



# David Mehan MP

STATE MEMBER FOR THE ENTRANCE

29 October 2017

Director, Housing Policy  
Department of Planning and Environment  
GPO Box 39  
SYDNEY NSW 2001  
Via email: [sth1@planning.nsw.gov.au](mailto:sth1@planning.nsw.gov.au)

Dear Sir/Madam,

## **RE: Short Term Holiday Letting (STHL)**

Please find attached my submission on the regulation of STHL.

The Entrance electorate has a significant tourist economy and STHL is a significant part of this. My office receives a large number of complaints and concerns about STHL from constituents. Accordingly, I support greater regulation.

I invited my constituent to make their own submissions or let me know their views. This submission represents those views and my assessment of the regulation necessary to allow for a healthy tourist economy to co-exist with residents who call our area home.

In terms of STHL, my general submission is that home owners should be able to share their home with guest(s) as a STHL arrangement without regulation. However, homeowners who wish to STHL their whole home should be required to comply with regulations determined by local government and for a limited period only, say one month.

Unoccupied dwellings should only be able to be STHL if the owner has Development Approval from local government and, if the dwelling is part of a strata scheme, agreement of the owner's corporation. As STHL removes dwellings from the residential market, I also submit that owners of dwellings used for STHL be also required to make a contribution to the Social Housing Improvement Fund to offset the community loss.

Yours sincerely

A handwritten signature in blue ink that reads 'David Mehan'.

**David Mehan MP**  
Member for The Entrance

### Options for Regulation of Short Term Holiday Letting

No.	Governments Recommendation	Submission
1	<p>That the NSW Government amends</p> <ul style="list-style-type: none"> <li>a) The Standard Instrument – Principal Local Environmental Plan to include a definition of short-term rental accommodation in the category of tourist and visitor accommodation</li> <li>b) The State Environmental Planning Policy (Exempt and Complying Development Codes) 2008 to allow short-term rental accommodation.</li> </ul>	<p><b>Support</b></p>
2	<p>Short-term letting of rooms of rooms in any property where the landlord or host is present be permitted as exempt development.</p>	<p><b>Support. There should be no restrictions on owners or occupiers letting on a short term basis part of a property they occupy as a principle residence or as an on-site host.</b></p>
3	<p>Short-term letting of a principal place of residence be permitted as exempt development.</p>	<p><b>Support. There should be no restrictions on owners or occupiers letting on a short term basis part of a property they occupy as a principle residence or as an on-site host.</b></p>
4	<p>Short-term letting of empty properties be permitted under State Environmental Planning Policy (Exempt and Complying Development Codes) 2008, as:</p> <ul style="list-style-type: none"> <li>• Exempt development where the development does not exceed applicable impact thresholds; and</li> </ul> <p>Complying development where the development exceeds applicable impact thresholds.</p>	<p><b>Do not support: Council approval should be required before STHL of empty stand-alone dwellings occurs and Councils should be enabled to charge a fee on the property to offset the loss of rental accommodation in the area.</b></p> <p><b>Body Corporate and Council approval should be required before STHL of empty strata dwellings occurs.</b></p> <p><b>The loss of housing from the residential market should be addressed. Those who engage in STHL of unoccupied dwelling (which are not their principle place of residence) should be required to make a contribution to the Social Housing Improvement Fund to offset the loss of housing to the community.</b></p>
5	<p>The NSW Government investigates, in consultation with advocates for traditional accommodation operators, the impact of the growth of short-term rental accommodation on their industry, and identifies opportunities to reform current regulations.</p>	<p><b>Support</b></p>

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6	The NSW Government participates in the management of the Holiday and Short-Term Rental Code of Conduct to ensure that it has a broadly-based management structure, including community representation and increases its industry coverage.	<b>Support</b>
7	The NSW Government develops a compliance system for short-term rental accommodation under the Environment Planning and Assessment Act 1979 which considers: <ul style="list-style-type: none"> <li>a) The use of the investigate powers in Division 1C of the Act</li> <li>b) Streamlined development assessment (Complying Development Certificates)</li> <li>c) The Holiday and Short-Term Rental Code of Conduct</li> <li>d) 'party house' provisions</li> </ul>	<b>Support</b>
8	The NSW Government prepares advice to councils and the community outline the changes which will apply to short-term rental accommodation, and implements a communication and monitoring program.	<b>Support</b>
9	That local councils be responsible for communication with all landowners about their rights and obligations.	<b>Support</b>
10	The NSW Government considers amendments to strata regulations to give owners corporations more powers to manage and respond to adverse behaviour resulting from short-term letting in their buildings.	<p><b>Support+. Owners Corporations of strata schemes should be enabled to determine whether STHL is allowed or not. Further they should be enabled to make by-laws to prescribe the short term letting of dwellings within a strata complex except where the owner or occupant is present.</b></p> <p><b>The Entrance electorate has a significant tourist economy and strata unit developments. There are an increasing number of short term lettings of strata dwellings which results in regular complaints to my office and the local council about anti-social behaviour. The ability to short term let without strata or Council approval has removed dwellings from the local housing market reducing affordable rental accommodation in the area.</b></p> <p><b>Owners corporations should be able to democratically determine whether owners can engage in STHL or not.</b></p>

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11	The NSW Government reviews the impact of short-term letting in the strata environment after no later than three years.	<b>Support</b>
12	The NSW Government implements a program to collect data on the holiday industry generally, and short-term letting in particular, to assess the economic contribution of short-term letting and its impact on housing affordability and community viability.	<b>Support: Those who engage in STHL of unoccupied dwelling (which are not their principle place of residence) should be required to make a contribution to the Social Housing Improvement Fund to offset the loss of housing to the community.</b>