

## **Short Term Holiday Letting Options Paper Submission Brunswick Heads Chamber of Commerce Inc.**

### Introduction

The Brunswick Heads Chamber of Commerce Inc. has a number of members who are either Brunswick Heads Short Term Holiday Letting (STHL) owners or real estate agents who manage STHL properties and most Chamber member's businesses are to some degree economically dependant on tourists who visit the small coastal town of Brunswick Heads, which is in the Byron Shire on the NSW North Coast.

The Chamber operates an Accredited Visitors Information Centre which is open seven days a week and its website provides visitors with detailed information on the town and the surrounding area.

Brunswick Heads has a population of about 1,700 and its economy is mainly driven by tourism. The town has been a tourist destination continuously for over 100 years. Approximately 120,000 people visit the town each year, mostly during school holidays and weekends. Visiting friends and relatives make up approximately one third of our visitors. Others stay mainly in the town's three holiday parks, four motels and one hotel and in STHL properties.

The Chamber supports a regulatory framework for STHL in NSW, that enables effective economic benefits from STHL while managing any of their social and environmental impacts. We are specifically interested in preserving the important economic benefits that STHL provides for town of Brunswick Heads, which is in the Byron Shire on the NSW North Coast.

### Regulation of STHL in Strata Properties

We support the NSW Legislative Assembly Committee on Environment and Planning's view that the NSW Government consider amendments to strata laws to give owner's corporations more power to manage and respond to adverse behavior from STHL lessees. We also support current strata laws that permit owners corporations to manage STHL impacts and require an owner/occupier to notify the owners corporation if a lot is to be used for STHL. We however do not support owners corporations having the authority to restrict or ban STHL in their schemes.

### Regulation and Planning Controls

We only support minimal regulation of STHL through the planning system. We believe that most STHL should be exempt developments. One of the reasons that we only support the minimal use of planning controls determined by individual Council's, is because of the Byron Shire's 2015 Short Term Holiday Action Plan which included excessive regulatory requirements and the capacity for the Council to charge business rates on properties used for STHL. We believe that this Action Plan was based on the Council's perception of the holiday letting problems and challenges in Byron Bay. We

believe and this Plan would have caused unfair “collateral damage” in Brunswick Heads which has a very different tourist demographic than Byron Bay. This is because in Brunswick Heads we have very successfully cultivated a Simple Pleasures marketing strategy that attracts tourists that predominately share the local community’s values.

People visit Brunswick Heads mostly during school holidays and at weekends. Visiting friends and relatives make up approximately 1/3 of our visitors. While our economy is mainly driven by tourism, it has only 8% of the shire’s total tourism market share and thus is a small tourist destination compared to Byron Bay. We appreciate however that it is difficult under current planning legislation to treat STHL differently in different areas of a shire, where these areas have similar residential zonings.

#### STHL Lengths of Stay

We support STHL up to a maximum stay of 90 days and that after that period the parties involved should then be subject to the Residential Tenancies Act 2010. We are however opposed to restricting the period during any one year, when properties are available for STHL.

#### Number of Bedrooms in STHL

We are supportive of exempt development STHL’s being restricted to premises with four bedrooms or less.

#### Presence of Hosts

There are very few properties in Brunswick Heads where hosts are present during STHL visitations. However a considerable number of STHL property owners do not live in Brunswick Heads and many of these owners stay in their own properties a number of times each year.

#### Housing affordability

The percentage of residential properties in Brunswick Heads that are STHL has stayed remarkably stable over many years and we do not believe that restricting STHL in Brunswick Heads would result in an increase in affordable permanent rental housing. In 2008, when the Council was considering a holiday letting model not dissimilar to that in its 2015 Options Paper, the Chamber conducted a survey of the local real estate agents’ holiday property clients, asking what would they do if the Council instituted their proposed STHL Plan. Somewhat to our surprise over 80% of them said that they would withdraw them from STHL mainly because of the prohibitive costs involved. They would then consider either selling their properties or retain them for their own family holidays only.

#### Registration or Licensing

Representatives of the Chamber have been office bearers in the Byron Holiday Letting Organisation, which was involved in developing an industry based Holiday Letting Code of Conduct in NSW. Thus we are familiar with an industry based Code of Conduct and

related regulatory mechanisms. However we do not support STHL self-regulation or co-regulation, but rather we support regulation through registration or licensing by a government body, preferably NSW Fair Trading.

Zac Tooth

President

Brunswick Chamber of Commerce Inc

PO Box 184

Brunswick Heads NSW 2482

[chamber@brunswickheads.org.au](mailto:chamber@brunswickheads.org.au)