

Letter from Mina Louka

20/01997/FUL & LBC

16th December 2020

I refer to my research study: The Effect of Covid-19 on Investment Decision Making of Spa Hotel vs Residential Investment, which should be read in conjunction with my letter.

Dear Planning Officers and Committee Members,

In this time of the most and severest destruction of businesses in 100 years, and certainly since World War 2, it is with the greatest regret that I have to put before the Committee another application in respect of Chapel Spa.

The only reason that I am forced to return to the Planning Committee is because of the Coronavirus Pandemic. Covid-19 has completely annihilated my plans for the Spa Hotel, as the hotel industry as a whole has been the most severely affected of all industries in the UK (*Office for National Statistics surveys in my research study*).

The upsetting result of the Pandemic is now showing in the number of closures of hotels in the county. While I am writing this letter, there are 18 hotels, 15 pubs and 5 Spas/fitness clubs for sale in Gloucestershire (*businessforsale.com*). Also, the physical impact of Covid-19 can be depressingly seen in Cheltenham's town centre, where there are more than 58 shops which have closed permanently (*gloseco*)

I would like to assure you that I do not act on a whim, but research and investigate my subject thoroughly before coming to a course of action.

On the 28th May 2020 the planning committee took the responsibly of granting me permission to convert Chapel Spa into a Spa Hotel. My application was prepared and submitted pre-pandemic, and just one week after the receipt of permission, the two banks that had agreed in Jan 2020 (again pre-pandemic) to part finance my hotel project, pulled out.

They both explained that it is not possible to finance a new project in the hospitably & leisure industry for the foreseeable future, as there is no confidence in the industry due to Covid.

Hotel owners are struggling to repay loans taken out to finance their businesses, and many are closing their doors with huge debt hanging over them! The banks were worried!

The banks forecast that viability would not begin to return to hotels for several years, and Brexit was also mentioned as a negative factor in the discussions, as the additional uncertainties associated with Brexit could easily put this timeframe much further back.

My devastation cannot adequately be described in this letter, and so I will not try!

However, my determination to do the best for not only the building but also for my family by providing an income and therefore survive in business, has taken me along this present path in an effort to avoid bankruptcy and impoverishment entirely due to the Coronavirus pandemic.

It should be noted that I am still paying my business loan monthly repayments and continuing to heat, secure and pay all fixed costs for the building, otherwise it will deteriorate very quickly especially over winter if I simply switch everything off. But this cannot carry on, as it amounts to over £8,000 per month.

I have since gone back to the banks and asked if they would agree to part finance a conversion to apartments, and they have both agreed. I have therefore embarked on this course of action as it is the only viable course left to me and, as a direct consequence, the building also.

If you remember the research for my previous application for the spa hotel in January, resulted in three final options:

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|--------------|----------------|----------------------|
| 1. Spa Hotel | 2. Residential | 3. Permanent Closure |
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In the real world of business as it is now, the Spa Hotel option does not exist for the foreseeable future!

The nightmare that I am living with daily, involves; no revenue at all, scared clients & staff, significant debts, continuing to pay fixed costs, lockdowns, uncertainty, and sadly, inadequate support from the Government for the leisure industry while we are in the Tier system, which will continue until Easter 2021 or later.

It is torture and slow death for the hospitality & leisure industry.

Therefore, I had no choice but to keep Chapel Spa closed since the 4th of November.

However, If the building were to be converted to eight apartments it would not only secure its future but provide much needed homes with every facility to hand, both in the apartments and locally in the town centre.

I have explained the most difficult of positions that I find myself in, and that is why I have absolutely no choice but to ask for your permission to change the use to residential apartments, which is now **the only viable use for the building** in both the short and medium terms.

In relation to the listed building alterations, the council has of course already granted permission for the alterations to Chapel Spa in the previous application (20/00119/LBC/COU) i.e. the infilling of the first floor, replacement of all the windows on the 1st & ground floors and creating partition walls.

What remains to be permitted is the enhancement to the building, i.e., removing two modern flat roofed wings erected in 2001, reinstating the lower ground floor's original design windows, removal of advertising, and landscaping the exterior. The exterior of the building will be significantly enhanced by returning it to its original appearance of 1816.

This application will also incorporate the only three original items still remaining internally: All cast iron columns, the curved ceilings to the ground floor, and the ceiling height has been raised to show the small cast iron brackets of which only 12 remain of the original 66.

Finally, I would like to end my letter with a quote from Cllr. Payne from the Planning Committee meeting in May when he said, "*Cheltenham Borough Council is trying to recover the town and we must adapt to change, otherwise there will be empty buildings with no one to look after them*" This struck a chord with the committee and was accepted by all the other councillors.

I sincerely hope the Council Officers and Committee Members consider carefully the situation as I have described it in this letter, and consent to my applications.

Yours Sincerely,

Mr. Mina Louka BA, PGDMS, MBA, CMgr FCMl

Owner & Managing Director

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