

**Before Independent Hearings Commissioners
Rotorua Lakes Council**

**In the matter of 13 applications for resource consent for
contracted emergency housing by Te Tūāpapa
Kura Kāinga Ministry of Housing and Urban
Development**

Statement of evidence by Tim Cao

10 October 2022



Counsel

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Statement of evidence by Tim Cao

1 Introduction

1.1 My name is Tim Cao. I am the business owner of the Alpin Motel in Rotorua.

2 Alpin Motel Rotorua

2.1 Alpin Motel's history can go back to the 1970s, known as "Puhi Nui", the first timeshare holiday apartment in New Zealand. I took it over in 2012 and have operated the business for over ten years.

2.2 The pre-Covid vacancy rates were around 70%-90% depending on peak season or low season. Roughly half local customers and half overseas customers would stay during peak season.

3 Contracted Emergency Housing

3.1 We became an MHUD contracted motel to provide emergency housing in July 2021, and the contract has been extended for another three years in July 2022.

3.2 The reasons I decided to contract with MHUD were:

- (a) For easier management, fewer complaints and a more safe working environment for motel staff.
- (b) For stabler income. Before signing the contract, the customer from MSD was not guaranteed. We had to accept corporate and tourism customers to keep the motel business running and it was very hard to balance the two.
- (c) The Covid issue still wasn't resolved. Business confidence is at its lowest, and overseas customers' number back to pre covid still needs a long time—too many uncertainties.
- (d) Maintaining job stability for employees and suppliers is the cornerstone of social stability.

3.3 If we no longer provide emergency housing with this MHUD model, we will still provide emergency housing to MSD customers while accepting

corporate and tourism customers simultaneously. Any single type of customer can't ensure this size of motel survival in today's market conditions.

Date: 10 October 2022

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Tim Cao