



New South Wales Government
Independent Planning Commission

TRANSCRIPT OF PROCEEDINGS

RE: BYRON SHIRE - SHORT TERM RENTAL ACCOMMODATION
PLANNING PROPOSAL (PP-2021-3351)

BYRON BAY CHAMBER OF COMMERCE MEETING

COMMISSION PANEL: DR SHERIDAN COAKES (Panel Chair)
PROFESSOR RICHARD MACKAY AM
JULIET GRANT

OFFICE OF THE IPC: STEPHEN BARRY
OLIVER COPE

BYRON BAY CHAMBER
OF COMMERCE: JASON BENTLEY
DIEGO TRIGO
DONNA LORENZ

LOCATION: VIA VIDEO CONFERENCE

DATE: 1.00PM, FRIDAY, 17 FEBRUARY 2023

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DR SHERIDAN COAKES: Before we begin, I'd just like to acknowledge that I'm speaking to you from Worimi Land and I acknowledge the traditional owners of all the country from which we virtually meet today and pay my respects to their Elders past and present.

Welcome to the meeting today to discuss the planning proposal to reduce the number of days of non-hosted short term rental accommodation in parts of the Byron Shire currently before the Commission for advice. My name is Dr Sheridan Coakes, I'm the Chair of the Panel and I'm joined by my fellow Commissioners Professor Richard Mackay and Ms Juliet Grant. We're also joined by Stephen Barry and Oliver Cope from the Office of the Independent Planning Commission.

In the interests of openness and transparency and to ensure the full capture of information, today's meeting is being recorded and a complete transcript will be produced and made available on the Commission's website. This meeting is one part of the Commission's consideration of this matter and will form one of several sources of information upon which the Commission will base its advice. It's important for the Commissioners to ask questions of attendees and to clarify issues whenever it is considered appropriate so if you are asked question and you're not in a position to answer, please feel free to take that question on notice and provide any additional information in writing which we will then put on our website. I request that all members here today introduce themselves before speaking for the first time and all members to ensure they do not speak over the top of each other to ensure accuracy of the transcript. We will now begin.

So thank you very much for joining us online this afternoon. We had provided an agenda of certain items that we'd like to hear from the Byron Bay Chamber of Commerce covering, I guess, how you view the importance or contribution of STRA to the Byron Bay economy, your views on the planning proposal and also your perspectives around STRA regulation within the shire. So if I could please hand over to one of you to commence the meeting.

MR JASON BENTLEY: Cool. My name's Jason Bentley, I'm the Byron Bay President of the Chamber of Commerce. Did you guys want to - Diego and Donna, do you want to introduce yourselves?

MS DONNA LORENZ: Sure. My name's Donna Lorenz, I have a business in Byron called I Love a Dog and I am Vice-President of the Byron Business Chamber.

MR DIEGO TRIGO: Yeah. And my name is Diego, I run a digital agency called Hello Again and also the Vice-President, I share the role with Donna.

DR COAKES: Thank you.

MR BENTLEY: Lovely. So, yes, so obviously it's been a very hot topic in Byron Bay over the last kind of six months or so. So I think the main thing for us is that, you know, we represent the views of our membership and of the business community. So the views that we discuss today are essentially aligned to what their insights and

feedback to us has been and not really individual opinion or perspective. When we heard about this process of the actual short-term living gap we basically - as we always do - we sent out a survey to our membership to gain their insights and feedback so that the chamber could determine a position moving forward as to what we can do to support or advocate (not transcribable), right?

10 So we put this survey out, like I think it was midway through last year and what really came back was that obviously this is something that is happening in the shire but that the main priorities and main concerns of business were staff availability and staffing shortages across the region, skilled migrant workers, et cetera, and also housing affordability and availability. So even though we put out there a survey specifically around the short-term rental gap the feedback that came back said primarily that was the business communities concern.

So with that we then decided to have a relatively balanced perspective based on our membership's views of what was going to happen with the view that as always with business, you know, we will continue to collaborate and we calibrate based on the environments and things that are changing around us. But I think what was really interesting was this Christmas we were down 25 per cent versus last Christmas, right, in regards to visitation to the region and last year we went through this thing, like what people were referencing it as Byron fatigue.

20 So a lot of people that have been here during COVID and domestic tourism and all that sort of stuff, a lot of those people went overseas this Christmas and so Byron being heavily reliant on tourism we were down quite a lot and I think what was really interesting, certainly from my perspective and where I live, is I live in Alcorn Street in Suffolk Park which is high density Airbnb environment and short term living environment and it was very quiet. You know, the community was quiet and it was very quiet and I think you kind of led us to kind of - sitting from my perspective was to kind of review, okay, what is our role as a chamber, what are we actually trying to do? And the main thing for us is to build long-term sustainable growth and community. You know, and so for us it's kind of like, well, how do we go about
30 doing that? Is it people coming in and renting Airbnbs and then leaving the region where we're quite susceptible to downturn in visitation which is what happened at Christmas or is it about attracting skilled workers into the region, families, all that sort of stuff that can see infrastructure and community built over a decade or two and I think those are kind of the key questions that we're asking ourselves and we're evaluating what's happening and I think in all honestly, given there's so much staffing shortages and everything across this region that's deeply impacting business, that building community and building families and infrastructure to support that is probably more important than the short-term letting cap that's been recommended that's out there.

40 DR COAKES: Do you - Jason, you know, do you think there's been adequate assessment of the impacts of the planning proposal on local businesses that service STRA in the area?

MR BENTLEY: Well, I think what's interesting is that, you know, we're going into unchartered territory in a lot of ways, it's not like this has been done before and we've got key studies that we can look at and evaluate and certainly whether there's global versus local Australian case studies, as far as I'm aware there isn't any, but what I do know is that businesses here locally there'd be, you know, a lot of requirement for resources, right? So we were talking about it at our board meeting the other day that, you know, businesses will evolve and recalibrate so at the moment you can't even get a gardener in Byron Bay for like a good couple of months, you know? You can't get cleaners, you can't get hospitality, you can't get bartenders, all that sort of stuff,
10 they're just not around and so what that means is that it's impacting our ability for businesses to run at full capacity all year around.

So for us that's probably the primary, again, the primary concern that we've got in this region and again it came out, we did our business barometer survey in January and it came back there was 70 percent of businesses here were concerned primarily around staffing shortages across the region.

MS LORENZ: So may I add to what you've just said, Jason. In our survey, original survey around the short-term rental, what the impacts would be, we asked the specific question around how many jobs would be lost based on this change in policy and it was very, very little, it was, that's where it really came out that there was - and
20 because we hadn't asked really a question around staff shortages the fact that that came out so consistently from people with no sort of structured questioning really showed that the impact based on what had been shared for a loss of, as Jason said, gardeners, cleaners, all of that type of support roles didn't come through. And just again to support what Jason's just said, I literally just had a meeting with someone who was saying that they were, their partner was actually a cleaner now and because they were getting a hundred dollars an hour to clean a house or Airbnbs. So not everyone can afford to have cleaners at a hundred dollars an hour but there are some that are obviously doing that and so they're adapting. So those places still need
30 cleaning, gardens still need to be gardened so it does feel like there would be a shift of those roles rather than a loss of them completely.

DR COAKES: Okay. So from the chamber's perspective the introduction of a cap you feel would have little impact on businesses in the shire?

MS LORENZ: Based on what the survey told us and what our anecdotal experience is for the wide range of businesses that we also represent I would think so, yeah, and even some of the tourism members who have hotel accommodation I think see it as a plus for them because that is their role. So, you know, not everyone sees it as a bonus and there are communities in many areas of Byron that are fairly empty when the tourists aren't there. There can be, particularly in the more beachfront of affluent areas where they are just all holiday homes, and no one lives there and we need
40 community, everyone needs community to be able to support all of the supportive infrastructure for other things like schools and roads and things like that. So there is potentially an intangible impact to the community by having this imbalance in the types of people who are here more consistently.

DR COAKES: And just picking up on one of Jason's comments around the different areas. For our benefit are they obviously different levels of visitation? Some of the submissions have been talking about that sort of northern end of the shire but are there different sort of, I guess, rates of visitation to those different areas?

MR BENTLEY: Look, if you mean like, you know, Wategos versus Tallows Beach or Suffolk Park, et cetera, I don't know if it's a, it's a, you know, geolocated kind of trend. I think in the end visitation is visitation. You know, we were just down big time and the thing is if we're down 25 per cent this Christmas, that was based on year-on-year last year which was actually COVID Christmas, you know, and that sort of stuff and that year was - I'll tell you what was really shocking about that year is the business had been through all the lockdowns and everything and that sort of stuff and then visitors came into the region but because there was no staff and staff unavailability issues with COVID and all of that sort of thing a lot of the main businesses like The Balcony and all those places downtown were shut and they're looking off The Balcony at people downtown and they just didn't have staff to service it. They couldn't open up, you know? And so our concern is that, you know, like something just needs to change is, I guess, what our perspective is and if this is something that is going to potentially flip houses onto the rental market that brings more families and more skilled staff into the region then, yeah, potentially it's a good thing.

I think the other thing that we're a little bit concerned about is kind of the mix of businesses that are opening up in Byron Bay. Like we're one of the fastest startup hubs in Australia in regards to startup businesses. Me, Donna and Diego would probably attest to that, actually most of our board are all running their own companies, we're all entrepreneurs, all of that sort of stuff and like we've seen significant growth in that area and even our membership significant growth in startups but will those startups come into this region if they can't afford to, you know, find availability of housing, you know, find infrastructure in offices, find staff, all of that sort of stuff or are we going to all of a sudden, you know, they'll go elsewhere.

DR COAKES: So have you noticed any difference with the introduction of the 180 cap within the community?

MS LORENZ: I certainly haven't.

MR BENTLEY: Yeah.

DR COAKES: Okay.

MS LORENZ: Certainly not in, with regard to staff shortages and things like that, that might be more a question for those that are in the short term rental orbit but, no, it certainly hasn't helped nor hindered anything from the broader business perspective, it would seem.

DR COAKES: And just in terms of that, I guess - you know, we've heard in submissions the dependence of certain, certain businesses on the STRA sector, what I

hear you saying is, you know, you're saying really it's the lack of staff for those businesses in the key issue rather than any impacts of reduced STRA on those businesses - - -

MR BENTLEY: Yeah.

DR COAKES: So I want to hear that - yeah. So that is a bigger, that's the bigger issue compared to - - -

10 MS LORENZ: We haven't necessarily - it's not necessarily set in stone that STRA is going to serve the staff shortages either, you know, but there is definitely an argument that often gets made that these, you know, four million, three million dollar homes overlooking Wategos may not end up being a rental property for, you know, baristas and home cleaners as a form of this but, you know, they end up being sold to new business owners and new community members and that might also be a shift. So there is a variety of housing stock obviously and how they are used, if they're not used for short term rental accommodation would presumably be varied across the community also.

20 MR BENTLEY: Yeah. To Donna's point, some of the businesses are actually quite creative and actually setting up shared houses themselves and bringing in chefs and baristas and hospitality to share a house and they've rented it out in Byron Bay and it's solved some staffing issues. So there's, you know, those sorts of opportunities to look creatively at it.

DR COAKES: Richard, you've got a question?

PROF. RICHARD MACKAY: Yes, it's Richard Mackay. Do you have any data or any sort of serious anecdotal evidence about the effect of housing shortages on the tourist-related commercial activity in Byron Shire. You know, I guess I'm asking about the other side of this argument, you know, how badly is the lack of long-term housing availability affecting business in Byron?

30 MR BENTLEY: I'll give you a good, like a good example is that a lot of the people that actually operate businesses in Byron have to live outside of the Byron Shire. You know, they're living further north, they're living further south and so a classic example would be, you know, the floods last year are a good example is that, you know, a lot of the people that actually work in downtown Byron weren't able to get to downtown Byron for their jobs, like school teachers and various things like that because they live outside of, you know, further out and so we actually, those environments had to shut down because people weren't able to get to work which is evidence of people having to live further and further away from where their actually, their office work is.

PROF. MACKAY: Are there many examples of businesses that are actually needing to close or restrict because they can't get workers because of the lack of accommodation for their workers?

MR BENTLEY: Well, I think the thing is it's not necessarily accommodation, it's just the availability of staff so when someone's evaluating whether or not they're going to live in Byron Bay they've got to look at, okay, what is the cost of living versus wages and that sort of thing but we know scores of businesses that weren't able to open seven days a week up until probably a few months ago because they just didn't have the staff to open.

PROF. MACKAY: And, I guess, I'm just, and I'm being sort of persistent with this but are the staff not available because the accommodation's not available or because there is better opportunities elsewhere?

10 MR TRIGO: Well, I think it's a mix of everything. Just jumping in here. You know, there are other initiatives here trying to solve the shortage of staff. You know, if it is accommodation they are living elsewhere but, and then they have this - another incident happening, you know, the bike, the bike trail so they're taking the train lines and, you know, making as a bike trail so people can ride through Byron Bay because now traffic is really bad as well when trying to get here but everyone live outside of Byron so to get into Byron Bay then there are huge lines of cars trying to get in. So, yeah, to answer your question, Richard, I think, yeah, I think, I think it is related but I don't, I don't know if our survey results address this, your exact question but our feelings that, yeah, it is, it is related.

20 People move here and then they don't have anywhere to stay and we can see that on our Facebook group, you know, every, everyday pretty much people looking for, you know, I got kicked out of my house because, you know, the owner is either selling for, you know, multi-million dollar value or to buyers for, you know, just renting to, you know, short-term accommodation.

MS LORENZ: Yeah. So the rental prices are a factor. As Diego says it's multifaceted, the rents have gone up so the cost of living here has gone up for a lot of people that were quite comfortable in the way that the things worked before when rents were at a Byron Bay price and not a metropolitan city price. So things have shifted that way as well but just supporting both of what the guys have said as well,
30 during COVID there were issues like doctors that couldn't cross the border, teachers that couldn't cross the border. So really showed the diversity of where people are living that the people that are teaching kids and helping people with their medical care. It's not just baristas and hospitality staff, it's a broad range of professionals that are vital to the community and for whatever reason - many reasons - they're living further away and when they are not able to get here then that causes problems that were unforeseen.

PROF. MACKAY: Thanks.

DR COAKES: So just moving then onto some of the sort of strategy piece, you know, what form and level of regulation do you see as appropriate for short term rental
40 accommodation in the Byron Shire and, you know, I guess leading on from that

because we've got about 10 minutes left, you know, what are other potential housing ideas and recommendations from your view - in your view?

MR TRIGO: I think it's definitely worth having this regulation in place. You know, as Jason said, it is quite innovative, doesn't seem like anyone else in Australia they are trying to start off regulation. So I think it's worth trying for a bit of time to see the results, maybe it's positive, maybe it's negative. I think it's a little bit hard to guess at this point but from my point of view I think it's worth trying and see how it goes. If is positive, the end result, positive or negative, I think if we go through for a period of time then I think it's, you know, it's worth trying and going back, removing or adding or (not transcribable). I don't know, Jason, want to say something?

MR BENTLEY: Yeah, yeah, yeah. Look, like I kind of agree with you that maybe there needs to be a review period over a period of time to get a real good understanding of what this looks like, whether it's - but I think you need to give it a good runway, like it would have to be a good few years at least to really get decent trending as to what that looks like. I mean, you know, we're still not operating under normal economic circumstances anyway and there's obviously a lot more things coming this year that are going to be stressing a lot of people out but what we don't want to end up doing and certainly it's a trend that I've heard a lot of is a lot of the workers are living in the hostels, you know, and - - -

MR TRIGO: Or in their cars.

MR BENTLEY: Yeah, yeah, yeah, in their cars and that sort of stuff and that is not a sustainable environment to build community, whether it's safety or not or economically or any of that sort of stuff. So that's why something needs to change, you know, and it's only going to get worse if we keep going down the path that we're currently going on.

MS LORENZ: Potentially one - one option to float, whether it's specifically this or a variation of it is that there is often a lament that the people that are coming into town are not paying for the infrastructure that they use and, therefore, it falls onto the local population to provide the costs and wear the, the wear-down of that infrastructure. So potentially it would be great for the industry to consider how they might pay a levy towards an affordable housing fund or an infrastructure fund. It might behove them to seen as being part of the community and a contributor to the community rather than a net deficit if there was something that was very clearly contributing.

One example that I've used recently as a concept is the, there used to - I'm old enough, I don't know that they're still around but I'm old enough to remember when you used to have to pay an airport tax and maybe you go to Buenos Aires and you would pay, irrespective of your airfare you had to pay 20 bucks that got stuck onto the air ticket and you were not going through that airport if you didn't pay that. So maybe there is a levy that's either a percentage or something of the fees that might be able to be hypothecated into a relevant fund for the community.

MR BENTLEY: It helps for housing development, all of that stuff, yeah.

MS LORENZ: Yeah, for roads, for all sorts of things that are definitely affected by this, the tourism population. We certainly don't not want tourism so it's finding that balance of what is community in a tourist-oriented place. So I know up the coast, Rainbow Beach, has been having a very similar issue where people have businesses and they can't get staff or they can't get accommodation for their staff and most of the suburbs are empty in the off season or even during the mid-weeks so, and it's disproportionately full with people who aren't part of the community during the weekends. So, you know, there must be a balance or a blend somewhere that we all enjoy.

10 DR COAKES: So you're suggesting too that workers they're wanting those houses close in to , closer in to Byron and you just mentioned, Jason, some of the creative strategies, I guess, businesses are using in terms of - can you just expand on that just a little bit so that - - -

MR BENTLEY: Yeah. Basically one, one major business downtown are really struggling for capacity, being able to open up and that sort of stuff, had to essentially set up a shared housing scenario where they could actually attract talent into the region, say we'll basically bring you into the region, you know, share hospitality staff, all of that sort of stuff into a shared rental environment. So that to me just shows creativity and approach if there was more of those types of rentals available in the
20 market space.

DR COAKES: Okay. Juliet and Richard, any further questions?

PROF. MACKAY: Not from me but that's been very helpful and informative, thank you very much.

MS JULIET GRANT: Yeah. No, thank you, not from me but again found it really great to have your local insight, so thank you.

MR BENTLEY: Yeah. And thank you, guys, because I understand it's quite a process for you guys to go through and everything like that and I know there's a lot of emotion tied to it and we definitely, we definitely know that there are businesses that will be impacted if this goes ahead well and we feel for them but we do feel that, you
30 know, as - our responsibility of Chamber of Commerce is to build long term sustainable business communities and we feel that something at the moment is not working for us and if this is an opportunity for change then that's fantastic and we'll evaluate that accordingly over time, I guess.

DR COAKES: Okay. Terrific. And just a quick question - last question from me. Do you work sort of collaboratively with the other chambers within the - - -

MR BENTLEY: Yeah, yeah. So we, so we're probably one of the stronger chambers across the region. We've got a Board of 10 people and we kind of work closely with North Byron, Bangalow, Mullum, all of those guys and we collaborate pretty consistently on sharing insights and what's happening and various things like that,

local insights from important local knowledge and then, then collaborate on opportunities to kind of deliver solutions and provide value to our memberships.

DR COAKES: Okay. Terrific. All right. Well, thank you. Thank you all for your time this afternoon.

10 MS LORENZ: Can I just add one final thing, just sorry to - on those potential policies. One of the tools that might be able to help people come into the region or one of the constraints or hurdles is of both parking and public transport. So you can't have people have to live far away and not have group public transport into town or good parking facilities and it also goes to what Diego said earlier about the Byron Bay traffic jam that goes through Ewingsdale, it's ridiculous. So there are potentially - you know, there's enablers and there's hurdles and it does seem to me that there needs to be a multifaceted policy solution that can help alleviate some of these. I doubt that there is any one stop panacea that's going to - whether it's the short-term rental cap or not is going to solve all of those problems.

DR COAKES: Okay. Terrific. Well, thank you, Donna, and thank you, Jason and Diego - - -

MS LORENZ: Thank you everyone.

DR COAKES: - - - for your time today.

MR BENTLEY: Have a lovely afternoon. Have a good weekend.

20 **MEETING CONCLUDED**

[1.28pm]