

Annexure 1: 16 Sala Street (Alpin Motel) – RC17648



Figure 1: 16 Sala Street (as viewed from Sala Street)

1 Introduction

1.1 Resource consent to use 16 Sala Street for Contracted Emergency Housing (CEH) was lodged with Rotorua Lakes Council (RLC) on 6 August 2021. CEH is described in detail in the Application and in my Primary Evidence. To summarise, the Proposal is to:

- (a) Use all 40 existing motel units for CEH, primarily for whānau with children and vulnerable individuals (such as elderly);
- (b) Provide on-site support services for CEH occupants by a dedicated Service Provider. The Service Provider is currently Visions of a Helping Hand Charitable Trust, but the Applicant would like to retain flexibility so that an alternative Service Provider could provide the necessary Support Services (if required);
- (c) 24/7 security on-site and an on-call Senior Security Officer;
- (d) Operate CEH from the site for a maximum of five years (from the date of the decision of the consent);
- (e) Revert back to a motel activity once the site is no longer being used for CEH.

2 Changes to the Application since lodgement

Maximum Occupancy

- 2.1 Since the notification of the Application, the Applicant has revised the total maximum occupancy onsite, reducing this from 142 occupants to **120 occupants**.
- 2.2 CEH has been operating from the 16 Sala Street since 1 July 2021. On 11 May 2022, the Ministry of Housing and Urban Development (MHUD) provided to RLC (in response to a s92 request) updated information about the actual number of occupants on the site. This information demonstrated that the number of occupants is far lower than the theoretical capacity (of 142 people) if every bed in every unit was occupied. Updated actual occupancy is provided in Table 1 below.

Table 1: 16 Sala Street - Actual Occupancy Units (U) and People (P) December 2021 – August 2022

Date	15/12/21		7/02/22		30/03/22		27/04/22		23/05/22		30/06/22		1/08/22		30/08/22	
	U	P	U	P	U	P	U	P	U	P	U	P	U	P	U	P
No.	40	74	27	69	31	79	36	98	31	83	36	81	32	85	29	77

NB: All 40 units are contracted for CEH and 16 Sala Street has a maximum theoretical capacity of 140 CEH occupants.

- 2.3 Accommodating 142 occupants onsite is possible, however, the reality of CEH is that units are allocated to whānau based on their specific needs, and this does not necessarily mean every bed in every unit is occupied. As demonstrated in Table 1 above, the actual number of people onsite has varied between 69 and 98 people. While these levels are lower than the maximum occupancy of 120 persons that is now being sought by the Applicant, it is my understanding that reasons for low levels of occupation can vary. For example, on occasion, rooms are decommissioned for maintenance and repairs between whānau stays, and some rooms are set aside for emergency placements -
- 2.4 It is accepted that those staying in CEH are generally onsite longer than typical motel guests. As such, in terms of the potential intensity of use I consider that a reduced maximum occupancy is appropriate and helps to mitigate the potential effects that could result from overcrowding.

Site Fencing

- 2.5 The motel operator has undertaken improvements to existing permanent fencing within the site.

3 Activity Status

Operative Rotorua District Plan

- 3.1 The subject site is located entirely within the Commercial 4 zone. Adjoining the site to the east is the Residential 1 zone. Adjacent to the north is both Residential 1 and 2 zones, and adjacent to the south is both Commercial 3 and Residential 2 zones.
- 3.2 As discussed in my Primary Evidence, the activity has been assessed as a Non-Complying Activity pursuant to Rule COMZ-R1.

4 Site Specific Matters raised in Submissions

- 4.1 The site specific s42A report by Ms Bennie provides an overview of the notification process and submissions raised. I note that many submitters made 'blanket' submissions which related to all Applications. As such, where the issues raised in submissions are relevant to all Applications, I have considered these issues in my Primary Evidence.
- 4.2 There were 316 submissions in relation to the resource consent at 16 Sala Street for CEH (including 16 submissions that were provided to the Independent Hearing Panel prior to notification of the Application). Seven submissions are not considered blanket submissions and were more specific to 16 Sala Street. Three of the submitters are businesses or business owners in close proximity to the site, two are adjacent neighbours, one is a local resident, and one is the owner of the subject site. One submission is in support, and six oppose the Proposal.
- 4.3 The issues raised by the six non-blanket submissions are reasonably generic, and can be broadly categorised as follows:
- (a) Social Effects
 - (b) Tourism Effects
 - (c) Cumulative Effects

- (d) External Amenity Effects
- (e) Internal Amenity Effects
- (f) Property Matters

- 4.4 Submissions relating to social effects and tourism effects have been addressed in my Primary Evidence and that of MHUD's experts. No further discussion will be undertaken regarding these issues here. Further, changes to the application since lodgement (discussed in Section 2 above) together with conditions of consent will effectively mitigate submitters' concerns at the site-based level.
- 4.5 Cumulative effects have also been discussed in my Primary Evidence; however, I provide additional comments specific to the site at 16 Sala Street in my effects assessment below.
- 4.6 External and internal effects specific to the site are not addressed in my Primary Evidence. These are discussed in my effects assessment below.
- 4.7 The matters raised relating to property matters relate to the property lease agreement between the property owner and lessee. This is a civil matter and is addressed in MHUD's legal submission.
- 4.8 Overall, I agree with the analysis and conclusions within Ms Bennie's s42A report with regard to submissions received on this property.

5 Assessment of Effects

- 5.1 My Primary Evidence discusses effects as they relate to all Applications. The following discusses effects specifically relevant to this site:
- (a) Positive effects
 - (b) Character and amenity effects
 - (i) External amenity
 - (ii) Internal amenity
 - (c) Transportation Effects
 - (i) Parking and access

- (ii) Traffic generation
- (d) Noise Effects
- (e) Infrastructure
- (f) Financial contributions

Positive effects

5.2 The positive effects of the Proposal are outlined in the Application and in my Primary Evidence. At a site-specific level, it is my understanding that the use of the site for CEH has enabled all units to be equipped with new ventilation systems, to help create a healthy living environment. The site at 16 Sala Street has a particularly helpful building design where the vehicle circulation areas are around the outside of the site and each unit has its own private open space that connects into the shared open space in the centre of the site. The site is generally well screened with established landscape planting around the perimeter, and a large internal space is available for use by occupants.

Character and amenity effects

External Amenity - Streetscape / neighbourhood character

- 5.3 No changes are proposed in relation to the buildings and the AEE in the Application for 16 Sala Street remains valid in this regard. The surrounding environment is characterised by a mixture of motel buildings and residential sites.
- 5.4 I note that the design of the buildings and structures on 16 Sala Street are such that outdoor amenity spaces are internal to the site, minimising the potential effects on surrounding neighbours (in terms of noise and the intensity of use of the site).
- 5.5 Quality permanent fencing was identified in the Social Impact Assessment (SIA) as a mitigation measure to assist with maintaining the surrounding character. All residential boundaries of the application site have existing pool style fencing and established vegetation. I understand the operator has undertaken improvements to the fencing. This matter was raised by a submitter, but I consider the improvements are sufficient in addressing this concern. It is acknowledged that the waste collection area could benefit

from further screening, and in this regard, I agree with the recommended condition 21 in Ms Bennie's s42A report. In my opinion, this will adequately address adverse visual effects of the CEH operations beyond the site.

- 5.6 It is stated in the evidence of a number of experts that signage identifying the site as a motel should be removed to mitigate external amenity effects. Ms Bennie has recommended a condition requiring the removal of the signage. I agree that imposition of such a condition is appropriate.
- 5.7 In addition to the above, a number of experts of the Council and MHUD have recommended that all online advertising and websites that promote tourist accommodation and other services should be removed. I agree that such measures are generally appropriate. It is understood that in response to this recommendation, the operator has updated their website to show no room availability and has done the same on secondary accommodation booking sites.
- 5.8 Ms Bennie has recommended conditions of consent that existing landscaping be maintained and replaced where necessary. I consider this provide assurances in terms of mitigating potential external amenity effects and consider it appropriate to be imposed as a condition of consent.
- 5.9 Overall, it is my opinion that the external amenity effects arising from the use of the site for CEH purposes are acceptable.

External Amenity – Cumulative effects

- 5.10 Cumulative effects of 13 resource consents being considered concurrently is discussed in my Primary Evidence. This was also addressed in the s92 response, the SIA, and in the Evidence of Ms Healy and Mr Eaquab.
- 5.11 Specific to the 16 Sala Street proposal, I note that this site is not on Fenton Street (it is approximately 250 metres to the east of Fenton Street) and is not easily visible to those travelling along Fenton Street. The site is located lower than the level of Sala Street which reduces its prominence in the street. The closest other CEH activity¹ is located approximately 150 metres to south of 16 Sala Street. As identified in Figure 3 of the site specific s42A report, there are no other tourism or emergency housing providers in immediate proximity of the site.

¹ Site 13 at 7 Tryon Street

- 5.12 The improvement of fencing and proposed removal of motel signage will reduce the prominence of the site, will reduce any ambiguity around the nature of onsite activities, and will help the site integrate more into the environment in which it is located.
- 5.13 My conclusion in relation to cumulative effects in my Primary Evidence are equally applicable here. Cumulative effects of the Proposal are considered to be acceptable and with the proposed management and mitigation are considered to be no more than minor.

Internal amenity

- 5.14 Internal amenity relates to the quality of the onsite living environment for those staying in CEH, including access to onsite amenities typically associated with domestic living, open space and onsite services.
- 5.15 My Primary Evidence discusses how individuals are allocated to particular units, which among other matters, includes consideration of a unit's size, location, and onsite amenities to suit the requirements of the whānau or individual being homed.
- 5.16 Residents within CEH are accommodated on a relatively short-term basis (when compared with more permanent housing), with the length of stay varying between whānau groups. It is acknowledged, however, that the duration of stay is for a longer period than individuals who previously utilised the accommodation as motel guests. The provision of a quality and safe living environment is an important objective of CEH.
- 5.17 The accommodation units at 16 Sala Street all have private outdoor space, private kitchens, and newly installed ventilation systems for bathrooms and kitchens. There is sufficient parking for all occupants with access to the site controlled through barrier arms.
- 5.18 The site is equipped with two conference rooms for service providers to meet with occupants regularly and provide other services.
- 5.19 In undertaking this effects assessment, I also draw on the guiding principles within the relevant planning provisions applicable to the Commercial 4 Zone (COMZ4). The COMZ4 zone requires a minimum of 10m² (with a minimum depth of 2m) of outdoor open space to be provided per household unit².

² COMZ-S5.

This provides a helpful starting point in which to consider adequacy of open space; however, this must also be considered in the context that this standard is particularly applicable to site development resulting in permanent places of residence, as opposed to repurposed accommodation that instead serves as a temporary place of residence to the occupants. I also note that there are no guiding provisions regarding outdoor living space in this zone.

Internal Amenity – Outdoor living space

- 5.20 Access to onsite open space is one element that can contribute to a high-quality living environment. In my opinion, the extent and quality of the onsite amenity (including provision of open space) must be considered within the context of CEH providing a short-term place of residence for members of the community who otherwise have no tenable or better alternative accommodation.
- 5.21 The site specific s42A report identifies that all units have access to private outdoor living space and shared open space which provides a suitable level of amenity for occupants. I agree with this conclusion.

Internal Amenity – Suitability for children

- 5.22 The subject site contains a large open space area suitable for children's play. A pool is also available on site although its operation is controlled by the Service Provider.
- 5.23 Ms Collins identifies the site as being highly suitable for children aged from six months to twelve years. It has been identified as moderate for children between thirteen and eighteen years.
- 5.24 Ms Bennie states that the Panel may choose to recommend that a unit is dedicated for use as a common playroom. I understand the intention to provide children a play space outside their units in wet weather, however, I consider that the Service Provider is best placed to make decisions about whether additional dry weather play spaces are required.

Occupancy rate

- 5.25 Ms Bennie recommends that the proposed maximum occupancy rate for the site be 120 occupants. This is consistent with the revised occupancy numbers offered by the Applicant, with the exception that this occupancy level includes any children over the age of 6 months (the applicant sought

exclusion of children less than 18 months from the occupancy level). I support the recommended maximum of 120 persons, and I also support this applying to all persons over the age of 6 months.

5.26 Ms Bennie also recommends a maximum of three people per unit (excluding children under the age of six months). The proposed limits on occupancy rates attempts to mitigate concerns of overcrowding and is based on the Canadian National Occupancy Standard (CNOS) used by Statistics New Zealand. My Primary Evidence discusses why the CNOS is not appropriate as applied to CEH. In my opinion, while such restrictions are well-intended, I do not consider that these are necessary to achieve the worthy objective of avoiding overcrowding. The Service Providers are skilled at ensuring the wellbeing of whānau and tamariki are at the forefront of determining appropriate allocation of accommodation.

5.27 Overall, it is my opinion that onsite amenity effects are acceptable.

CPTED principles

5.28 The overview s42A report briefly notes that it would be helpful to better understand the application of the National Guidelines for Crime Prevention through Environmental Design (CPTED) in the context of each site. Such an assessment has not yet been undertaken; however, a condition of consent requiring a CPTED audit be undertaken based on the principles of CPTED could be imposed in the decision of this consent if the Panel considered this was necessary. In my opinion, any recommendations of a subsequent CPTED audit could then inform a site-specific action and implementation plan that can be incorporated into the Site Management Plan (SMP).

Transportation Effects

5.29 I accept the s42A analysis with regard to transportation effects and the inclusion of a suitable condition.

Noise Effects

5.30 I agree with and accept the s42A analysis with regard to noise effects. I agree that it would be unreasonable to require the operator to install glazing and ventilation for rooms within 40m of Sala Street, being a State Highway.

Effects on Infrastructure

5.31 I agree with and accept the s42A analysis with regard to effects on infrastructure.

Financial contributions

5.32 I agree with and accept the s42A analysis with regard to financial contributions.

6 Relevant Planning Framework

6.1 The higher order planning framework is discussed in my Primary Evidence. Below I will discuss the Operative District Plan (ODP) in the context of 16 Sala Street where there are particular matters that are distinct from my assessment in my Primary Evidence.

Operative District Plan (ODP) Zone and CEH

6.2 The site is located entirely within the Commercial 4 Zone (COMZ4 Zone). The Commercial 4 zone is described in the ODP as:

“Tourism accommodation concentrated along city entranceways and arterial routes such as Fenton Street and Lake Road. Activities within the Commercial 4 zone consist of motels or large apartment style buildings commonly two storeys in height, with signage that maintains surrounding amenity. The buildings are designed to cover the majority of the land area and have minimal yards that are landscaped where they adjoin the road.”

6.3 The Proposal aligns with this zone description. CEH is very similar to the operation of a motel or to medium density residential household units. There are no modifications proposed to the buildings or structures themselves, except removal of motel signage, which will mitigate any ambiguity around onsite activities.

6.4 As discussed elsewhere, the Proposal includes the reversion back to traditional ‘tourist accommodation’³ in the future (which will likely include reinstatement of motel signage).

³ ODP definition of ‘Tourist accommodation’ (page 35 Part 1 of ODP).

- 6.5 I note that the ODP provides for ‘community housing’⁴ as a permitted activity in both the Commercial 4 and all residential zones of the ODP⁵. The only reference to emergency housing in the ODP is in the definition of ‘community housing’ and emergency housing is not otherwise mentioned anywhere in the ODP. I note the evidence of Mr Batchelar is that if the Proposal did not include wrap around support services, it could be considered as a conversion of motel units to residential units⁶.

Commercial Zone Objectives and Policies

- 6.6 **COMZ-O1** aims to keep commercial centres compact and have commercial and tourism centres that effectively service and support the needs of the surrounding community. While the CEH activity does not provide a commercial service to the community, the Proposal provides an alternative form of service to the community – by providing temporary supported accommodation for members of the community during a period in which there is an acute need for housing. The tourism and housing context has clearly changed in the last 5-10 years and as a result “housing is one of the biggest issues facing the Rotorua community⁷”. Coupled with an acute housing need, Rotorua’s tourism sector is recovering from the impact of COVID-19.
- 6.7 Experts, including Ms Healy, advise that the mixing of tourism accommodation and emergency accommodation has the potential to adversely affect Rotorua’s reputation as a desirable place to visit. In my opinion, the exclusive contracting nature of the CEH model for emergency housing (rather than mixing tourist accommodation guests with emergency housing occupants) minimises situations where those utilising accommodation for living purposes erode a visitors experience of a tourist accommodation facility. In my opinion, CEH strikes an appropriate balance between providing for tourism needs and the needs of the surrounding community.

⁴ Community housing is defined as (page 8 ODP): “a place of residence for a maximum of eight persons (i.e. all residents including resident staff) where some element of care or support is provided for residents. The definition includes emergency housing (including temporary overnight accommodation) and rehabilitation centres, but excludes facilities where the movement of residents is legally restricted”.

⁵ Community housing is permitted activity in the Commercial 4 zone, all residential zones, all Rural zones and the City Centre 1 zone (above the first floor).

⁶ Noting that this is in the context of the District Plan definition of ‘household units’.

⁷ See RLC Submission on the Resource Management (Enabling Housing Supply and Other Matters) Amendment Bill, page 2.

- 6.8 Furthermore, the motel operator advises that in order to survive in the current tourism market, the business would have had to otherwise accept both traditional motel guests and Ministry of Social Development clients. CEH has enabled a tourism business to survive in the unique and challenging context of operating under the impact of COVID-19.
- 6.9 Relevant to this site is supporting Policy **COMZ-P4**, which provides direction to sites located in the Entranceway Accommodation and Tourism area. I note that the Proposal does not prevent the development of other tourism enterprises or Māori cultural experience in this area, or the amenity and vibrancy that they bring. In addition, the SMP is adaptive to situations and allows Service Providers to respond to any issues that could affect amenity or vibrancy accordingly.
- 6.10 In my opinion, while the Proposal cannot be said to clearly support the 'nationally significant tourism sector', it does nevertheless support the needs of the community by providing a supported living environment to vulnerable individuals and whānau. In my opinion, any conflict with **COMZ-O1** and **COMZ-P4** can be reconciled with the positive impacts the Proposal has in terms of meeting the needs of the surrounding community by providing a short-term housing solution to those without suitable alternative accommodation, in a manner whereby effects of the activity are largely contained.
- 6.11 **Objectives COMZ-O2** and **COMZ-O3** address design and appearance of buildings. Relevant supporting policies are **COMZ-P6** and **COMZ-P7**. I generally agree with the assessment undertaken by Ms Bennie in regard to these objectives and policies.
- 6.12 In particular, I agree with Ms Bennie that maintaining the existing landscaping and fencing together with the removal of motel signage and site upkeep will contribute to an attractive streetscape.
- 6.13 Objective **COMZ-O5** and supporting policy **COMZ-P10** address reverse sensitivity. I generally agree with the assessment undertaken by Ms Bennie in regard to this objective and policy.

District Wide Objectives and Policies

- 6.14 Ms Bennie addresses the following objectives and policies in her site specific s42A report:

- (a) Noise: NOISE-O1, NOISE-P4 and NOISE-P9
- (b) Infrastructure: EIT-O3 and EIT-P14
- (c) Transport: EIT-O7, EIT-P18 and EIT-P22
- (d) Reverse sensitivity: EIT-P23.

6.15 I agree with the assessment undertaken by Ms Bennie in regard to the district wide matters and have not identified any areas of conflict.

Objectives and policies conclusion

6.16 Overall, I consider the Proposal is consistent with the objectives and policies of the District Plan.

7 Response to s42A Report's Recommended Conditions of Consent

7.1 Appendix 1 of the site specific s42A Report for 16 Sala Street contains draft conditions of consent recommended by Ms Bennie. There is broad agreement around the majority of proposed conditions. The discussion below focuses more specifically upon conditions where I suggest changes or explicitly disagree with those recommended in the s42A report. The Strategic Conditions in the overview s42A report have been discussed in my Primary Evidence.

7.2 An updated set of proposed consent conditions will be provided at the commencement of the hearing, and it is anticipated that these will develop over the course of the hearing. In the meantime, I provide the following overall comments on the recommended consent conditions attached to the Council's s42A site specific report.

7.3 **Conditions 2 and 3** identify the consent holder as the Operator and MHUD and restrict the consent from being transferred to and held by any other person. I do not agree with this restriction and have addressed this in my Primary Evidence.

7.4 **Condition 7** restricts site occupancy to a maximum of 120 persons (excluding children under six months of age). This condition is supported.

7.5 **Condition 8** specifies maximum occupancy levels (excluding children under six months of age). I do not support the placement of this condition and recommend its deletion. Ultimately, I consider that the Service Provider

is best placed to determine which rooms are most suitable for occupants, and they consider a variety of factors including family dynamics.

- 7.6 **Condition 9** provides clarification that the occupancy levels do not limit the length of stay for residents accommodated in the units, and also does not limit the number of people residing in Manager's Accommodation. I recommend that this is instead reframed as an Advice Note under the condition controlling the maximum site occupancy (condition 7).
- 7.7 **Conditions 12 to 15 and 20 to 21** relate to retention/enhancement of landscaping and fencing, and improvements to open space areas throughout the site. I agree with the placement of these conditions.
- 7.8 **Condition 16** requires that physical motel signage be removed for the duration of the consent. I agree that this is reasonable.
- 7.9 **Condition 17** requires that all online advertising and websites that promote tourist accommodation and other services be removed. The implementation of this condition is difficult due to the nature of online advertising. Notwithstanding this, it is reasonable to require the Motel Operator to amend their website and booking websites to show no room availability and on this basis I agree that a condition to this effect is reasonable.
- 7.10 **Conditions 23 to 25 and 27** require compliance with the permitted activity performance standards for noise and light emissions from the site. I do not consider placement of conditions, that simply replicate permitted activity standards, to be in accordance with good practice, and nor do I consider their placement necessary. I recommend deletion of these conditions.
- 7.11 **Condition 26** requires that the site shall be capable of meeting an internal road-traffic design sound level of 40dB LAeq inside all habitable rooms. The Proposal does not introduce a new noise sensitive activity to the site or buildings. It appears this requirement is from the performance standards as they relate to reverse sensitivity effects from being adjacent to a State Highway. The subject site is located adjacent to State Highway 30, however, as stated in the s42A site specific report⁸,

"it would be unreasonable to require the operator to install glazing and ventilation system for every habitable room within this setback

⁸ Evidence of Ms Bennie - para 103.

due to financial costs involved and disturbance to existing households within the units”

7.12 Conditions in relation to noise insulation inside habitable rooms are considered unnecessary and should be deleted.

7.13 **Conditions 30 to 34** relate to the taking of a bond. This matter has been discussed within my Primary Evidence, where I dispute the need for a bond, and also the value of the individual bond. I recommend deletion of these conditions.

8 Section 104D Gateway Test and Part 2 Analysis

8.1 As discussed in my Primary Evidence, it is my opinion that the effects of the Proposal are no more than minor and the Proposal is not contrary to the objectives and policies of the Rotorua District Plan or Plan Change 9.

8.2 As detailed in my Primary Evidence, the Proposal aligns with Part 2 of the Act.

Date: 5 October 2022



.....

Alice Blackwell