

**SUBMISSION TO THE IPC BY LIZ FRIEND
RE. BYRON SHIRE SHORT TERM RENTAL
ACCOMMODATION PLANNING PROPOSAL**

8.3.23

A housing crisis is on the rise in the Byron Shire, driven by massively inflated property prices and rental shortages on the back of a boom in short-term holiday accommodation and out-of-town investors. I was so troubled by the stories and sheer volume of unhoused and displaced Shire residents that in the past two years I was called to create two fundraising and awareness campaigns to address the issue: 'Reality Check' in 2021 and 'Art Aid' later that same year. Campaign donations were made to the NRCF (Northern Rivers Community Foundation) and over \$80,000 was raised and distributed to a number of local community organisations that directly deal with homelessness in our region.

More recently, I have been at the helm of a new **petition, 'Byron Deserves Balance' (2022-23), campaigning for a 90-day cap on un-hosted holiday rentals in the region, amongst other regulations aimed at restoring housing availability.**

To give context to this crisis - after the onset of the COVID-19 pandemic in March 2020, property sales in the Byron Shire – like many coastal areas – began to skyrocket. The median house price in Byron Bay has now risen to over \$3 million, more than double what it was at the start of the pandemic (realestate.com.au, 2023). But it is not just the housing prices that are of concern: it is what that housing is being used for.

Approximately 10% of properties in Byron Bay have always been dedicated to holiday rentals, but that has now ballooned to 40% - driven primarily by holiday letting sites such as AirBnB. Consequently, there has been far less permanent accommodation available for locals and workers and, as a result, a large increase in rental prices. According to the Everybody's Home project (2022), rents in the Northern Rivers have surged by 10.5 per cent each year for the last three years, and now sit at a median of \$965/week for houses and \$750/week for units in Byron Bay and nearby areas (Realestateinvestar.com.au, 2023).

But these are not just figures – people's lives have been turned upside down. Many have been evicted from permanent accommodation they have held for years in order to make way for part-time holidaymakers. The Byron Shire now has a homelessness population second only to the City of Sydney, despite having only just over 15% of its population (abc.net.au, Byron Shire Council 'Street Count' 2023). The devastating Northern Rivers floods of February/March 2022 only compounded this crisis.

While collecting signatures for 'Byron Deserves Balance', I heard many distressing stories from locals – too many to list. Below is simply a snapshot of the reality of our region:

- People who are living day to day, not knowing when they will be kicked out of their homes.

- Families and individuals who have had to move between five and eight times in a single year.
- Women over 55 who are couch surfing and living in their cars / vans.
- People in their 70s who have lost their homes due to sudden eviction.
- People being given 14 days notice to leave their homes.
- People with no homes to go to.
- People signing the petition and bursting into tears because they are desperately upset about their situation.
- Parents with children whose lives have been significantly upturned and disrupted – not living near their schools or friends, etc. – along with the stress of housing and work insecurity.
- Many people who are living in tents or cars to maintain their jobs in the region.
- People suffering from severe depression and other mental health issues due to long- term displacement and homelessness.
- People who have experienced massive increases in rent and are finding it increasingly difficult to make payments from week-to-week (eg. \$800/week for a one-bedroom flat in Mullumbimby).
- People who have been affected by the 2022 floods who have no home, no possessions left, and are in severe crisis.
- I also attach a piece written to me by Claire re. the very difficult circumstances she is experiencing for both herself and her young son regarding possible homelessness.

While Netflix promotes the series 'Byron Baes' showcasing Byron as a glamorous hub of cafes, yoga, celebrities and Instagram influencers, these are the stories not being told.

Countless people are living in tents, cars, caravans, and couch-surfing. Business owners are struggling to find staff as more and more people are being forced to move away from the region due to lack of affordable housing and hundreds without any form of shelter to go to at all. (Ben Kirkwood, owner of the Beach Restaurant in Byron Bay, famously even put up his staff in his own home in order to keep his business running and yet, strangely enough, he is now supposedly supporting the Byron Deserves Better lobby group!)

But it is not just the unhoused that are suffering from this unimpeded influx of holiday letting. Without monitoring in place as to how many people are in a holiday let at any given time, there are many cases of other people joining already overcrowded and noise intrusive situations, with partying and cars coming and going all hours of the day and night – significantly disrupting local neighbours. There is ample research from Southern Cross and Sydney University indicating that Short Term Rental Accommodation (STRA) in residential areas is detrimental to neighbourhood amenity, hollows out communities, and locks many key workers out of accommodation (Gurran et al. 2020, 2022; Che et al, 2020).

I am not opposed to holiday letting entirely, and recognise its benefits to our region and economy – but there must be a balance. While the ‘Byron Deserves Better’ lobby (helmed by investors and real estate agents) have spent thousands of dollars in the local press attempting to argue that the economy of the Shire will fall apart without unencumbered tourism dollars, not once have I heard them consider locals who need permanent homes. They pay lip service to the need for social housing, but at the same time share false figures on the number of holiday lets in the region, as well misleading descriptions as to what would happen if the 90-day cap was passed. (Please see attached copies of two ads (The Echo Sept-Oct ’22), which completely override Byron Shire Council’s own figures). In reality, cities such as Berlin, Barcelona, Amsterdam, London and Los Angeles have given us a roadmap whereby both healthy regulation and tourism can coexist successfully. Many other cities are following suit.

But this lobby is, of course, made up of people who are profiting massively off this crisis. Investors reaping the financial windfall of inflated rents and property prices, and real estate agents accumulating millions of dollars in commissions – while only TWO out of the over one-hundred I contacted during my ‘Reality Check’ fundraising campaign were willing to make donations to support the unhoused and displaced.

We need to get some balance back into our region, where the community can regain their power, where there aren't streets with empty houses half the year while the homeless – and much-needed workers – have nowhere to go. Our community and economy cannot be sustained without addressing this crisis. It is actually communities that keep places alive: those who live, work, create, volunteer, and contribute to our social capital. Regulation must be put in place so that this does not continue to happen – or, more distressingly, get even worse.

Byron has the opportunity to set a crucial precedent. I implore you as IPC Commissioners to encourage the NSW government to pass the 90-day cap on un-hosted holiday letting in residential areas of the Byron Shire, as well as implement stronger regulation on the number of properties that investors can purchase, and the manner in which holiday letting is conducted (noise and car parking regulation, increased signage, etc.). There also needs to be legislation that enforces investment in homes for permanent letting. We are never going to get out of this crisis without sufficient regulation.

I am writing this submission for close to 6000 people within our community: 5826 individual people and individual stories of navigating this crisis. I ask that you do not see this as ONE submission but nearly 6000 submissions, 5826 voices. Because this is about people, livelihoods, and the future of our community – and it couldn't be more important.

With thanks Liz Friend

8 March 2023