

FRIENDS OF DURRAS

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Submission in response to Short-Term Holiday Letting Options Paper

The Friends of Durras is a community-based organisation established in 1985, with the goal of defending and improving the environmental integrity and natural values of Durras Lake, South Durras and North Durras villages and local beaches, and Murramarang National Park. Most of our members reside and/or own property in and around South Durras, and are active in conservation, planning and local community social activities.

This submission in response to the NSW Government Short-Term Holiday Letting (STHL) Options Paper reflects the concerns and, in some cases, traumatic personal experiences, of Friends of Durras members. While we have used local examples to support our case, we are aware from the media and our contacts throughout NSW that our observations and arguments have a far wider application. We have kept this submission brief, but if further elaboration is required on any of the points raised we are happy to supply this.

We are happy for the Department to publish both the content of this submission and the name of the Executive Officer (John Perkins, Convener, Friends of Durras) responsible for this content.

Summary of proposals

The single most important problem resulting from unregulated STHL operations is noise; in a quiet, orderly residential zone this can result in permanent home-owners experiencing distress, despair and - in the worst case - severe depression. Friends of Durras members argue that stringent, external regulation of STHL operations is essential, because our experience over the last 7-8 years - replicated around Australia - is that self-regulation does not work. We support the following solutions for implementation and/or facilitation at a State and/or Local Government level.

1. Year-round - or 'permanently dedicated' - STHL investment properties should *only* be granted permission to operate in areas zoned as suitable for commercial enterprises, because they *are* in fact commercial enterprises. These properties are unsuitable for residential areas.
2. Where owners of property located in areas zoned 'residential' wish to engage in STHL on a part-time rather than year-round basis, and where these owners do not commit to being present during STHL tenancies, then the total number of days per year during which STHL is permitted should be limited to no more than **50** days per year. (The presence of the property owner makes it more likely that any anti-social behaviour of STHL renters can be controlled.)
3. Where property owners commit to being present in their property throughout the entire period of all individual short term lets, and agree to take responsibility for tenants' behaviour, we suggest (subject to review) that no limit be put on the number of days during which STHL is permitted.

1. All categories of STHL operators identified above should be registered with the relevant local authority, and this authority should closely monitor adherence to the conditions under which these operators have been allowed to undertake STHL (i.e. the basic conditions outlined in points 1, 2 and 3 above). Where STHL operators fail to comply with these conditions, or where STHL operations are causing unacceptable disruption to local amenity, registration should be cancelled and permission to operate a STHL business should be withdrawn.
 - Neighbouring residents - or, in the case of properties in commercial zones, neighbouring businesses - should be consulted before registration of an STHL operation is granted.
 - Neighbouring residents or businesses should be empowered to trigger a review of registration of an existing STHL operation where grounds exist.
 - All STHL operators should pay a fee to be registered with the local authority, and fees should be used to cover this authority's costs of registering and monitoring STHL operations.

Introduction: Context

South Durras is a peaceful coastal village of around 400 permanent residents and surrounded by Murramarang National Park. It comprises beaches and bush of great natural beauty, with little commercial development other than one local shop and three medium-sized, well-managed, family-oriented, camping/cabin resort parks.

Over the past seven to eight years South Durras has seen a rapid growth in (i) the STHL of holiday houses owned by non-residents, and (ii) the purchase by investors of once solely residential houses for exclusive STHL use. In both cases this growth in STHL has been made possible - and now is almost entirely managed - by online platforms such as Airbnb and Stayz.

In the vast majority of cases, STHL involves renting out the whole house. We know of only one STHL property in South Durras where rental is limited to a section of the house only, and in this case the house owner is always resident on the premises during the renter's stay. Notably, this is the only STHL property about which, to our knowledge, no complaint has been made.

The consequences of the changing profile of South Durras - from quiet residential / holiday house location to a destination for unregulated short-term renters, who have no stake in either the natural or social environment - have been devastating for those permanent residents who find their home is now located close to a STHL property.

The spread of STHL practices is also increasingly destructive to the Durras community as a whole. South Durras is zoned 'rural, residential' in the local environment plan, and it is on this basis (the identity of South Durras as a close-knit and tranquil community) that many people have chosen to make their home here. Those owners who make their houses available as permanent STHL accommodation are using their properties for solely (or at best predominantly) *commercial* purposes, and we believe this contravenes both the spirit and the letter of our planning regulations.

That STHL properties are regarded as 'businesses', as opposed to 'spare space occasionally rented out on a short-term basis', is well illustrated in the 'For Sale' sign advertising a STHL property in South Durras reproduced in Figure 1 (next page).

Adverse impacts on local residents arising from STHL practices

While *all* potential impacts identified in the options paper are of some concern to the Friends of Durras - noise, waste, 'party houses', parking, and hazards and evacuation - **it is 'noise' which, without question, causes the most distress.**

Short-term renters are often extremely noisy: they are on holiday, they have paid for their accommodation, and they feel entitled to behave as they wish - free from normal social restraints. Renters typically have little regard for the character of the place in which they will only be spending a few days at most, and/or have little understanding of the way noise disrupts the peace and well-being of permanent residents. An increasing number of STHL properties are allowing renters to bring their dogs, and these inevitably add to the noise pollution, incessantly barking because they are in a new environment and/or because they have been left behind by owners busy exploring the surrounds. Even the STHL property 'clean-up' period following renters' exit is a source of unpleasantly loud noise, as most STHL property owners in Durras employ cleaners who invariably use leaf-blowers to maximum effect (over holiday periods, with rapid turnover, this can amount to the use of a leaf blower for between 30-45 minutes 3 or even 4 times a week, as deck, driveway and lawn are blown clean of twigs and leaf litter).

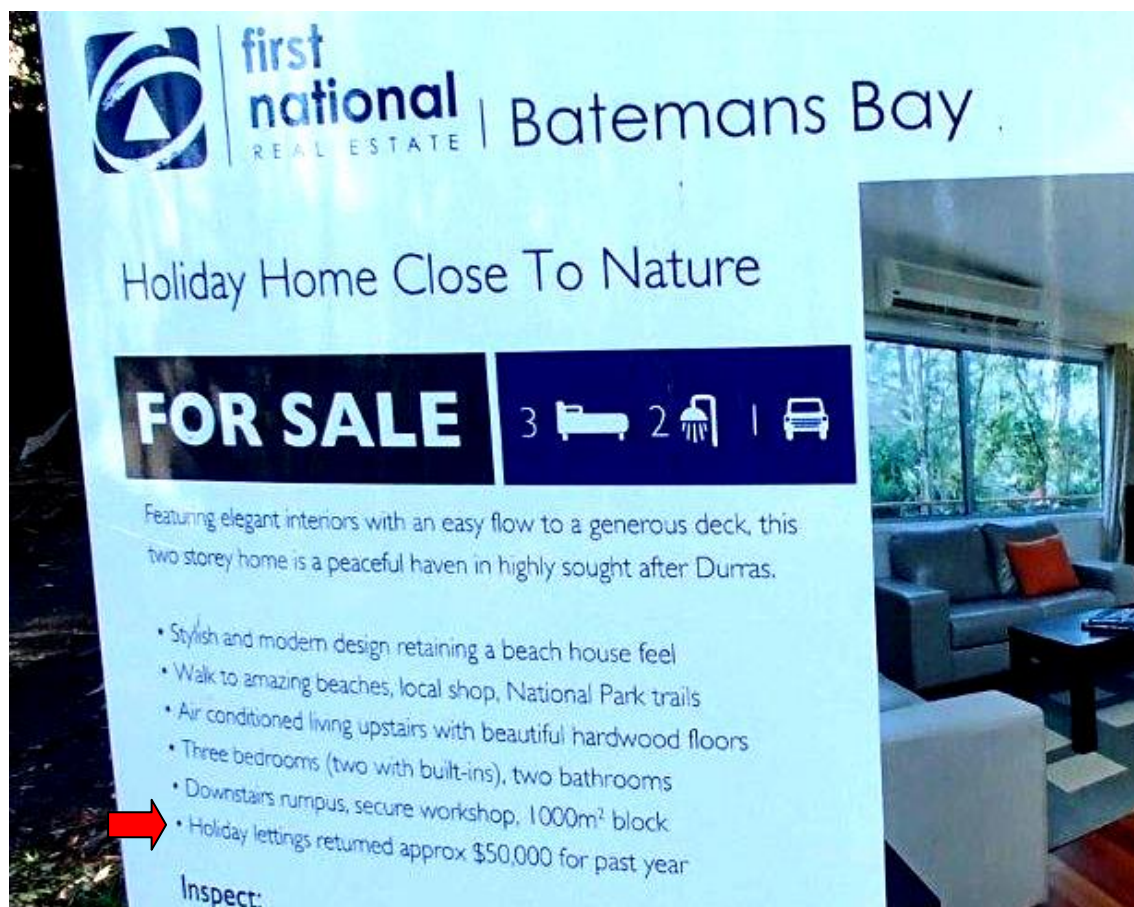


Figure 1: A year-round STHL property in South Durras advertised for sale around 2015 (the property was not sold). The investor-owner of this property, ironically described here as 'a peaceful haven', has been the recipient of multiple complaints regarding excessive noise over the past 5-6 years. Despite the involvement of sympathetic Eurobodalla Shire Council officers on behalf of long-suffering neighbours, this owner has taken no effective action to ameliorate the problems caused by his practices. Note that the sign specifies 'holiday lettings' returned approximately \$50,000 in the previous year, clearly identifying the house as 'business premises' rather than a 'domestic residence', although the area in which the house stands is zoned for residential purposes only.

As far as we know, there are no designated 'party houses' for STHL in South Durras, but this does not prevent STHL property owners, knowingly or unknowingly, renting their property to an individual who then turns it into 'party central'. It is not uncommon for STHL properties advertised as suitable for 6-8 people to be occupied by anywhere from 12 to 20 adults, who proceed to party late into the night/early morning (see Figure 2). Our main concerns relating to 'party houses' are for the

most part a subset of the primary problem of ‘noise’ - loud music and raucous screaming into the early morning. Party house noise concerns are compounded by (drunken) party-goers trespassing on neighbouring properties (usually accidentally, mistaking the neighbouring house for their rented one), urinating and vomiting in the street, and causing general nuisance.

- Noise-affected Durras community members report feelings ranging from anger, through despair, to depression as a result of the noise they are forced to put up with from STHL renters. In addition to loss of amenity, there is loss of sleep. Even when the rare set of renters make no excessive noise, anticipation that they *may* do so causes home-owners neighboring STHL properties to feel anxiety, and one permanent resident describes a feeling of “*being perpetually on edge*”.
- Affected home-owners meet with mixed success when they ask renters of neighboring STHL properties to reduce their noise (e.g. to lower the music volume, keep yapping dogs inside, etc.). Some renters are responsive, but others ignore such requests, and yet others are abusive, on occasion implicitly or even *explicitly* threatening violence.
- Some home-owners have directly contacted the owners of particularly noisy STHL properties to explain the impact of rental practices on their health and general amenity and to request changes in rental practices to resolve problems (one home-owner has sent over 80 texts and emails in the last three years to the owner of the neighbouring STHL property). In not one case to date has the owner taken action to improve the situation. Investor-owners, in particular, have been uniformly dismissive. For example, in response to complaints about uncontrolled noise from the next door STHL property, one home-owner, happily resident in Durras for 15 years before his neighbour’s house was sold to an investor, was told:

“If you don’t like the noise, why don’t you consider moving?”

- A few home-owners have also contacted the online platforms on which the STHL property owners advertise. Stayz, for example, followed up the above property owner after one such communication, but no change in that investor’s renting practices eventuated.

The other impacts identified in the options paper all apply to the South Durras experience: large STHL rental parties frequently generate waste in excess of what can be fitted into rubbish bins, and this may be deposited in the street or in neighbours’ gardens; when there are numerous tenants (‘party houses’) their cars are often parked out along the street and sometimes block residents’ driveways; and, given the ‘bush’ nature of South Durras, evacuation might be a concern if there is risk of fire. All these impacts are of minor concern in comparison with the unremitting impacts of noise, however.



Figure 2: Five cars outside a STHL property in South Durras (March 2017) - an unofficial ‘party house’ for 20 young adults, involving loud music and attendant noise until 2a.m. The tenants ignored repeated requests from local residents to reduce noise levels, and the police were called.

Managing STHL practices: South Durras experience and proposals for action

Experience

- **Experience of short term letting practices in South Durras over the past 7-8 years clearly demonstrates that STHL industry self-regulation does not work in relation to short term rentals of an entire dwelling (house or unit) where the owner is absent during the rental period.** In the experience of Friends of Durras members, investor-owners, in particular, have shown no sense of obligation to their neighbours or the community in which they are operating, refusing to moderate STHL practices in any way which might compromise their profit, regardless of the fact that this profit is based on the discomfort - and sometimes actual suffering - of those around them.
- Our experience indicates that where the capacity for STHL rental is year-round, the frequency of tenant change-over is disruptive to neighbourhood peace and quiet (for example, excessive noise from tenants unpacking and packing up again, barking dogs settling in to a new environment, cleaners with leaf-blowers)
- Our limited South Durras experience (one case only) suggests that the presence of an owner on the property during the rental period may well serve to limit tenants' behaviour to that acceptable in a normal residential area (i.e. no excessive noise, no excessive drunkenness, no house over-crowding, control of dog noise).

Proposals/preferred options

Friends of Durras members argue that external regulation of STHL operations is essential. In most circumstances self-regulation will not - *cannot* - work, because it requires STHL operators to act in a way which compromises their ability to maximize their profits. This is being recognised by authorities world-wide, with an increasing number of cities (and regions) implementing regulations limiting STHL operations to protect the quality of life of their permanent residents.

We propose the options outlined below be adopted and/or facilitated at State and/or Local Government levels.

1. **Year-round - or 'permanently dedicated' - STHL investment properties should only be granted permission to operate in areas zoned as suitable for commercial enterprises.** Before opening for business, year-round STHL property owners should be required to obtain the same formal developmental approval(s) and held to the same standards of hygiene, health and safety as traditional operators of commercial holiday accommodation.
2. **Where owners of property located in areas zoned 'residential' wish to engage in STHL on a part-time rather than year-round basis, and where they do not commit to being present in that property for the duration of all individual short term lets, then the total number of days per year during which STHL is permitted should be strictly limited.** We suggest that, in the above circumstances, the period available for STHL should be limited to a total of no more than 50 days per year.
3. **Where property owners commit to being present in their property throughout the entire period of all individual short term lets, and formally agree to take responsibility for ensuring no disruption to local amenity (specifically, the 'peace and quiet') of residents in the vicinity, then we suggest that no limit be put on the number of days during which STHL is permitted.** This situation would be subject to review on an individual operator basis if complaints are received indicating disruption to amenity is occurring on a regular basis.

4. **All categories of STHL operators identified above should be registered with the relevant local authority, and this authority should closely monitor adherence to the conditions under which these operators have been permitted to undertake STHL (i.e. the basic conditions outlined in points 1, 2 and 3 above).** Where STHL operators fail to comply with these conditions, or where STHL operations are causing unacceptable disruption to local amenity, registration should be cancelled, and permission to operate a STHL business should be withdrawn.
- Before an operator in any of the above categories is accepted for registration, neighbouring residents - or, in the case of properties in commercial zones, neighbouring businesses - should be actively invited to make a submission indicating (a) whether they support the application for STHL operation, and/or (b) whether they anticipate problems arising from the operation of STHL in their vicinity, and, if so, how these might be mitigated.
 - Neighbouring residents or businesses should be empowered to trigger a review of the registration of an existing STHL operation *if* this operation is disrupting local residential amenity or the operation of other, established businesses.
 - All STHL operators should pay a fee to be registered with the local authority (this would logically be on a sliding scale, reflecting the amount of income likely to be generated by the operation). Fees should be sufficient to cover local authority costs of registering and monitoring STHL operations.

Thank you for this opportunity to comment on the very real, and growing, social problem of unregulated STHL practices.

Yours

John Perkins

Convener, Friends of Durras