarding the 2022 hearing were for the consents for the use of 13 motels for CEH to be granted for two years. At the time of that hearing, there was evidence of a range of social effects that were occurring in Rotorua, and it was difficult to establish whether the effects were being generated by people living in CEH, UEH, other social groups, or a combination of all/some of those groups.
- 14. It was also acknowledged that there had been a range of broader social and economic issues that had led to the need for EH in Rotorua, including population growth, an historic housing shortage, lack of affordable housing, and increasing demand.
- 15. There had been high demand for social housing in Rotorua, and at the time of the 2022 hearing, supply had been failing to keep pace with that demand. This was the main explanation for MHUD contracting motels to provide EH for people with high needs from July 2021 onwards.
- Submitters at the 2022 hearing, including members of the residential and business community, presented a compelling narrative of how the introduction of EH in motels, including CEH, had created adverse social effects in the surrounding communities resulting from crime and antisocial behaviour. Those adverse effects were described as particularly

clustered around Fenton Street in the suburbs of Glenholme and Victoria, with effects also being experienced in Whakarewarewa.

17. A balance between ensuring the positive social wellbeing effects of providing EH to vulnerable parties while reducing the adverse social wellbeing effects on surrounding neighbours and the wider community needed to be achieved. Ultimately, the IHP approved the use of the 13 motels for CEH for a two-year period until December 2024. In their decision, the IHP were concerned about the "contribution CEH may or may not make to the off-site behavioural issues discussed above. Clearly the site-specific conditions do not address that matter – but those are adverse effects of the wider intertwined policy of consented, unconsented and transitional emergency housing". 1

18. MHUD has now applied for new consents for seven of the original 13 CEH facilities to continue operating for one further year.

Changes to the Rotorua context since the 2022 hearing

19. Since December 2022, there have been significant changes to the provision of social housing in Rotorua, as described in the AEE, Beca's SIA and Mr Eaqub's section 92 response.² This includes the building of 274 new social houses.³ It is anticipated that the provision of additional social housing supply will continue, with a further 285 units anticipated to be completed by December 2025.⁴ At the same time, the number of UEH has reduced significantly from 17 in December 2022 to four motels by June 2024.⁵

¹ Independent Hearings Panel (David Hill, Greg Hill and Sheena Tepania), Decision following the hearing of the bundled non-complying activity applications, dated 15 December 2022 at paragraph 217.

² MHUD, Section 92 Response dated 23 September 2024, Attachment 3 - Economic Key Points.

³ Ibid.

⁴ Ibid.

⁵ MHUD, Response to request for further information – LU24-010186 – 16 Sala Street, dated 23 September 2024.

- 20. Despite the provision of new homes, there is still a wait list for social housing and a need for a housing model that can accommodate people who would otherwise be homeless or living in substandard accommodation. Consequently, there is a need for the continued use of some of the CEH motels for a short period.
- 21. To assess these applications, Mr Batchelar's planning opinion is that the "the existing environment must be considered afresh, as if the consents had not been granted" once the current consents lapse on 15 December 2024. I agree with this approach to understanding the existing environment, and I note that this is a different viewpoint than that presented in the Applicant's Assessment of Environmental Effects (AEE) which considers that "it is critical to consider the combined effects of all EH facilities to avoid an "artificial assessment point". 7

Balancing the positive and negative social wellbeing effects of CEH

- 22. Housing is a basic human right and positive social wellbeing outcomes will arise from ensuring that vulnerable people and whānau have a warm and dry place to call home.
- 23. However, there is an underlying tension between providing temporary accommodation for households that have complex needs and a greater propensity for antisocial behaviour in motels and disrupting the ability for neighbours and residents to enjoy the residential environments that they were used to, and valued, prior to CEH being established in those neighbourhoods. The property owners in the wider community also have the right to live in homes that feel safe and secure.
- 24. A wide range of social wellbeing effects have arisen from the provision of UEH and CEH in Rotorua, and it is difficult to establish which effects have been caused by each type of EH model.

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⁶ Craig Batchelar, Section 42A Overview Report, dated 8 October 2024 at paragraph 36.

⁷ The Property Group, 14 June 2022, AEE Resource Consent Application – Alpin.

- 25. There is still evidence that when describing the effects of EH, it is difficult to isolate the adverse effects of EH between different delivery formats. This has been identified in Mr Batchelar's Section 42A Overview Report and is evident in submissions received on the applications. This was also mentioned in Beca's SIA in relation to responses to the local community survey, noting that while some respondents knew the specific names and locations of CEH motels, others mentioned motels that do not operate as CEH.
- 26. As evidenced through submissions, there are still perceptions remaining that CEH is creating adverse social wellbeing effects in the community, including pertaining to:
 - (a) amenity;
 - (b) crime and anti-social behaviour;
 - (c) tourism reputation;
 - (d) business operation;
 - (e) access to, and pressure on, social services;
 - (f) property values;
 - (g) social relationships; and
 - (h) disruption to cultural landscape and infringement on the spiritual and historical integrity of Whakarewarewa.
- 27. There are also still some parties that remain concerned that Rotorua is bearing the burden of supporting out-of-towners in CEH. The Beca SIA states that this cannot be the case due to the operational procedures, which include assessing the point of origin for each application for a place in CEH.

⁸ Craig Batchelar, Section 42A Overview Report, dated 8 October 2024 at paragraph 100; and Submissions #4 Mr Littlejohn, #5 Ms Foyle, #6 Mr Terama, #7 Ms McLeod, #8 Mr Bibby, #12 Mr McPherson, #17 Mr Newbrook, #21 Ms Robison from The Living Māori Village Whakarewarewa, #23 Ms Rademeyer.

- 28. Beca's SIA takes the position that the motels themselves, or the housing of people together, do not create the social issues, as the occupiers originate from Rotorua, and their behavioural issues could occur anywhere else within Rotorua if they were living elsewhere. The SIA does however acknowledge that proximity to the CEH motels is likely to increase the potential severity and likelihood of negative social effects.⁹
- 29. The Beca SIA has provided evidence of the likely adverse effects of CEH on neighbours and community members by surveying and interviewing people, and reviewing the effects highlighted by submitters at the 2022 hearing. The recent SIA is much more accepting that there is evidence of adverse effects arising in the community than was portrayed in the 2021/2022 assessments prepared for the 2022 hearing due to the effects of EH being described more generally as opposed to taking the view that CEH is preferrable to UEH formats.
- 30. Beca assesses the negative effects for neighbours as being "low to moderate" and this is likely to be perceived as being downplayed by those neighbours who have been significantly adversely affected. For example, two submitters have recounted personal impacts that could have had significant wellbeing effects (burglary of a house that was then set on fire¹⁰ and loss of a house sale¹¹). I note that there is no direct evidence that those impacts have been caused by CEH activities, but there is a perception that there is a causation with EH.
- 31. The SIA methodology has applied generalised weightings to the effects which is a standard methodology, and an approach that I have used in other SIAs. Because the weightings are generalised, they do not show the spectrum of social effects that can be, or have been, experienced by individuals. People respond differently to impacts based on their own experiences and perceptions and appetite for risk/making trade-offs. For

⁹ Beca SIA page 1, Section 6.1, Section 6.1.1 and Section 6.3.1.

¹⁰ #17 Mr Newbrook.

¹¹ #11 Ms Hall.

this reason, a continuum of impacts can be experienced by individuals where one person may experience significant impacts, and another may be much less affected by the same issue. Applying a generalised weighting can in many cases mask the range of effects experienced. In this case, it would be beneficial to classify the weightings in terms of whether they are significant (more than minor) or lesser in RMA terms.

- 32. Beca's SIA concludes that effective site management will ensure that the amenity experienced by CEH occupants is maximised during their stay by managing noise and other potential nuisance factors. Therefore, the occupant's quality of life will be improved when compared to the alternative of homelessness, living in overcrowded or unsuitable housing.
- 33. In terms of mitigation for the neighbours and surrounding community, Beca's SIA states that the proposed mitigation measures will adequately address the on-site effects of CEH activities but notes that there should be more proactive engagement with neighbours to address some of the effects such as trespassing and jumping fences for example. I question whether there is a willingness by neighbours to meaningfully undertake consultation that will find solutions for these effects.
- 34. It is unclear from the SIA assessment whether the amenity surrounding the CEH motels has improved since the CEH activity was consented in 2022. It can be expected that as CEH and UEH motels have closed, antisocial behaviour should have reduced in the communities. While the Beca SIA records perceptions that the amenity has improved over this period, there are also perceptions that the environment is starting to decline again. The information about crime provided in response to the RFI indicates that there is no statistical relationship across the four-year period linking crime to the presence of CEH, though there has been

evidence of a causation in the suburbs of Victoria between July 2020 and June 2024. 12

35. Mr Batchelar has outlined that the meaning of effect in Section 3 of the RMA includes "any past, present or future effect". 13 The 2022 IHP decision recognised that there was evidence of significant adverse effects arising from the social housing policies employed in Rotorua. The decision to grant the previous resource consents for two years was based on the duration being for a short period of time, which the IHP determined represented an appropriate balance of the positive and negative effects associated with the CEH activity.

36. I consider that, while there are still perceptions that the CEH activity is generating adverse effects, that granting consents for a reduced number of CEH motels is likely to provide an appropriate balance between achieving the positive outcomes for vulnerable populations who would otherwise be living in sub-standard conditions; and providing certainty to the community that the use of CEH motels, and the associated adverse social effects, will be likely to cease in one year.

THE PROPOSAL

- 37. The general location and capacity of the seven CEH motels is shown in Table 1 below. Three of the motels are clustered in Whakarewarewa, three are along a 600m stretch of Fenton Street with two of those next to each other, and one is located on Lake Road, Koutu.
- 38. The maximum capacity of all the CEH motels is 528 people in 198 units.

¹² MHUD, Response to request for further information – LU24-010186 – 16 Sala Street, dated 23 September 2024 at page 10.

¹³ Craig Batchelar, Section 42A Overview Report, dated 8 October 2024 at paragraph 134.

Table 1: Location and size of CEH motel applications

CEH Name	Suburb	No. Units	Max. Occupants	Support Provider			
Lake Rotorua	Koutu	38	105	Visions of a Helping Hand			
Hotel				Charitable Trust			
Ascot on	Victoria	14	43	WERA Aotearoa			
Fenton				Charitable Trust			
RotoVegas	Victoria	26	80	WERA Aotearoa			
				Charitable Trust			
Geneva	Glenholme	14	41	Emerge Aotearoa			
Motor Lodge							
Alpin Motel	Whakarewarewa	40	120	Visions of a Helping Hand			
				Charitable Trust			
Apollo Hotel	Whakarewarewa	39	98	WERA Aotearoa			
				Charitable Trust			
Pohutu	Whakarewarewa	14	42	Visions of a Helping Hand			
Lodge				Charitable Trust			

SOCIAL IMPACT ASSESSMENT

SIA Methodology

- 39. Social impacts refer to changes to individuals and communities resulting from proposed changes that will alter the day-to-day way in which they live, work, play, relate to each other, organise to meet their needs, and generally participate as members of society. Social impacts occur across different timeframes. They can either be predicted before an action takes place or exhibited once a change has occurred.
- 40. It is important to note that people respond differently to change based on their own experiences and appetite for change/making trade-offs. For this reason, a continuum of impacts can be experienced by individuals where one person may experience significant impacts, and another may be much less or not at all affected by the same issue.
- 41. The SIA process provides information to decision makers and affected parties when planning for change, concentrating on who is affected, where, when and how, and what measures can be used to improve the outcomes across different timeframes.

- 42. A SIA includes analysis of the intended and unintended consequences (both positive and negative) of resource use and planning decisions on people and communities, the duration and timing of impacts (short and long term), and the extent of social impacts (number of people, their characteristics and the areas affected).
- 43. I have reviewed the SIA prepared by Beca on behalf of MHUD and confirm that the assessment has provided a balanced coverage of the likely social impacts arising from the CEH model.
- 44. To provide a consistent assessment of social wellbeing impacts between the evidence I prepared for the 2022 hearing and a structure for understanding the matters raised by submitters for the current applications, I have used the same social wellbeing categories as my 2022 evidence. The rationale for this approach is described further in **Annexure A** to my evidence.
- 45. There were 176 submissions made by 37 submitters for this set of applications. Mr Batchelar's Section 42A Overview Report summarises the themes of the submissions into eight categories. ¹⁵ In this section, I have classified the social issues that submitters are concerned about and reviewed how Beca has assessed these effects.
- 46. I consider that the SIA methodology undertaken by Beca is appropriate.

 The Beca SIA included the following key elements:
 - (a) Providing information about demand for EH and describing the reasons for that demand.
 - (b) Defining the social areas of interest which included the local communities of Koutu, Victoria, Glenholme, Fenton Park and

¹⁴ Public notice for Contracted Emergency Housing - Rotorua Lakes Council.

¹⁵ Social, economic, character/amenity, planning, exit strategy, cultural, traffic, and other.

Whakarewarewa, immediate neighbours of CEH and the wider Rotorua District community.

- (c) Undertaking a site visit (26 and 27 March 2024).
- out of invitations distributed to 4,279 households. Of those responses, 21 were from individuals who were not Restore Rotorua members. Restore Rotorua is a community-led group of long-standing locals who formed primarily in opposition to the use of motels for EH due to the perceived social effects generated by EH in their wider communities. Due to low response rates, Beca used Restore Rotorua to publicise the survey to try to gain a better response rate, hence the survey results are biased toward those who are related to Restore Rotorua. Most of the respondents lived in Glenholme (47), with a further seven from Victoria and 20 living in wider Rotorua in suburbs where CEH is not present.
- (e) Surveying CEH neighbours. There was a very low response rate of four neighbours, although it is noted that a further six neighbours had already responded to the local community survey. I note that Beca's SIA does not describe the number or nature of land use activities surrounding the CEH motels. **Annexure B** of my evidence summarises the count of properties and land use activity for neighbouring properties close to the CEH motels. I have identified that there are 51 immediate neighbours, and a further 45 properties within 50 metres, and approximately 117 properties between 50 metres and 100 metres from the CEH motels.
- (f) Undertaking 19 interviews with a range of parties (28 people), including: the CEH support providers,¹⁶ Te Pokapū, Ministry of Social Development, Council's Group Manager, Police Area

¹⁶ Emerge Aotearoa Ltd, Visions of a Helping Hand, and Wera Aotearoa Charitable Trust.

Community of Learning principals (Glenholme and Lynmore primary schools), Rotorua Chamber of Commerce, RotoruaNZ, Restore Rotorua, two hotel operators, and members of the Community Liaison Group (CLG) established under the conditions of the existing consents.¹⁷

- (g) Undertaking a survey of CEH residents' experiences of living in CEH motels and comparing that information with reports published by the NZ Human Rights Commission¹⁸ and a Te Paetawhiti Ltd & Associates report. ¹⁹ There were 46 responses to this survey. ²⁰
- (h) Considered any changes that may have occurred over the 18 months from the 2022 hearing that have been experienced by the local community.
- (i) Provided an assessment of people's way of life, community character, community services, community cohesion and stability, the environment, health and wellbeing and political systems.
- 47. I note that once again, the response rates to the surveys undertaken by Beca are low, which is unfortunate, as it makes it difficult to understand the wide range of responses to CEH in Rotorua. This could signal that there is apathy towards CEH issues in Rotorua, or the effects are being experienced by a small minority of the community, i.e. neighbours or those whose lives have been adversely affected and are willing to devote resources to making submissions to oppose the activity. It may be the

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¹⁷ Representatives from Restore Rotorua, community, residents and ratepayers, hotels/tourism providers.

¹⁸ New Zealand Human Rights Commission Report on Emergency Housing, December 2022.

¹⁹ Te Paetawhiti Ltd and Associated, Evaluation of whānau experiences of living in contracted emergency housing in Rotorua, dated January 2023.

²⁰ 22% had lived in CEH for less than three months, 43% for three to six months, 24% for seven to twelve months, and 10% for more than a year. Beca SIA, dated 6 June 2024 at Section 5.6.

case that those with a more neutral or positive view are less likely to go to the effort of making a submission or responding to surveys.

48. The assessment methodology has applied generalised weightings to the effects, which is a standard SIA methodology. Because the weightings are generalised, they do not show the spectrum of social effects that can be, or have been, experienced by individuals. Applying a generalised weighting can, in many cases, mask the range of effects experienced.

Demand for Social Housing

- 49. Since the 2022 hearing, there has been an increase in supply of both market and social housing in Rotorua. There have been lower rates of demand for EH, and three CEH motels have already returned to tourist accommodation, with a further three expected to transition before December 2024. There has also been a significant decrease in the number of motels being used for UEH from 17 in December 2022 to four in June 2024.²¹
- 50. The Beca SIA explains that the number of households living in CEH, Emergency Housing Special Needs Grants (EH-SNG), MHUD contracted motels, transitional housing motels and Covid-19 motels has decreased from 435 in October 2022 to 255 in April 2024. Over the same period, the number of households living in CEH increased from 174 to 192.
- 51. In April 2024, there were 240 adults and 300 children living in CEH.²²
- 52. Social housing is expected to increase by a further 285 units in the coming year. ²³

²¹ MHUD, Response to request for further information – LU24-010186 – 16 Sala Street, dated 23 September 2024 at pages 10 and 11.

²² Of those households, 60% were single parent households with children, 23% couples with children and 16% were singles without children. Beca SIA, dated 6 June 2024 at Figure 4-4.

²³ S Eaqub, MHUD s92 Response, Attachment 3 – Economic Key Points.

Assessment of environment wellbeing outcomes

- 53. Social wellbeing outcomes relate to the consequences of changes to the physical and natural environment for people and communities, including amenity.
- 54. The 2022 IHP accepted that significant impacts had eventuated from the central government policy of providing EH in motels. It was evident, without doubt, that "the amenity of the neighbourhood has been diminished and that amenity value is a legitimate resource management matter". 24 The amenity effects of CEH were most likely to be experienced by immediate neighbours and the surrounding community.
- 55. The IHP decision also stated that it was difficult to say with confidence whether the significant adverse neighbourhood amenity effects were a result of CEH specifically, or part of the wider operation of EH activities.
- 56. Table 2 below summarises the negative environmental effects raised by submitters. No positive effects were identified, though some submitters acknowledged that the "visual decline" around the motels had marginally improved, though that was considered to not be "enough". ²⁵
- 57. Beca's SIA acknowledges the effects identified by the submitters. Approximately 70% of the respondents to the CEH neighbour survey expressed that CEH has negatively affected them. Specific incidents reported included:
 - (a) Hearing regular loud domestic arguments, profanities, yelling and shouting.
 - (b) Soiled nappies and food being thrown over the fence into the neighbour's pool.
 - (c) Witnessing or hearing child and domestic abuse.

²⁴ Independent Hearings Panel (David Hill, Greg Hill and Sheena Tepania), Decision following the hearing of the bundled non-complying activity applications, dated 15 December 2022 at paragraph 145.

²⁵ #4 Mr Littlejohn.

58. Anti-social behaviour is also mentioned, and this is discussed in the following section of my evidence.

Table 2: Summary of negative environment effects raised by submitters

Negative Effects

- The amenity of surrounding properties is less attractive, examples include supermarket trolleys, litter, offensive/unsanitary rubbish, "mess and debris". These effects have been directly attributed to CEH motels. ²⁶ Some submitters identify that this change contravenes the District Plan's objectives to promote safe, healthy, and vibrant communities. ²⁷
- Quality of life of existing homeowners and tenants has been potentially affected, not only from rubbish, but also from noise, parking issues, and anti-social behaviour.²⁸
- The amenity effects are perceived to have eroded the sense of pride in Rotorua. 29
- 59. Beca's SIA reports that those incidents were identified to have made it unpleasant to use outside areas of neighbouring properties, including limiting time spent outside, supervising and limiting children's play and inviting fewer visitors over. This in turn had led to families insulating themselves due to safety issues.
- 60. Despite these adverse effects being present, the SIA reported that most support service providers noted in interviews that they received no direct complaints, or only a few complaints and negative feedback from neighbours. The improvements were attributed to the closure of UEH motels.
- 61. I note that the 0800 phone number imposed as a condition of the current consents only received four complaints relating to EH activities (two of which were CEH related) between December 2023 and April 2024. Those complaints were about people drinking alcohol outside a CEH motel, visits from drug dealers, and demolition noise.
- 62. Aside from these complaints, Council's compliance and monitoring reports for each of the CEH motels shows the number of complaints,

²⁶ #2 Ms Phillips, #7 Ms McLeod, #14 Mr Bagnall, #15 Ms Hodgkiss, #18 Ms Ham.

²⁷ #20 Messrs Mihinui, Warbrick and Tini, #24 Mr Nicholson.

²⁸ #5 Ms Foyle, #6 Mr Terama, #8 Mr Bibby, #25 Mr Blackman, #37 Mr McEnteer.

²⁹ #28 Mr Patterson.

incidents and number of shopping trolleys self-reported by CEH motels for the previous six months (Table 3).

63. There were approximately 31 trolleys recorded by CEH motels, or an average of five trolleys per month. The greatest number of trolleys (15), nearly half of reported trolleys, was reported by Geneva Motor Lodge.³⁰

Table 3: Number of trolleys reported in compliance and monitoring report, December 2023-June 2024

CEH Name	No.		
Lake Rotorua Hotel	4		
Ascot on Fenton	-		
RotoVegas	5		
Geneva Motor Lodge	15		
Alpin Motel	4		
Apollo Hotel	1		
Pohutu Lodge	<2		
Total	c. 31		

- 64. The SIA also concluded that environmental amenity has improved since 2022, despite the local community survey identifying that 75% of those who thought the community had changed a lot over the last 18 months thought it had gotten worse, with only 6% citing an improvement.
- 65. Beca acknowledges that the community's perception of the physical appearance and amenity of Fenton Street has changed since CEH began operating. The overall view is that CEH activities are not consistent with normal residential environments.
- on people's way of life, and proximity to CEH contributes to the degree of effect, i.e. neighbours are likely to be the most affected. Those living in the local and wider environment are expected to experience 'very low' negative effects. As mentioned earlier, the weighting of effects can mask individual effects, and some neighbours may be experiencing effects that

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³⁰ I note that reporting of collection and return of trolleys is self-reported and some providers may be more diligent than others.

they consider to be high. The submission by Restore Rotorua considers that the effects are not consistent with Beca's assessment of very low/low/moderate.³¹

67. The presence of gates and security at the CEH motels was assessed in the Beca SIA as having a 'very low negative/negligible' impact on residential character. I agree with this assessment based on observations I made during my site visits.

Assessment of health and safety wellbeing outcomes

- 68. Health and safety wellbeing outcomes relate to people's ability to live healthy and safe lives, and include the associated effects on physical and mental health. The IHP's 2022 decision recognised that there was a relationship between amenity and the adverse effects being caused by anti-social behaviour in the community surrounding the CEH motels.
- 69. Table 4 below summarises the positive and negative health and safety wellbeing effects raised by submitters. Those effects relate to both CEH occupants and neighbours and individuals living in the surrounding communities.
- 70. Beca's SIA has acknowledged these effects.
- 71. The SIA recognises that CEH provides stability for families and the CEH resident surveys shows that motels are considered to be suitable for short term accommodation by the residents. Most of the CEH survey respondents agreed that they felt safe at the motels (82%). Many of those living in CEH currently considered that if they were not able to live in CEH that the alternative would be living in UEH, overcrowded or unsafe housing, in cars or on the street. I agree with the opinion that the alternative living situations to CEH would be damaging/negative for CEH residents.

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³¹ #18 Ms Ham.

- 72. The local community survey recorded that 69% of respondents said that CEH had negatively impacted them or their family. 32 Effects included: community members changing their walking patterns (especially at night, into town and along Fenton Street), feeling unsafe, fearful or anxious of crime based on their own or a friends experiences of intimidation or the appearance of the area, witnessing or hearing drunken/anti-social behaviour/domestic arguments, increased crime (burglaries and car break-ins), more fighting, violence and drug use or deals, more money being spent on home security improvements and increased vigilance, being hassled by beggars and followed by thieves, trespassing on private property, experiencing intimidation, unattended dogs, and attacks on vehicle occupants on Fenton Street or by the lake.
- 73. The majority of survey respondents (88%) thought the impacts had stayed the same or gotten worse over the last 18 months.³³
- 74. The CEH neighbour survey identified the following specific incidents relating to crime and anti-social behaviour:
 - (a) Burglary which "shattered our sense of safety" and led to the household getting a dog, building fences and installing security cameras.
 - (b) Frequent trespassing and unwanted people jumping their fence into motels.
 - (c) People entering their property (coming up driveway) and accosting family members.
 - (d) Witnessing or hearing child and domestic abuse.

³² Beca SIA, dated 6 June 2024 at Figure 5.10.

³³ Beca SIA, dated 6 June 2024 at Figure 5-9.

Table 4: Summary of health and safety effects raised by submitters

Health and safety effects

Positive Effects

Wrap around services ensure the safety and wellbeing of all is prioritised.³⁴

Negative Effects

- Concerns about safety and wellbeing due to the concentration of activity.³⁵
- The community, including residents and businesses consider they live amongst anti-social behaviours and crime requiring Police, drug, and mental health support, including burglaries, violence/fighting, vandalism, drug and alcohol abuse, unruly and threatening behaviour/harassment, prostitution, with daily instances of intimidation and aggression and cars being broken into regularly.³⁶
- An increase in crime is expected if the applications are consented. 37
- Oftentimes it seems to be the visitors who are guilty of antisocial behaviour. 38
- Rotorua is less safe for visitors with homeless people accosting others for money. 39
- The community wants to feel safe. Security is required for locals to feel safe. 40
- People are changing their walking patterns due to crime.⁴¹
- There have been an increased number of criminal incidents in the CBD and retail staff are regularly threatened.⁴²
- The adequacy of hotels for EH is questioned. 43
- Unsafe environment for tamariki and kaumatua. Witnessing violence towards young children.⁴⁴
- Traffic safety effects are considered to be adverse, particularly when there are no pedestrian crossings (e.g. Geneva Motor Lodge). 45
- Fires in emergency motels are considered to be putting the community at risk.⁴⁶
- Emotional and physical stress being experienced by those opposing the original consents and others in the community.⁴⁷

³⁴ #29 Ms and Mr Elliot.

³⁵ #3 Ms Peace, #5 Ms Foyle, #6 Mr Terama.

³⁶ #3 Ms Peace , #4 Mr Littlejohn, #5 Ms Foyle, #8 Mr Bibby, #7 Ms McLeod, #15 Ms Hodgkiss, #18 Ms Ham, #19 Ms Haley, #20 Messrs Mihinui, Warbrick and Tini, #21 Ms Robinson of The Living Māori Village Whakarewarewa, #22 Mr Oxley, #23 Ms Rademeyer, #24 Mr Nicholson, #25 Mr Blackman, #27 Mr Shipgood and Ms Doughty, #31 Chantal Limited, #32 Bright Rose Trust, #33 Jian Shu Qiu Family Trust, #35 Ms Constantino, #37 Mr McEnteer.

³⁷ #36 Mr Bacon.

³⁸ #25 Mr Blackman.

³⁹ #2 Ms Phillips, #8 Mr Bibby, #23 Ms Rademeyer.

⁴⁰ #13 Ms Ward.

⁴¹ #13 Ms Ward.

⁴² #2 Ms Phillips, #15 Ms Hodgkiss.

⁴³ #7 Ms McLeod, #8 Mr Bibby.

⁴⁴ #27 Mr Shipgood and Ms Doughty.

⁴⁵ #18 Ms Ham.

⁴⁶ #8 Mr Bibby.

⁴⁷ #11 Ms Hall, #26 Ms Doughty.

- 75. Those people interviewed by Beca had differing opinions about the degree of improvement that had occurred within the area. Some people also expressed a belief that the environment had started to slide backwards, but the environment had not degenerated to the same levels as in 2022. The main types of anti-social behaviours reported by this group included trespassing, people jumping neighbours' fences, burglaries and car break ins and witnessing suspected drug deals (in the Whakarewarewa Village car park).
- 76. Beca's SIA described that those incidents contributed to it being unpleasant to use outside areas of properties, families not feeling safe in their homes, that it was stressful to witness abuse, and some families became less involved in the community and isolated themselves as a form of protection.
- 77. The locations where negative impacts were being experienced tended to be in the CBD and/or on Fenton Street, and at the city end of Victoria. Interviews with Police noted that in the last year, the number of calls relating to motels on Fenton Street had declined and that demand had shifted to other locations around the backpackers in the CBD.
- 78. To understand the level of crime occurring in Rotorua, Beca looked at the number of victimisations from April 2021 year end to April 2024 year end and found that the total number of victimisations had increased. The total number of assaults, sexual assaults, abductions, robbery and thefts reduced when comparing May 2023 year end and May 2024 year end, while burglaries showed an increase over the same period. 49
- 79. By suburb, Victoria had a relatively higher number of victimisations than the other local communities (between 150 and 420 per month), aligning with reports of more crime being experienced in the CBD.⁵⁰

⁴⁸ Beca SIA, dated 6 June 2024 at Figure 3-5.

⁴⁹ Ibid at Table 3-1.

⁵⁰ At Figure 3-6.

Whakarewarewa was the suburb with the next highest rate of victimisations (between 24 to 70 per month), followed by Glenholme East (15 to 44 per month), Glenholme West (14 to 42 per month), Koutu (5 to 33 per month) and Fenton (10 to 29 per month). Rotorua District's victimisation rates range between 470 to 860 per month over this period, meaning that Victoria has experienced a very high share of victimisations over that period.

- 80. I note that Mr Eaqub has cautioned against using crime data for small geographic areas, due to the counts being small each month and variable. I agree that the trends in the charts provided in the Beca SIA are difficult to interpret. I note that Mr Eaqub also states that there is no consistent correlation with the rate of CEH or EH use, nor with the CEH motels, and Ms Hampson suggests that there may be other social factors influencing spatial patterns.
- 81. Ms Hampson's evidence highlights the following patterns for crime:
 - (a) Koutu has seen no material change.
 - (b) Victoria experienced significant increases in reported crime through to early 2023, but has seen a strong decrease since then.
 - (c) Glenholme East has started to see crime decline since 2022, but this has increased again in 2024.
 - (d) Fenton Park has been relatively higher in 2023-2024, compared to 2018-2019.
 - (e) Whakarewarewa experienced a peak at the beginning of 2023, and rates have been declining, though are still higher than in 2018-2019.
- 82. The Beca SIA describes the effects of crime and anti-social behaviour on how some neighbours carry out their home life. This includes limiting time spent outside, having to supervise children's outside play, sleep interruptions, and inviting fewer visitors to their homes as well as changing how they move around local communities.

- 83. Due to the lack of a consistent set of evidence relating to the causation of anti-social behaviour in each of the communities, I have compiled Table 5 which summarises information about the number of incidents at each of the seven motel sites from December 2022 to April 2024.
- 84. This shows a wide variance of incidents by motel, ranging from 78 at Pohutu Lodge, which is one of the smaller motels, to 261 at Alpin Motel which is the largest of the seven motels. On our site visit, Council asked the Alpin Motel representatives why the number of incidents were high, and the response was that in some instances one individual can be responsible for multiple events until they are deemed unsuitable for CEH at that motel. It is also important to note that Alpin Motel is the largest of the seven motels.

Table 5: Site record of issues - December 2022 to April 2024⁵¹

CEH Name	No. Units	Internal operations	Verbal abuse/ argument	Unauthoris ed visitor	Physical altercation/ aggression	Drugs/ illegal substances	Neighbouri ng sites	Other	Total
Lake Rotorua Hotel	38	113	39	20	7	3	18 ⁵²	33	233
Ascot on Fenton	14	71	25	20	4	3	2 ⁵³	5	130
RotoVegas	27	83	34	39	19	13	2 ⁵⁴	7	197
Geneva Motor Lodge	14	99	28	39	10	10	12 ⁵⁵	30	228
Alpin Motel	40	115	27	41	9	11	35 ⁵⁶	23	261
Apollo Hotel	39	77	52	22	9	12	4 ⁵⁷	15	191
Pohutu Lodge	14	43	20	3	8	1	3 ⁵⁸	0	78

85. To provide a more recent view of the effects which are being generated by existing CEH motels for Council's last compliance and monitoring period, I have summarised information from the Resource Consent Compliance Reports for each CEH motel in Table 6. This shows that some motels; Geneva Motor Lodge (5.36 incidents per unit), Alpin Motel (3.73), and Ascot on Fenton (3.5), have higher than average incidents. I note that Ms Jones considers that the leniency of visitors and alcohol consumption by some support providers may be contributing to these patterns, and recommends that those policies are reviewed.⁵⁹

 $^{^{51}}$ Compiled from data in the Beca SIA, dated 6 June 2024 at Section 4.4.1 and Figure 4.5.

⁵² Four incidents where clients or unauthorised visitors jumped the fence, four incidents of CEH resident passing and receiving items through the fence, five incidents of visitors of CEH residents parking in the berm. A community complaint was received that a young boy passing by was stopped by a gang member. A resident stood in the middle of traffic. Two incidents of unsafe diving offsite and one of public disorderly behaviour.

⁵³ Two incidents of unauthorised neighbours jumping the back gate or fence.

⁵⁴ One incident of a visitor parking their car on the berm and one incident of a child jumping the fence.

⁵⁵ One resident parking car at neighbouring Baden Lodge, four visitors or other cars parked on the berm, visitor revving car on a side street, noise disturbance n Robertson Road, one intruder attempting to climb a fence and two incidents of visitors jumping the fence.

⁵⁶ All involved CEH residents, children of visitors entering through the bushes or over the fence or passing items through the fence/bushes.

⁵⁷ Four incidents of residents jumping the fence, and one incident when a CEH resident was followed onto the site and a hit and run occurred between two cars.

⁵⁸ CEH resident throwing bread into neighbour's pool. Two people jumping the fence.

⁵⁹ The Property Group, Resource Consent Compliance Report Geneva Motor Lodge, Section 3.1.

Table 6: Incident records, December 2023-June 2024⁶⁰

CEH Name	No. Units	Complaints	Police onsite	Minor rule breach	Moderate Rule Breach	Zero tolerance breach	Breach unspecified	Total	Ave per unit
Alpin Motel	40	-	27 ⁶¹	59	32	9 ⁶²	22	149	3.73
Pohutu Lodge	14	-	1 ⁶³	8	3 ⁶⁴	1 ⁶⁵	3	16	1.15
Apollo Hotel	39	1	3 ⁶⁶	11	15 ⁶⁷	-	7	37	0.95
Geneva Motor Lodge	14	-	13 ⁶⁸	15	7 ⁶⁹	4 ⁷⁰	36	75	5.36 ⁷¹
RotoVegas	27	-	-	32	21 ⁷²	-	20	73	2.70
Ascot on Fenton	14	-	1	12	20 ⁷³	-	16	49	3.50
Lake Rotorua Hotel	38	-	26 ⁷⁴	28	27	1 ⁷⁵	21	103	2.71

86. Overall, the Beca SIA considers that neighbours' negative experiences are likely to be 'very low to moderate'. I do not agree with Beca's statement that "where this is localised and on or directly offsite this continues to be very low to low negative social impacts". The I also highlight that for some community members, the impacts would have been extremely stressful, as described by Mr Newbrook in relation to the burglary and fire at his

⁶⁰ The Property Group, Resources Consent Compliance Report for all individual motels.

⁶¹ Noted as being generally for welfare issues.

⁶² Four relating to drugs, three to domestic violence, one of violence to an unknown person.

⁶³ Verbal and physical abuse.

⁶⁴ Verbal altercations and two children unsupervised.

⁶⁵ Drug paraphernalia.

⁶⁶ Two family incidents and one theft.

⁶⁷ Includes verbal abuse, verbal domestic disputes, children being left unaccompanied, alcohol on site and smoking vaping inside units.

⁶⁸ Welfare checks, vehicle incidents, verbal abuse and bail checks, one visitor was arrested.

⁶⁹ Verbal and physical abuse, children being left unaccompanied, alcohol on site.

⁷⁰ Two drug related, one domestic violence and one related to a visitor.

⁷¹ Ms Jones notes in the Resource Consent Compliance Reports for all individual motels that she "considers that the high number of more serious incidents at this site could be a reflection of the more permissive visitor and alcohol policy on this site" and notes that it could be beneficial to review the visitor and alcohol policies for the site.

⁷² Unsupervised children and verbal arguments.

⁷³ Includes verbal and physical abuse, children being left unaccompanied, alcohol on site.

⁷⁴ Welfare reasons and looking for people.

⁷⁵ Drug related.

⁷⁶ Beca SIA, dated 6 June 2024 at page 1.

home in February 2024 which has been linked to a person living in EH (though it is not specified whether this was a CEH or UEH occupant).⁷⁷

- 87. I do agree with the Beca SIA that the CEH activity is unlikely to be the cause of the anti-social behaviour and that behavioural issues are likely to be pre-existing. I agree that the location of the activity does increase the likelihood of the experiences, for example if occupants with complex social needs were living elsewhere in Rotorua anti-social activity would be likely to occur near those places of residence.
- 88. Nevertheless, Beca's SIA did state that "whilst this is a broader range of causal factors than CEH on its own, apart from the Koutu community, members from all local neighbourhoods of CEH attributed an antisocial incident/s to a CEH resident and these behaviours contributing to impacts on way of life". 78 While there may have been a reduction in individuals experiencing anti-social behaviour (which has occurred alongside the reduction in EH-SNG accommodation along Fenton Street in particular), there remains a perception that the areas are unsafe which means some residents feel unsafe walking around their neighbourhoods. In short, "the way they live their lives has not changed significantly" from the 2021/2022 SIA even though the scale and nature of anti-social incidents seems to have eased a little. 79
- 89. Beca recognises that the scale of the impact appears to increase the closer that people are in proximity to CEH sites. They note that the suburbs of Glenholme and Victoria were noted to have previously been a desirable place to live, but there are now on-going perceptions that it is a "problem area".
- 90. As discussed earlier, results from the CEH residents survey show that CEH is a safer environment for occupants than alternative living arrangements

⁷⁷ #17 Mr Newbrook.

⁷⁸ Beca SIA at page 53.

⁷⁹ Ibid at page 54.

and, while motels are not suitable for long term living, they are considered to be safe.

- 91. The Beca SIA also acknowledges the views of some people interviewed who expressed increasing levels of fatigue, frustration and alienation among the local community due to the continuing issues. Those parties also felt like their concerns and issues are not being listened to and that there is a lack of accountability and transparency from government agencies. Beca considers that this effect has not been directly caused by the CEH activity, but that the process has created political tensions and mistrust within the community.
- 92. In terms of mitigation, some survey respondents⁸⁰ and interviewees mentioned that on-site security and rules restricting visitor access and enforcing curfews provided a positive impact on personal safety directly outside CEH sites. However, Beca notes that some respondents perceived that the impact of security could be to move issues off site ("a few hundred metres down the road from the CEH"⁸¹), or mean that non-approved visitors jumped fences to gain access.
- 93. Beca recommends that it will be important to engage more proactively with neighbours, including considering ways to limit trespassing onto neighbouring sites or into the property, to minimise impacts on way of life and amenity for neighbours.
- 94. I note that this was the intent behind my recommendation to MHUD to survey immediate neighbours of each of the CEH sites to see if there were possible mitigation strategies that could be identified for neighbours encountering issues with specific motels. It is disappointing that so few of the neighbours engaged in that survey, which as noted earlier, may

⁸⁰ Both the local community and neighbour surveys.

⁸¹ Beca SIA, dated 6 June 2024 at Section 6.7.3.

reflect an apathy towards CEH operations, lack of resources, or wanting to keep heads down until a solution is provided.⁸²

95. On this basis, I question whether the recommendation about proactive engagement is achievable given the poor turnout of survey respondents. I would therefore encourage affected parties to reach out to individual motels or MHUD if they have problems and seek to identify appropriate remedies.

Assessment of livelihoods wellbeing outcomes

- 96. Livelihood social wellbeing outcomes relate to people's and households' access to places of work, business opportunities, investments (including homes), and incomes, including the ability of a business to establish and operate in markets and the resulting pattern of employment and incomes.
- 97. The IHP's 2022 decision stated that it is "more probable than not that EH has affected the reputation of Rotorua adversely as a potentially unsafe place for visitors".83
- 98. Table 8 below summarises the positive and negative livelihoods wellbeing effects raised by submitters. Those effects relate to both CEH motel operators and businesses, and property owners living in the surrounding communities. The following key issues were identified in the submissions:
 - (a) Viability of accommodation providers;
 - (b) Rotorua's reputation and effects on tourism businesses;
 - (c) Effects on non-tourism businesses;
 - (d) Property value effects;
 - (e) Other financial costs to the community; and
 - (f) Spending of taxpayers' money on CEH.

⁸² Independent Hearings Panel (David Hill, Greg Hill and Sheena Tepania), Decision following the hearing of the bundled non-complying activity applications, dated 15 December 2022 at paragraph 172.

⁸³ Ibid at paragraph 172.

- 99. There is some overlap between the economic assessment undertaken by Ms Hampson and provided by Mr Eaqub on behalf of MHUD with respect to livelihoods social wellbeing outcomes. I have tried to minimise the overlap in my commentary on those matters.
- 100. Some submitters have concerns that the operation of CEH motels has become a business, with perceived large financial returns that are potentially being directed to motel owners that do not live in Rotorua; 84 I agree with Ms Hampson's 2022 evidence that without the investment in the motels, many of the businesses may have had to close until the tourism economy returned to more viable levels. There were also flow-on benefits in terms of jobs, and household spending, which has supported some households and segments of the economy. Ms Hampson considers that those minor positive economic effects of CEH are no longer occurring.
- 101. Interviews with commercial operators undertaken by Beca highlighted that Rotorua's reputation was a key theme linked to the perceived safety of domestic tourists. Tourism businesses believe that domestic visitor numbers have not returned to the same level as other comparable towns. While tourism operators acknowledge that tourists do still come to visit Rotorua's attractions, they often choose to stay in other centres due to Rotorua's unsafe reputation. While the number and frequency of incidents had decreased since 2022, ongoing issues were recounted, including two incidents of theft and intimidation of hotel guests on Fenton Street.
- 102. The perception that Rotorua is unsafe has also restricted businesses' ability to attract staff.

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^{84 #15} Ms Hodgkiss.

Table 7: Summary of livelihood effects raised by submitters

Livelihood wellbeing effects

Negative effects

- Rotorua's reputation has been tarnished, and it is no longer a 'tourist Mecca'/ 'jewel in the
 tourism crown' and Fenton Street is no longer the "Golden Mile'. Whakarewarewa's image
 has also been negatively affected which has deterred tourists. There has been lost tourism
 revenue due to a perception that Rotorua is unsafe and a return in tourism is needed
 though negative social effects are stymying business growth and in some cases have
 stopped businesses operating.⁸⁵
- One submitter is concerned that some accommodation providers may revert back to running "mixed use" models as they transition. If this were to happen it would create an environment that is unsafe for tourists and provide a poor visitor experience.
- Businesses have had difficulties recruiting and retaining staff over the last two years and there have been financial implications for businesses.⁸⁷
- Landlords and property investors have been exiting the market over the last two years.⁸⁸
 The effects of anti-social behaviour may impact tenancies and business operations.⁸⁹
- Retail tenancies have declined in the CBD, with a lot of businesses having closed.⁹⁰
- Shoplifting has become common.⁹¹
- Properties have been devalued, one property has had a sale agreement cancelled, and there may be issues with re-tenanting properties or low rental returns due to the social issues associated with CEH.⁹²
- Community members have incurred significant financial costs associated with hearings, estimated at \$700,000 for the 2022 hearing.⁹³
- Taxpayer's money is being wasted on a "money making cash cow" which is considered to be part of a corrupt system.⁹⁴
- 103. Beca's SIA shows that tourism spending in Rotorua District has increased by 40.4% from 2022 to 2023. Expenditure from international tourists has also increased from 5.2% of total spending in 2022 to 27.8% in 2023. Over the same period, domestic tourism expenditure increased by marginal

⁸⁵ #2 Ms Phillips, #5 Ms Foyle, #7 Ms McLeod, #8 Mr Bibby, #12 Mr McPherson, #15 Ms Hodgkiss, #18 Ms Ham, #20 Messrs Mihinui, Warbrick and Tini, #21 Ms Robinson of The Living Māori Village Whakarewarewa, #23 Ms Rademeyer, #24 Mr Nicholson, #26 Ms Doughty, #28 Mr Patterson, #31 Chantal Limited, #32 Bright Rose Trust, #33 Jian Shu Qiu Family Trust, #34 Teresa and Walter Scheer TeWa Investments Trust, #35 Ms Constantino.

^{86 #8} Mr Bibby.

⁸⁷ #8 Mr Bibby, #26 Ms Doughty.

^{88 #8} Mr Bibby.

^{89 #25} Mr Blackman.

⁹⁰ #8 Mr Bibby.

^{91 #12} Mr McPherson.

^{92 #5} Ms Foyle, #6 Mr Terama, #11 Ms Hall, #18 Ms Ham, #23 Ms Rademeyer, #26 Ms Doughty, #35 Ms Constantino, #37 Mr McEnteer.

^{93 #11} Ms Hall, #18 Ms Ham.

⁹⁴ #8 Mr Bibby, #11 Ms Hall, #13 Ms Ward, #14 Mr Bagnall, #15 Ms Hodgkiss, #19 Ms Haley, #22 Mr Oxley.

amounts. In 2023 the domestic tourism market was stronger (\$525.1m) than the international market (\$201.8m).⁹⁵ I note that this is the opposite situation of that stated in the Beca SIA: "tourism is returning to Rotorua but that the international market is stronger than the domestic market".⁹⁶

- 104. Ms Hampson's evidence has addressed the likely effects of CEH on Rotorua's reputation and the effects on tourism businesses, and considers that approval of the seven consents for up to 12 months will have a less than minor effect.
- 105. Beca's SIA recognises that the effects of CEH have impacted the way that businesses operate in the local communities, for example many have invested in extra security to monitor trespassing and theft. Some accommodation providers have had to make significant financial investments on perimeter fencing and gates to improve the safety of guests and staff, due to three to four anti-social behaviour incidents per day prior to installing the fences and gates in 2022. Staff safety and the need to change commuting patterns was also acknowledged.
- 106. The local community survey also identified that reductions in house values was also a key concern. I note that the Environment Court holds the position that property value effects are not a relevant RMA consideration, essentially due to the effects which result in reduction of property values already being considered in assessments of amenity and other matters. 97 However, from a social perspective, being unable to sell your property at market rates, and being forced to live there until the CEH activity ceases and property values increase again, may result in negative adverse social effects and lived experience. I note Ms Hampson presents her opinions about the property value effects in her evidence and

⁹⁵ The Property Group. Response to request for further information — LU24-010186 - 16 Sala Street sated 23 September 2004.

⁹⁶ Beca SIA at page 1.

⁹⁷ Foot v Wellington City Council, Environment Court decision number W73/98 at paragraph [256].

considers that the effects are likely to be temporary and limited in duration.

107. Decision making about the way that taxpayers' money is spent is outside the scope of the resource consent hearing. As discussed, there have been positive effects for the CEH accommodation providers who have been able to continue to operate while recovering from the impacts of the Covid-19 lockdown.

108. In my opinion, Beca's SIA has recognised and addressed the key livelihoods social wellbeing effects. Both Ms Hampson and Mr Eaqub agree that the adverse effects on tourism reputation and the tourism economy will be less than minor. I consider that all other livelihoods effects will be short-lived and tied to the length of the consent periods.

Assessment of cohesiveness outcomes

Social cohesion outcomes relate to the ability of people to form inclusive social relationships and to participate in decision-making. Communities with strong cohesion have a sense of belonging and places, physical connectedness and accessibility, and provide the ability to form and maintain social relationships.

110. The IHP's 2022 decision recognised that "the needs of one part of the community (those in CEH) are having to be weighed with the needs of the local and business community. The two sections of the community are polarised". 98

111. Table 9 summarises the negative social cohesion effects raised by submitters - no positive effects were identified.

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⁹⁸ Independent Hearings Panel (David Hill, Greg Hill and Sheena Tepania), Decision following the hearing of the bundled non-complying activity applications, dated 15 December 2022 at paragraph 189.

Table 8: Summary of social cohesiveness effects raised by submitters

Negative social cohesion effects

- Some submitters believe there is disruption to the community which has gone on for too long.⁹⁹
- There are perceptions that people are leaving Rotorua due to increased crime rates which are associated with social housing (motels and transitional housing).¹⁰⁰
- There is a perception that there is a lack of willingness by occupants to integrate into the community. ¹⁰¹
- Submitters are concerned about the integrity of the decision-making process. There is a
 perception that central Government is breaking election promises and that the Council needs
 to advocate better for the community.¹⁰²
- 112. The Beca SIA noted that there are positive impacts for some CEH occupants who have formed support networks and made friendships that they would find difficult to leave once other living places become available. While relationships are often formed within CEH motels, the Beca SIA acknowledges that very few relationships are built within the local community.
- 113. The local community survey identified that there were some community members who wished to move to a safer street, or alternatively leave Rotorua entirely. The survey did not provide any evidence of community members leaving, and I note it would be difficult to find data that showed a causative relationship due to churn in communities being common.
- 114. The survey also described how some community members are no longer actively engaging in community activities, avoiding inviting guests to their homes and not using their properties in a publicly visible manner, due to the impact that anti-social behaviour has had on their way of life.
- 115. The Beca SIA also identified that perceptions remain that some CEH occupants do not originate from, or whakapapa to, Rotorua. This creates an 'us and them' mentality, where those carrying out anti-social

^{99 #30} Mr Grant, #37 Mr McEnteer.

¹⁰⁰ #8 Mr Bibby.

¹⁰¹ #21 Ms Robinson of The Living Māori Village Whakarewarewa.

¹⁰² #3 Ms Peace, #5 Ms Foyle, #6 Mr Terama, #11 Ms Hall, #12 Mr McPherson, #15 Ms Hodgkiss, #17 Mr Newbrook, #25 Mr Blackman.

behaviour are seen as intruders. This means that most CEH occupants are tarred with the same brush. As mentioned earlier, interviews of CEH support providers provided a strong impression that people living in CEH come from Rotorua or whakapapa to Rotorua.

- 116. The Beca SIA highlighted the views of some people interviewed who expressed increasing levels of fatigue, frustration and alienation among the local community due to continuing issues. Those parties also felt like their concerns and issues are not being listened to, and that there is a lack of accountability and transparency from government agencies. Beca considers that this effect has not been directly caused by the CEH activity, but that the process has created political tensions and mistrust within the community.
- 117. I note that the current position does not adequately recognise the complexity that the lack of housing supply has created, along with absence of quick fixes for the supply issues. It is a challenging balance to ensure that vulnerable people have safe housing when the behaviours of some of those people are affecting the safety and quality of established residential communities.
- 118. Another positive social outcome that is evident in Rotorua is the formation of the Restore Rotorua community action group which provides a forum for venting frustration, providing support, strengthening relationships with other community members experiencing the same issues, and through the CLG conditions can provide direct input into decision making and gain first-hand information about CEH operations.
- 119. Beca's conclusion is that there are negligible to low negative impacts on stability and cohesion of the local and wider community. This weighting, in my opinion, discounts the lived effects of immediate neighbours and the additive effects of the CEH motels being continued past their current December 2024 expiry date if the seven applications are granted. Beca's

SIA and the submissions received provide evidence that the polarisation identified in the IHP's 2022 decision remains and therefore it is my opinion that those effects are likely to be low to moderate.

Assessment of access outcomes

- 120. Access outcomes include the ability to obtain goods, services (health, education, training), employment, and consumption (retail, business activity), as well as social life by being able to move around and between communities.
- 121. Table 10 summarises the negative access effects raised by submitters no positive effects were identified.

Table 9: Summary of negative access effects raised by submitters

Negative Effects

- Increased pressure on police, health and education resources and negative effect on schools and infrastructure.¹⁰³
- 122. An obvious positive effect that was identified by the Beca SIA is that socially deprived individuals can have access to accommodation that is better than the alternative of being homeless or living in sub-standard places.
- 123. The Beca SIA identifies that people living in CEH do not create increased pressure on community services and resources, provided they originate from within Rotorua. The assessment does, however, identify that people living in CEH often have high health and social service needs and that support providers can help reduce barriers for occupants to access support required to meet their needs. Support providers who were interviewed mentioned that bringing services onsite helped to reduce barriers to access.

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¹⁰³ #1 Mr Ngatai,#2 Ms Phillips, #8 Mr Bibby, #13 Ms Ward, #15 Ms Hodgkiss, #16 Ms Tetenburg, #19 Ms Haley, #22 Mr Oxley.

- 124. It was identified in the local community survey that there are perceptions that teachers have extra demand placed on them due to children from challenging circumstances being enrolled in schools. Interviews with two local school principals confirmed that children living in CEH motels have a range of behavioural, social and academic challenges and additional teacher aides are required to support those children. The main challenges are attendance issues as well as having children move to other schools once their family moves to other living arrangements.
- 125. The AEE provided for each CEH motel shows the range of social infrastructure that is close to each of the motels, as shown in Table 10.

 Most of the motels are well located, being close to social infrastructure that can be beneficial for occupants.
- 126. In my opinion, Beca's SIA has considered the access effects adequately.

Table 10: Social infrastructure accessible from CEH motels 104

CEH Name	Good access to:						
Alpin Motel	 300 metres to local golf club and Arikapakapa Reserve Close to the BP service station 						
Pohutu Lodge	 Wider area has mixture of commercial and residential activities Local golf club and Arikapakapa Reserve across the intersection 						
Apollo Hotel	180 metres from the BP service stationGeothermal Reserve on Froude Street close by.						
Geneva Motor Lodge	 Close to school Close to public open space Close to supermarkets Close to service stations. 						
RotoVegas	 Close to services and shops, including supermarket on opposite side of Fenton Street Close to public transport Close to public reserves – 20 metres to public recreation areas along Te Ngae Road. 						
Ascot on Fenton	 Close to services and shops Close to public transport Close to public reserves 						
Lake Rotorua Hotel	 65 metres to Karenga Park Reserve Close to service stations Clost to a discount supermarket, fruit store, takeaways and baked goods store. 						

Assessment of social equity outcomes

- 127. Social equity wellbeing outcomes relate to the effects on different types of households and social groups, including vulnerable people and Māori.
- 128. Table 11 summarises the range of social equity effects raised by submitters.
- 129. Beca's SIA mainly focusses on the positive effects of providing housing for vulnerable people, but other than describing the community composition and respondents to surveys by demographic variables, there is little consideration of the types of community members who are affected by the adverse effects of CEH motels.

¹⁰⁴ The Property Group AEEs for all CEH motels.

130. I note that this would be difficult to do whilst maintaining confidentiality due to such small survey samples, and highlight that there were a range of submitters from different demographic groups who experienced adverse effects that presented at the 2022 hearing.

Table 11: Summary of social equity effects raised by submitters

Social equity effects

Positive effects

 Vulnerable community members need safe places to stay while being supported into stable and safer homes.¹⁰⁵

Negative effects

 Children and elderly populations are being affected by the anti-social behaviours in the local community. ¹⁰⁶

Mitigation and conditions

- 131. Beca states that proposed conditions of consent are fit for purpose to manage social issues, with a review of the CLG proposed to improve communications and collaboration. I consider that further work needs to be done to ensure more proactive engagement with neighbours to work together to find solutions that reduce the level of incidents they experience. As mentioned earlier, I question whether this can be achieved given the very low response rates to the neighbour survey achieved but consider that the operative conditions provide sufficient mechanisms to deliver feedback (they are simply not being used purposefully).
- 132. There is evidence that the 0800 phone number is not being used to record complaints by members of the community and is mainly operating as an information service about how to access CEH waitlists or find temporary accommodation.

¹⁰⁵ #29 Ms and Mr Elliot.

¹⁰⁶ #5 Ms Foyle.

- 133. Many submitters have raised concerns about the perceived lack of an exit strategy and sinking lid policy. 107
- 134. I agree that there is a chance that another consent application may occur at the end of the one year period, but note that there is evidence that a sinking-lid policy is being applied by MHUD through a reduction in the number of CEH motel applications. At the same time the move away from using motels for UEH has also improved the situation.
- 135. MHUD has outlined that the approach to exiting remaining CEH motels will be:
 - (a) Prioritise all CEH motels in Rotorua to determine the most appropriate motels to exit and the order in which these exits occur.
 - (b) Continue to gradually exit one motel at a time.
 - (c) Work alongside MSD to actively manage exits by stopping new referrals into CEH motels from 30 June 2025.
 - (d) Issue 90-day notice period to motels being exited to allow sufficient time for restoration work.
 - (e) There is no actual mechanism explained for how they would identify which motels are exited first.
- 136. I note that there is no defined mechanism explained for how MHUD will identify which motels are exited first, and this creates uncertainty for the Rotorua community. Mr Batchelar has recommended in the Overview Report that the order to exit CEH motels should be:108
 - (a) Whakarewarewa cluster;
 - (b) Fenton Street corridor cluster; and
 - (c) Lake Rotorua Hotel.

¹⁰⁷ #1 Mr Ngatai, #2 Ms Phillips, #3 Ms Peace, #4 Mr Littlejohn, #5 Ms Foyle, #6 Mr Terama, #11 Ms Hall, #12 Mr McPherson, #13 Ms Ward, #14 Mr Bagnall, #16 Ms Tetenburg, #17 Mr Newbrook, #18 Ms Ham, #19 Ms Haley, #22 Mr Oxley, #23 Ms Rademeyer

¹⁰⁸ Craig Batchelar, Overview Report dated 8 October 2024, at paragraph 187.

CONCLUSIONS

- 137. There are a range of both positive and negative social effects that have arisen from the use of motels for CEH activities in Rotorua. Those effects have been identified in Beca's SIA, which acknowledges most of the submitters' concerns.
- 138. The three key groups that may be impacted by approval of the seven resource consent applications are:
 - (a) homeless people needing EH;
 - (b) the immediate neighbours and surrounding community of the CEH motels; and
 - (c) businesses (especially tourism operators) in the wider Rotorua economy.
- 139. By providing short-term EH accommodation in managed CEH motels, occupants have better living conditions than the alternative of being homeless or living in unsuitable living environments. They are also supported to access other social services that they require.
- 140. However, there is a fine balance between providing the positive benefits of accommodation for those who are without homes in CEH, and generating flow-on impacts onto neighbouring properties and the wider economy. Neighbouring property owners also have the right to have homes which feel safe and secure. Beca's SIA has identified that many of the core concerns raised in the 2022 hearing are still present within the community. There is very little substantive evidence provided that proves or disproves causation with the CEH activity, however the community perceives that the effects are real and, for some, those effects have been significant. Ms Hampson has considered the likely effects on businesses and concludes that considers that approval of the seven consents for up to 12 months will have a less than minor effect.

141. Given that the adverse social effects relating to anti-social behaviour are considered to still be present in the communities hosting CEH motels, it is apparent that the Site Management Plans and other mitigation measures under the existing consent conditions are reducing adverse effects, but they are not capable of avoiding off-site anti-social behaviour. Beyond limiting the consent duration, these residual effects must fall to other mechanisms to address them, including police intervention. While I do acknowledge Beca's viewpoint that those behaviours would be likely to be occurring in the community wherever those individuals are living, the concentration of activity in some locations is leading to clustering of effects.

142. I consider that, while there are still perceptions that the CEH activity is generating adverse effects, that granting resource consent subject to the conditions recommended by the Section 42A writers, for a reduced number of CEH motels is likely to provide an appropriate balance between achieving the positive outcomes for vulnerable populations who would otherwise be living in sub-standard conditions, and providing certainty to the community that the use of CEH motels, and the associated adverse social effects will be likely to cease in one year.

Rebecca Foy

08 / 10 / 2024

Annexure A

- 143. The basic steps for SIAs include:
 - (a) Scoping a proposal so it focuses on the main issues of concern to the community and the key elements of the likely changes,
 - (b) Understanding the social baseline prior to changes, including understanding important values in the community,
 - (c) Estimating the likely social wellbeing effects by comparing the current and future situation after a change comes into effect,
 - (d) Making recommendations about social impact management in terms of which aspects can be monitored and managed in the future to avoid, remedy, or mitigate potential social effects.
- 144. The IAIA provides a detailed list of the social impacts that should be covered by SIAs when conceptualising changes ¹⁰⁹, including the following elements:
 - (a) people's way of life that is, how they live, work, play and interact with one another on a day-to-day basis
 - (b) their culture that is, their shared beliefs, customs, values and language or dialect 110
 - (c) their community its cohesion, stability, character, services and facilities
 - (d) their political systems the extent to which people are able to participate in decisions that affect their lives, the level of democratisation that is taking place, and the resources provided for this purpose
 - (e) their environment the quality of the air and water people use; the availability and quality of the food they eat; the level of hazard or risk, dust and noise they are exposed to; the adequacy of sanitation, their physical safety, and their access to and control over resources

¹⁰⁹ Social Impact Assessment (iaia.org).

¹¹⁰ Noting that in New Zealand this variable should exclude Māori culture and values which are described in Cultural Impact Assessments undertaken by Manawhenua.

- (f) their health and wellbeing health is a state of complete physical, mental, social and spiritual wellbeing and not merely the absence of disease or infirmity
- (g) their personal and property rights particularly whether people are economically affected, or experience personal disadvantage which may include a violation of their civil liberties
- (h) their fears and aspirations their perceptions about their safety, their fears about the future of their community, and their aspirations for their future and the future of their children.
- 145. Typically, when I conduct SIAs I group those effects into the following eight key social wellbeing categories as a way of reducing the overlap between each of the IAIA effects, and to provide a better structure for summarising the effects. The categories I typically use are:
 - (a) Environment: outcomes relate to the consequences of changes to the physical and natural environment for people and communities, and the ability to govern and sustain natural systems in culturally appropriate ways.
 - (b) Livelihoods: effects relate to people's and households' access to places of work, business opportunities, investments (including homes), and incomes, including businesses' ability to establish and operate in markets and the resulting pattern of employment and incomes.
 - (c) Health and safety: outcomes relate to people's ability to live healthy and safe lives, including the associated effects on physical and mental health.
 - (d) Social cohesion: relates to the ability of people to form inclusive and cohesive social and cultural relationships in spatially defined places and to participate in decision-making. The cohesiveness of communities reflects a sense of belonging and place, physical connectedness and accessibility, and the ability to establish and maintain social relationships.

- (e) Social equity: relates to the distribution of positive or negative effects on different types of households and social groups, including vulnerable people and Māori.
- (f) Access and connectivity: outcomes include the ability to obtain goods, services (health, education, training), employment, and consumption (retail, business activity), and social life by being able to move around and between communities.
- (g) Recreation: the natural environment is often used for recreational activities and there are many long-term physical and mental health benefits that arise from recreation, including building social connections.
- (h) Urban or rural form: refers to the way places are laid out in relation to land use activities and topography.
- 146. The relevance and level of importance of each of these categories is context specific and varies between proposed changes or projects.
- 147. I note it is common for social impact experts to work collaboratively with other subject information experts and draw on their assessments and information when considering social wellbeing effects.

Annexure B

- 148. To understand the scale and significance of effects, I have identified the number of neighbouring properties and their land uses in Table 12.
- 149. Table 12 shows the following:
 - (a) There are 51 immediate neighbours of CEH motels. Of those, approximately 47% (24) were residential, 25% (13) were commercial activities, and 18% were accommodation providers. The Alpin Motel has the most neighbours (13).
 - (b) There are an additional 45 properties within 50 metres of CEH motels, with the majority of properties (78%) being used for residential uses and 13% being used for accommodation.
 - (c) There are an additional 117 properties between 50 and 100 metres from CEH motels. Again, the majority of properties were residential (72%, 84), with 13% commercial and 12% accommodation.
 - (d) In total, there were 213 properties within 100 metres of the CEH motels. Of those, 143 were residential, 29 were accommodation providers, 28 were commercial and the remaining 13 properties were a mix of open space, vacant and social facilities (childcare, healthcare and religious uses).

Table 12: Count of properties and land uses within distances of CEH motels 111

	Residential	Commercial	Accomm.	Temple	Childcare	Healthcare	Open Space	Vacant	Total
Immediate Neighbours									
Lake Rotorua Hotel	3	5	-	-	-	-	-	-	8
Ascot/Rotovegas*	2	4	2	-	1	-	-	-	9
Geneva Motor Lodge	3	-	4	-	-	-	-	-	7
Alpin Motel	10	1	-	-	1	-	-	1	13
Apollo Motel	5	2	1	-	-	-	-	1	9
Pohutu Lodge	1	1	2	-	-	-	1	-	5
Total	24	13	9	-	2	•	1	2	51
Within 50 metres and no	t an immed	liate neig	hbour						
Lake Rotorua Hotel	12	-	-	-	-	-	-	-	12
Ascot/Rotovegas*	5	-	5	-	-	-	-	-	10
Geneva Motor Lodge	6	-	1	1	-	-	-	-	8
Alpin Motel	9	-	-	-	-	-	1	-	10
Apollo Motel	-	-	-	-	-	-	1	-	1
Pohutu Lodge	-	-	-	-	-	-	-	-	-
Alpin/Apollo*	-	-	-	-	-	-	-	-	-
Apollo/Pohutu*	3	-	-	-	-	-	-	1	4
Total	35	-	6	1	-	-	2	1	45
Within 50-100 metres									
Lake Rotorua Hotel	2	5	1	-	-	-	1	1	10
Ascot/Rotovegas*	15	5	4	-	-	1	-	-	25
Geneva Motor Lodge	18	1	5	-	-	-	1	-	25
Alpin Motel	36	-	-	-	-	-	-	-	36
Apollo Motel	7	3	1	-	-	-	-	-	11
Pohutu Lodge	-	-	2	-	-	-	-	-	2
Alpin/Apollo*	3	1	-	-	-	-	-	-	4
Apollo/Pohutu*	3	-	1	-	-	-	-	-	4
Total	84	15	14	-	-	1	2	1	117

^{*} Note properties falling into more than one CEH catchment have only been counted once

 $^{^{\}rm 111}$ Note that properties across roads are included in these counts.