

ASTRA Byron

NSW Independent Planning Commission 90 day cap Planning Proposal on Short Term Rental Accommodation in Byron Shire

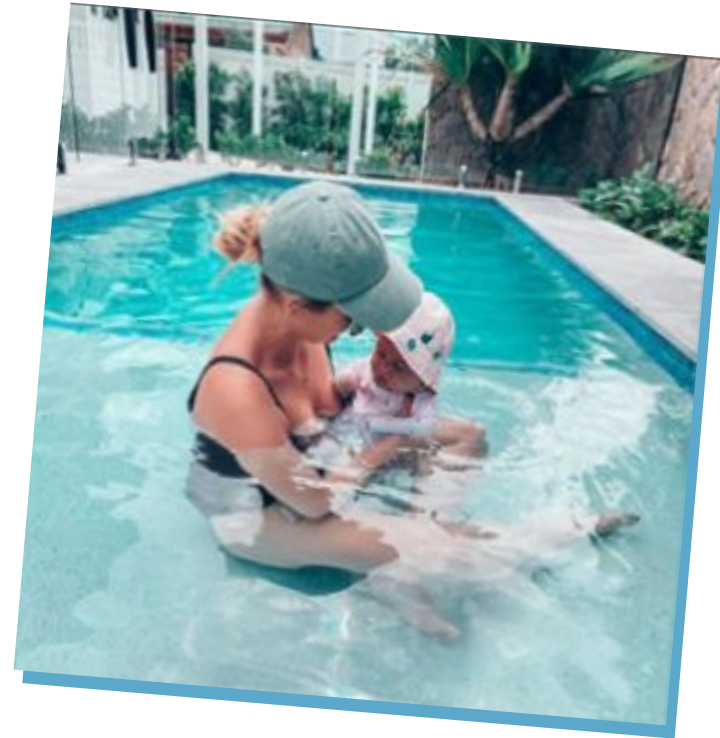
17 February 2023

11:45am - 12:15pm

Via zoom



www.byronesdeservesbetter.com



Agenda

- What is Byron Shire Council and the NSW Government trying to achieve?
- Does this policy align with Council's draft tourism strategy?
- Will the 90 day policy deliver what it promises?
- What are the unintended consequences of this policy?
- Q&A - 10 minutes



Who is ASTRA Byron?

- **Australian Short Term Rental Accommodation Association (ASTRA)**
 - ◆ Mission: Standardise and professionalise the industry through education, information, networking, research, and advocacy.
 - ◆ ASTRA and was involved in developing the original code of conduct and implementing the NSW STRA legislation and completely supports these changes.

- **ASTRA Byron (subcommittee of ASTRA)**
 - ◆ Local ratepayers, small and family business owners (and staff), property owners (850 represented) & members of the community.



The basis of Council's policy

NSW
GOVERNMENT

Registration

Council data: 4,237 (2019):

Entire home / apartment = 3,613

Private or shared room = 624

(25% of total housing stock)

Urbis report (2022)

5,249 non hosted properties

(30.1% of total housing stock)

Source: NSW Department of Planning, Industry and Investment.



**Non hosted
STRA = 7.6% of
total dwellings
in Byron Shire**

Registered non-hosted
STRA properties as of
26/1/23

1,288 non-hosted



Council's Tourism Strategy

WHAT TYPE OF VISITOR DOES COUNCIL AND

the Community want?

- Stay longer (high yield)
- Low impact
- Disperse to towns and villages
- Respect the community
- Respect the environment

A Council-led strategy for Byron Shire would endeavour to change the visitor mix, manage visitor behaviour and attract visitors who respect our community and environment, stay longer, are low impact, and want to explore various towns and villages within the Shire.

These are the visitors we want to attract; those who share our community values¹.

Excerpt: Byron Shire Council draft Sustainable Visitation Strategy 2020-2030
<https://www.byron.nsw.gov.au/Business/Business-in-Byron/Tourism/Sustainable-Visitation-Strategy-2020-2030>



Draft Byron Shire
Sustainable Visitation
Strategy 2020 - 2030



The Tourism Sector

VALUE OF TOURISM

in Byron!

2019 (pre-Covid and relative to the 2019 Planning Proposal):

5.42 million visitor nights

2.21 million visitors

\$883m gross visitor expenditure

Largest employer in the Shire 2,269 jobs
(not including):

- Retail (2,078 jobs)
- Construction (1,293 jobs)
- Health Care (1,819 jobs)
- Education and training (1,355 jobs)
- Rental, hiring and real estate (357 jobs)

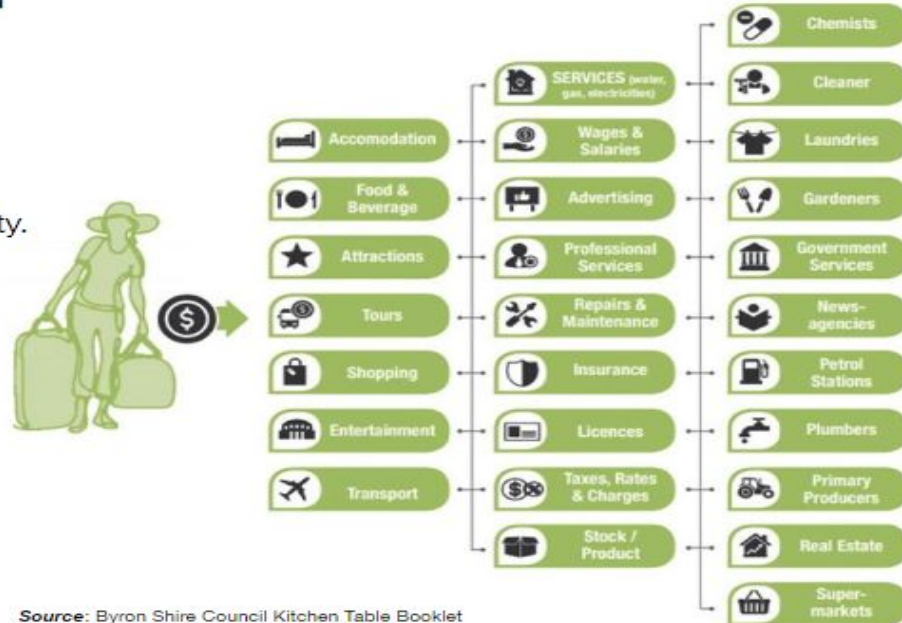


Distribution of the tourist dollar

WHERE DOES THE TOURISM DOLLAR

Go?

A large percentage of a property owners income flows back into the local community.



Source: Byron Shire Council Kitchen Table Booklet 2019

Byron Visitor Profile

BYRON VISITOR PROFILE

2019

Visitor type	Number	Visitor nights	Average Length of stay (nights)	Spend per trip	Travel Party type	Transport type	Age
Domestic day visitors	991,000	N/A	N/A	\$108	Data not Available from TRA	Majority by car	47% - 15-34 33% - 35-54 20% - 55+
Domestic Overnight visitors	994,000	3,850,000	3.9	\$732	55% - couples & unaccompanied 45% family/friends travelling together	Data n/a	45% 15-34 35% 35-54 20% 55+
International Overnight visitors	225,000	1,650,000	7.3	\$499	56% - unaccompanied 19.5% - couple 17.1% - family/friends travelling together 7% - Families	Data n/a	73% - 15-34 17% - 35-54 10% - 55+

STRA Visitor Profile

STRA visitor

Profile



Visitor nights	Average length of stay	Spend per trip	Top activities in destination	Travel party type	Transport type	Age
672,000	7 Nights	\$4130	Restaurants/cafes Shopping National parks VFR Go to the markets Nature-based activities	70% Families 30% Friends and extended family travelling together	65% car 35% aircraft	35-54

Source: Tourism Research Australia - 2019 National Visitor Survey

- 17% of visitor spend
- 12% of total visitor nights
- **1 x STRA visitor = 5.6 domestic overnight visitors**
- **1 x STRA visitor = 38 domestic day visitors**

Council's Planning approach

Many factors influencing local rental availability are solely the result of Council's own actions and policies:

Council's 10-year Byron Bay development/sewer moratorium from 1997 to 2007 had a significant impact on new housing numbers and affordability.

After the development moratorium ended in 2007, Council's failure to organise and ensure a supply catch up compounded this shortfall.

Council's pursuit of ultra low density strategy from 2007 onwards guaranteed the current development outcomes single lot/single dwellings. This was continued in the 2014 LEP and denies housing choice across the spectrum and curtails availability of rental housing.



Council's Planning approach

Many private language schools and audio colleges have drawn large numbers of students to Byron. Apart from taking up rental stock, these colleges have been forced to purchase many rental dwellings to house their students.

Many SCU Lismore students also reside in Byron, again impacting supply

At the same time, Housing NSW departed Byron to pursue more effective use of Its fund in nearby locations where land and development costs were more suited to its budgets

Byron Shire has relied on the neighbouring Shires of Ballina and Tweed to deal with its housing and land shortfall.

Council appears to have no alternative release area or infill development strategy.

The aim of this 90 day cap campaign is to shift the blame for the housing shortage from the Greens who have pursued an ultra low density housing policy for 15 years.

“It makes sense, we are the most highly impacted shire in the state when it comes to Short Term Rental Accommodation,” Michael Lyon Byron Mayor said.

Mayor Michael Lyon believes Council will vote 7/9 in support of the 90-day cap on non-hosted STRA, when the proposal is motioned later this year.

Ballina Shire has a 180-day annual cap on STRA and Tweed Shire Council has none.

Source: Northern Rivers Times - 7/10/22

Urbis recommendation

URBIS ECONOMIC IMPACT ASSESSMENT

Recommendations

Although Option 1: Council's Current Gateway Planning Proposal is estimated to also generate strong benefits for Residential Property Market Renters and Purchasers, and Local Residents / Community these net benefits come at the cost of net disbenefits accruing to Residential Property Market Owners, Visitors, Local Services and Businesses, and Local Workers.

Therefore, we consider the Base Case: SEPP Default (a 180-day cap across the entire LGA) to represent the preferred policy option from an economic perspective. It is estimated to provide the most substantial benefits across almost all relevant groups while minimising detrimental impacts on Visitor Market Visitors.

Source: Urbis Report - Byron Shire Short Term Rental Accommodation Caps, Economic Impact Assessment.
https://byron.infocouncil.biz/Open/2022/02/OC_24022022
AGN_1467_files/OC_24022022_AGN_1467_Attachment_9681_1.PDF _

URBIS

BYRON SHIRE – SHORT TERM RENTAL ACCOMMODATION CAPS

Economic Impact Assessment

Prepared for
NSW DEPARTMENT OF PLANNING, INDUSTRY AND
ENVIRONMENT
November 2021



Unintended consequences

- If families are Byron Shires most valuable tourism asset, why are they being removed?
- Under the 90 day cap planning policy the following economic impacts will occur:
 - ◆ Up to **1,448 jobs lost** for people in our local community
 - ◆ **\$267m** each and every year from removed from the local economy

Source: ABS data and the Tourism Research Australia National Visitor Survey.

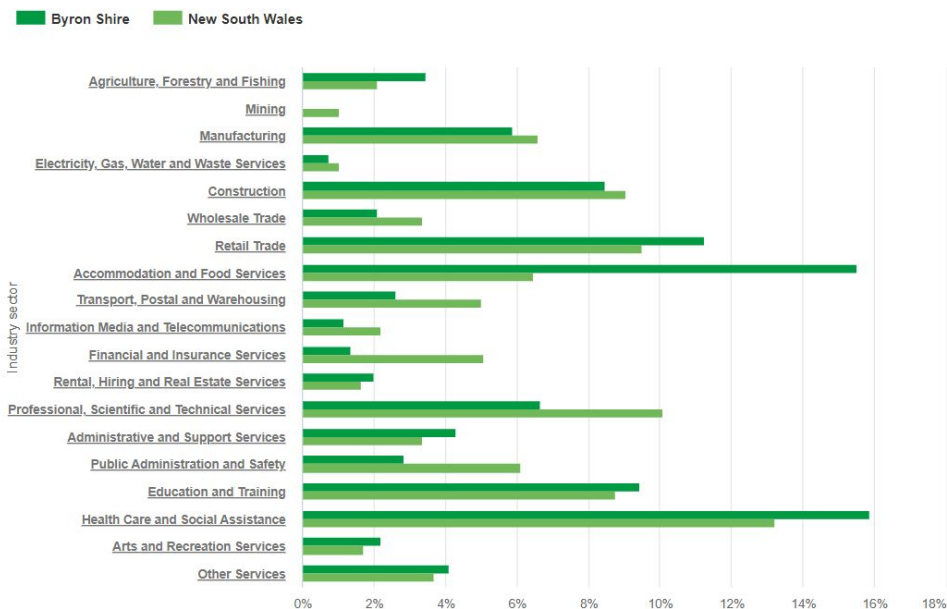


Employment by industry

export

Byron Shire	2020/21		2015/16			Change	
	Number	%	New South Wales	Number	%		New South Wales
Agriculture, Forestry and Fishing	545	3.5	2.1	649	4.4	2.3	-104
Mining	2	0.0	1.0	17	0.1	1.0	-15
Manufacturing	926	5.9	6.6	843	5.7	6.7	+83
Electricity, Gas, Water and Waste Services	114	0.7	1.0	96	0.6	1.1	+19
Construction	1,328	8.5	9.0	1,191	8.0	8.7	+137
Wholesale Trade	329	2.1	3.4	429	2.9	3.5	-99
Retail Trade	1,766	11.2	9.5	1,869	12.6	9.9	-104
Accommodation and Food Services	2,438	15.5	6.5	2,141	14.4	7.2	+297
Transport, Postal and Warehousing	413	2.6	5.0	437	2.9	5.0	-24
Information Media and Telecommunications	183	1.2	2.2	199	1.3	2.4	-16
Financial and Insurance Services	211	1.3	5.1	209	1.4	5.1	+1
Rental, Hiring and Real Estate Services	315	2.0	1.7	357	2.4	1.8	-42
Professional, Scientific and Technical Services	1,045	6.7	10.1	1,076	7.2	8.7	-31
Administrative and Support Services	677	4.3	3.3	748	5.0	3.6	-72
Public Administration and Safety	444	2.8	6.1	444	3.0	5.9	+1
Education and Training	1,484	9.4	8.7	1,493	10.0	8.7	-9
Health Care and Social Assistance	2,492	15.9	13.2	1,709	11.5	12.9	+783
Arts and Recreation Services	347	2.2	1.7	384	2.6	1.7	-37
Other Services	645	4.1	3.7	569	3.8	3.8	+76
Total industries	15,704	100.0	100.0	14,859	100.0	100.0	+845

Employment (total) by industry 2020/21



Source: National Institute of Economic and Industry Research (NIEIR) ©2021. Compiled and presented in economy.id by .id (informed decisions). NIEIR-ID data are adjusted each year, using updated employment estimates. Each release may change previous years' figures. Learn more



Legal Advice - Caps

- Byron Shire Council cannot remove an owners property rights (see excerpt below).
- The Byron Holiday Letting Organisation commissioned joint legal advice from Barrister Michael Astill and Senior Counsel Stephen Free in March 2022.
- A full copy of the legal advice can be provided upon request.

Where, by reason of an existing development consent, there is an existing right to use a dwelling for short term occupation, the amendments to the ARH SEPP do not legally have the effect of restricting that right. Nor is there anything else in the STRA Initiative that would operate to confine such existing rights of use to any limited number of days per year.



Housing availability & affordability

House type	Number of properties	Average rent per week
1 bedroom	22	\$533
2 bedroom	32	\$744
3 bedroom	39	\$1,427
4 bedroom	29	\$1,649
5+ bedroom	12	\$1,703

Source: Realestate.com.au - 6 February 2023.



www.byrondeservesbetter.com

RayWhite.

Jodi Smith



\$820 per week



3 Yalla Kool Drive, Ocean Shores

🏠 4 🗺️ 2 🗣️ 2 | House

Housing availability & affordability

- ASTRA Byron surveyed hundreds of property owners & less than 4% will return their property to the permanent rental pool.
- STRA housing is **not fit for purpose for affordable worker housing.**
- Average rent \$2,000 to \$4,000 per week.
- The STRA industry also requires affordable housing for its workers.



\$3,300 per week



62 Carlyle Street, Byron Bay

5 4 2 220m² | House



Closing comments

- The STRA industry **is** part of the local community (we live and work here too!).
- This policy is flawed and will not return additional houses to the permanent rental pool.
 - ◆ The small % of properties returned are not fit for purpose - this will not solve the housing crisis, or make a significant impact on housing availability.
- The policy will impact local jobs and many local and family businesses.
- STRA is being used as a scapegoat as a result of decades of inadequate planning by Council.
- Property owners rights cannot be removed, and caps can not be implemented retrospectively.



The politicisation of this issue

Have Your 'Perfect SAY'
Tell the IPC we want
HOMES NOT HOTELS !!!

www.echo.net.au/soap-box

Have your Perfect Say

Here in the Byron Shire our crisis is so famous it's made international news. It's been in the US *Rolling Stone* even. It's been in documentaries. It's been in *The Guardian*. It's what we live with here – every day. We live in a community

where there is nowhere to live and the whole world is watching what we do next, wondering if we will do what their super star tourist destinations did and regulate the housing market. People in places like Paris, Amsterdam, Barcelona and Miami found out that tough regulations actually aren't bad for business after all. That's just property market profiteering propaganda.

For too long our houses have been used as hotels. Homes all around our region that were approved as residential dwellings are being used as commercial enterprises to generate income from the short-term holiday letting market. It's been an investors' free-for-all with hundreds of out-of-town owners profiteering at the expense of our community. And at the expense of all those with Council-approved regulated apartments or legal holiday lets. How do they even compete? One of the main things I hear when people argue against capping short-term holiday letting is that 'it's bad for business.' But I ask: 'Whose business?' I know of over 500 businesses who actually think a cap would be good for their business, because they're struggling now. They're struggling because they can't get staff. And they can't get staff because we don't have housing.

People in places like Paris, Amsterdam, Barcelona and Miami found out that tough regulations actually aren't bad for business after all. That's just property market profiteering propaganda.



MANDY NOLAN'S
SOAPBOX

doesn't look good on Instagram, so we just crop it out of the shot. I guess if you don't see it, it's not your problem? But it is. It poses a serious question around capitalism's favourite fairytale of continuous growth. Our region shows that continuous growth is unsustainable. Can we do it better? Can we have tourism and somewhere for our community to live at the same time? Must we allow short-term holiday letting to grow like the magic beanstalk, allowing the 'I'm alright/not-so-very-poor' Jacks of the world in to steal the treasures that should belong to all of us?

Can a community compromise? In the end, that's all we are asking for. The original agreement between state government and our local Council was set to deliver just that. It was never a perfect arrangement, and contrary to a lot of propaganda about how the introduction of a 90-day cap would 'kill business', there are hundreds of businesses saying they don't just support it; they believe their business would benefit from it. Businesses across our region have recognised there's no point having a town full of tourists if you don't have any staff. We've cooked our golden goose and there's no one to serve it. Our community needs the state government to put the original deal back on the table. It was never

to 365. That's halving allowable days in some areas and doubling it in others. That people who actually live in their home can put their spare room/s up for short-term holiday letting 365 days anywhere in the region seems pretty fair to me. Why has that not been acknowledged as a reasonable compromise? I know why. Because people with money and privilege don't like being told what to do. Because we have a broken system that has seen people turn to the real estate market for income and that is always going to come at the expense of housing equity in the community. Holiday rentals have a human cost. I know, because I speak to people every day who are in housing stress or are homeless.

If you think of our community as a bucket, and housing is water, and short-term holiday letting is a hole in said bucket, then it's apparent – it doesn't matter how much water you pour into the bucket, it just won't hold. We can't build housing for our community if there aren't regulations in place to keep that housing in the hands of the community. We need to plug the hole. Regulating short-term holiday letting in Byron Shire is the first step. It's the 'straw' plug for our housing hole. The lobby to push against the cap is cashed up. We're not. So we need to share our stories.

The Independent Planning

Short-term rental accommodation supporters share many characteristics with right-wing extremists

Dr Jeff Lewis and
Dr Belinda Lewis

A few years ago the Victorian government commissioned us to research violent extremism in Australia. ASIO refers to these groups as ideologically motivated violent extremists (IMVE).

Initially, our research focused on the threats posed by religious extremism. This was a reasonable approach, given the devastating impact of events like the Bali Bombings (2002, 2005), the Lindt Café siege (2014), and the rise of ISIS.

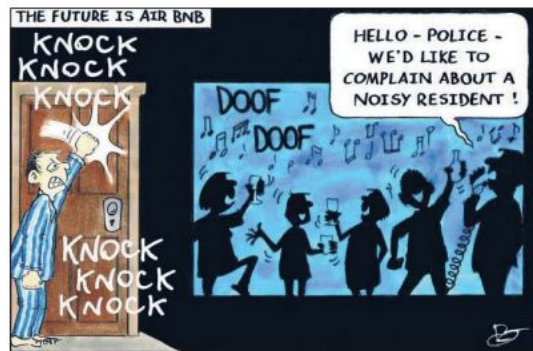
Our investigations quickly revealed, however, that the threat posed by religious extremism is being matched, or even eclipsed, by new forms of violent right-wing extremism (RWE).

Right-wing extremists have been active in Australia for at least a century, but there is now clear evidence of a resurgence of totalitarian sentiment in Australia and elsewhere in the world.

This view is confirmed by the federal government's own homeland security website. It's also corroborated by a recent study published in the *Proceedings of the National Assembly of Sciences* (PNAS, 2022).

We've seen direct evidence of this resurgence in the United States, Brazil and other democratic nations.

The targeted assassinations of Muslim worshippers in Christchurch (2019) and police in



Even so, the groups share some common characteristic such as:

- A deep distrust of democracy and governance systems.
- Belief in a homogeneous and hierarchical society that is dominated by those who are 'the most deserving' and powerful.
- An exaltation of 'freedom', which is defined as unhindered self-interest.
- A deep dislike for public welfare and 'community', both of which are seen as weakness and a hindrance to individual freedom.
- A disposition to violence as a legitimate, even necessary, means to express freedom and self-interest.
- A belief that political and social improvement is only possible through the complete liberation of the individual and his self-interest.

Corporations generally, and the STRA corporations in particular, have no real interest in public governance, democracy or public/community rights.

After all, democracy was designed to constrain the excesses of corporate and political power. Therefore, the motivations and ideology of the STRA corporates are in essence antithetical to community-based democracy.

The advertising and lobbying campaigns that the corporate property moguls have inflicted on the Shire exposed a deep disdain for community and neighbourhoods. Used to getting their own way in everything, the corporates have been unrelenting in their attacks on democratic process and community needs.

The corporates' singular interest in profit has demonstrated a complete lack of interest in community

insidious and not always direct and explicit. As in family or racial violence, much of the STRA 'violence' is exercised through domination, alienation and threat.

Profit is made on the misery of others – that is, our community.

Inflicting constant disruption on neighbourhoods, families and individuals is cruel enough. But depriving people of affordable accommodation is one of the worst acts of violence one group can ever impose on another.

The right-wing extremists we studied are largely clandestine. They cloak their violence in language and ideology. They despise the impediments of regulation.

This looks very much like the strategy and ideology of STRA corporations and their affiliates.

While they continue to accumulate wealth and property, the advocates of



www.byroneservesbetter.com

Questions?



Thank you for your time.

