



**New South Wales Government**  
Independent Planning Commission

## **TRANSCRIPT OF PROCEEDINGS**

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

### **PUBLIC HEARING DAY 2**

<b>COMMISSION PANEL:</b>	DR SHERIDAN COAKES (Panel Chair) PROFESSOR RICHARD MACKAY AM MS JULIET GRANT
<b>COUNSEL ASSISTING:</b>	LUKE WATERSON SC
<b>LOCATION:</b>	BYRON COMMUNITY CENTRE 69 JONSON STREET, BYRON BAY, NSW 2481
<b>DATE:</b>	10:00 AM, WEDNESDAY 22 FEBRUARY 2023

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**COMMISSIONER SHERIDAN COAKES:**

Good morning and welcome to Day Two of the Independent Planning Commission's public hearing into the Byron Shire Short-term Rental Accommodation Planning Proposal. I'm Dr Commissioner Coakes and I'm the Chair of this Independent Planning Commission Panel. Joining me are my fellow Commissioners Miss Juliet Grant and Professor Richard McKay. We also have Luke Waterson as Counsel Assisting at this Public Hearing. Before we begin I would like to acknowledge the traditional custodians of the lands on which we meet and pay my respects to the Elders past, present and emerging. And to the elders from other communities who may be participating today.

On the 14th of December 2022, the Minister for Planning and Homes wrote to the Commission requesting advice and recommendations as part of the finalisation of Byron Shire Council's planning proposal. Council's planning proposal seeks to make amendments to the *State Environmental Planning Policy (Housing) 2021* to amend the number of days of non-hosted short-term rental accommodation in parts of Byron Shire.

Given the large number of submissions related to the proposal and potentially significant economic impacts they could have on local businesses, the Minister for Planning and Homes has sought the advice of the Commission. The Minister has additionally directed the Commission to hold a public hearing to provide an opportunity to hear public views from both the community and industry.

In the interest of openness and transparency, this hearing is being live-streamed on the Commission's website and a full transcript of the hearing will also be published on the Commission's website in the next few days. Written submissions on this matter will be accepted by the Commission until 5:00 PM on Wednesday the 8th of March 2023 and you can make a submission using the Have Your Say portal on our website or by email or post.

We have many speakers today on our schedule and as such I would ask everyone presenting today to try and keep to your allocated speaking time so we give ample opportunity to everyone to have their say. As Chair I will maintain these timeframes to ensure everyone receives their fair share of time. However, I do reserve the right to allow extra time for the Panel and Counsel Assisting to ask questions or to hear new information. Thank you and it's now time to call our first speaker.

**LUKE WATERSON SC:**

Our first speaker is Yoav Tourel.

**YOAV TOUREL:**

Good morning, can you hear me well?

**COMMISSIONER COAKES:**

Yes, we can.

**YOAV TOUREL:**

Don't worry about the accent, I can't do anything with it. Uh, I would like to begin by acknowledging the traditional owners of the land on which we meet today, the Arakwal people of the Bundjalung nation and pay my respects to elders past and present. Thank you very much for the opportunity to speak with you on

behalf of ASTRA. Uh, I've been listening all day yesterday and I thought that it was very insightful, very interesting, took a lot of notes, uh so thank you for that opportunity.

Uh, you heard about ASTRA, from ASTRA in the last couple of days. ASTRA is the Australian Short-Term Rental and Accommodation association. Uh, I'm the acting Chair of ASTRA and I speak on behalf of the national ASTRA uh organization. Uh, we... Uh, we are active in all states, uh we have mentors in all states, most of our members are actually individuals, everyday Australians, the so-called moms and dads that invest or host in uh short-term rental uh accommodation, and we are a voluntary board, so we are a board of nine directors, all volunteers from different sides of the uh, uh... From different angles of our..., of our industry.

Uh, our, our key objective is to unite the industry, educate the industry, we've been doing it for the last seven years in the current format of ASTRA and it's really about standardized... Raising the standards for the industry. And it might sound surprising, but we also support and embrace regulation. We think that regulation is needed to our, uh, to our industry.

Now, uh in Australia almost every third person lives in rented premises, so it is an economic, social and uh moral issue of any government. So, we don't take it lightly and lament that STRA is in the media getting such heat and thus in the mind of the general public is uh, is uh entangled with the housing crisis.

We, we think and say that STRA is not the problem. STRA is not the main one to uh, uh, to blame. One of the uh, uh studies or work that we uh always refer to is uh, what was done by uh, by a government committee in Canberra in last March, called the Australian Dream. Uh, it's 208 pages of uh basically recommendations. It was all around inquiry into housing affordability and supply in Australia. So, 200 of pa- 208 pages of recommendation, there was nothing. Nothing about STRA.

So, the truth is probably somewhere uh in, in-between, but uh we, we just think that the heat that STRA is getting from the media just is not in correlation to the true impact of STRA. Uh, however, at the same time, I must say that we are partially to blame for that. We as an industry weren't transparent enough in the last few years. We didn't share enough data about the size distribution penetration of STRA into the short-term rental accommodation sector and that create the different data sets and the different stories that we're about.

Now, uh this, this has changed in the last 15 to 20 months in New South Wales with the introduction of the STRA regulatory framework. We, we now know for sure. You know? We now have now, we have now such a big live experiment, so we know now for sure that the size of STRA in Byron is probably 25%. Maybe even less than what was previously claimed when the 90 days cap was promoted.

Uh, ASTRA as I mentioned, we've been a strong advocate and supporter of the regulation, we have participated in the process since 2016. We welcome the fact that there is regulation that pushes the industry, the fact that now there is a code of conduct that the industry need to adhere to. To our best knowledge the exclusion registry is still empty, so it seems that the industry behave well and moreover, the property registration allows for transparency and accountability. I can also say that in my other hat, I work for a global software company, I'm based here in Sydney, but working for a global company, I can say that from what we see also globally, it is, it is a good thing that happening here in New South Wales. What the government are doing is a truly good example to how governments deal with regulation.

So, to summarise what we ask, we ask give it, give it a chance, give it a go. The New South Wales Government set a regulatory framework, let's see how it works. Uh, and the last bit, just before the next

ring, uh we as ASTRA believe that we need to have dialog with the communities, because STRA impacts the life in the community. So, we do need to have this type of dialogues. Thank you very much.

COMMISSIONER COAKES:

Thank you Mr. Tourel. Any questions from the Panel? Yes, Richard?

COMMISSIONER RICHARD MACKAY:

Thank you, Mr. Tourel. Um, in its various submissions ASTRA suggests that there are 1,136 non-hosted STRA properties in Byron Shire, um about 6.5% of the total housing. Um, how many of them uh... Do you know or could you find out how many of them are actually outside the precincts that Council is proposing for a 365-day cap close?

YOAV TOUREL:

I, I heard that question also yesterday in a few of the session and I know that uh the local ASTRA branch is working to provide that, uh, that data. Uh, with, with your permission I will allow them to provide it, I just don't want to, again, because we want to be accurate on the data, to uh not share the right information. Uh, I know that it's in, it's in the work, we've been working on that uh in the last 24 hours, so uh this data should be with you kind of shortly.

COMMISSIONER MACKAY:

Look, thank you very much. And I might just, I mean I'm... The Panel is obviously very keen to have the answer to that question, but part of the reason that I'm asking it is that ASTRA is also asserting that the 90-day cap will result in a \$267 million adverse impact on the local economy. And ASTRA is saying that there could be a loss of up to 40 and 148 jobs and yet the proposal can't possibly affect those of those 1136 properties that are inside the precincts where in fact the cap is gonna go up. Uh, inside those precincts in fact there should be, one would've thought, um an increase for the local economy and an increase in local jobs. So, I, I guess could I also invite ASTRA to put before us some data that considers the upside arising from the increase in the capita 365 days for the properties that are inside the precincts?

YOAV TOUREL:

I, I agree and um, I... We... The numbers that we're talking about and, and I would really would like kind of for the, for the team to come up with the accurate data. We're looking into 60 to 70% that seeks outside of the 365 uh, uh days and based that there were the calculation of the, of the uh, of the economic impact. Uh, I agree with your point, also to look at the 365, I think that's a good point.

COMMISSIONER MACKAY:

Thank you, that would be very informative.

YOAV TOUREL:

Yeah.

LUKE WATERSON SC:

Our next speaker is Campbell Korff on the telephone. Go ahead, Mr. Korff. Mr. Korff, can you hear us?

COMMISSIONER COAKES:

Maybe move on?

Move on, I think. Maybe to Ms Janelle Montano? Thank you.

LUKE WATERSON SC:

Oh, she's here.

COMMISSIONER COAKES:

Yeah.

LUKE WATERSON SC:

Okay.

JANELLE MONTANO:

Good morning. My name is Janelle Montano and I own Your Luxury Escape, a local holiday living company and I manage 110 individual homes in the Byron Shire. I hold a real estate license. 32% of my properties are within the 365 precincts and 68% in the proposed 90-day cap. I live here with my family and I am part of this community.

My business employs 83 individual local small businesses, which include electricians, plumbers, gardeners, cleaners, photographers, et cetera, to name a few.

Almost every industry in the Shire relies on holiday letting for a large portion of their income. I'm here to oppose the 90-day cap. Whilst I agree we have inadequate affordable housing, our industry is not the cause nor is it the solution. I'm here simply to reiterate that if the 90-day cap was to be accepted, it is very important to note STRA properties would not be added to the long-term rental pool.

The mayor's publicly spoken of the belief, of his belief that an 280 homes would be returned to the rental pool. I would love to know how he arrived at this number. I surveyed my 110 owners and not one of them would flip to this option. Owners with a holiday home simply want to use them for themselves and their families throughout the year, whenever they like, which is their right.

A major concern is what will happen to those 83 businesses I currently employ. After speaking at length with many of them, their businesses simply will not survive. If the 90-day cap is forced upon us, I believe you would do much more harm to our region. Our industry employs over 1,300 individuals. If you cut our industry in half, you will cut those 1,300 jobs in half too.

We've all been witness to what a lack of tourists look like. COVID lockdown showed us that. If Byron had to rely on locals to keep our town afloat, there would be many businesses shutting down. I see many social media posts about how great it was when COVID affected our town and how Byron was like it was 40 years ago. We could get a parking spot and you could go to the beach with no crowds, but you

certainly couldn't get a coffee, you couldn't go out to lunch and you couldn't go shopping, because those businesses were all closed as the local dollars were simply not enough to keep the doors open.

Our industry very much welcomed and enforced the code of conduct that was set out by the New South Wales State Government, and I believe this certainly did what it was intended and cleaned up our industry. I believe the days of the party house are long gone. We are bound by rules that if we receive complaints our properties can be shut down for holiday letting. We simply would not risk those types of guests, and I doubt anyone in my industry would.

Let's talk about our community. I've listened to many speakers talk about our community and make mention of the floods of 2022. We all wanted to help in whatever way we could. It is a little known fact that our industry, we're at the forefront of emergency accommodation to hundreds of people that were instantly made homeless. The moment it happened, we asked our owners if we could use their homes as emergency housing. They did not hesitate in saying yes.

We were able to offer the flood victims a safe place for their families to begin to heal. This was all offered free of charge. Our owners are certainly not the greedy monsters some here portray them to be. Uh, we were also the answer to house the many workers that needed to move here to help the clean-up and rebuild of our community. That event saw the best in all people in this community. Everyone worked as a team trying to do whatever we could to help where we could.

We really do wonder where those people would've gone if it wasn't for the holiday houses we were able to offer them. I did also want to touch on some facts. So, I heard many talk about the actual number of non-hosted holiday homes suggested the number we are using is not accurate. This is an unfortunate misrepresentation of the truth. The actual number of homes registered on the STRA right now is 1,136. We heard three different speakers yesterday quote three very different inflated numbers.

We're getting this number from the New South Wales STRA register. This is the actual number. I need to make mention for those that are unaware, you simply cannot advertise a property for holiday letting on any booking platform like Airbnb, Bookings.com or Stays without a valid STRA number. So, this 1,136 is the number you need to be aware of.

Yes, there is plenty of commercial accommodation options in our town, but STRA is the only option for whole homes, both within the CBD and out, where families can stay together as a group. So, many of our clients are families that come from all over Australia and the world once a year for their annual catch up. They want to be together, so whole houses are the only option for them.

We also house many health, wellness and yoga retreats. These clients also only want whole homes. And predominantly take these properties in the hinterland where neighbors are huge distances apart. It simply makes no sense that these homes could be restricted to 90 days. The demand for whole homes most certainly is high. Our business would not exist if it wasn't. The vast majority of our clients are high earning individuals, which also equates to high spending in our community. I also wanted to make mention, uh the huge misconception that these owners run their homes as businesses.

After all the costs involved with holidays letting taxes and mortgages, they're certainly not making an income. They are more than happy to have their homes on the holiday market to simply cover the costs of owning a home here. But, these so-called money-hungry owners are the ones paying the wages of our 1,300 jobs created by the holiday letting industry. When they use their homes for themselves, they are also the ones eating in the restaurants, being tourists and again putting money back into the community.

I'd like to finish by saying I'm very saddened by this being tuned into a political circus, that many are trying to push their own personal career agendas. I really do hope that facts are obtained and perhaps as a collective group we can educate those to understand both sides of the argument and make all understand the cap in holiday homes to 90 days will inflict a way more serious problem in our tourist town. We are not the silver bullet that Council is hoping for. Once again our industry is not the reason there is inadequate affordable housing nor are we the solution. I'm very proud of the business I run and I'm most proud of the amount of jobs my business provides for locals in our town. I'd just like to ask Council one question. What is your plan to replace the industry you're about to cut in half if the 90-day cap is enforced? Thank you.

COMMISSIONER COAKES:

Thank you.

COMMISSIONER MACKAY:

Um, thank you Miss Montano, that was extremely clear. Um, of your 110 homes, how many of them are within the 365-day precincts, please?

JANELLE MONTANO:

32% or 35 of those homes and 75 are in the 90-day.

COMMISSIONER MACKAY:

Brilliant, thank you. And um have you done a calculation of what the upside would be for the 35 homes who would get 365 days rather than 180?

JANELLE MONTANO:

Um, yes. They've always been popular homes, because they are right in town, so um, yeah right now it's um, it- it doesn't change for us. They, they, yeah, they will be what they are. Not all of them are 365, they might... Mostly 70 or 80% occupancy.

COMMISSIONER MACKAY:

But, I, I guess what I'm just asking you about is in terms of the numbers in your submission to Council, which talk about a particular economic loss, a particular loss of jobs, unless I've misunderstood your calculations. That is just based on the downside of your 75 homes that are outside the precinct and it doesn't allow for any upside of the 35 homes that are inside that would have an upside?

JANELLE MONTANO:

Yeah, so 35% or 35 homes, um compared to 75 homes outside the cap (laughs) would definitely uh make a lot of businesses struggle. Um, yeah the ones inside the 365, that hasn't really changed. The 180, they're not all 180, uh sorry, they're not all, you know, over 180, so...

COMMISSIONER MACKAY:

Okay, thank you. And look, I've got your submission to Council here and I just noticed that, that it used the same words as many of the other submissions from owners or managers. Um, are you able to tell the Commission from where that draft letter came, please?

JANELLE MONTANO:

Um, we, a group of us got together and we just found it easier to get together as a group and put something together, um...

COMMISSIONER MACKAY:

Okay, so there w- there was a, there was a group of that.

JANELLE MONTANO:

Yeah.

COMMISSIONER MACKAY:

Okay, thank you. That, that, that's very helpful. Thank you.

JANELLE MONTANO:

Thanks.

COMMISSIONER COAKES:

Miss. Just a couple, couple more questions. One, one from me. Just in terms of the your 68% of homes that are obviously outside of the precincts, what's the sort of break down of those homes from, well budget, um short-term rental through to luxury? You know, can you give us a little bit of a rough break down? You know, how many would be in that sort of luxury end versus more...?

JANELLE MONTANO:

Um, so all of mine are luxury. I run a business called Your Luxury Escapes.

COMMISSIONER COAKES:

Yes, that's the one. Yeah.

JANELLE MONTANO:

So, all of mine are luxury homes.

COMMISSIONER COAKES:

Yeah. Yeah.

JANELLE MONTANO:

Um, yeah and predominantly those ones, the 75 outside of the CBD- um, Suffolk Park, hinterlands, Coopers Shoot, those type of areas.

COMMISSIONER COAKES:

Okay, so they'd all be renting for, you know, sort of [inaudible].

JANELLE MONTANO:

Yeah, a lot of those people, they're just their holiday homes, so cutting them down to 90 days, you know, they're the ones that employ these local suppliers a lot, because they'll just get their gardens done every week. They'll get their pool done every week. If they're not having any income, my theory is they'll stop that or they'll reduce that to once a month or once every two months, um because it's not needed, the washing down of a house and the, you know, the cobwebs and everything. They just won't do it 'till they get a booking and that's what I'm worried about, that these locals will um lose those jobs, or have to half their businesses.

COMMISSIONER JULIET GRANT:

Yeah, we heard lot, a lot of co- a lot of speakers yesterday talk about the impact on pro-, on neighbors um, and, and you've talked about the code of conduct, you know, being successful. Could you explain a little bit about how that works? How people are advised about it and, and how it's followed up?

JANELLE MONTANO:

So, um I guess the important thing to mention about the code of conduct is uh we now have to have a sign on the front of every holiday let property, which has a 24/7 phone number. So, if a neighbor is inflicted to something um that they shouldn't be, they are able to walk out the front, grab that phone number and ring a representative of the business that manages that property. My phone is 24/7, I personally when we have homes that are close to neighbors, introduce myself to the neighbors, give them my number and say, "Please call me if you have any issues at all." Our job here is to make our neighbors happy and enjoy um the holiday letting people.

We vet every single guest. So, yes we can be on an instant booking platform, but that doesn't mean we can not cancel that booking. So, we will ring as soon as we get a booking. We ring our, our um guest and we vet them. We get all of their personal details, their licenses, their ages, um to make sure we're getting the right guest.

So, if for instance, um, you know, it's a bunch of, no offense to men, a bunch of 10 men, 18 years old, we definitely would not accept that booking. Um, we like to just predominantly have families in there, families with kids, um, you know, they got to bed at reasonable hours, so they're not partying types. But I am also very strict with my guests, and I do say to them, "You are renting a property in a residential area, we need you to respect this neighborhood, we have very strict rules and regulations here. So, if you are planning on doing something that you shouldn't do, this is not the house for you and we'll need to cancel that booking."

So, we don't want the problem. I don't want a call at 02:00 AM from a neighbor that's been woken up as much as the neighbor doesn't wanna be woken up. So, we are very, very strict about who we put in, and the code of conduct, um I'm happy, we always did that as a business, but I'm happy now that, that's across the board for all holiday letting um managers, so they can all do something similar to the way we're doing our business.

COMMISSIONER GRANT:

Okay. Thank you.

COMMISSIONER COAKES:

Thanks, Ms Montano.

COMMISSIONER MACKAY:

Can I just ask, um, a quick supplementary. I mean, noting that your business is the sort of luxury homes and accepting their seasonality, what is the kind of rental per night, per week for these homes? What's a, what's the kind of threshold that makes something luxury rather than not luxury?

JANELLE MONTANO:

Yeah, look, average is probably, I mean rates are different throughout the seasons as you can appreciate, but they'd probably range from um \$800 a night up to 6,000 a night (laughs).

COMMISSIONER MACKAY:

So, I mean in just in terms of, beca- because the Commission is trying to um understand, you know, um where the different properties for in terms of precincts of not. Um, is it reasonable to sort of say that once you hit that 800 mark you're in that luxury property that has the gardeners, that has um, it's fully furnished, that is unlikely to return to the short-term rental market in your submission?

JANELLE MONTANO:

Yeah, absolutely they're unlikely to return. And if they were to, you would be three and a half to \$4,000 a week.

COMMISSIONER MACKAY:

Yeah, but, but what I'm asking is 800 is about the right threshold? It's just that we're gonna drill down and look at what properties are where, so about 800?

JANELLE MONTANO:

800?

COMMISSIONER MACKAY:

Per night?

JANELLE MONTANO:

Per night?

COMMISSIONER MACKAY:

Yeah.

JANELLE MONTANO:

Um, on average mine would probably be 1,500 per night. We start at that, like a [inaudible].

COMMISSIONER MACKAY:

What, sorry, just to be clear, what I'm asking is what's a good threshold for us to use to start calling it a luxury property rather than not?

JANELLE MONTANO:

Oh, sorry. Probably I'd go with 1,000 a night. Yeah.

COMMISSIONER MACKAY:

1,000. Thank you very much.

JANELLE MONTANO:

Just because I've got some two bedrooms, which would be the 800, so yeah. But on average, yeah probably 1,000 a night.

COMMISSIONER MACKAY:

Thank you very much.

JANELLE MONTANO:

Thank you.

LUKE WATERSON SC:

So, now we're back to Campbell Korff on telephone.

CAMPBELL KORFF:

Yes, can you hear me?

LUKE WATERSON SC:

Yes.

CAMPBELL KORFF:

Uh, good morning. Good morning Commissioners. My, my name is Campbell, sorry I'm getting...

LUKE WATERSON SC:

Mr. Korff, if-

CAMPBELL KORFF:

[inaudible].

LUKE WATERSON SC:

... If you could just take your mobile phone off speaker or your phone off speaker, if it is on speaker.

CAMPBELL KORFF:

Yes, I'll um do that. Sorry, one second.

COMMISSIONER COAKES:

Are you still there, Mr. Korff?

CAMPBELL KORFF:

Yes, I am.

COMMISSIONER COAKES:

Oh, good.

CAMPBELL KORFF:

Sorry, I just-

COMMISSIONER COAKES:

No, no. You're all right.

LUKE WATERSON SC:

Yes, go ahead.

CAMPBELL KORFF:

Um, it's Campbell Korff from Byron Coastal Real Estate and Byronbay.com. Good morning, um thank you for allowing me to speak. Uh, Byron Coastal Real Estate is a family-owned specialist property manager. Um, we're an amalgamation of several property management businesses that have been operating in Byron for over 20 years. Um, we manage approximately 90 long-term residential properties and approximately 113 non-hosted short-term holiday rentals as well as approximately 50 hosted rental properties.

Um, we employ 10 regular employees including two other members of my family, uh approximately 50 cleaners, tradesmen and other creditors and have over 200 local and regional suppliers. Um, throughout 2022 we worked closely with Resilience New South Wales to house over 40 families affected by the regional floods, um we acknowledge that there is a local affordable housing shortage, um but Byron Bay isn't alone in that regard as I'm sure you're aware.

Um, this is an, a State and indeed a national issue. Um, we don't agree that there's a general housing shortage in the Shire. Currently, there's over 150 available rental properties, um we believe the issue is affordability, um that is as a result of a lack of planning, a lack of development approval in the area over decades.

Um, yes there was a short-term spike in rental availability during Covid, the evidence suggests that, that is already starting to correct and availability of long-term residential housing is becoming more available.

So, we see the issue is affordability, um that's a direct result of lack of supply. However, addressing the affordability shortage is a specific and complex issue, um which we don't believe the 90-day cap will effectively address.

Um, there has, has been a, a need for better regulation of the short-term rental industry. Uh, we have wholly supported um the development of that regulation. Uh the local code of conduct and subsequently the State Government legislation, which became effective in January last year. Um, that legislation has two components as you, as I'm sure you're aware. The first of which is um better behavior, essentially by the stakeholders in short-term rental, which includes managers and hosts like ourselves, property owners and guests. That part of the legislation, although it's only been operating for 12 months, the indications are that it has, has been successful in requiring greater transparency and better behavior.

I, I heard previous speakers um talking to that point. Um, but in a short period, that part of the regime seems to have been effective. I think, what we're concerned about is um the stay caps, whether that they're 180 days or the 90 days, um that's restricting well-established property use rights, um on a simple cost benefit analysis, um the cost we believe of capping STRA to 90 days will be high to the local economy. The benefit will be illusory.

Um, I heard questions earlier from um the Commissioners about the precincts um proposed for the 90 and 365 days. Those precincts we believe are arbitrary and unfair. Uh, we question what process was followed by Council to establish the map, it appears us that a highlighter pen has been drawn across um arbitrarily a map which is, you know, property owners being asked to restrict um clearly established rights.

So, um the use of holiday properties is not directly motivated by yield, it's motivated by families wanting to have holidays in Byron Bay and then being able to generate sufficient revenue to cover the cost of holding that property. So, the simplistic assumption in this policy is that by restricting the number of nights, it will have a direct and positive impact on the supply of rental properties. Um, we say that is illusory.

A survey of our owners indicates that none of them indeed, none of them under the 180-day regime um have switched from holiday rentals to permanent rentals as a result of the 180-day policy and um they have indicated that that would be the case under the 90-day policy.

So, um thank you for your time and I'm happy to answer any questions that the Commission has.

#### COMMISSIONER COAKES:

Okay, thank you, Mr. Korff. You answered my question around whether there'd been any shift from the 180 to 90. Just, um to repeat a question we've asked of our previous speaker. Of your 130 non-hosted short-term rentals in uh that you look after, how many of... What proportion of those would be in the currently defined Council precincts?

#### CAMPBELL KORFF:

Uh, I don't have an exact number, but I would approximate, um about 70 to 80 of those would be within the 365.

COMMISSIONER COAKES:

Okay, thank you. Any other questions?

COMMISSIONER GRANT:

Oh, and just a follow on, I guess from that. And how many of those would come under the luxury category that, that we were talking about before, which may be a threshold of maybe around \$1,000 an evening?

CAMPBELL KORFF:

Uh, in both precincts?

COMMISSIONER GRANT:

Out of your 130 um non-hosted.

CAMPBELL KORFF:

Right, um we have quite a mix of properties unlike the previous speaker. Um, the majority of our properties I wouldn't categorize as luxury.

COMMISSIONER GRANT:

Yeah.

CAMPBELL KORFF:

Um, most of them are family-orientated properties. Um, we have a small, a relatively small number of luxury properties.

COMMISSIONER GRANT:

Okay, thank you.

COMMISSIONER COAKES:

Okay, thank you Mr. Korff.

LUKE WATERSON SC:

Our next speaker is Reid Campbell.

REID CAMPBELL:

First thing, I'd like to thank everybody here today for the opportunity to speak on behalf of my family's business Byron Bay Holiday Hire. Our company was started 38 years ago in Byron Bay by my parents Brian and Suzie Campbell. Today we employ 13 staff members including six full time and seven permanent casual staff, averaging over 30 hours per week. We pride ourselves on being part of our local community. We're just local family-owned and operated company, similar to warehouse for all repairs and to keep our general day to day running. We love the idea of keeping it local, to keep locals in Byron.

We've been lucky enough to support many of Byron Shire's sporting clubs and charities over the years. We supplied linen for two years free of charge to all the women's refuges ran by the Shift Project. We supplied accommodation, fold-out beds and linen for the recent flood victims in our area. We are working closely with Beacon Laundries, a jobs based not-for-profit organisation starting a commercial laundry in Bangalow this year.

This will bring our linen supply back to the local area as it originally was 15 years ago. This organisation will be of a huge benefit to the local economy and our community here in Byron, starting with 70 local jobs and growing, employing and training people who really need a leg up and somewhere to start in this local area. I mention this because Byron Bay Holiday Hire, our family company, will be their largest customer.

According to their manage- managing director, we will be one-third of their overall linen supply and will be an integral part of their startup plans. All of this has been made possible by the STRA industry. This all leads me to the reason I'm here today personally. Shi... short-term holiday letting in Byron Bay is our ho... is- is how our business was started and is the reason we as a family are able to be here today. It's the reason we keep locals here employed and living in our community.

It's the reason we support the other local businesses, sporting teams and charities. With the proposed zonings, we could lose up to 65% of our business overnight. It will make it impossible to employ our staff year round. They would almost immediately become seasonal or holiday period workers. I've talked to all of my staff about this. They are seriously concerned about their future in this area, their ability to pay their rent or mortgage is being taken away.

Being so actively involved in our local community through sport and other means, I talk to many people on the issues up for discussion today. Almost everyone I talk to is connected or... connected to or relies heavily on the STRA industry to provide for their families. Cleaners, plumbers, landscapers, handymen, builders, the list is endless. I've read the reports provided by Council. Honestly, I struggle to get past the first page.

The studies outlining 5,200 houses or 35% of our housing in Byron Bay being holiday let through STRA... through short-term holiday letting, uh, websites like Airbnb etc. For me these, uh, numbers do not add up. Our company over 38 years has seen a re... has seen it grow, but only to around 800 to 1,000 actual holid... permanent holiday let homes. I often find myself thinking how will removing holiday letting affect the housing availability in Byron Bay?

Having talked in dep with... in-depth with the owners of- of our properties, I can assure you they will not be putting them back on the rent... on the permanent rental market. They own these properties because they love Byron Bay and they want to holiday here too. What is the desired outcome of these caps and the continued attacks on the coun... from Council on the STRA industry? Is it to remove mi... is it to remove families like mine? Three generations of hard-working contributing members of this community, who funnily enough have permanently rented properties in the Shire?

Is it to replace residents like my wife and I with our four kids and a mortgage to pay? Or the vet... or the many similar families in and around our community who rely on the STRA industry for their livelihoods? My favorite question and the one many won't ask let alone answer, who would you be replacing us with? What are the solutions to the lack of affordable housing in Byron Bay? I don't know. Is it opening other means of affordable housing? How about live/workspaces around the industrial estate?

Maybe the answer is a few new sensible developments with covenants on STRA, and a focus on affordable housing. I don't know for sure what the perfect answer is, however I do know that without the STRA industry many more people like me won't be able to live here. Personally, I hope that's not the desired outcome. Thank you.

COMMISSIONER COAKES:

Thank you Mr Campbell, and also for, um, sharing I guess the contribution that your business makes to the community fabric as well.

COMMISSIONER COAKES:

Question from Luke.

LUKE WATERSON SC:

Mr. Campbell have you, uh, has you... have your staff experienced difficulties in, uh, securing long-term rental in Byron, or where do they come from to come to work?

REID CAMPBELL:

So, all my staff come from local families, and no, they haven't, uh, as a matter of fact most of them have actually invested into the Byron Bay area, including my youngest staff member who's 23, just bought a house in, uh, flat in Ballina with his... with his brother. Um, ca-... a few of the younger guys, they all live in and around Byron Bay in different share houses.

Um, and, yeah, and- and obviously we provide some accommodation for my... I mean my family members and things like that. So, as I said, we have permanent rental properties and we don't actually let those to family, we do let them to families that have moved to Byron Bay. Um, yeah, our... so, it's- it's, yeah, they're all- all living, working and, yeah, staying in Byron Bay basically.

COMMISSIONER MACKAY:

Thanks Mr. Campbell. Um, without going into detailed maps and the calculations- Um, how- how- how do you calculate, you know, how do you come to the 65% percent-... potential impact on your business?

REID CAMPBELL:

Okay. Um, so obviously going off the SRA... STRA ideas and the zonings, um, we cover 100% of Byron Shire and obviously down into Ballina and Lennox Head. Um, in... I came up with the number based on... so I- I went slightly less than what everybody else in the STRA had their... have based their numbers around, because we are very much in line with all of their...with all their, um, with a-... with their zonings basically. So, their properties in their zones, so...

COMMISSIONER MACKAY:

So- so, your business includes Lennox Head, Ballina as well as Byron Bay?

REID CAMPBELL:

Yes, it does. Yeah.

COMMISSIONER MACKAY:

Okay. And then I mean is- is- is Byron Bay roughly 65% of your business? Or-

REID CAMPBELL:

Byron Bay? Oh, no, it's, uh (laughs), no. Uh, Ballina and Lennox would probably have 20 properties.

COMMISSIONER MACKAY:

Right.

REID CAMPBELL:

Uh, Byron Bay we have slightly over 200. But that does vary obviously. I'd say permanent holiday properties, probably around the 100 to 150 mark, somewhere in there.

COMMISSIONER MACKAY:

Yeah. And do you have-

REID CAMPBELL:

They're seasonal ones.

COMMISSIONER MACKAY:

... do you have a sort of feel for what the average occupancy is at the moment? How many days a year? I know it'll vary but, you know, we- we- we're talking-

REID CAMPBELL:

For?

COMMISSIONER MACKAY:

Across your couple hundred properties, are they... are they generally rented out for 100 days a year, 150 days a year?

REID CAMPBELL:

Um, well, I'd say it's a higher occu-... I'd say around the 70% to... 70 to 80% occupancy in certain areas. But, yeah, but it's... actually, across the board it's probably around 70% and up to around 80% I'd say occupancy in some of the properties.

COMMISSIONER MACKAY:

Thank- thank you.

REID CAMPBELL:

Thank you.

COMMISSIONER COAKES:

Thank you Mr. Campbell.

LUKE WATERSON SC:

Uh, Nic Durkin is our next speaker.

NIC DURKIN:

Hi. Uh, good morning. My name's Nic, and I live and work in Byron Bay. I own and run a company called CND Property Services, it's a home maintenance handyman company that, uh, I started in 2014 to service the needs of the holiday letting industry. I currently- currently employ seven full-time and one casual staff member on the road, uh, with one full-time and one part-time team member in my office.

Uh, of the 10 team members, seven of those live in the Byron Shire with the other three commuting from Ballina and Tweed. Uh, eight out of 10 of my employees have been with my company, uh, for over a every year, with the longest current employee working for me for over three years. Um, we provide a 24/7/365, uh, call out service supporting most holiday letting agents and tourist accommodation in the Byron Shire. We look after tasks as small as changing a light bulb to as large as a deck rebuild or a smaller building and renovation job.

Uh, during the first COVID lockdown when most of the holiday lets weren't operating, I diversified to working for permanent rental agents and still do work for them, but, uh, this only represents about 30% of my total sales. Uh, I have nine vehicles on the road being maintained and fueled locally along with tools and equipment all purchased and serviced locally. Materials and hardware are predominantly purchased from local suppliers and with eight hungry tradies on the road, I dare say a few coffee shops and cafes are regularly patronized by the crew.

Uh, I'm a father of, uh, two little ones, Polly and Fred, five and four. Uh, most of my team and my suppliers are, uh, families living and working in the community as well. Uh, we all... we all survive on the, uh, holiday makers dollars. Um, I'm certain that any caps imposed or restrictions on holiday letting would seriously affect the viability of my business. Permanent rentals and owner-occupied homes generally don't have the same need for immediate service or presentation to the standard that a home is required for holiday letting.

Uh, to put this into a bit of context, permanent rentals and owner-occupied houses probably wouldn't be calling us to repair a blinds chain before 2:00 PM in the afternoon, or to deliver a bread knife or... and chopping board at dinner time, or change a barbecue bottle on a Saturday afternoon. Uh, by limiting holiday letting, my core business would also be limited and I would have no choice but to make, uh, redundancies in my response team. Uh, furthermore I think cramming all the occupancy into 90-days would see owners capitalize on three months of peak occupancy, create an absolute mayhem, leaving me with nine quiet months to look for other work.

I'd be left with staff, vehicles and tools being underutilized and my business would be in quite a difficult position. I think we're, um, we're so lucky to be able to live and work in a holiday destination with good weather year round and beautiful attractions that sees flourishing tourist trade across the year. Having

lived and worked for five years in a Far North Queensland tourist town limited by weather, I know firsthand the difficulties businesses and locals alike face when it comes to staffing and employment longevity with a boom and bust on and off style seasonal tourist economy.

I oppose these caps as I do believe they will hurt my business, um, they will affect my hard-working employees, suppliers and their families. Uh, thank you for your time.

COMMISSIONER COAKES:

Thank you Mr. Durkin. Just- just do a bit of clarification. You just mentioned the point about the seasonality. So, you're saying Byron Bay tends to be... we've had a look at some of the figures, but tends to be fairly-

NIC DURKIN:

Fa- fairly flat. Like there's- there's obvious peaks-

COMMISSIONER COAKES:

Peaks. Yeah.

NIC DURKIN:

... and drops a- a- across the year. You- you don't get houses going empty for- for weeks at a time. There's usually heads in beds across the year.

COMMISSIONER COAKES:

So, from a business perspective you're seeing that's sort of quite a consistent-

NIC DURKIN:

Yeah.

COMMISSIONER COAKES:

... um, income generated across the- the- the-

NIC DURKIN:

Yep.

COMMISSIONER COAKES:

... 12 months period.

NIC DURKIN:

The- the- the style of work changes slightly between, um, the, uh, the summer and- and winter-

COMMISSIONER COAKES:

Yes.

NIC DURKIN:

... seasons, but there's always a need for the... for the response. There's always someone that needs something now, because they're in-house and it's not quite right for them.

COMMISSIONER COAKES:

Okay, thank you. Any further questions? No. Thank you Mr. Durkin.

NIC DURKIN:

Thank you.

LUKE WATERSON SC:

And now, uh, Alexandra Ormerod.

ALEXANDRA ORMEROD:

Hello, how are you? Can you hear me?

COMMISSIONER MACKAY:

Yes.

COMMISSIONER COAKES:

Yes, we can hear you. Thank you.

ALEXANDRA ORMEROD:

Nice to meet you all. Um, my name's Alex, I'm the managing director of Luxico. Luxico is a national luxury short-term rental operator with 278 properties across eight locations within Australia of which 54 are within Byron Shire. Of the homes within Byron, 41% are within the 90-day cap zone with the remaining 59% either falling within 365 day zoning, or falling into the category of hosted accommodation or their primary residences that are rented for less than 90 nights already.

The estimated average value of each individual home managed by our company is \$5.4 million and these homes are therefore unlikely to be considered appropriate as affordable housing, even if offered for long-term rentals. Of the homes that will be impacted by 90 night caps, only one homeowner has indicated that they will even consider offering their home as a long-term rental, as it just doesn't, um, appear to be commercially viable for most of our homeowners. When surveyed, the owners of these homes have stated that they'll continue to rent their property for the nights permitted and will leave them empty for use by family, friends or home swaps for the remainder of the year.

Primarily they do use their homes themselves, so they wouldn't consider renting them as long-term rentals because it would prevent them from, you know, using the home as a... as a holiday rental themselves. Those that are potentially impacted by the 90 night caps have also indicated that they'll consider

collective legal action if the caps are imposed on the basis that this is in breach of their pre-existing rights per the development agreement issued for their property.

Whilst the number of homes impacted within our portfolio is relatively low, based on the average number of stays per home and number of guests per stay, this would still result in an estimated reduction of 778 guests per annum and 130 less bookings with a knock-on effect to the local staff and suppliers who'd ordinarily be engaged to service these guests. That's 130 less tasks for our staff, which will certainly impact our ability to retain current head count. It's 130 less jobs for our 28 local cleaning, maintenance, linen and amenities suppliers, including the independent local gourmet producers whose products we showcase in our welcome hampers.

And that doesn't even consider the broader impact to the local businesses who rely on high end tourism dollars to pay their rent, staff and suppliers. Whilst we recognize that short-term rentals in Byron is not without its difficulties and we're sympathetic to those within the local community who experience negative impact from the high volume of visitors, these issues can be dealt with independently and we welcome discussion and regulation that will promote positive tourism within the area.

However I'd remind you that this hearing is intended to review the impact of the introduction of 90-day caps on affordable housing. The 90-day caps have not been proposed to counteract community complaints, they've been proposed specifically as a measure to create more affordable housing options for Byron Shire residents, which we all agree are needed. Our staff need them and they're needed, you know, within the broader community. So, to this point the introduction of caps to these homes, the homes managed in... by our business, will not have any impact on affordable housing whatsoever.

Instead the impact of downward economic pressure from reduced tourism will only add to the demand for housing affordability, rather than relieving it. Thank you.

**COMMISSIONER COAKES:**

Thank you Ms. Ormerod. Any questions from the Panel?

**COMMISSIONER MACKAY:**

Yeah. Um, thank you Ms. Ormerod. So, um, on the numbers you just gave, I think you've got 22 luxury homes that exist outside the Council precincts in the area that's proposed for the 90-day cap. And, um, understand the issue that therefore there would be a reduction in, um, people renting those homes. Do you think some of those people might rent the other 33 homes that are in the Council precinct, because they'd have an increase in capacity, wouldn't they, from 180 to 365 days? So, have your numbers and representations taken into account the fact that if you can't rent a property there in the capped area, you might rent a property alternatively in the uncapped area?

**ALEXANDRA ORMEROD:**

We have certainly, uh, considered those options and we've- we've surveyed and discussed this with our homeowners quite extensively, and what we've really determined is that the homes that are falling within those 365 day precincts and would therefore have greater capacity for rentals are already being rented out more or less at maximum capacity for those homes, because they are utilised, um, by the owners themselves as well as by, you know, friends and family members.

Um, so in terms of, you know, whether we'd be able to absorb the 130 that are lost from the 90-day cap zone into the ones that have greater capacity, we don't believe that they would and they're not necessarily transferable in terms of the- the type of property and- and what they're looking for. Um, you know, every home is- is quite unique and different price points vary, so it's not a simple trade-off and swap.

COMMISSIONER MACKAY:

Uh, th- thank you for that. I think if you... if you... if you have some data arising from that extensive consultation, um, we'd, uh, extend an invitation to you to put that in front of the Commission. Um, it- it does seem surprising to me if in... within the precincts the majority of your properties are switching from 180 day cap to a 365 day cap, that's an awful lot of owners, um, coming to stay at Byron, you know, for more than six months each of every year. But if you've got numbers, um, the Commission would certainly welcome receiving them from you. Thank you.

ALEXANDRA ORMEROD:

It's not... it's not merely the use of... the use by the homeowners themselves. When you look at the- the length of stay and the visitation patterns within Byron, you have a fairly short length of stay compared to say other regions in which we operate. So, when we look at those homes, they're running at an occupancy when they're rented out pretty much for every weekend. So, in order to maximize that 365 day capacity, you'd have to be taking a lot more weekday bookings, which, you know, we would love to do, but isn't necessarily where the demand is.

So, whilst the capacity might be there, it's more, you know, a matter of whether that would be realistic in terms of consumer demand.

COMMISSIONER MACKAY:

Uh, look, thank you. That- that does make more sense. Thank you. And again, look, the invitation's extended if you've got some actual data from your consultation, that would help the Commission's deliberations. Thank you.

ALEXANDRA ORMEROD:

I'd be more than happy to provide that.

COMMISSIONER GRANT:

Thank you. I just have one, um, question. You mentioned, um, that there was, um, development agreements issued for some of the properties that you manage, um, and there was concern that- that the rights of those development agreements would be breached. Could you just explain what you're referring to? Is that because they're a-... um, a- apartment buildings that had development consents rather than, um, individual dwellings?

ALEXANDRA ORMEROD:

That would be something that I'd have to refer back to the property owners on a case-by-case basis. I know that the ones who fall within the 90-day caps have all been reviewing their options and I'm just relaying what's been discussed with me. We're in no way advising people as to what their rights are under

their specific, um, for their specific property, but I know that, um, a number of them are reviewing that and believe that they have pre-existing rights for renting their homes out on a short-term basis. And, you know, are opposing, uh, this move on the... on the basis that, you know, they've purchased a property with pre-existing rights to rent it out on a short-term basis, um, and that that's now being breached and restricted into... which will restrict their ability to earn, um, an- an income from their investment property and potentially impact the the- the value of that home if they were to resell it because, you know, it has now got a restriction in terms of what- what it can be used for.

COMMISSIONER COAKES:

Thank you Ms. Ormerod. Uh, we are now gonna take a short break and we'll be back again at 10 past 11. Thank you.

LUKE WATERSON SC:

The next speaker is Charles Montano.

CHARLES MONTANO:

Okay. I have a, uh, retail, uh, footwear retail business called Footwear Focus located at the beach end of Johnson Street in Byron Bay. I've operated the business for eight and a half years now and employed two staff. I estimate that 70 to 80% of my business comes from tourists. I know this because in winter, when tourist numbers are low in Byron, my business sales, my business sales halve. All of my strong sales periods occurs during school holidays and when the music festivals are held in Byron Shire and during summer.

I speak to most of the business in the vicinity of my shop and a number of them are barely hanging on after three years of COVID. We also all had to deal with low visitor number in July and August last year when the international borders were reopened and Australians flocked overseas in large numbers in preference to traveling within Australia. My business suffered its worst July and August sales figures last year since I have begun my business.

Now that the economic impact of COVID is finally dwindling, businesses will be faced with what several economists are calling a recession-like period for the next 12 to 18 months due to rapidly increasing interest rates designed to damped consumer spending. I feel if visitor numbers decline due to the introduction of a 90-day cap, this would be the nail in the coffin for quite a few businesses in Byron.

Another thing that I'd like to bring to Panel's attention is that retail rents in Byron are very high relative to most regional towns. I also believe that they're high given that Byron's tourist trade is quite poor during the winter months. We don't have a strong retail trade here for 12 months of the year, but the rents are set at a level as if we did. Most lease contracts have a clause where rents can or while be raised by 4% per annum. Even toward the end of COVID, I'm aware of rent increases being passed on to businesses. I'm fortunate that my landlord spare me from that.

In summary, I'd just like to say that I have, from what I have presented today, you can understand that retailers in Byron Bay are operating under very difficult circumstances and have been for some time. I personally believe that the 90-day cap will have a deleterious effect on visitor numbers. And if this were

to be the case, retail would become less viable, especially given all the challenges we are already facing in trying to survive.

You just have to look at how many businesses close their doors in Byron each year. Many of these businesses not only reflect the character of the town and its uniqueness but unfortunately some, if not many, will be replaced by chain stores keen to have a presence in Byron Bay. In the long run, I believe this could be devastating to the attractiveness of Byron as it would be transformed into another generic shopping precinct like you see in Westfield shopping centers. That's not Byron and I'm sure no one wants to see that happen.

Do you have any questions?

COMMISSIONER COAKES:

No, thank you.

CHARLES MONTANO:

Thanks guys.

COMMISSIONER COAKES:

Thank you, Mr Montano.

CHARLES MONTANO:

And I guess, I'm speaking also on behalf when I say retail, I think pretty much all the restaurants and cafes as well as the retailers in Byron Bay are very dependent on tourists for their sales figures. So, I think everyone's in the same boat.

COMMISSIONER COAKES:

Thank you.

CHARLES MONTANO:

Thanks, guys.

COMMISSIONER COAKES:

Thank you.

LUKE WATERSON SC:

Uh, next we have, uh, Cameron Brown via telephone.

CAMERON BROWN:

Hi, how's it going?

COMMISSIONER COAKES:

Hi, Mr Brown. Uh, please go ahead.

CAMERON BROWN:

Um, my name's Cameron. Um, my business is Ezy-Flo Maintenance Plumbing. We're a 24-hour plumbing business that had been operating in the area for the last five years. Um, we employ a team of four with three young families, uh, all living within the area. Uh, as we are a 24-hour, uh, business, we provide services to, uh, the public, strata, restaurants, and retail. Um, short terms holiday letting, um, covers about 80% of our after hours call-outs. And I'd just like to point out that we are one of two plumbing business in the area that offer a 24-hour, uh, service.

So, if we were to lose short term rentals, we would have to, we- we couldn't afford to operate as a 24-hour business. So, that would mean, uh, we wouldn't be able to service the general public or- or any of the restaurants and retail shops after hours as well when they, when they do need our services. Um, of the one million turnover our- our buni- business generates each year, 60% of that is attributed to- to short term rentals. Um, so a- as you can see, it is a, quite a significant, uh, portion of our work. Um, if we were to lose short term rentals, it would take two to three years to- to rebuild a customer base, uh, that would replace the work that has been provided by the short term rental market. Uh, it a- would also mean that in that period, we would need, we would have a reduction in, uh, staff numbers and vehicles. We would have to sell off, uh, significant num- or amount of our [inaudible 01:57:27] equipment.

Um, you know, we- we really have been through quite a few challenges in the last few years already and, you know, o- one of them being was when we- we went through the floods here. Um, we couldn't operate as normal, um, but we still had to support our employees financially to s- see them through those periods. Um, I- I do realize that there is a housing crisis in the area. Um, you know, we used to be able to bring people to the area for- for employment.

Um, but I can guarantee you, if you go through, uh, the listings of these short term properties, uh, that look for a, for short term rent, they are not suitable, uh, to release back into the- the- the rental pool. They just, they're just not affordable housing. Byron has some of the most expensive real estate in Australia. And it- it's just not going to re- resolve the housing crisis that- that everyone claiming it- it will.

So, I do not support the- the 90-day cap of the short term holiday market. Thank you.

COMMISSIONER COAKES:

Thank you, Mr Brown. Question, Richard?

COMMISSIONER MACKAY:

Um, yes. Well, thank you, Mr Brown. Could I just query. Uh, y- okay, 60% of your turnover relates to STRA, um, and it's clear that you're concerned about the proposed 90-day cap.

CAMERON BROWN:

Yup.

COMMISSIONER MACKAY:

Do you have an estimate of how much, by how much that 60% would be reduced? I mean, presumably, um, it- it's not all going. So, in- in terms of the numbers, you- you've quoted some numbers for your business, but what's the effect on those numbers, I guess, is what I'm asking.

CAMERON BROWN:

Um, well, part of it that we need to operate as a 24-hour business to- to support these, uh, the short term market. So, I mean, ultimately, I don't know how it would look but we would have to drastically shift our business model totally away from the short term rental market. I- I actually think that if we were to lose, if- if that 90-day cap was to be introduced, we would no longer serve the short term rental market in any capacity.

COMMISSIONER MACKAY:

Okay. Thank you for that.

COMMISSIONER GRANT:

And sorry, just to- to follow up on that but the other areas in the precincts that would have 365 day availability, would there not be some opportunity for compensation in terms of where your, where you workload would- would shift or- or you- you don't service those properties?

CAMERON BROWN:

Well, the advantage that we have with our business is we- we don't need to, uh, advertise a great deal. I think if we were to try and, um, shift the business model, whether we, uh, try and target more of a residential market where we would have to drastically increase advertising, which would in turn, you know, we'd have to put- put our rates right up. Um, or we'd have to charge it government work or something like that.

But at this stage, I- I really don't know how it would look if it was, if the 90-day cap was introduced.

COMMISSIONER GRANT:

Okay, thank you very much.

COMMISSIONER COAKES:

Thank you, Mr Brown.

LUKE WATERSON SC:

Uh, next is Karl Divers.

KARL DIVERS:

Can you hear me? Good morning.

COMMISSIONER COAKES:

Good morning.

KARL DIVERS:

Good morning, everyone. Um, uh, thanks for talking to us. Um, so I'm representing A Perfect Stay and we, uh, we're a homegrown Byron Bay business. We've been in the, in the area for 19 years and we now operate, um, more than 150 homes in the Byron Shire. Although, it's approximately 70% of them will be impacted by the, uh, 90-day cap. So, pretty significant, uh, impact on us. This business has grown from the one property to 150 properties on the strength of, uh, of, um, of the, uh, need in the, in the market.

The market has changed a lot of the last, uh, even 10 years. Uh, and there was a need in the market for this type of accommodation where families want to come to the area and- and have that, uh, s- spacious quality accommodation. They're the type of families that we want in the area as well because they're the ones that have a lower impact, they, uh, they move around the region, they spend money, and they stay longer. So, that's the type of business that we want in Byron.

In- in managing those properties, we employ, uh, 26 people in our office in Byron. It, all local people who are- are living and working in the area and obvious have families and so forth that they're supporting in the area. So, very important to the Shire. Equally importantly, we- we're employing around 1200 local businesses like, uh, Cameron who you've just spoken to. We're employing around 1200 businesses like- like Cameron's. And we're paying out to those businesses multi-million dollars of- of, every year to clean the properties, do the plumbing as Cameron's businesses, supply linen, uh, electrical works, maintaining the gardens, putting bins out, all those sorts of things that contribute not just to a- a great stay for those guests but the amenity of Byron and the enjoyment for- for people.

So, the potential impact on- on Byron is obviously massive because if there's a 90-day cap, all those business can't survive off 90-days of income, they need 12-months of income and that's what we- we work to provide all year around today. The ASTRA Byron calculations are at 1400, more than 1400 jobs in the Shire would be lost. If you think about 14 jobs being lost, that's awful. 1400 jobs is frankly, uh, it's no hyperbole to say that that would be an absolute tragedy. Even if it's half that, it would be an absolute tragedy. So, the- the job impact is just, uh, astronomical.

And if you then think about the, um, we've got, uh, data from owners across the, the Byron owners across the 1200 owners or so, is that 96% of those owners will not return their properties to the, to the short stay market. So, they're going to keep booking it out over the summer, they're going to keep using it in summer themselves when the rates are most favorable, but the ye- rest of the year's going to be impacted.

So, you're going to have this feast and famine, you're going to have, uh, just, as the, uh, as the gentleman from the Focused Footwear was saying, they're going to have that real, um, lots of business when people are around and nothing to pay the rent when- when they're not. And that's very difficult for business owners to deal with. The other 4%, so the 4% that would p- uh, potentially put their property into the rental pool, they're going to be three plus bedroom homes in the main.

Now, if you look at the data from realestate.com.au in February 2023, so this month, the average property, three-bedroom property in Byron rented for \$1427 a week. I don't know about anybody else, I don't consider that or- an affordable option for the vast majority of families. And- and so, by- by putting these, um, these scant amount of properties back into the pool, uh, them, uh, you know, we're not putting affordable properties into the pool. It doesn't actually help to solve the property, uh, crisis in any meaningful way.

In terms of, um, those properties that have lost their rights, if- if this 90-day cap were to come in, they will, uh, likely join a class action, which will come home to- to rest, uh, against the Byron Council as well. But most substantially is really this, um, if this were to be implemented, you've got so many businesses that are going to be dramatically impacted and- and will not be viable, will have to maybe move into other areas and- and so forth.

It's an enormous, uh, economic impact on them. So, for the good of everyone in the Shire, we ask you to reject this 90-day proposal. Thank you. Is there any questions?

KARL DIVERS:

Um, thank you Mr Divers. Um, can I just check, um, that I heard you correctly that you were suggesting that more than 1400 jobs would be lost?

KARL DIVERS:

There's a starter from ASTRA Byron, which is the, uh, the short stay accommodation, uh, Byron, uh, um-

KARL DIVERS:

I'm just checking that that's, that that's the correct number.

KARL DIVERS:

Yes. In fact, the number was 1448, I think they calculated.

KARL DIVERS:

So, that's what I wanted to ask you about because the ASTRA submission to Council says that 1448 jobs are provided by STA and yet, I think what you just suggested to the Commission was that 1400 jobs would be, more than 1400 jobs would be lost, and it seems to me surprising that all of the jobs would be lost that there, that, under this proposal. So, I'm just, I'm just pushing a little bit on the calculation of the impact that you're putting before the Commission.

KARL DIVERS:

Certainly, um, I don't, I don't, um, disagree with your premise Commissioner, that, uh, that obviously not all jobs would be lost. Uh, certainly the information, uh, I have is, um, is the number that I've given to you.

KARL DIVERS:

Look, I- I extend an invitation to you, I mean, it- it seems to me that, uh, my understanding is ASTRA has put a submission, um, with some numbers, 1136, um, non-hosted rental properties, 260 million dollar contribution- 267 million dollar contribution to the economy and 1448 jobs. Now, I- I hear what you say about, um, you know, a 70% affected. So, I'm presuming that that means 70% of the properties are in the 90-day area and 30% are in the 365-day precincts and therefore-

KARL DIVERS:

Exactly.

COMMISSIONER MACKAY:

... might get an uplift. But I'm not seeing any, um, logical or mathematical correlation between the numbers in the ASTRA submission and the numbers you've put before the Commission this morning. So, I'd invite you to clarify that, please.

KARL DIVERS:

I-

COMMISSIONER MACKAY:

I mean, by all means, take that on notice and- and put in a submission to the Commission.

KARL DIVERS:

I certainly will, yes.

COMMISSIONER GRANT:

Yeah. Um, Mr Divers, I'm just wondering, given that the 180-day cap has now been in place for- for a year, whether you've noticed from the 150 homes that you manage, um, whether you've noticed any, um, direct impact in that- that 12-month period.

KARL DIVERS:

Certainly, um, obviously the travel market has been broadly impacted over the last three years by, uh, obviously through the- the COVID situation. So, um, unfortunately, in this situation, wh- it's difficult to absolutely be, uh, scientific. But certainly, we have noticed that the, that, uh, that this most recent summer that we're just exiting essentially, this most recent summer, has certainly not been too, the levels of bookings that would, um, expect, uh, and in fact have seen in- in prior years and that, and that would suggest that there, uh, could certainly be, uh, an impact from the, uh, the 180 days. Um, but it's difficult to, uh, scientifically, if you like, pin that down to exactly that. Um, because obviously there's been, uh, COVID, uh, impacts as well.

COMMISSIONER GRANT:

And do you have, um, a feel for, on average, your properties, how many days, um, a year they are actually let? Do they, do they hit that 180-day cap in general?

KARL DIVERS:

Certainly, uh, a majority of properties would- would exceed that. Uh, obviously our owners, well not obviously, but our owners also use the property themselves. So, sometimes, you know, you can have a lot of days that are, that are, um, they're using the property. But certainly, the- the majority of our- our properties would sit around the, uh, sort of, uh, 200-plus mark in terms of their, of their, uh, bookings. Yeah.

COMMISSIONER MACKAY:

Um, thank you, Mr Divers. Could I just, um, clarify that? So, there is in force a 180-day cap, and you're putting to the Commission that the, um, that your properties, um, that the ones about, um, which Commissioner Grant was asking, uh, exceed 200 days booking. I'm not quite sure how that works.

KARL DIVERS:

Sorry. I miss, well, maybe I've misinterpreted the question. I thought, um, the Commissioner was asking about prior to the 180 days. So, therefore, um, what- what would, how would they be, or what properties would be impacted.

COMMISSIONER MACKAY:

Yeah. I- I think if I, if I heard her correctly, she was actually asking about the current circumstance in which the 180-day cap applies.

KARL DIVERS:

Then no, I apologise, I've misin- misunderstood the question.

COMMISSIONER MACKAY:

Thank you.

COMMISSIONER COAKES:

And just a final one from me, just, um, building on Juliet's question. So, since the introduction of the 180 cap, um, Mr Divers, so none of the properties that A Perfect Stay managed have converted to long term rental during that period?

KARL DIVERS:

Not that I'm aware of.

COMMISSIONER COAKES:

Okay. Thank you.

LUKE WATERSON SC:

Uh, next we have Casey Durkin.

CASEY DURKIN:

Thank you. Uh, hi everyone. Um, I thought I'd just make a few points before I begin my prepared words because I've been listening to your questions. Um, I have quite a small business in Byron Bay. It's called Beach Houses of Byron. Um, we manage, uh, 42 houses for short-term holiday rental. Seven of those are in the propo- proposed 90-day zone. Um, whilst I understand the majority of my business would move, uh, to 365 days, I don't think that that would dramatically increase my occupancy and revenue. Also, with the constant changes to the zones, it doesn't make me feel safe or secure.

Who's to say that if the property owner's rights are restricted in the current zones, that if the imposed caps do get approved and then they don't work, which they won't, that my houses in the 365 days won't be rezoned. I do believe that the property owners, uh, sorry, I do not believe that the property owner's rights can or should be taken away. I bought my first home in Byron Bay when I was 26-years-old. I worked seven-day weeks with my husband for six years. Why should my rights be taken away? I just don't feel that that's fair.

Um, I'll begin my prepared words now. Sorry, I'm a little bit nervous. Um, my husband and I established Beach Houses at Byron Bay in 2015. I also own and operate a bed and breakfast in Byron Bay. I'm a property owner of two other properties in Byron Shire. One of my properties has a dual, dual title and provides full time permanent rental to two families in Byron Shire.

I've lived in Byron Bay for nine years. I have two beautiful children. They're four and five years old. My little girl's just started school. Um, I've made a lot of great friendships already through the school community, also within the Byron Bay community. My business supports my two children and my family. I've worked really hard over the years to build my business so I can have an income to raise my family in this beautiful community. I'm passionate about our community and the place I call home.

I do believe it's a real privilege to live in Byron Shire. Um, I have a fantastic team that I work with. I employ five staff. Three of us live in Byron Shire. Um, the others commute from Lennox and Murwillumbah. All of my team have young families. We make a point of utilising many local businesses to assist us in all of our operations. Um, our motto for our business is, "A hotel experience lived locally," within, um, a short-term holiday rental house.

We work with over 30 local contractors. They, along with my team members rely on their p- employment and income to support their growing families. We're a passion, we're passionate about Byron bay tourism. It's our lifeblood. Tourism is the industry that supports Byron Shire. It's really just that simple. If the cap to put in place, it will hurt us. It will in- inhibit the ability for me to grow my business. It will decrease our revenue and profit- profitability by 30%, maybe more. If caps happen, redundancies will probably have to occur. Um, my business might not survive it.

I'm baffled that after the struggle through COVID, which we really did battle to stay afloat in, that now my own community is trying to tear my business down and local businesses down, local families down. It just doesn't make sense. It's really, really saddening. If anyone saw our town through the depths of COVID lockdowns, there were no tourists. You would know, we need tourism, we need holiday makers. Most importantly, we need pl- places for these people to stay.

This p- policy will not solve the- the affordability housing crisis. The veritable number of houses, if returned to the permanent rental pool, will not be fit for the purpose of permanent housing. Last of all, I'd like to finish by saying that it is the belief of myself and of the owners of the properties of my portfolio that we will not have our property rights removed and we have legal advice that the caps can not be made retrospectively.

Thank you.

#### COMMISSIONER MACKAY:

Thank you, Miss, Miss Durkin. Um, can I just clarify, when you said that your revenues will drop by 30%, is that the revenues on the seven houses in the 90-day cap area.

CASEY DURKIN:

Yup.

COMMISSIONER MACKAY:

So, it's a 30% drop on the seven out of the 42?

CASEY DURKIN:

Yup.

COMMISSIONER MACKAY:

And in saying that, what is the occupancy rate on the 35 that are within the 365-

CASEY DURKIN:

So, we- we run at the 180-days. That's- that's what we run at.

COMMISSIONER MACKAY:

Right. Do you think that would go up if it was increased to 365?

CASEY DURKIN:

No, I don't, I don't really think it would. Um, it- it could, but I, not I don't, I don't feel that that is giving me security and comfort because no, I don't believe that.

COMMISSIONER MACKAY:

Could- could I invite you to explain why? I- I mean, I don't want to presume in terms of ...

CASEY DURKIN:

Well, generally, um, my houses, the- the occupancy is through, obviously, the- the peak times, it's through the weekends. Mid-week is very slow. Um, just granting me the permission to- to rent it out 365 days, I- I just don't think it'll make a massive difference. I don't think it'll cover- cover the loss that I would make.

COMMISSIONER MACKAY:

All right. Could I, could I just ... I mean, um, I don't want to put words in your mouth, but if I do some quick maths and say, "Look, I'll take summer, add some school holidays, and then add the residual weekends," that comes to about 160, maybe 170 days. Is that, is- is that what you're finding in the, in- in those 35 properties that-

CASEY DURKIN:

Yeah. Generally, that's- that's, kind of, what we run. We run, yeah, school holidays, summertime, you know, you've got those little festivals and things through the years, Splendour in the Grass, stuff like that. So-

COMMISSIONER MACKAY:

Yes, of course. Of course, the festivals would- would also contribute to-

CASEY DURKIN:

Yeah, the festivals help. But generally, that is a- about 180 days. I don't think 365 days is my golden ticket at all. I do not think that it's going to massively make up for the loss that I'll feel if the 90-day caps are ... And honestly, the biggest thing that really gets me is I'm 35, I've still got a massive working career ahead of me, why- why should my ability to grow my business be taken away? And that's what these 90-day caps will do.

COMMISSIONER MACKAY:

Thank you, that's very informative.

CASEY DURKIN:

Thank you.

COMMISSIONER COAKES:

And Miss D-

COMMISSIONER MACKAY:

There may be other- other Commissioners.

CASEY DURKIN:

Oh, sorry.

COMMISSIONER COAKES:

Sorry, before you, before you go. Um, just in terms of the- the homes that you manage, Miss Durkin, what sort of market are they meeting?

CASEY DURKIN:

Um, most of them are- are luxury-

COMMISSIONER COAKES:

Luxury, are they? So, in that, we've talked a little bit about that, sort of, threshold of \$1000 a night.

CASEY DURKIN:

Yeah. That's right.

COMMISSIONER COAKES:

That's, sort of, where your- your business would sit? Okay. Any further questions? Thank you very much. Thank you.

LUKE WATERSON SC:

Uh, next we have Luke Schultz.

LUKE SCHULTZ:

Hey, can you hear- hear me?

COMMISSIONER COAKES:

Yes, we can hear you, Luke. Please go ahead.

LUKE SCHULTZ:

Thanks for having me. Uh, I'm representing Lighthouse Linen and we're opposed to the Council's proposed 90-day cap. So, we're a family-owned and operated business that provide linen hire for the short terms accommodation in Byron and we're soon to be in our fourth year of operation. 100% of our business relies on the short-term accommodation within Byron and about 70 to 75% of our clients fall within the proposed zoning for the 90-day cap. I'd say this puts us in the category most at risk if the proposal were to go through.

I'm not completely sure what it would mean for our business but it'd certainly have huge negative consequences, uh, not just for us but for other businesses we support as well. Uh, so for these reasons, we're strongly opposed to the 90-day cap. Thanks.

COMMISSIONER COAKES:

Thank you, Mr Schultz. Just- just a question, I mean, how many staff do you employ and do they-

LUKE SCHULTZ:

Uh, there's- there's four of us.

COMMISSIONER COAKES:

Four of you. And, um, given you're in your fourth year of operation, is that correct?

LUKE SCHULTZ:

Yup.

COMMISSIONER COAKES:

Yeah. So, you're-

LUKE SCHULTZ:

Uh, we're coming to our fourth year, sorry.

COMMISSIONER COAKES:

Coming into your fourth year. Do your staff live locally? Has there been many issues, I guess, since you're a relatively new business, in housing your staff locally?

LUKE SCHULTZ:

Uh, so we're all from Tweed but we commute every day.

COMMISSIONER COAKES:

Okay.

COMMISSIONER COAKES:

Okay, thank you. Yup. Richard.

COMMISSIONER MACKAY:

Thank you, Mr. Schultz. Um, I've just got in front of me, a copy of, um, the submission that you put into Council on this matter, and, and I- it- it- it's self-evidently using a lot of the same words as other submissions. And I'm wondering if you could share with the Commission where that letter came from, please?

LUKE SCHULTZ:

Uh, we work closely with A Perfect Stay.

COMMISSIONER MACKAY:

Sorry, with?

LUKE SCHULTZ:

A Perfect Stay.

COMMISSIONER MACKAY:

Thank you.

COMMISSIONER COAKES:

Thank you, Mr. Schultz.

LUKE SCHULTZ:

All good. Thank you.

LUKE WATERSON SC:

Uh, next we have Asren Pugh.

ASREN PUGH:

Hello. Uh-... so my name's Asren... Can you hear me okay?

COMMISSIONER COAKES:

Yes, we can hear you.

ASREN PUGH:

Uh, my name's Asren Pugh, I'm a Councillor on Byron Shire Council, but also a local business owner. Um, I want to thank the organisers for allowing me to do this, um, virtually, I've had to travel for work. Um, so I just wanna... I've, I've lived in Byron, um, a very long time, uh, I grew up here, went to Byron Bay High School, and I used to live in a place called, um, Baywood Chase. It's now been turned by real estates into, real estate agents into Suffolk Park, but it's the western side, um, of Broken Head Road. Um, grew up as a... with a single mom, paying \$180 a week rent for a, a small three-bedroom house.

Now, I know that those days are never coming back. Um, you know, you're never gonna get that kind of, um, affordable housing in Byron ever again, but I do want to note that that area of the Shire as well as places like Ocean Shores and, um, some of the suburbs at Mullumbimby and so forth used to be the place where ordinary people could afford to live. And I just want to dispel some of the myths that I have heard in some of this debate that this is about luxury accommodation, um, it's all about, you know, beachfront Byron, that kind of thing, that that's where the problem is, 'cause that's just not the facts.

You know, when I was door knocking, for example, where I used to live in the streets, I used to live in, um, for my election campaign, there were houses there, exactly the same houses that I used to... that I grew up in, which were being holiday let. You'd knock on the door and there's just nobody home, um, or there's a group of, uh, you know, bucks' party or hens' party, um, right there in the middle of suburbia where, um, people used to be able to go and live and afford to live in the Shire.

And so I- I'm just telling that anecdotal story to show that this is not just about beachside Byron or beachside Suffolk, this is a problem that has permeated into all of our suburbs, um, where people are trying to raise families, trying to, um, you know, live a life, create community, uh, volunteer in their local sports teams, and, um, but we're seeing short-term holiday letting, uh, take over those houses.

The other thing I just want to note from our Council's report into this when it came to Council, was the change in the long-term rental market in Byron Shire from 2017 to 2022. It's gone from over 3,300, uh, long-term rental properties to down to just over 3,000. Now, that's a massive drop in the number of properties available for rent, and, um, has had a massive impact on, on our community, on, uh, our volunteer levels, and, um, the ability of people to get affordable housing.

I also just want to note, um, some of the previous speakers spoke about how maybe some of the houses that are currently in the rental short-term holiday let industry are not appropriate for longterm housing. Well, that's not what this is about only. This is also about stopping more houses from being turned into long-term holiday let houses. Um, I've got friends who, you know, they've, they've raised their family and they've downsized, and they've sold their house and it's been bought by someone who's turned it into a 100% holiday let property.

So that's just recently in the last few months. Now, we don't want more of our housing to go that way. Um, it needs, this needs to be stopped now. Like, this precinct model was discussed over 20 years ago,

um, when I used to actually live in Byron, um, in the early 2000s. And if we had of implemented a precinct model like this then, then maybe we wouldn't be at the... in the situation we are now.

Secondly, I just want to speak as a business owner. I- I run a food manufacturing business in the industrial estate, and I can tell you that while tourism is essential and it's one of the key planks of the Byron Bay economy, and, um, we need to have a diverse economy. We can't be 100% reliant on tourism. Uh, we need to enable other businesses to thrive, and the key issue that other businesses are telling me and that I face myself is that, uh, finding workers that live locally.

Um, that is the biggest issue that businesses are facing. They have to commute from Pottsville or Tweed Heads or Lismore or Ballina in order to be able to work in the businesses in Byron Shire. If we don't address this situation, we will no longer be able to find, um, local workers. I'm not sure what the bing means, does that mean my time is up?

LUKE WATERSON SC:

Not yet, you've got a little bit more to go.

ASREN PUGH:

Okay. Um, so I just wanted to make that point as a local business owner as well. I know there was some reach out by the Byron Bay Chamber of Commerce, um, but their survey didn't even ask that question. It asked about the impact of tourism slowing down, it asked about, you know, all of these sort of leading questions about what this, um, change might mean for hospitality and tourism businesses, but it did nothing to engage with the vast array of other businesses, um, that don't rely necessarily on tourism but do need local workers, um, to work.

So I- I just want to make sure that those voices are being heard. Sometimes it's hard, um, if you're, uh, an alternative business to come in and, and, and speak. Um, so maybe they're not quite as loud as some of the, um, other businesses who are against this proposal. But, uh, I just want to make sure that those voices are being heard. Finding workers is very difficult at the moment, and it's made harder by the fact that there are no, uh, local, um, housing for them.

Um, I do have some concerns about the prec- the expansion of the precinct model to, um, to CBD areas, for example. Um, I think that this is one of the key areas where we as a Council have the ability to create diverse housing, some smaller one- bedroom units and those kinds of things. Um, and if that is all allowed to be 365 day holiday letting, then I think that that will actually, uh, impeded our ability to create that diverse housing. But having said that, um, I've... I support this proposal as it went through Council because it gets, it gets the balance right, I suppose.

Um, if it was up to me, I wouldn't have extended it within the CBD quite as much, um, but, uh, you know, we've got to have a balance and, uh, I think this is where the balance is right. I'll leave it at that. Thank you very much.

COMMISSIONER COAKES:

Thank you, Mr. Pugh.

COMMISSIONER MACKAY:

Thank you, Mr. Pugh. Um, could I just, um, just referring back to your, um, fairly strong remark that this is not... this is, this is about stopping more houses, more housing being turned over to short-term rental accommodation. Have you turned your mind to the prospect of some transition provisions, or some sunset grandfather clauses that provided, um, a less dramatic change between the existing situation and some new regulations? You know, perhaps something that controlled, um, houses that were proposed for Australia in the future but provided some transition for those, um, you know, we've heard from, uh, single, couple investors who've bought a property up here under what they see as one set of rules and are concerned about the changing rules.

So I'm asking about the prospect of some kind of, uh, more gradual transition, rather than a, a simple change in the, uh, state environmental planning policy.

ASREN PUGH:

Um, well, look, as I, as I said in my, um, in my presentation, this has been discussed for over 20... well, about 20 years in Byron. Um, I think it was somewhere around 2003, 2004, that the precinct model was first, um, talked about by Council and first en- that the community was sort of first engaged in a discussion around it. This is not a new conversation, um, and it's I- it's I- I can't represent Council in speaking as a Councillor, but it's my understanding that, um, you know, it's our, it's our position that short-term holiday letting was not allowed, um, and hasn't been allowed for the last 20 years.

Um, you know, and people who have made investment decisions on that basis have not got the correct advice in, in doing that. Um, you know, this was imposed upon us by State Government. Um, we've tried to engage for many years to get, um, uh, an appropriate solution for our community. You know, every single heat map you see of housing affordability problems, um, proportion of the, um, of housing stock that's in short-term rental accommodation, every time... every heat map you see has a big, red dot that sits on Byron Bay and, and sort of expands out over the Shire.

Um, this has been a problem for years. Um, I-

Uh, it- it's not, it's not you. You know, anyone who is investing in this, um, area should've known that this was a, um, a policy and a public policy discussion that was ongoing and should've got, um, legal advice. Like, we- we've waited too long for this decision. It was promised to us by the government four years ago, um, and unfortunately, they've delayed and delayed, we've jumped through every single hoop possible. Um, so anyone who's made decisions in the last four years, for example, um, have known that we were moving down this path that was promised by the government, it was announced by the government in the lead up to the last state election four years ago. So, um, I think we've got to get on with it before this situation gets worse, to be honest.

COMMISSIONER MACKAY:

Thank you for that answer.

COMMISSIONER GRANT:

Can I, uh, can I ask one-... one quick question Mr. Pugh? Um, just wondering whether with your long-term, um, you know, experience in the community and your role on Council, whether you have ideas of

how, um, any mechanisms or measures that, that we could be recommending, um, how to address, um, some of those affordability and housing supply issues?

ASREN PUGH:

Um, look, there are multiple. We need, we need more houses, to start with. Um, and, and that's why I raised the issue. My concerns about the, um, the precinct model allowing 365, um, uh, holiday letting within CBDs, um, I think that that's our best opportunity to have diverse types of housing. Um, we do need, uh, different types of housing with different types of people. You know, we, we need some one-bedroom apartments, um, we need some two-bedroom or three-bedroom for, for people who, who want that type of housing.

And I think rather than having, um, constant urban sprawl, um, we need to be able to, um, have that type of housing within the current footprint. I- um... So I'm not sure what the solution is, to be honest. Um, we're, we're doing our best. We've got an affordable housing strategy, uh, in place as a Council, where... which is requiring 20% of new land releases to be affordable. Um, the government, you know, talking to the government about, um, uh, the public housing space is, is really important. Um, we need that type of housing as well.

Um, so, you know, I think we need some more housing, but we m- most importantly need diverse housing and we need to stop houses being diverted off into short-term holiday letting.

COMMISSIONER GRANT:

Thank you very much.

COMMISSIONER COAKES:

Yeah. Thank you, Mr. Pugh. Okay. I think we will now break, uh, returning at 12:40. Thank you.

COMMISSIONER COAKES:

Thank you. We'll now commence our afternoon session.

LUKE WATERSON SC:

Uh, first up, we have Michael Lyon.

MICHAEL LYON:

Thank you. Good afternoon, Commissioners, my fellow community members. I would like to acknowledge we are on Bundjalung land and pay my respects to First Nations Elders past and present. I would like to also acknowledge the many great, unsolicited but impassioned speeches from long-term members of our community who have lived through the massive changes our Shire has experienced over the last 10 years in particular. I was in Sydney yesterday representing our Shire at the Country Mayors Forum. I was watching and listening to all but the last hour of the day's proceedings up here, and I didn't know many of the names on the list, but you have come out and been heard, and stood up for our community, our community's cohesion, our sense of purpose and our ability to manage our own affairs in a reasonable and fair way, more than fair way.

Until recently, unhosted short-term holiday letting, or indeed, hosted short-term holiday letting of an entire home was an unauthorised development in a residential area. In Byron Shire, we have taken many operators to court in the last 20 years, but they've always pulled out, before we got to a judgment, and said they would cease and desist. When I came to Council in 2016, I made it my mission to renew the push to prosecute this unauthorised use because Blind Freddy could see the damage it was doing to our community, and not just on amenity anymore, there was a growing crisis of housing that was happening before our eyes. We were losing longtime community members, we were losing some of the heart and soul of our special place.

When I came to Byron 13 years ago, getting a job was known to be the difficult part. If you managed that, you could find accommodation, no problem. The local paper was full of ads for houses and share accommodation. Now, if you can find accommodation, you can take your pick of jobs, or at least that's where we were pre-COVID. Things have become more complex, but also more urgent, since then. During the last term of Council began... we again began proceedings in the Land and Environment Court against a couple of properties to send a clear signal about our intentions to rein this in. We attempted discussions with the State Government about a workable framework so that we could create an approval pathway for full time, a holiday letting operations, to level the playing field with commercial operators, to professionalise the operation, and to ensure we can limit the numbers.

What we got in return was the options paper. So we made many representations during this time, but our course fell on deaf ears. I didn't know how deaf until I read the transcripts from the stakeholder meeting on the 10th of February with the Department of Planning and Environment, and heard the presentation from the DPE yesterday. I heard yesterday, or reading the transcripts, there were limits to shutting down a valid use of a residential property. Where is this assumption that this is a valid use? It is only a valid use if the planning instruments say it is, and they didn't until February last year in the Byron Shire.

I also note yesterday there was no view on the policy concept before us. No view on the idea of wanting to protect residential areas for residents, to ensure there is enough worker housing. Why? I also heard about the value to communities of visitation through STRA. Fair enough, that's a potentially valid observation. Where was the DPE analysis on the value to communities of permanent residents? Wouldn't that have been a good place to start in analysing this, if only from an economic point of view? What about the interrelation between the workforce who need residential accommodation, and the economy, and the limits of gutting residential stock to create more tourism dollars?

Next slide, please. Sadly, the Urbis report also failed to address these questions, and though it was jointly paid for, between State Government and Byron Shire Council, we did not agree with the brief or the final report recommendations, the methodology used. And I note on the slide there that only the DPE are featured. I think we're in the wrong... No, you guys are in... Go back to the start of it, please. Yeah, so there we see the- on the bottom, presented for the Department of Planning, no mention of Byron Shire Council.

Next slide. Let's turn our attention to the options paper briefly before going back to Urbis. And I would like to thank Councillor Coorey yesterday for reminding me of the language used in this document. The continued growth of STHL is occurring at the same time as the housing market is generally becoming less affordable, particularly in Metro Sydney and highly patronised holiday destinations such as Byron Bay. In these areas, some consider that holiday letting has the potential to compete against traditional forms of residential tenancy. Now, where would we get that idea? They're only using the same product. It goes on.

However, the limited evidence currently available suggests that the impact of holiday letting on rental availability is negligible. The evidence was before our eyes. There is... This is a small community and we know what is happening in it. This was being spoken about constantly in our community. We knew, but as always, we were given a hoop or a roadblock, and we proceeded to jump through it or try to knock it down. So, what did we do? Next slide, please.

We presented research from [inaudible] in 2018, that clearly showed the issues coastal councils were facing in this space. We were one of the case studies, and at that time, you can see here we were already top of the pops. And please note that there was no distinction, at that time, between hosted and unhosted. The distinction we were making was between entire homes and home share, because we knew entire homes were the issue. People renting in rooms was never a problem, and was included as a permitted use in our LEP.

Fast-forward to the State election campaign, the seat of Ballina was hotly contested. Suddenly, our concerns were heard, the impacts understood, and a 90-day cap promised. Spoiler alert, the government didn't take back the seat at Ballina. But, I will say in their defense, they have kept their other promises and haven't yet broken this one, and with your help, you can help them keep it. Though they may not get the chance as another election is upon us, the Labor Party for their part have told us that they have never gone against an IPC recommendation. But, no pressure.

LUKE WATERSON SC:

[inaudible]. I'm sorry to interrupt, [inaudible]-

MICHAEL LYON:

Can we stop the timer, please.

LUKE WATERSON SC:

Th- th- There's just some people who are listening in here on the web stream who mightn't know who you are or in what capacity you're talking. So, could you just-

MICHAEL LYON:

Yeah. My name is Michael Lyon. I'm the Byron Shire Mayor. I'm speaking for myself. But, I'm obviously, you know, how do you how do you th- th- th- the lines are blurred, you're you're you're when you're the Mayor, you're you know, you're the you're the Mayor, at night, in the morning. But, you know, this is my thoughts, this is how I feel about it, and that's that's where I'm coming from.

LUKE WATERSON SC:

Okay.

MICHAEL LYON:

So, let's have a look at the Urbis report. The researchers interviewed a large sample of holiday let property owners living in the proposed 90-day precincts, and asked them what they would do in a few scenarios if day caps were introduced on a holiday letting. So, we on the next slide, thank you. By far, the

most effective day cap was 90 days, which would see a change in behavior in 35% of cases. 14% would sell, and 21% would change the use of their property to long term let, and Commissioners, we will address the 10% question at the end of the day, in terms of that 10% that do nine months, and then three months over summer.

Now, today's figures, this would equate to 282 properties back into the long term market, just over half of those all year round. Next slide, please. There is also a misunderstanding about the types of properties being holiday let. They are not all mansions. Indeed, the research shows 27% of them are budget accommodation and 11% mid-market. We heard from a pharmacist yesterday, there's offering salaries in excess of 100,000 per year that they- he cannot hire professionals, uh, because even I struggle to find housing in this market. Any increase in supply will have impacts down the line, and that is to be welcomed. Now, while that is a good result 282 properties, it must be understood that this 90-day cap policy was being formulated at the peak of visitation, and the estimate at its peak was that it will return far more properties than that. The Urbis report quoted 5250 properties listed as unhosted.

This is an accurate figure in its own way. It was a list of all properties over the course of a year that appeared on one of the main online lending platforms. A more accurate point in time, if you get presented to the December Council meeting in 2019, was calculated at around 2600 entire homes as of September 2019. But, it was constantly changing, trending up, and many, many more people were considering it as shown by the Urbis numbers. The current registration figure is 1367 unhosted properties, that was checked this morning. This does not include all the entire homes we've lost due to the split in categories, and this is already a concession that has been made to the commercialisation of our once permanent housing supply, i.e. all of the hosted entire homes are now gone. That's been done, and they're away. We now look concentrating on unhosted.

So, it could be argued that the number of STRAs has gone down, the problem has largely been solved. Why persist with this policy? Next slide, please. This is a graph of visitation to the Byron Shire. We can see here that from its peak in the year ending September 2019 to the latest data set in September 2022, visitation in terms of both nights and visitors has halved. We know for the most part the number of hotels and hotel beds hasn't changed. But, the number of holiday lets dropped significantly indicating that the use of residential properties for holiday letting in the absence of regulation has elastic supply qualities.

Now, while the number of STRAs has gone down from its peak, many were bought up in part by the sea changes during that big COVID movement to the regions. Some of these holiday lets were no longer profitable, and converted back to long term rentals. But, at the same time, other long term rentals were also bought by people moving to the area. The net figure for long term rental shows that they are static, which you can see from the long term rental bar data there on the right. So, what happens when visitation returns? Is not a matter of if, but when.

Byron's visitation hit its lowest point in over a decade, but is already showing signs of recovery. The growth of South East Queensland in migration, the return of overseas travelers, all points to return to, and beyond, the peak of 2019. We also know that the use of properties- properties converting to and from STRA is elastic, again, in the absence of regulation. We heard from the industry yesterday that 180 days is not a problem for them. Why? Because they make their money between that 90 to 180 day period. That is what makes STRA as a standalone pure... pure standalone investment attractive.

It is also why several jurisdictions around the world have chosen this 90 day period, or 60 days in WA for example, because it disrupts that investor behavior, and that is our target. It is also why they have been so

reluctant to share their data with us, with the Department, and as I certainly heard yesterday, with this Commission. Additionally, these holiday letters will have off the books returning visitors that they won't need to declare, which will top that 180 days up too, making this a highly lucrative investment in a tourist hotspot.

Now, folks with holiday homes, we heard from them to yesterday, they are not the target of this policy. We have always had them in our Shire, and I have been a part of the mix. They are not driven by money but convenience. While having more than 90 days I'm sure would be handy, the harm caused by creating an investment pathway in our residential areas is far too great for any perceived benefit. Now, let's go back to visitation. It grew quickly when technological advances allowed anyone to turn a house into a hotel, and it declined rapidly as visitation fell over the last three years. It will rise again quickly, and if left unchecked, will decimate that static number of 3000 long term rentals, further increasing the pain on our community and pushing rents ever higher.

What we have seen to date in the housing crisis could pale in comparison to our future if we do not act. We must not let that happen to our community. We have already lost so many of our friends, our family, our sons' and daughters' school friends, pushed out by unregulated market forces. Our businesses have struggled with reduced opening hours and unmet client demand, and we've heard from business owners working around the clock to keep the doors open. It is not sustainable. Local government is a creature of State Government. Our planning department is designed to assess local conditions so that we can use state instruments to regulate and guide the formulation of sensible, appropriate, and locally-targeted policy. Byron Shire and all local government areas need a suite of options to choose from in this holiday letting arena. For us, it is essential given we are the most highly impacted LGA in the country and you would be hard pressed to find, at normal visitation levels, anywhere more impacted in the world. The figures around our density of holiday lets, as a proportion of the total rental market, is mind-boggling. There is nowhere in the world with even a quarter of the density that I can find. A quick calculation even on today's figures shows around 40% of our total rental housing stock is being used for holiday let.

The next worst I could find is Hobart, sitting at around nine percent, and that was in the Shelter report that was on the screen yesterday, I believe. One of Airbnb's main contentions was that they don't want to have to deal with 2,000 different potential sets of regulations were you to delegate this to each local council to work out. That's fair enough but it doesn't follow, then, that we only have two, 180 days and 365 days. Let's at least have three and trial how 90 days works. Let's flag a fourth and fifth of 60 days and zero days, certainly for new builds and housing, and new housing estates. We cannot increase supply when the foundations of our housing stock are being continually eroded. It is akin to building an extension when the main body of the house has termites. Can I get a time check, please?

LUKE WATERSON SC:

Seven minutes.

MICHAEL LYON:

Ooh, great. Okay. Um, then, next slide, please. This is the economic impact analysis that the Government relied on when deciding, um ... I guess, what did they decide? They didn't really decide. It was something that'd been up in the air the whole time. So to be fair, they haven't decided but certainly relied on, uh, by many people to say that we should simply, uh, go with the 180 days and see how that goes. Now, we can't

really see it well there but I'll do my best to just highlight on them, and I do apologise. Um, I can provide this, obviously, to anyone who wants it another time, but ... Well, even I can't see it, actually. I'll just make a couple of key points here. They went through seven different categories of stakeholders ranked equally. They were the visitor market in operators, the visitor market visitors, the residential property market in terms of the renters, the residential property market in terms of the owners, the local services and businesses, the local workers, and the local residence community. And then they gave that a ranking of benefit or disbenefit to come with a total sum of the 180-day cap on the left or the net positive benefit of 13 and a half. And on the right, Council's position, which was a net benefit of plus seven.

Within that, local workers, uh, were considered that the 180-day cap had a net benefit to local workers of plus two, but a net disbenefit under the 90-day cap of minus one. I've spoken to a lot of local workers and I don't think any of them will say that the 180 g- a day cap is more beneficial to them. Even in the local residence category you've got a net benefit of plus two in the 180-day cap and a net ... Sorry, plus three in the net ... in the 180 and a plus two and a half in the 90-day cap. So according to this recommendation from Urbis, it was more beneficial to our local community broadly, as in the residents and, and, you know, everyone in it for there to be a 180-day cap than a 90-day cap. It's madness. And, and, and as you go through it (laughs) uh, the point I'm making is it's very unreliable. Even the judgements within it are unreliable and we've had a peer review to say the entire methodology was unreliable.

But, even if you use the methodology and you just apply a bit of sense to the categories, uh, it clearly comes out as being overall in favor of the 90-day cap. And if you wait, the value of our community as a cohesive element from the social point of view, for me, it, it, you know ... How that became a professional report that we paid over 200 grand for ... No, I need ... Okay, oh, it's ... That's a bit of good news. Next slide, please.

The economics backs us up. We are not dependent on tourism, far from it. Our other business sectors have been growing steadily and employment growth in all sectors is strong. I would like to quickly restate some important parts of our presentation on Friday. By our calculations, the economic benefit of permanent residence is roughly equivalent to that of tourists in terms of what they spend in the economy per day. Putting aside that they are likely to be in the community for more days of the year than tourists and thus spending more, that spend is more broadly cross the economy. They are also doing jobs that otherwise won't be getting done. There is clearly more economic benefit to our community, our whole economy, when there are jobs to do, the houses to be used for permanent residents. In future, we can find better ways to quantify this, to understand the employment needs of our economy in order to determine ... To determine what an acceptable and sustainable level of holiday lets is as a percentage of our housing stock.

Right now, we have an emergency and a bigger one on the horizon as visitation returns. We have been pleading and jumping and, and justifying the case for change for well over five years. I also want to deal with some of the misinformation. Can we put the next side up, please? This is from ASTRA, the short-term letting lobby. \$267 million ripped out of the Byron economy. This cap will kill Byron Bay. We actually looked into that \$267 million. It actually represents every single holiday let in a satiated spin with every single holiday let across the entire economy. It doesn't include ... It includes the 365-day precincts. All the ones that remain in the 90-day precincts. It includes all of the, uh, hosted, which aren't even covered by any of these policies at all and are completely exempt. And yet, they wanted to put that forward as an argument to say that, that it'll rip that out of the economy.

In my view, it's not gonna do anything to visitation at all. We have precincts to deal with that change. We have traditional hotels. We're approving more. I don't believe visitation nights will go down significantly. I don't think that will go down at all. There will be a small decrease in capacity with less holiday lets, but the visitation will concentrate in those precincts and will concentrate in the remaining 90 days. It will concentrate in the hosted entire homes that have already been let go. Uh, and I don't think it will effect our economy at all. Actually, it will be a huge benefit as houses are freed up and other sectors of our economy, which represent 89% according to the ABS. Other sectors of our economy can hire the staff they need to grow and expand.

So what do we want? I understand this is a review and couldn't put all options on the table. My first ask is to give us what we have asked for that we have done the work on. So much work on, on behalf of our community. We have shown that it will have a limited impact on visitation, if any at all. It will have a huge beneficial, um, impact on the functioning of our economy and, more importantly, our community. Whatever we do, we need to charge for it, maintain the register, and collect the fees so we can enforce compliance. I don't mind having to go through this again because it may lead us more quickly to change that can benefit all local government areas and affected communities in New South Wales. We have to act on the current timeline so that these changes in Byron come into effect in June 2024. The signal to the market has already taken place. Investors have already acted. Let's not undo that. The changes we are proposing are modest.

We'll have, at worst, a minor effect on the visitor economy overall and I would argue that we would lose no visitation at all because Byron is the destination. Our sense of community is valued and protect it will protect one of the things that people love about us and one of the reasons they want to visit. There is plenty of capacity in the hotel sector, the 365-day precincts, and the remaining holiday homes to take up with the slack. And at the same time, we will return properties to the longterm market, enable businesses to be more productive by filling vacancies, and ensure that brand Byron is strengthened into the future. Thank you.

COMMISSIONER MACKAY:

Th- thank you. I'm, I'm not sure whether to say Mr Lyon or Mr Mayor, but perhaps both. Um, look, accepting what you said very early on in your presentation about the, the lawful, uh, use in a residential zone. Um, I, I guess the reality at the time that the Commission comes to this matter is that as at right now in the 180-day, um, areas, uh, this is a lawful use.

MICHAEL LYON:

Mm-hmm.

COMMISSIONER MACKAY:

And there are people there who through, through, you know, for whom, through whatever circumstance are currently providing STRA lawfully. So my question to you is in terms of the introduction of the 90-day cap that Council proposed, what would your view be on some transition provisions or sunset clauses... that made it, uh, less impactful than a, than a quick switch of the rules for the people, um, who are already invested. And we- we've heard from some yesterday such as... you know, a single couple who

brought a property under the rules as they are right now. Um, what, what about something that addresses, uh, those needs as part of a transition?

MICHAEL LYON:

Look, I think Councillor Hugh answered that really well earlier and I would give you the same answer on, on one of those points. Which is that the 90-day cap has always been in play. It's been in play the entire time and it's been flagged the entire time that this policy is on the table and likely to be implemented. Um, in June, in data was told that, that whatever we decided would go ahead. Uh, so in ... From an invested point of view ... And the reason I make the point about where we were and where we are now is because, you know, the people that we're talking about here, they're not silly. They know exactly what's going on. They don't buy properties in Byron Shire without doing due diligence, without knowing. They took the risk and, I'm sorry, but, but, but if we get this through, um, it's really not our concern. They knew and, and I, and I don't believe in transition, uh, arrangements in that sense.

Uh, for me, it has to be, uh, a really clear set of enforceable rules so that we can actually then focus for the next year on the register and how we're gonna ensure that we understand it and then can en- ... And, and properly enforce it. If you are truly concerned about those people that are in those zones, then maybe some kind of DA system to go on top of it. That's got all sorts of issues. We can talk about that if need be. But my view is that you wouldn't create a transition system. You would stick to the fact. Um, as the Department said once there's a day cap system in place that holds, there's no existing use rights. That's the advice they gave us. Um, so I, I wouldn't be ... I cer- certainly wouldn't be recommending o- or suggesting that that would be a, a good idea.

COMMISSIONER MACKAY:

Thank you. That's clear. Um, we've, we've heard from some of the, um, luxury and STRA providers that if their, their properties were subject to the 90-day cap that would not result in them being returned to the, um, long-term residential market. With what-

MICHAEL LYON:

Yeah. They're about at 65%.

COMMISSIONER MACKAY:

Yeah. What, what would, um, Council's view be, uh, i- if some of those, um, were to lodge a DA and seek to achieve a lawful con-, you know, a lo- a longer use through a consent process rather than through the exemption?

MICHAEL LYON:

Well, certainly, as I said before, I think we need to do that. But I would ... I, I personally, would be open to that if, if that's what's going to get things over the line. We'll certainly need to talk about that once, you know, we move forward. We agree that we can stick to the June 2024 timeframe and then work on a, a set of revisions like that. That could be very handy in the future too when you're talking about, you know, maybe a, a 60-day cap in new residential estates. And then, you could have a development pathway. You would need to look at, you know, what percentage of properties in an area so that it creates its own set of

things to work through, but I think it would be achievable. And certainly, again, a little bit like this is an imperfect solution for us. But at least it does what we need it to do and actually hits the, the market in the right way and signals to investors that our residential areas are not open for ramp and commercialisation. So I would be open to anything that lets the ... gets us on the way to protecting our residential stock now and into the future.

And, and, and if that was a development pathway with limitations around total numbers, um, certainly as a percentage of our housing stock, um, uh, or rental stock, um, I would, I would be certainly, as always, happy to work through how that would best work.

**COMMISSIONER MACKAY:**

Thank you. Thank you. That's also clear. And we've, we've, we've also heard, um, a lot of people that are coming to Byron like to come at particular times. Summer school, holidays, weekends, music festivals.

**MICHAEL LYON:**

Mm-hmm.

**COMMISSIONER MacKay:**

And it's been put to us with respect to these 365 precincts. That if you add up all that kind of desirable Byron time in the market it comes to about 180 days and, therefore, it's not likely that they'll be this big uplift in the 365 precincts to, perhaps, compensate in economic terms for the Byron tourism economy for the effect of the, the down scaling in the 90-day precincts. What would be your comment on that, please?

**MICHAEL LYON:**

Uh, well, I think it's certainly worth trying. I think there would, there would ... Naturally, the market moves according to the conditions that you put in places. So I, I think there would definitely be an impact. It may take some time. I think one of the, the, the points that may be missed in the whole 90-day situation is a lot of those holiday home type people are just currently sitting at 20, 30, 40 days. Um, you know, they just want that ability to, to really grab the cream.

But as, as, uh, as things are becoming more competitive, as there's less operators in the 90-day zones, they will actually pick up more business. And so, that, that 90 day will concentrate too. It's not just the 365 days that will concentrate. The 90-day zones will concentrate. There are many, many properties, holiday letting in the proposed 90- day areas than not doing 90 days. It's-

**COMMISSIONER MACKAY:**

So if that happens how is that helping the long-term residential, um, problem?

**MICHAEL LYON:**

Well, it's two-fold. So, as I said before, you've got 35% that are changing behavior. And so... we know that from the survey and that was a, a good sample size. So you, you've got that input there. You're also safeguarding the future when you have that elastic d-, uh, dema- supply of... of holiday letting. When you know that you can only get 90 days you're much less likely an investor. So then, go and try and, and,

and, uh, convert your long-term property into short term as visitation returns. So that's gonna help in terms of that supply. And for new supply if we owned, are restricted to 90 days, and we can't lessen that for new estates. Again, it, it sends the right signal to the market about the fact that we want these zones to be residential zones. And the reason I got so much into the history is because that's what planning is about for me. Commercial zones have commercial operations. There's different industrial zones for different types of industrial operations. And, and you separate activities, uh, so that you can look after the various stakeholders in the community. And residential zones have their place. They need to be protected.

And I would point to all the stories you've heard and so many that you won't hear, um, from people still here and those that have left. About how important it is that, that we protect those residential planning areas that have, that have had that tradition of being residential areas, that so many people have bought into because they're residential areas. And, and those rights deserve to be protected, uh, in my view, much more than, than the rights of those that have opportunistically taken advantage of the technology. Uh, in recent times.

COMMISSIONER MACKAY:

Thank you. That, that answer is very clear. Thank you.

MICHAEL LYON:

All right. Thank you.

COMMISSIONER COAKES:

Thank you.

LUKE WATERSON SC:

Next, we have Valarie Thompson.

VALARIE THOMPSON:

Hello, so for the record my name is Valarie Thompson and I I'm a resident and a homeowner in Brunswick Heads. So I'd like to start by paying my respects to the custodians of the Bundjalung Nation. The Elders here in Arakwal Country whose strong and enduring focus on community wellbeing is wisdom for us all. I'd also like to thank the Commissioners for this opportunity. And I note that the entire planning institution was born out of market failure back in industrial England when life ... average life expectancy was 26 years old. Happily, those early planning interventions worked. Thank you. (laughs) For almost all of us, if not all of us in the room would be long gone. So now we've moved beyond mandating airflow to a different kind of market failure. The loss of vital housing stock and the detrimental impacts on the community of largely unregulated short-term rental accommodation that were formerly homes.

I know this because I see it every day. That this is a key driver of the acute housing stress that we experience in this region and we need a cap. So I'm lucky enough to be a homeowner resident in the village of Brunswick Heads and have witnessed firsthand the existential threat that Airbnb, et cetera, represents to our homes and communities. Yeah, I've stayed awake night after night with noise, screaming, drunken fights, from unhosted Airbnb places. I've also witnessed professional Airbnb actors

buying up house after house deep in our residential family suburbs like Ocean Shores and converting them in ... from homes to mostly empty shells as their very business model. And I personally know too many friends and families who can no longer afford to live, um, where they were when ousted for holiday letting or just by the associated rental hikes. Because I refuse to succumb to the Airbnb and dollar lure, I've several times rented my house long term to families who live and work locally. The sheer volume and desperation of inquiries was so overwhelming that each time I've had to hide and delete my advert within an hour of placing it. So many stories of families facing imminent homelessness as landlords suddenly remove their house from the housing pool.

Stories of families living in tents, women and children staying in domestic violence situations because they can't afford to live anywhere else, and parents having to move far from their kids' schools and co-parenting arrangements effectively tearing their family and community apart. And that was before the flood. So the renters that I've housed work locally as a vet nurse, disability support worker, cleaner, kitchen hand, and supermarket assistant. Being able to house local workers is essential to local business and community. It should not be left up to a principled few as that can't ultimately withstand the impact of speculated holiday rental returns on spiraling house prices along other pressures. It must be closely regulated. Because I've also seen short-term holiday letting work well when it's regulated, to either approve developments or to hosted letting, um, and with strict timeframe for anything else. Done like that, I've seen it financially support retired and working residents. Letting them have annual holidays and supplementing their retirement income at exactly the time that market demand is highest for holidays in this area. A few of our immediate neighbors have done this for years. We benefit from having great neighbors most of the year and someone genuinely accountable for their visitors the rest of the time.

And importantly, their houses remain a home, not a noisy money-making racket. So we need this cap. I support the 90 days in parts of the Shire, nominated by Council, which includes my house. But I believe 60 or even 45 days would offer better protection against market failure. A 90-day cap, the Urbis economic modeling shows hundreds of houses return to their highest and best use to community and local business. But that's only a portion of the lost houses. So to conclude, please help reduce the worst excesses of market failure by applying, by applying a cap on most parts of the Shire to limit the speculative cost of houses driven by potential earnings and the loss of houses we need to put a roof over the head of our essential workers and the residents who made this community pop. Please retain or ideally reduce Council's 90-day short-term rental cap for most residential areas and please do not allow expansion of the area's eligible for unlimited short-term rental accommodation.

Thank you.

COMMISSIONER COAKES:

All right. Thank you.

VALARIE THOMPSON:

Any questions?

VALARIE THOMPSON:

Pretty clear?

COMMISSIONER COAKES:

Thanks.

COMMISSIONER GRANT:

Very clear. Thank you.

LUKE WATERSON SC:

Sabine?

SABINE MUSCHTER:

Muschter.

LUKE WATERSON:

Muschter. Thank you. There you go. Thank you.

SABINE MUSCHTER:

Yeah. This is good. Um, I thank you for the opportunity to speak here today. But, um, as I'm standing here, I'm thinking are we really doing this again? Like, after years and years of research, of community consultations, of surveys, of impact studies, protests, petition, you name it all? We have, we have done it and here we are to defend our community again. Um, just to mention, I put, uh, a lot of my information on the slides be- in case I get lost in my German accent and you don't know what I'm talking about. Um, I just wanna say to the committee, don't dismiss, um, the low attendance to the hearing as a disinterest of our community. People are simply [inaudible] after the Council was stripped of its power to make a decision on behalf of the community and that might be a result of this.

While I'm speaking here today as a researcher presenting findings from our studies, I want to mention that I'm a Byron resident for 13 years. I have been working in this area as a researcher at Southern Cross University. I have been working as a nurse, as a social worker. I have cleaned many, many visitor accommodations to support my tourism business studies and I also managed a DA-approved guest house for over a year after I finished my PhD just be ... have a bit of Byron space. Um, as well I worked her as ... Uh, and volunteered many, many years in this community center. So I would say I have a bit of an understanding of the industry and what is going on in this time or in this area. Um, next slide, please. Sorry, I forgot about that one.

So what I'm going to present today are the finding of three of our five and then there was a few other studies, um, today. So these are the topics. Uh, I will present a few insights to these studies and as well please feel free. All these reports are publicly available. So I'll ... Obviously, only can cover a little bit today. Um, so, um, what leads us to this research? Um, next slide, please maybe.

In 2014, I was living next to ... next door to a 14-room STRA house in Kingsley Strait. So I experience literally first hand the nightmare that these huge holiday houses can cause to neighbors. And at the ... At the same time, I was also hearing about issues from other residents. So while Byron has always been, and always will be, a holiday town, I noticed the increasing impact when Airbnb moved into the Shire around

2015, 2016. And, as I mentioned before, this initiated actually the investigation and led to our research studies that have been, uh, shown before.

Um, so in Australia, we were one of the first to do studies in small communities. Um, there was hardly anything about small community towns around the world available. As I mentioned, we did five studies, um, but I'm only highlighting three of them. So next slide, please. Um, as mentioned, we first conducted a comprehensive literary review and obviously continued to keep up to date with what was ha- happening in the academic world regarding STRAs. It literally speaks for itself. There's hundreds of papers out there, but the effects are lesser understood in regional settings. And there's a growing evidence that over tourism is a major issue in chosen hot spots like Byron Bay and the, the Byron Shire and home sharing platforms have amplified this process. So, for example, in 2018, Byron Shire tourists outnumbered residents by a ratio of 70 to one. And this is worse, this is over 200 for Byron itself as a town. So next slide, please. Um, so I'm just starting to, um ... No, sorry. The one before. Well, you're kind of ahead. Yeah.

So I'm starting with our first study and present just, uh, tiny findings. Obviously, there is no space for more. Um, so our service we looked at impacts of the Byron Shire community of short term ... of Airbnb. So the surveys found positive and negative impacts, obviously, of Airbnb on our community, which shows similar results to other comparable and following studies after ours. Uh, also, we asked respondents about preferred STRA caps. And while there is a clear evidence the majority of our community doesn't want restriction on hosted STRAs, however, 66% were in favor of a 90-day cap or less. So this research from 2018 and '19, so actually supports a Byron Shire proposal of 90 days. And we all know it only got worse from here or from back then. Next slide, please.

So I just wanna show you a positive, um, uh, the impacts of Airbnb. Well, and actually, the positive impacts are monetary for particular Airbnb host or owners. Uh, including increased visitors and property investors. But looking at the positive impacts, uh, it becomes clear that most of them apply only to specific stakeholders and not to the vital community. Next slide, please. So some of the negative, um, impacts we found in our study. Um, so the negative impacts on residents are typical of what is found in other communities around the world. Reduced housing, a loss of social amenities, parking issues, race issues, infrastructure problems. All of that you can just have a look. Um, other studies have shown, and I would stress, um, they prove the main concern is, uh, reduced availability of housing for locals. On the whole, the research shows that in chosen hotspots, the negative impacts often outweigh the positive impacts of short-term rentals. Next slide, please.

Um, I have mentioned already most, uh, respondents of our study preferred hosted properties. Um, but I want to point out in our graph. And this is ... I know it's a bit messy and it's only half (laughs) of the graph. Uh, but I want to point that you can see even over 50% of the Airbnb hosts actually voted for 90-day cap or less. 50% of them. So it's not just the residents that are, you know, having this opinion. And this is, again, in 2018 and '19. So that's all I wanted to point out here. Next slide, please.

Uh, okay, I'm moving on to the second study. I know it's a bit confusing. It's a lot of data to take in. But some key findings. It's just, um, we were looking at the impacts of STRAs on the approved accommodation providers such as the hotel to bed and breakfasts, you know, motels, hostels, you name it. Unlike STRA, they have Council-approved DAs. They pay commercial tax and they have to be compliant to all regulations like disability access, fire safety regulations, you name it. So our study shows that these businesses, these approved businesses were in a completely unfair playing field. These are the results. So just move on to the next slide.

So I don't want to talk too much about it, but this is what the approved accommodation providers found. Main thing, unequal playing field leads to an oversupply. You can read it yourself. Um, I want to just give you a quick graph. Um, next slide, please. There has been a Byron Shire Council audit. Next slide. No, uh, oh no, hang on. Um, [inaudible]. So the ... As well we asked the approved providers about the preferred caps and you ... As you can see, general hosted STRAs was the preferred model, but ... And this is different to the residents. When we asked the residents in our studies, 66% of AAPs preferred a zero-day cap for this style of unhosted accommodation. So that was a big difference to our community impact study. Next slide now.

Um, I just wanna, uh, show you this quick. It's qui- ... It's lots of data on it, I know. But this is the Byron Shire Council accommodation order that the Byron Council did in 2008 and then again in 2019. And as you can see if you only look on the very right of the numbers, there's almost stable or a slight decrease of numbers of approved accommodation providers over these 10 years, almost 10 years. But there is this massive increase on short-term rentals just within the short ... Well, short time at nine years. Um, so I just wanna show you that these figures available. Okay, thanks. Next slide.

Um, so I might skip those. It's just, uh, Destination Byron did this and they showed that Byron Shire is one of the hotspots, chosen hotspots in the country. Has a reasonable low, uh, occupancy rate that our hotels actually are not booked out at all. They're sitting around 65%, which with you compare this with other hotspots, is really low. So next slide, please. Um, moving on to study three. So we wanted to see if the study we did in Byron is Byron unique or is that happening in other coastal towns as well. So we looked pretty much a bit of adjusted questions, but we looked at 12 Mid and North Coast coastal towns areas in the Mid and North Coast of New South Wales and we, um, found some similarities, but some differences as well. Um, so, uh, again, the study shows that there's not one site fits approach and Council need to have the power to adjust the circumstance if off the AGAs. That's, in other words, not going too much into detail. Just next slide.

Um, what was interesting, what we found at 12 AGAs. So most people preferred no caps for hosted accommodations. That was the same. But for unhosted accommodation the AGs with low visitor numbers had a preference for no caps, while coastal areas with higher visitation preferred more restrictions like we do. Next slide, please.

So what we concluded. Um, we concluded from all our study that the 90 days cap that Council is proposing was the preferred choice, going back four or five years ago, for our community members. In 2019, we didn't have staff shortage. Massive number of people living in cars and caravan parks and the flood supercharged the problem along with the influx of COVID. We all know this. So this situation is really more desperate today. Next slide, please. Um, so just some academic conclusion. There's obviously, as I mentioned, 100s of studies around the world that show the social cost of STRAs to the community. Negative economic society and environmental impacts, including loss of neighborhood amenities are the major, uh, ones. And furthermore, in ... It encourages over tourism and the displacement of our local, of local communities. Next, please. Um, next please. Just, um, just skip that.

So I don't think I need to put many explanation on this, this slide. The pro STRA people always say, um, family have a right to have an affordable holiday in our town, but I think housing our community is a human right. And we should go with this. Next slide, please. And I'm finish, finish soon. Why I support the 90 days cap, and I do that as a researcher and as a resident. Um, there's no shortage of studies to show

the impacts of STRA and what is happening in the Northern Rivers. In my view, we need the 90 day cap for the following reasons, and I don't believe it will kill tourism in the Byron Shire at all.

I refute the following claims - that there will be not enough accommodation for tourists. We have plenty of tourism accommodation available. Even in our peak time over Christmas last year, we had many availabilities. There will be no job losses for cleaners or gardeners or pool maintenance people because people who are still living in these accommodation as residents will get their pools and their houses cleaned.

Families couldn't afford to come to Byron anymore. Well, many of the STRA properties are already out of reach to ordinary families anyhow. Next one there is that a cap of 90 days will kill Byron Bay. Tourism has always existed here and will continue, but the 90 days is a step in the right direction.

Cities and towns that have introduced trial restriction provide enough evidence that housing stock has been returned from short to long-term rentals. Even a small amount return to the long-term rental market will make a difference and isn't then, isn't it housing the people who live and work here is our priority? Next slide. Yeah. Thank you.

COMMISSIONER MACKAY:

Um, thank you, Dr. Muschter. Um, could I, the, obviously the Commission has access to this presentation.

SABINE MUSCHTER:

Yes. I, I attached, well, I could only attach two studies and then as well I attached an extract of opinions of 150 or something of the participants in our studies.

COMMISSIONER MACKAY:

Well, tha- tha- what I was gonna ask you is if, would it be, well, could I invite you, should you wish, to also submit a document that has URLs to the material that you've referenced?

SABINE MUSCHTER:

Yeah.

COMMISSIONER MACKAY:

I think that would help the Commissioners, um, looking in detail at some of the material where we might wish to drill down, but thank you very much.

SABINE MUSCHTER:

Yeah. Certainly. Okay, thank you.

LUKE WATERSON SC:

Next we have, uh, Garth Brien?

GARTH BRIEN:

Yes. Hello.

COMMISSIONER COAKES:

Hi, Mr. Brien. Please, please, um, commence your, your presentation.

GARTH BRIEN:

Okay. Thank you. Good afternoon everyone. Uh, my wife and I are long-term residents of, uh, Byron Shire. Uh, we have both lived in and around this beautiful region for over 50 years. In 2008, we purchased a three bedroom townhouse on Browning Street, literally a minute's walk away from Byron's Main Street and started short-term letting the property. The property was purchased on the basis that there were no restrictions on short-term living in our Shire and we could have a property in the town center that we could offer to family and friends when visiting and then short-term let, at other times.

We were a young married couple and this was a large investment for us at the time. Um, we now find ourselves in a situation where we are potentially facing a restriction on our ability to short-term let this property after 15 years of contributing to the local economy in a significant way. The majority of our bookings are for families. We utilize the local management company to look after our apartment and fully support the STRA registration process and code of conduct.

The servicing of our apartment and our bookings provides work to a multitude of businesses in the local area such as the cleaning linen hire, shuttle, bus services, handyman, plumbers, electricians, garbage collectors, gardeners, the list goes on. And then there's a flow-on effect to the other business sectors in our Shire, where the dollars that our guests are contributing to, the cafes, the retail outlets, bars, wedding industry personnel and transport.

We purchased this property 15 years ago to short term let as it's located in a perfect location for holiday makers to enjoy our town and beaches. Literally over the road we have the southern end of Jonson Street with its many restaurants and retail outlets and a short 10 minute walk will bring you to the top of end of Jonson Street and the main beach front. Is it fair that our property is facing a potential restriction of a 90 day cap whereas properties over the road will be able to short term let for 365 days? Where do our preexisting rights as a property owner lie?

I've lived in Byron Bay area for my own entire life. We've seen it grow from a small rural farming town to one of Australia's favorite tourist destinations. Our town now relies on the tourism dollar to support the many local businesses, and my concern is that in removing so many bed nights from our Shire, the result will be financially detrimental for many of these businesses. Short-term rentals are part of a fabric of many coastal towns around Australia. This form of accommodation is what is most attractive to families and extended families coming together for a holiday, celebrating significant birthday or attending a wedding. Hotels, motels, B&Bs or small apartments in complexes are not what this clientele are looking for. The family demographic are looking for a holiday home for their day. And many of these fall outside the proposed short-term rental precinct, including our own. Thank you.

COMMISSIONER COAKES:

Thank, thank you, um, Mr. Brien. So just clarifying then, your property is in Browning Street, so you fall outside of the 365 day Byron precinct?

GARTH BRIEN:

Ye-

COMMISSIONER COAKES:

That's correct?

GARTH BRIEN:

Yes. Correct.

COMMISSIONER COAKES:

And, and sort of how many days, um, per year would you let your property Mr. Brien?

GARTH BRIEN:

Well, we were running, before the 180 day cut we were runni- running at about 70% occupancy.

COMMISSIONER COAKES:

Yep.

GARTH BRIEN:

Um, so now we're having to bl- block it out to keep at the cut level.

COMMISSIONER COAKES:

Okay, okay, so you're meeting, you're sort of meeting that cap level of 180?

GARTH BRIEN:

Yes, correct.

COMMISSIONER COAKES:

Yes. Thank you. Yeah, Richard.

COMMISSIONER MACKAY:

Thanks Mr. Brien. Uh, could I just clarify. Your property's on the western side of Jonson Street, is it to the west?

GARTH BRIEN:

Yes. Yeah, it's where the Jonson Street meets Browning Street and it's in a, um, complex called the Sea Drift complex. It's got, um, villas and a communal pool and all that in there.

COMMISSIONER MACKAY:

Thank you. Do you know the zoning of that land?

GARTH BRIEN:

Uh, no, I don't know. Res- residential, I assume.

COMMISSIONER MACKAY:

Yes. So I'm, I'm just wondering why, um, why you believe when you bought the property in 2008, if its only residential, that short term rental was a lawful use at the time?

GARTH BRIEN:

Uh, because of the advice we've been given, uh, from a state level. There was no differen- differentiation between long-term letting a house to tenants or short-term letting a house to tenants.

COMMISSIONER MACKAY:

Okay. Look, thank you for that. That's very informative. Thank you.

GARTH BRIEN:

Okay, thank you.

LUKE WATERSON SC:

Uh, next we have Luke Barcham. No? Uh...

COMMISSIONER COAKES:

Um, Brian...

LUKE WATERSON SC:

... Brian Walshe.

COMMISSIONER COAKES:

Brian Walshe on the telephone.

LUKE WATERSON SC:

On the telephone. Ne- next person in the room is Gail Fuller.

COMMISSIONER COAKES:

Gail Fuller. Mm-hmm.

GAIL FULLER:

Thank you. My name is Gail Fuller and I'm a real estate agent. I've been working the community for about 24 years in both sales, holiday management, and also permanent management. So today, uh, there's a few issues with the process and obviously with holiday letting in our community. These are the key

issues that I see that flaw this process. One, the legislation only covers property in residential zoned R2 areas, yet we have tourism in multiple zones in Byron Bay in both 360 and 185 areas.

We have insufficient, inaccurate data to get an overall view from both sides, which appear to be backed by the research papers and by all the speakers. People are addressing in subsections and bring in matters that are not flexible, uh, sorry, are not flexible at a local level, but are actually a national crisis.

In Airbnb we are looking not at it and the si- as a single entity and the impact that it's had, but we're also mixing it with long-term holiday rentals. So tra- tradi- traditionally there have been approximately 1,000 properties holiday let, located along the main beachfront town center to Seaview Street and scattered across areas of Pacific Vista and the western side of Bangalow, Beachside, Suffolk Park, and rural areas. Many of these same properties are let today, 30 years on.

The average occupancy over that time has changed over the years, but generally between 60 and 90%. It has been the foundation of the private sector business economy. Byron has become the mega celebrity area to live and be seen in. That status has driven prices and demand to all time highs. The more that Byron gets gentrified, the compounds that have been built will not be permanently or holiday let. We will see a natural reduction in available property in key 365 areas as they are the premium properties of Byron with and in the vicinity of costing between three and \$30 million.

In Belongil alone the last vacant land sale was \$7.1 million on Kendall Street. In the last two weeks, the last house 17 million. Wategos beachfront, 22 million. Unfortunately, that's the way our community has changed. Unfortunately, with the introduction of Airbnb, we have made everyone instant, unlicensed property managers. Airbnb mean you no longer needed to connect with a local agent to communicate with the visitors. They did it all for you. There was no policing, no patrol. You're simply giving a booking from the internet and after some texting, you booked or it just booked instantly.

So what I see, that brought about hybrid management, and this is one of the largest contributors to housing loss in Byron. Hybrid Management means that you get the best of both worlds. You get semi-permanent and you get access to peak periods to holiday let. If we bring in the 90 day cap, then effectively we look to make it okay to throw out tenants during peak periods which already happens at the dismay of our community. Then they can then let for another six, nine months, and the owner can privately use the property. People are not expendable. They are not here to fill the gaps while holiday letting during peak periods. I believe you're creating the perfect storm. I reckon, recommend making a 90 day minimum cap so you can either fall into two camps, you're either holiday letting or you're not. Then we can bring in reforms and controls to legislate the industry, which includes rate levies.

The hosted have in, have identified that they're happy with people in their homes. Why are we not encouraging them to have permanent residents the housing crisis? Let's have a moratorium on illegal, unapproved alterations and dwellings to, say, 2025 so permanent people can remain.

I'm hearing that people are going to get approvals from the Council and have been told to either rip it down or rip it out and then apply for a DA for approval. We have already a 50% drop in tourism visitors to the Shire, and a 50% drop in your ability to let holiday properties, i.e. the 180 days. It was said yesterday, I think you mentioned it, that in the peer report it suggested that a slight change in numbers can have a big impact.

I think 50% decrease in letting days is a major impact as well as 1.5 less visitors as reduced tourist numbers. This new legislation, it hasn't been road tested. Where's the data from 2022 when this began at

180 days and let's have a look at the impact. You know, yesterday it was presented that healthcare was the top employment sector. Healthcare which is predominantly government funded. Two was accommodation, food. Three, tourism, hospitality, all private sector, and all our local business.

We are, and we are heading for a large economic downfall. Why are we stripping the business opportunities and the ability to create jobs? You know, yesterday I asked a counselor, I'm finishing up, I said, "How many properties are available to rent in the 365 day precinct in your key mapped areas?" They didn't know the answer. So, how can an educated decision be made without accurate data and numbers? Thank you.

COMMISSIONER GRANT:

Can I just, can I just ask, um, so are you saying that you are against the planning proposal to bring in the 90 day cap?

GAIL FULLER:

I'm against 90 days. Yeah. Being the basis that I think it will, it just entitles everyone really to do whatever they want. We don't have a parameter.

COMMISSIONER GRANT:

Okay.

GAIL FULLER:

Because at 90 days we are not enforcing permanent rentals long term, you know? We, we know that people get kicked out of their homes. It's disgusting. In peak periods, everyone should have a right to be in a home.

COMMISSIONER GRANT:

And the unauthorised, the moratorium and unauthorised works that you're ref- referring to, is that unauthorised works to properties to make, to make them suitable for STRA or...

GAIL FULLER:

Oh, no, no, not for STRA, just for permanent rentals. I, I was, I was talking to, um, a gentleman who is, um, a lawyer and he said that they've got cases where permanent residents, they have been docked in that they've got illegal unauthorised works for a permanent residence and they've gone to Council and they've been told that they've gotta rip it out. And they're saying, "Well, I've got a permanent working person here." I'm talking about permanent tenants, not STRAs, permanent tenants. And there's a lot of them out there that are living in unconventional, in some ways unsafe places, but at least that's better than sitting in a car.

COMMISSIONER COAKES:

And Ms. Fuller, just as a real estate agent, you, you just touched on the ch-, the leases that you are seeing residents actually removed from properties to allow the short-term rental for a period.

GAIL FULLER:

Absolutely. Yeah, it happens regularly. And also, you know, we're having people saying, "My, my interest rate's gone up. I need to increase my permanent rental, my permanent rate." You know, we are probably one of, I don't know, maybe, I'm sure other agents do, but we try and get a bit of common sense into people. I don't know how people are affording it. But as I, I think I shared with you last time, each time that if we, if we have our locals that we've got now leaving, when the next flood comes in and they're paying, one, you know, two, \$3 million, their expectation for return is far higher than our locals of what we are paying to get in here now.

We, you know, most of us paid under a million dollars when we've been here. Well, a lot of us paid under a million dollars. You know, when I first started land was \$69,000 at Sunrise, you know? It's now what? It's \$7.1 million to buy an 800 meter square block of land at Belongil on Kendall Street. It's changed.

COMMISSIONER MACKAY:

Thank you, Ms. Fuller. Um, so at the moment there's a, there's a 180 day cap. There's a planning proposal to go to a 90 day cap outside the precincts, and you are saying the 90 day cap is not okay?

GAIL FULLER:

I don't think the 90 day-

COMMISSIONER MACKAY:

My question is, what would you do?

GAIL FULLER:

What would I do? I feel we need to road test this for a year, the 180 days. It's only just come in. There's a lot of uncertainty. People really dunno what they're doing. People are just, whatever. There's, yes, there's some people selling in fear of what's gonna happen. I would road test it for another year, but within that time I would be getting, sitting down with industry and looking at ways that, how do we get it legislated? How do we get levies in, you know, so that yes, there is a, a greater contribution from holiday owners.

COMMISSIONER MACKAY:

Thank you.

LUKE WATERSON SC:

Uh, next we have Brian Walshe.

BRIAN WALSHE:

Uh, yes. Hello.

COMMISSIONER COAKES:

Hi, Mr. Walshe. Um, we can hear you nice and clearly, so if you'd like to go ahead.

BRIAN WALSHE:

That's good. Yeah. Sorry, I was turning off speaker.

COMMISSIONER COAKES:

No, thank you.

BRIAN WALSHE:

I can't hear myself. (laughs) Um, yeah, sorry, I apologise. I thought the format was slightly different, so, um, I'm sorry if I sound a little bit unprepared. Um, I'm a, I'm a small business owner. I've been operating our business now in, in Byron Bay for about 13 years. Um, I'm a, I'm sing-, I'm a father of seven children. Um, 90% of my work's in Byron Bay and it's very closely linked to the holiday market. Uh, I provide a, a weekly wheelie bin service, um, where we, we put the bins out for collection at holiday rentals, uh, put them on the curb, Council collect those bins, and then we wash them and put them back. Um, so the, and I would say about 90% of the properties we service are holiday rentals. Uh, I employ two full-time staff, including myself, uh, two part-time and three casual. Uh, I've built my business over the last 13 years, uh, quite significantly.

Um, I guess my concern over the 90 day cap would be that I will lose a lot of my business. Um, there will be, uh, quite a reduction in people, uh, holiday living their homes. And so I, I feel that, you know, that puts my business in jeopardy. Uh, my staff, uh, would, I'd have to, you know, look at, um, you know, how, how many staff I actually need. Uh, also the resources that I've, uh, invested into... Um, you know, I do also do rubbish removal from the holiday rentals.

Uh, we where, uh, properties require more than what Council provide, we will step in and, uh, remove that rubbish, uh, from those properties. Uh, so I guess my service does rely on, you know, a, a good, steady turnover of guests checking in, checking out. So I, yeah, those, as I mentioned those, um... Sorry, it's quite [inaudible] I can hear myself in the background.

Um, those resources that I've invested heavily into, I, I feel would be, you know, just sitting around doing nothing. Uh, for example, uh, just two years ago I bought a garbage truck, small garbage truck, uh, because, you know, we were getting, getting more work and I, I feel like, um, yeah, that, that just wouldn't be needed with, uh, you know, with less holiday rentals need, uh, requiring the service.

Um, yeah, so I, I suppose, within my business, we do support a lot of other local businesses, uh, in the area. You know, I've got five vehicles, so you can imagine the mechanics and, and tires and servicing and parts required to keep all those on the road. Um, local engineer that I'm working with on, on building a new, um, garbage truck that could, uh, remove, um, dual stream rubbish, both rubbish and recycling. Uh, you know, a local, um, PPE provider, uh, and, and quite a number of others, uh...

COMMISSIONER COAKES:

Thanks, Mr. Walshe. Just a quick question from me. Um...

BRIAN WALSHE:

Yes.

COMMISSIONER COAKES:

You, you said that 90% of your work is in the Byron area. What proportion of that would be within, the, um, Council's 365 day precincts? Is it, is it largely... servicing clients in that area?

BRIAN WALSHE:

No, I, I, I think it's those 365 day areas, I think that's about 45% of my properties are in that area.

COMMISSIONER COAKES:

Okay.

BRIAN WALSHE:

Yeah.

COMMISSIONER COAKES:

Thank you. Okay. No further questions. Thank you, Mr. Walshe.

BRIAN WALSHE:

Okay, thank you.

LUKE WATERSON SC:

Uh, Luke Barcham in the room, right?

Then we're going to Kim Goodrick.

KIM GOODRICK:

Uh, the first slide. Thank you. Thank you for having me here today. I'm Kim Goodrick and I run the Regulate Byron Shire Short Term Holiday Letting Facebook page. Before we start, I would like to acknowledge the traditional owners of the land on which we meet, the Arakwal people of the Bundjalung nation. And I would like to pay my respects to Elders past, present, and emerging.

I note that there are only four dwellings available in the Byron Shire to do the, the traditional owners, and it's a historical injustice, this must be rectified. This is my Facebook page, and it has 1,200 likes and 1,300 followers. Next slide, please. I myself am a victim of holiday letting in an RU1 primary production zone, which has not been discussed.

Um, mainly it's been about Byron Shire Town, but this does affect the whole of the Shire from 2014 to 2021. I started this Facebook page in early 2021 to correct misinformation on the community forums regarding the history of STRA or STHL. It quickly gained popularity because I had a lot of myth busting posts about what had happened, and, um, community members just started to contact me with their own stories of how the rapid increase in short-term holiday letting has affected them.

Next slide please. So I wanted to ask the question, who are some of the most important stakeholders who are not making submissions to the IPC today? They're the essential workers who have already left the

Shire, the homeless, and the hidden homeless who are too busy just trying to survive. That's why these seats aren't filled.

Their stories must be taken into consideration, and I would like to ask the IPC how you will hear them. But here's some. Please note that many of these stories are from vulnerable people who want to remain anonymous. Although I have permission from all of these people to share their stories, I have illustrated them with stock photos and used pseudonyms.

Next slide, please. Kate. "I have been trying to find suitable and affordable long-term rental property for myself and my three children attending Byron High. I, they really don't want to have to change schools, move away from their friends. They attended Byron Primary all the way through, as did their older brother.

I volunteer with wires as well as working full-time as an NDIS support. I was living in our former marital home until a year ago, but made the difficult decision to finally move out from a toxic relationship. I'm starting to lose all hope now." Kate and her children have now been forced to leave the Byron Shire.

Next slide, please. Denise. "Help. I'm being left homeless. I'm a working pensioner. I have lived in the same house for 24 years. All my medical teams are here. Where do I go from?" Denise is still, luckily, in the Byron Shire, but she is in a precarious housing situation.

Next slide please. Shelly. "Seven years ago I worked in hospitality in the Byron Shire and I rented a very basic studio for \$150 per week. That same studio was advertised as \$380 per week two years ago, and is probably double that now. I still work in hospitality, but simply cannot afford to live in Byron Shire anymore. I don't know how anyone working in a minimum wage job can." Shelly has now been forced to leave the Byron Shire.

Next slide please. Real stories. Elizabeth. "We had a routine inspection on the apartment we are renting at Suffolk Park today. We are unfortunately not able to renew our lease in November as they have put up the rent by a hundred dollars per week. My husband works full-time, as did I. I'm a nurse, but I'm currently on maternity leave. However, the rising rent has left us with little option but to leave what look, feels like home to us in the Byron. This means completely uprooting our lives, moving states, leaving friends, leaving behind a job that I absolutely love. And there will absolutely no doubt put the rent up even more after we leave too." In fact, the rent did go up. It went up by \$200 per week, and Elizabeth has now been forced to move interstate. I'd like you to note the presentation given today, yesterday by James Bennett Levy, regarding the crisis of health, the health workforce in the northern rivers.

Next one, please. This is very concerning. This is Rebecca's story. "I'm really concerned about my apartment block because the other owners want to change our bylaws to allow short-term holiday letting in our building, which was built as affordable housing under the Affordable Housing SEPP. I want locals to have houses. I don't want to live in a guest house with constant noise in a non-soundproof complex. I'm feeling pressured to comply. Short-term holiday letting is a home wrecker."

Rebecca has now left the Byron Shire due to the pressure she was under and is renting her apartment long-term. Next slide please. I listened to many of the presentations today and yesterday with an overwhelming concern to me. Was that just because something such as an economic impact can be measured? It does not and should not be the only determinant of what is important in a civilized society. And the I, me, my business model should never take precedent over the best interest of our necessarily diverse community. We need people in different jobs.

Next slide please, only got two. The truth is that the worldwide research has shown that short-term residential accommodation platforms are a threat to affordable housing is unequivocal. Many jurisdictions have much tighter regulations than we are asking for, and continuing with 180 day cap effectively means every dwelling that is sold in the Byron Shire is a lucrative income producing business and not a home.

Final slide please. In summary, the Byron Shire is beautiful. It was being protected by our previous generations, including the Arakwal people, and we are rapidly being, they are rapidly being displaced. Continuing the 180 day cap threatens the very essence of what makes the Shire so special, its nature and its community. There is absolutely no point destroying more of the environment for housing to just end up with it being STRAs. I absolutely beg you to permit the 90 day cap as overwhelmingly supported by the majority of the Byron community and reflected in the Council's unanimous decision of December, 2022. Thank you.

KIM GOODRICK:

No.

KIM GOODRICK:

No.

KIM GOODRICK:

We will be providing advice to government as the Commission has, um, been briefed. And in terms of our brief, um, you've made a very compelling submission about part of it, but I just, uh, ask whether you'd like to comment on whether, um, Council can or should be doing more in terms of its housing, um, strategies. Its, its housing affordability strategy and its implementation. In other words, the supply side as well as the existing housing stock?

KIM GOODRICK:

Um, as long as it can be protected. I think when you see, you know, this situation where someone has actually, um, the hou- uh, uh, housing has been built under the Affordable Housing SEPP and yet is still at risk of and becoming onto an STRA platform. I come from a risk management background, and to me, you know, without regulation, without meaningful regulation that can be, uh, enforced, um, and without limiting the number of days, I would rather go further personally.

Um, uh, because I still think 90 days is, um, as, uh, Gail Fuller quite rightly pulled out, called out that people, you know, they are being chucked out for thr- three months of the year. Um, so, um, I think going further would be, uh, a better idea. But I do rec- realize that people like to be able to do this and I am not totally against STRA. I just think it needs to be regulated.

KIM GOODRICK:

No.

KIM GOODRICK:

No.

COMMISSIONER COAKES:

Appreciate it. Okay, well we are going to take a 20 minute break, um, because we've still got a lot of speakers, uh, for the afternoon. So returning at 2:20. Thank you.

LUKE WATERSON SC:

Okay. Our first speaker is Luke Barcham.

LUKE BARCHAM:

Good afternoon, everyone. Uh, thank you for... Uh, I want to [inaudible].

LUKE WATERSON SC:

Mr. Barcham, if you could just take your phone off speaker.

LUKE BARCHAM:

Right. Okay. Hold on one second.

LUKE WATERSON SC:

J- Just, we can't hear you, that's the reason.

LUKE BARCHAM:

Ah, I- is this better?

LUKE WATERSON SC:

That's fine.

LUKE BARCHAM:

Ah, okay. Great. Okay. So, uh, firstly, I'd like to introduce myself as a local employer. Um, I moved to the area in 2015 from Sydney, and my, my first job in the area was, uh, uh, working for Commonwealth Bank as the area manager for Far North Coast. Um, I'd, I'd like to say that I'm all for, uh, housing affordability and I see it as a, not only a state-wide problem, but, uh, a problem nationwide, and various communities, uh, are hit harder than others.

Uh, what I would be, uh, liking to share with you today though is my opinion on how the 90-day rule, uh, could have impacts in our local economy, um, that, that people may or may not have thought about. Um, for me, housing affordability impacts me, uh, it impacts our 20 staff members, uh, it impacts our, our young, younger staff members and arguably most vulnerable, um, some of whom we, we employ under traineeship programs.

Uh, the industry we work in, uh, is best defined as tourism, and, uh, based on the 2021, uh, National Institute of Economic Research and Industry Research, that puts us in a category of tourism, accommodation, food and beverage, which is the largest employer in our sector. We employer, uh, 20 staff. Uh, it has been a size 40 staff, but obviously we've had, uh, challenges in our region, uh, post-

COVID and the floods which, uh, um, we personally and some of our staff have been impacted, uh, uh, by.

So we, we do acutely understand that the problem that we're trying to solve for here, but we also wanted just to clarify that this rule could impact the livelihood of at least two-thirds of our workforce. We have a payroll that exceeds half a million dollars a year, um, and in good times it was substantially more than that. Uh, our people rely on us, we provide them with superannuation, uh, good working conditions, uh, some of our staff have, um, uh, work vehicles that are fully catered for. And we try to provide them an opportunity to grow in our community through things like, uh, traineeships and certifications in business leadership.

Without the tourism that is available from the short-term rental accommodation, we would really struggle to keep the majority of our workforce gainfully employed. And I feel that that might be at odds with what we're trying to achieve here in providing affordable housing. Uh, we also know that a lot of the properties we do service are quite high end and have, ha- have they been made available to the short-term rental market, uh, long-term rental market, they may not be accessible to the majority of the workforce, uh, certainly not the ones we employ. And, and if we were in that position, I don't think we would be able to afford them either.

So that concludes, uh, my opinion, uh, my hum- humble opinion on, on why I think, uh, the 90- day rule, uh, will have a substantial impact on our economy. Um, it'll oc- uh, it'll impact our earning capability, uh, and it'll impact our ability to keep, uh, a, a substantial workforce employed.

COMMISSIONER COAKES:

Thank you.

COMMISSIONER COAKES:

Thank you, Mr. Barcham. And just a quick question we've asked other, um, local businesses. What proportion of your, your business would be, um, dependent on short-term rental accommodation?

LUKE BARCHAM:

Yeah. So we've, we've done a study and we've thought it would be at least two-thirds.

COMMISSIONER COAKES:

Okay. Thank you.

LUKE BARCHAM:

Thank you.

COMMISSIONER COAKES:

Thank you.

LUKE WATERSON SC:

Our next speaker is Tricia Shantz.

TRICIA SHANTZ:

Hi there. Um, my name's Tricia Shantz. I speak today as a resident of Byron Shire for 41 years, and over those years, working as a town planner, social planner, researcher, a publisher of a visitor publication and running a small tourism business, and I'm a board member of the community center here that has the Fletcher Street Cottage for homeless people.

Communities become ghettos when their social dynamics are destroyed and the sense of community pride is replaced by wanting to move elsewhere. This is a quote from *Ground Rules, Social Planning For Local Government* by Colin Menzies, written in 1993. It became my most kept phrase on my desktop as a young social planner working in local government in the '90s and early 2000s, while being a founding member of the New South Wales Social Planning Chapter of the Planning Institute of Australia, it's still on my desktop.

This quote describes Byron Bay today. "It is not the people are necessarily wanting to move somewhere else, they have to move elsewhere because they cannot afford the rent or afford to buy." Well there would be a range of reasons for this, it has to be said that a big part of this is the result of the explosion of unregulated short-term rental accommodation. I'm sure many stats have been thrown, uh, given today about how many houses are in the STRA and how we compare to the rest of New South Wales and the country.

I said that these houses wouldn't be permanent rentals anyway, maybe at Wategos Beach, which has always been a holiday area, but not so for many of the other localities in Byron Bay. People live in Civic Park, Lilli Pilli, Sunrise Beach in Byron Bay. They want to live in these areas. They need to live in these areas. I'm not against STRA, I'm against unregulated STRA. The original spirit of Airbnb, just one of the STRA platforms available, but the one that seem to get the most attention was to rent a room out in your apartment in your house where you're there for the purpose of receiving some income, and the person who's renting pays less than they otherwise would in a conventional approved hotel or motel while at the same time staying with a local person.

This is completely different to what has happened in Byron Bay mainly, with the whole house being purchased and rented out and this entirely distraught, with no on-site host in any location in town mainly in residential areas. It's the definition of a hotel. Under the Byron LEP accommodation, you'd require a DA, that was hostels, motels, STRAs, cabins, bed and breakfast. It required a DA's conditions of consent, which is on-site car parking spaces commensurate with the size of the accommodation, safety, fire, payment of the business rate. None of these apply to STRA that are proliferated in Byron.

So how is the non regulation of STRA considered planning? It's not. Planning is about separating our incompatible uses, a hotel might be a small one in, in a residential area, but not when you've got 10 people and people have to go work, they've got babies that have to go to school. So while the discussion today came about because of the proposed 90-day cap and the decision for this being taken away from the decision making of the local council, wider issues about having hotels in residential areas without any approvals, regulation and its negative social impact on housing affordability.

So, Airbnb in San Francisco where it originated is regulated, the city council receives a cut, the rent paid by people who rent on the platform, they registered with the local council, renters don't and can't sublet without the owner's approval. Wouldn't that be great for Byron Shire (laughs) as it struggles with an

approximate 15,000 rate pairs trying to support the millions of tourists it receives each year. It's an impossible equation.

So when is too much enough? Now. The STRA has gone to far. It's a big money spinner for those who own a property. The mythology that if it were to be regulated, that it would put people, you know, cleaners and maintenance people out of work, is a myth. It's just that if it were regulated, this would push more housing into the residential accommodation sector for low-paid workers such as barristers, nurses, childcare workers and age care workers.

In a strange twist, cleaners are one of the highest paid workers in Byron Bay now with some commanding as much as 60 bucks an hour while child care workers and community workers are paid approximately 24 or \$26 an hour. Essential service workers such as nurses, and I know a paramedic who can't afford to live here anymore. The 90-day cap is just one regulation that might curb the proliferation of socially detrimental STRA, there are better ways of regulating. I would like this Commission to consider introducing a levy commensurate with income production from every STRA that goes to Council serves to provide eventual services, as well as the niceties, decent public toilets, walkway, streetscapes and gardens.

Again, I'm not against STRA, I'm against it not being regulated, or and a community suffering while they pick up the tab. Byron Bay, Byron Shire's social dynamics are being destroyed by the unregulated STRA industry and community pride is being replaced by people wanting to move elsewhere. We need to change this.

**COMMISSIONER COAKES:**

Thank you. Thank you, Ms. Shantz. Okay.

**LUKE WATERSON SC:**

Uh, next we have Darren Speirs on AVL.

**DARREN SPEIRS:**

Hi, and thank you. Hi, and thank you very much, uh, the Commission for providing the opportunity to speak. Um, I thought I provide a bit of background 'cause I'd like to dispel the sort of myth that it's only the rich and famous and fat cats that (laughs), um, do short-term letting in, in Byron Bay. So, um, who am I? I, I, I'm a middle-income, uh, member of New South Wales community. I immigrated here from Africa in 1998 with very little to my name, given the exchange rates and, and, uh, um, uh, the limitations, um, I could bring out of the country. Um, I live in the same house that my wife and I have bought in 2001, and we used the equity that we built up in that house to purchase a property off-plan in Byron.

Um, the property I own is a, a three-bedroom town house in a quiet complex in Byron. We bought it off plan four years ago with the ultimate intention of retiring out there. Um, since purchasing, we've used it for short-term letting as we have a, a young family. Uh, I've, I've three girls. Um, we, we set up specifically for young families with baby gates, baby courts, and generally the children's and their families safety in mind. Um, and so we do have those fire regulations that, um, Tricia just mentioned. We, we have all that set up and we have the certificate to prove it.

Um, why Byron Bay? Well, uh, inten- to, it's a nationally recognized, unique tourist destination in New South Wales and possibly Australia. And we've spent holidays there since 1999, and love the area. Um, and then why did we decide to short-term let? Well the property is then constantly monitored and maintained, long-term leases ... uh, I think result in some significant renovation at the end of the lease when we want to move in. So I wanted to avoid that. And of course, most important thing is that it's available for me and my family to go up there on holiday, which we, we try to do two, three times a year when, when, uh, the quieter periods of afternoons wintertime.

What is the impact of these propelled limits on, uh, my opportunity to rent the property? Uh, well, firstly, I feel it's a diminishment on my property rights that when I purchased the property, there was no indication, uh, on the, the duration of any particular lease that I couldn't embark on. Um, I would obviously need to fund a greater proportion of the mortgage, which is challenging in current economic environment. Um, consequently, I think we would have to put the prices up, uh, to offset reduction supply of available holiday letting days.

Um, and to me, I suggest that decrease in supply would result, um, with a commensurate (laughs), with the same demand that we have currently would result in a price rise generally. I think this in term would result in an increase of supply of short-term letting as, as, um, d- pur- new purchases of property would seek to, to benefit from those increased prices.

Um, then on the obviously one and, and everyone seems to be talking about is the impacts from the Byron community, I, I imagine would be significant, um, loss of, of business and jobs, as I think most are directly or indirectly benefiting from tourism. Um, but to be clear, this initiative would not force me to sell my property, and I don't really believe the property I have would, is, is suitable to additional social or affordable housing. That doesn't mean I don't support that, and I absolutely do.

And I like the comment that Tricia made and I think Gail previously, that some form of levy, um, would be very, very useful in that we could actually feed that back into community throughout New South Wales to address, uh, affordable housing, social issues, and even, even, um, I- in times of, of disasters such as floods. I think that would be very useful, and it would be nice to allow economies, to- tourist economies to grow whilst benefiting the wider community. But in summary, um, I think it's a result in l- in my pr- loss in my property rights which without any form of (laughs) compensation, it was, it certainly wasn't indicated to me when we purchased the property. We disastrously economy the region, it won't achieve its purported purpose, purpose of in- increasing the available stock for rental. Um, and I think, to be honest, it will only address the concerns of a small, very vocal part of the community. Thank you very much.

#### COMMISSIONER COAKES:

Thank you, Mr. Speirs. Any further questions?

#### COMMISSIONER MACKAY:

Th- Thank you, Mr. Speirs. Um, could you just indicate, is your property, your, your rental property than your home, it's, I, I take it it's within the area that would be subject to the 90-day cap under the planning proposal.

#### DARREN SPEIRS:

Yes, it's currently under the 180-day cap-

COMMISSIONER MACKAY:

Yeah.

DARREN SPEIRS:

... which, which is already resulted in obviously a loss, uh, in, in rental days. And yes, you're right.

COMMISSIONER MACKAY:

All right. And, and in terms of your remarks about, um, the diminishing of your property rights, your-

DARREN SPEIRS:

Mm-hmm.

COMMISSIONER MACKAY:

... position as I understand it, is you brought, you bought the property, um, it was a residential property available for rental and there was no metes and bounds around the duration of such rentals at the time?

DARREN SPEIRS:

Absolutely correct. There's no limit on the tenure of, of the, the lessees.

Commissioner MacKay:

So you just, sort of, being saying that you're relying on the residential zoning and the fact that these, just the rentals, but, but really short leases.

DARREN SPEIRS:

Correct.

COMMISSIONER MACKAY:

Thank you.

COMMISSIONER COAKES:

Okay.

DARREN SPEIRS:

Thank you very much.

LUKE WATERSON SC:

Uh, next we have Ian Holmes.

IAN HOLMES:

Thank you. Um, look, I represent the Bangalow Community Association, and we were involved in a community stakeholder workshop which, uh, shaped, revives planning pur- proposal adopted by Council. Uh, we strongly support the 90-day restriction on non-hosting holiday letting. But today I wanted to just share some personal perspectives to help validate that support. Uh, in my working life, I was a regular visitor at San Francisco, which I've already heard mentioned a couple of times. From nearly '80s through to about 2002, and during that time, saw Silicon Valley evolve with high residential and business growth, uh, driven by rapidly growing technology companies. And the Silicon Valley g-, Valley area in particular, between San Francisco and San Jose became, I, I just watched it become increasingly dysfunctional, with homelessness, lack of essential workers and an incredibly choked Highway 29, which, Highway 82, which is something like the Hinterland Way is to Byron, sort of like the, the midstream spinal, uh, road artery.

The very same problems are now being experienced in Byron Bay, caused by high property demand. And it's telling, uh, one of the previous speakers went into some details on this, but in 2015, San Francisco introduced a 90 day cap on short term rental and, with a tourist tax, which I think is a very appropriate precedent for Byron.

Um, I happen to have a creative daughter who finished off her education in the Northern Rivers, and for the last 20 years has been based in Byron Bay and ultimately Bangalow. Now she really loves Bangalow, because she is part of an active and very talented, creative community that gives the village much of its energy and charm. Just two weeks ago, I actually sat in this very theater, totally captivated by a play called 'New Blood' by the Bangalow Theater Company. The Bangalow Theater Company, right here in Byron, in this big theater. It touched on many of the points made at this hearing over the last couple of days and would have been a very relevant and enlightening experience for the Commissioners.

Um, Bangalow's reputation for creativity is a ke-, is really a key component of its value proposition. Um, Bangalow is big on art, uh, our annual calendar heaves with music festivals, food festivals, and more recently, the Byron Riders Festival. Uh, we should be nurturing this creative community. However, there are many who can no longer afford to live in the area and are being permanently displaced by well compensated new blood. Our village is losing the valuable cultural base that makes it so distinctive and unregulated short term rental accommodation is definitely part of the problem.

Uh, my daughter has long planned to build a house in Bangalow, but mortgage and building cost increases keep delaying the process. So she remains a renter. But in the past two years, has been forced to make two moves, because both properties were sold by their owners wanting to capitalize on significant price gains. We all know that house moves are very disruptive. They're time consuming, costly, and emotionally draining. Uh, I mean, it's heartbreaking. But the rental accommodation in Bangalow is now increasingly difficult, due to lack of supply and ultra high rental costs. To avoid moving, she and her son are now back with us in the family home. A fo-, a, a, a fortunate option, but clearly far from ideal. This is a woman who's about 30 years younger than I am, so she's in her 40s.

Destination Byron is clearly the go to regional holiday destination in New South Wales, but our residents and workers are hugely impacted by the lack of affordable long term rental accommodation. Like San Francisco, Byron needs to be considered a special case, with rules changed as per the planning proposal. Thank you.

COMMISSIONER COAKES:

Thank you Mr Holmes.

LUKE WATERSON SC:

Uh, next is Steven Berveling.

STEVEN BERVELING:

Yeah, some water. And let me turn on my timer as well. Thank you Commissioners, I understand that y-, I, well, firstly I, firstly acknowledge the Arakwal people of the Bundjalung, Bundajang, I beg your pardon (laughs) Bunjalung nation, um, the traditional owners and custodians of this land. I understand that you have received a copy of my outline of oral submissions, um, to which I will speak, but I will spare you every word that's written on the document.

I am here to prepare, to provide a submission on behalf of Airbnb and in respect thereto, um, the, there are two people from Airbnb present in the room, Michael Crosby, the Head of Public Policy of Airbnb Australia New Zealand, and Katherine Cossyvas, C-O-S-S-Y-V-A-S, um, a public policy associate, also Australia and New Zealand, sitting opposite where I look.

Um, I won't go in great detail with respect to the next few paragraphs, which basically deal with um, how it is that we are here and what has been relevant bits of the chronology. However, on page two, if we could go to the, yes, that page, you'll see that in my paragraph six, I note the number of non hosted STRAs located within the town of Byron Bay. This was material that was provided to you yesterday by Mr Luke Walton of the Department. And I also note a similar reference, albeit 47%, um, at the bottom of page one of the EIA. Um, my next sentence of, the planning proposal therefore affecting less than half of the non hosted STRAs relates only to the 90 day cap component of the planning proposal.

And in relation to the percentage numbers, as a lawyer, I'm not a mathematician and I leave people who can manage a calculator to the data please. (Laughs). The following paragraph deals and refers to the gateway determinations, which of course were part, were and are, a necessary part of an amendment of an LEP. The evolution of how this proposal has moved means that we're now in a different section of, of the Act, and whilst the gateway determinations and the altered gateway determinations are theoretically no longer required in the process of mending an SEPP, I recognize fully Section 3, Section 3.30 that the Minister is to take steps as appropriate in order to determine whether or not, or how a SEPP gets amended. The gateway determinations is referred to in his letter to the Commission. Um, I make no issue at all about the existence and relevance of the gateway determinations. Mmm.

Um, then, at the bottom of that page, we note on paragraph 10, Airbnb accepts the current requirements in SEPP housing as appropriate for the Byron LGA and that no further amendments should be made. That's our primary position. Next page we st-, we also accept the conclusion of the EIA that the implementation of a 180 day cap across the entire Byron LGA represents the best proposed policy option. And I make reference there as to how the EIA refers to that within the document on its page 165.

Paragraph 12 deals with how the EIA came about. It's jointly funded and engaged by the Council and the Department. How it is that only the Department's logo is on the front page is a totally different matter, and I can't comment on that. I can comment, as I note in paragraph 12, that the EIA was a key condition in the gateway determination and it was prepared pursuant to a very detailed terms of reference and scope of

work, which are in the Appendix A on pages 172 to 178 of that document. And prepared by people with appropriate expertise and is the only, the only comprehensive environmental impact assessment about the proposal.

The planning proposal is something with which Airbnb does not agree. We do not agree for, to the 90 day cap and also in the absence of cap in the small number of select areas. Now paragraph 14 deals with the response by Councilor, and I apologize if I mispronounce the Councilor's name, I understand it's Councilor Ndiaye. Um, a similar statement was made by Councilor Pugh this morning and I also note a parallel statement by Councilor Lyon about disrupting the investment behavior or, as Councilor Ndiaye said yesterday, the 90 day cap is proposed so that there is no incentive for a dwelling to be an STRA. They all say the same thing.

Those statements are very frank and very proper admissions. We recognize that and we understand and we hear the concern in Byron local government area regarding the rental housing market. However, Airbnb questions whether the proposal will make a positive contribution to the rental market, given the consequential negative impacts that you've heard about. It's very much a balancing act. You've heard about the rentals issues and I, heard, matters heard yesterday as well. I heard, in contrast, the issues this morning, uh, and I'm just using as examples, without limiting or criticizing any of the others, uh, Alexandra Ormerod's statements this morning, just before morning break. Charles Montano, the footwear shop keeper, uh, um, Casey Durkin, from Beach Houses of Byron, and the emotion that was involved with that. And also the reality of, we are really scared of what's going to happen to our financial situation about that. It's part and parcel of the balancing act.

We'll provide more information in relation to the following matters in my paragraph 15, um, in a written submission, but we submit that the imposition of a 90 day cap will firstly significantly reduce the employment in the tourism and hospitality sector in Byron local government area. It will have a questionable impact on the rental market, especially for affordable housing, and I note in particular, pages 70 to 74 of the EIA, especially page 73, the f-, at about point two, the second real section, which starts with, what properties could go to the long term rental supply.

And I know you can't read where I'm at, but I'm just pointing at that part of the page. (Laughs). Um, we believe that it will cause a substantial detriment to tourism spending generally, including but not limited to the STRA owners. And we've heard today about the impact on the tradesmen, on the shopkeepers and so forth. I note, in relation to that, Section 4.4 of the EIA, uh, um, it's analysis on pages 99 to 160, um, and we also submit that the 90 day cap will, and then the, the conse-, the concurrent 365 day, um, non cap, will deeply divide the community and entrench inconsistency into the regulatory framework, both in the local government area and in the north coast area.

And I note the, that such inconsistency would conflict with the Department of Planning's aim, which was referred to yesterday, I'm in Footnote 6, for uniformity across the state. Um, that was Mr Luke Walton yesterday. In relation to the peer review, it is Airbnb's submission that no weight should be given to that. And there were two reasons. The first one is the bias, whether apprehended or actual, by Professor Phibbs, and ultimately, if I could summarise my paragraph 17 and 18 over the page, how can a peer review be perceived to be unbiased when its author is on the board of advisors of Inside Airbnb and an active author of numerous papers criticizing STRAs?

That creates a conflict problem. My comments are limited to the weight to be given to the peer review, and do not relate to other comments and submissions that Professor Phibbs might give to the

Commission. Uh, re-, he has his personal expertise and we recognize that, regarding housing and in particular, affordable housing, that is not contested. What is contested is his ability to have provided a peer review given the apprehended bias that he provides.

Um, and then if I could go to page six, and I deal with the peer review in any event, and note the number of criticisms. Essentially there were four criticisms, but some were able to be subdivided. The first one, of Professor Phibb's criticisms is, is that the authors have attempted to use the findings of the EIA as a decision making tool. Well, with the greatest respect, isn't that what it's there for? Whether it's a decision of x person or y person, the whole purpose of putting a condition in the gateway determination to say, we need an environmental impact assessment, is for the proposal to be considered and ad-, assessed, amongst other things, on an environmental bas-, e-, e-, I'm sorry, on an economic. Have I said environmental the way through, I do apologise. (Laughs). On an economic basis.

The next criticism that he says is in my paragraph B at the bottom of page six, which deals with um, that the authors had given each stakeholder group the same scoring weight in the scoring system. Well, firstly, that's what they were asked to do. And secondly, if you give different stakeholder's groups different weights, you are automatically unbi-, I'm sorry, you are automatically biased. Which I dare say, was not the purpose at all, of the economic inpa-, impact assessment. Um, and the reasoning that the authors give, I've set out, and in my respectful submission are valid, reasonable and appropriate. And then in my paragraph C, this is a reference of the cumulative net benefits assessment, um, that criticism is, in my respectful submission, misplaced, given the specific requirement in the agreed scope of work that that's what's wanted.

Um, there's a second criticism about the fact that it's, the EIA is something that came from a planning system and therefore it should be a planning matter. Um, well, let's be realistic, we're here in the Byron Shire LGA for looking at a specific amendment to the SEPP solely for the Byron Shire LGA. Um, the third criticism, a-, and I deal with the underline s-, sentence in my paragraph E, which with the greatest respect to any peer reviewing a document, um, seems somewhat inflammatory. The level of detail that is criticized, um, is not further identified.

That gets me then to my conclusion, which is u-, ultimately, the current controls are appropriate, the recommendation in the EIA is acceptable and appropriate. The amendments would be inappropriate and I've already indicated the reasoning for therefore. Um, over the page on page nine, I note the Department's statement yesterday. They're already pulling together the methodology for a two year review. Um, noting that these controls have applied since November '21 and in Byron since 31 January '21. Um, my sentence thereafter, I, beg, thank you, yes, 2022, um, there is well over a year's data. What I'm saying there is since those dates. Uh, um, and we, in paragraph 25, respectfully recommend and conclude that no further amendments occur and certainly not pending the outcome of the review. Um, paragraph 26, I'll leave some other matters that were in the Minister's letter to you.

COMMISSIONER COAKES:

Thank you Mr Berveling. Question?

COMMISSIONER MACKAY:

Yeah. Thank you Mr Berveling. So just to be clear, um, does Airbnb therefore op-, oppose the changes for the precincts that are proposed for a 365, uh, day cap?

STEVEN BERVELING:

Yes. The, the, Airbnb considers it's appropriate to be consistent and uniform in accordance with the SEPP, which then provide for the 180 day cap throughout the local government area.

COMMISSIONER MACKAY:

Thank you. That's very clear. And um, is, I mean, probably this is a question to take on notice and address in the formal submissions to the Commission, but can Airbnb itself quantify the predicted impact? I mean, Airbnb as a platform would seem to have access to a lot of data, there's been all sorts of numbers put before the Commission over the last two days. Um, in terms of Airbnb's criticism of the planning proposal, is it possible to provide some quantification please?

STEVEN BERVELING:

I anticipate so, um, and I know that that's a dodgy answer. Um, but I do know that part of the submission will include material that is being prepared by Mr Peter Leyshon, who would be much more expertise on that sort of question than me. So I'm happy to dodge it.

COMMISSIONER MACKAY:

Well, and I, I think the, the Commission would be particularly assisted by understanding, um, where, if, if I could use the term loosely, the luxury residences are, the, the \$1000 a day or more residences are, because we've had quite a lot of anecdotal evidence about them and the fact that they are the residences that would not be returned to the long term rent market-

STEVEN BERVELING:

Where.

COMMISSIONER MACKAY:

Um, yet we haven't really got any data about exactly how many of those residences are where, and I suspect the platform has ready access to that.

STEVEN BERVELING:

And I understand, from earlier questions, that you're looking at defining the luxury residence as ball park, \$1000 a night beyond-

COMMISSIONER MACKAY:

Look, and, and-

STEVEN BERVELING:

So that gives Airbnb some guidance.

COMMISSIONER MACKAY:

Again, it's anecdotal comment, but people seem to be comfortable with it, that at \$1000 a night you become a lux-, a luxury residence. And the suggestion that's been put to the Commission is that, um, even if those residences were subject to a 90 day cap, they would not help with the long term, um, accommodation issue.

STEVEN BERVELING:

Yes, thank you. Um, Commissioner Mackay, I had an-, apprehended that you would also ask me about the transition period. (Laughs).

COMMISSIONER MACKAY:

I might leave that to one of the other Commissioners, Mr Berveling. But since, look, since you raised it, that's leading, leading the Commission to lead the witness it is-

STEVEN BERVELING:

Um...

COMMISSIONER MACKAY:

Does, does, does Airbnb wish to comment on the concept of a transition?

STEVEN BERVELING:

Thank you.

COMMISSIONER MACKAY:

I mean, when, when your submission in chief is to say, we don't like the planning proposal, full stop, um, them the issue about transition or grandfather provisions becomes a bit moot.

STEVEN BERVELING:

Commission, Commissioners, in the alternative two hour opposition to the planning proposal, um, and in response to the comments that you have made to earlier people regarding a, the possibility of a transition period, it would be, first and foremost, our submission that that should be considered after the conclusion of the review. Secondly, in relation to the three Councillors, the, of comments, um, about, certainly the two today about the, uh, uh, transition periods saying it's, the 90 day has been on the table for a very long time. With the greatest respect, that doesn't help.

It's like saying, we're going to reduce the speed limit, we will, we will, we will, but in the meantime, I can still drive at 60 kilometers per hour. I recognize that the Council had other mechanisms available to it in order to deal with what it considered was the prohibited nature of the STRAs within r-, various zones, in particular, the residential zones. Um, with respect, it's my s-, submission that I would suggest that such prohibition is ambiguous. It could be that the uses were ancillary uses, and then we get to a question of fact and degree, and the court decision of FUBAR.

It could be that they were used in their own right, that's a very difficult and vexed question. What the SEPP does, even today, is that it merely provides for the STRA, STRAs to be exempt development. It

leaves unanswered the question of whether consent is required, if the exempt criteria are not satisfied. Or, similar an-, answer, whether the use is in fact, prohibited. And if it is prohibited, do we, do we then, and I just pose the question rhetorically, do we then get to the question of existing use rights, which we don't get to if consent is required of itself.

And that then gets us to a consideration of the evolution of STRA as a separate and independent use. Um, really what I'm saying in a five word statement is, that's a very vexed problem, and one that, in my respectful submission, the Commissioner doesn't need to deal with, but leave any such transition period till after the review and see how it, where it goes from there.

COMMISSIONER MACKAY:

Thank you.

COMMISSIONER GRANT:

I, sorry, I have a question. In the submission that Airbnb made to Council, um, for the planning proposal in October 2022, there's a mention of a s-, a proposed suite of measures to help build stronger communities and foster w-, foster sustainable tourism growth. And we've heard a lot of submissions about the potential for impacts on the community. Um, just wondering if you could perhaps outline what some of those proposed measures might include. There's a mention of, um, a visitor levy to fund critical infrastructure and housing in local communities. But if you're able to expand on what that might encompass?

STEVEN BERVELING:

Could I take that on notice?

COMMISSIONER GRANT:

Yes.

STEVEN BERVELING:

And say to my people across the crowded room, uh, put it in the written submission please.

COMMISSIONER GRANT:

Okay, thank you.

COMMISSIONER COAKES:

Thank you, we look forward to receiving that submission. Thank you Mr Berveling.

STEVEN BERVELING:

Thank you to the Commission.

LUKE WATERSON SC:

Uh, next we have Patricia Warren.

PATRICIA WARREN:

Okay, thank you. Uh, before I begin my timed speech, uh, could I just put myself into context. I've been living in Brunswick Heads for 37 years. I've been involved in community issues, including the preparation of the development control plan for Brunswick Heads. And what I'm about to say is specific to the non-hosted, uh, holiday lets in Brunswick Heads. Thank you.

So the root cause of crisis in accommodation and the rise in holiday lettings is finance. Since deregulation in the 1990s, the housing market has, and is being deliberately, restructured. Outright home ownership is decreasing and renting is ballooning. The Reserve Bank and APRA, using monetary tools, by lowering interest rates and increasing the availability of cheap credit, have successfully turned dwellings into financial commodities.

A holiday let is one of those commodities. The impact challenges any notion of affordable accommodation in Byron Shire and protecting the character of place in the affected towns and villages. The Reserve Bank's governor is resolute that there is no link between monetary policy and the housing crisis in Australia. Yet it is the Reserve Bank that pulls the levers on interest rates. Philip Lowe's position is that it is people's choices to invest in housing. The inflationary effect in reality in Brunswick Heads has increased over threefold in the last 20 years. It is making investment in holiday lets attractive and renting unaffordable.

Australia's banks are the most profitable in the world and finance has, and is being used, to engineer this social and structural change. Would it be willful ignorance to argue otherwise? So people have made a choice to invest in holiday lets, but all investments carry risks. They cannot be protected from loss, nor should the Commission be responsible for that protection.

Leveraging support for holiday lets are the legacy that the Bay and Brunswick have always been a holiday place, deliberately ignores with intent, the aggressive marketing of the Shire since the early 20s, 200s, uh, 2000s, with destination [inaudible 05:15:29] and simple pleasures in Brunswick. Then came the online platforms. Consequently, the pressure in Brunswick Heads, with the vacancy rate of below 2.5% for rentals, has seen in the last 20 years a rise of 134% in shared housing, over the same period there's been an increase of 61.9% in oc-, unoccupied dwellings.

It's challenging the social face of the place because people are increasingly transient. It directly threatens the community's social capital, especially its voice. The issue about is about dealing with the scale and distribution of investment in what was a prohibited activity in residential areas, investing knowingly, investors knowingly thwarting planning instruments, seeking subsidies from the rate payers and demanding a sense of entitlement for doing so.

Planning is directly related to wealth in real estate. Changes in planning instruments affect that wealth. The proposed 90 day cap will cover high rental periods, being Christmas, Easter and the festivals. At other times, the 21 day consecutive letting not counting towards the cap is the loophole. It's open to exploitation and creative accounting, not to mention encouraging renting for cash in hand. Marketing companies are astute to the loophole. Made company, MadeComfy, a partner of Airbnb, is boasting of 75% occupancy, with bookings 21 days and longer increasing.

Airbnb is now marketing 30 days bookings to its account holders. Stayz marketing has reached new levels of aggressive marketing against hosted lettings. How is any cap to be monitored, enforced and prosecuted? Because of repeat bookings, the notions of monitoring caps by relying on online bookings, is

a nonsense and deserves to be treated as such. And as any real estate agent would advise, a cap doesn't release dwellings into the rental market, because if a tenant refuses to leave, then the wait time for a tribunal hearing is not worth the risk of having the lease. And that assumes that that accommodation hasn't been provided for cash in hand.

So the easiest way for an investor to avoid the intent of a cap is to move the dwelling in between high rental periods to hosted accommodation, take only 21 day bookings plus, rent on a cash only basis, or leave it unoccupied. So for pragmatic reasons, there should be no caps on non hosted STDs. Oops.

STRAs. Simply put, caps won't work. Any planning instrument that divides residential zones into cap precincts is an invitation for 100% of the dwelling stock to take up that cap. The potential impact on the character of place would be deliberate. The social impact would be unknown. It also raises inequities between precincts using planning instruments to thus create or destroy wealth, would be hard to rationalize.

I would advocate that the 1st of January 2000 is the cut off point for determining existing use rights for holiday lets. Substantial documentation is needed to show that the holiday let occurred prior to, and is continuous from that date. Uh, investors having satisfied that documentation, should be able to continue without any caps. Difficult one here. DA's must be mandatory for all holiday lets and made retrospective to the 1st of January. I agree with Trish. This is about bringing transparency to the issue. This is critical, given the state of some of the dwellings, including their non compliance. The DA number must be part of the government's register, the register must be on the net, accessible to the public, Council, the Valuer General, and of course, the ATO. Annual inspection and certification is needed to operate and it needs to be done by a dedicated, self funding unit within Council and never outsourced to approved certifiers. Certification needs to be registered with the government, accessible to the public, appear on any advertising and invoicing for holiday lets.

The secondary dwelling. Oh my God. No secondary ad-, dwelling approved under the Affordable Rental SEPP should be used for holiday letting, yet they are so. So, no principal residence should be used for holiday letting where there is an approved secondary dwelling. This may cat-, curtail the owner taking up occupancy of the SEPP dwelling and letting the principal residence. Holiday letting, both the SEPP and the principal res-, residence, or, putting a family member into the secondary dwelling as a renter, outsourcing the management of the principal residence as a holiday let on the famed premise that the family member is functioning as a host. By the way, I would ask the Commission to get back to the government and tell them to edit their November '21 statement, policy statement, which gives secondary dwellings as example of what you can use as a holiday let. The Dep-, uh, DPC for Brunswick warns of the potential of a negative population over time and the pon-, potential for that growth falling below a critical mass needed to maintain or improve the range of key services and facilities available. On Australia Day, the Governor General said that it was important to know your neighbors. With an increasing transient population, that no longer has a reality in Brunswick Heads because the housing crisis has and is enforce- enforcing long-term renters who have made invaluable contributions to government planning and character of place of the village. It is the range and the scale at which this is happening that is confronting something. Planning is not as much of an issue as is the role of finance in restructuring the housing market. Increasing the supply of housing sidesteps the root cause of the problem. However, what can't be ignored is that planning directly impacts on the distribution of wealth.

How does the Commission justify any changes in this with any notion of caps or precincts? The foremost question is whether or not the Commission will acknowledge the growth of what has been a prohibitive activity in residential areas and give permanent residence a priority, while at the same time prohibit or provide holiday lettings on stringent conditions and severe penalties. It will require the Commission to forthrightly and fearlessly recommend planning instruments that bring transparency to the issue and make it economically advantageous to invest in long-term rentals as a means of respecting and protecting the character of place.

But the success of any instrument is in its rigorous enforcement and prosecution. It is anticipated the commission will make recommendations which give consideration of how this might be successfully done. It's a tough call given the lack of confidence and trust in the regulators. Thank you.

COMMISSIONER COAKES:

Okay. Thank you, Miss Warren, for that, that, um, very thoughtful, um, presentation. You've got a question, Richard?

COMMISSIONER MACKAY:

Ju- just a quick one, thank you, Miss Warren.

COMMISSIONER MACKAY:

Um, look, just taking your very last, uh, closing point there, I mean, the Commission comes to this matter in circumstances where there is an existing set control that has notwithstanding the history you've been through, um, conferred a 180 day, call it an allowance for short-term rental. Are you suggesting that the government should simply step back from that?

PATRICIA WARREN:

I personally, I've listened to s- only today. Um, I personally would be recommending what has already been mentioned by a previous speaker, that the government goes whole boles to hotel- hosted accommodation if they want short-term holiday letting.

COMMISSIONER MACKAY:

So you would remove the ability of the 180 cap and just revert to a short-term, um, being no- sho- short-term non-hosted being not allowed without consent, development consent?

PATRICIA WARREN:

I'd have to give some research to that in terms of its impact on Brunswick Heads. Um, principally the one area in Brunswick Heads which has always been non-hosted and it's been there since I've been there, and that's on the South Beach Road, uh, but otherwise the area, um, that's got a 365-day cap, excluding that short, uh, South Beach Road part, um, has been in and out of holiday let and long-term rental, particularly long-term rental.

And, of course, the, the side, uh, on the western side of, uh, Tweed Street, is relatively new, except that which lines the old Pacific highway. Um, and that's been predominantly owner occupied and renting.

What concerns me is evidence that's come to my attention is that the, uh, holiday letting is creeping into Bayside Brunswick.

COMMISSIONER MACKAY:

Okay. Well, tha- thank you for that answer and I, uh, if you wish to make a submission, I think the Commission would be-

PATRICIA WARREN:

I've done it, it's a long one.

COMMISSIONER MACKAY:

(laughs) Thank you. I'll...

LUKE WATERSON SC:

Our next is Samantha Pedlow. Who's on the telephone (laughs).

COMMISSIONER COAKES:

Telephone. Oh, no, she's just...

LUKE WATERSON SC:

Doug Luke? Doug.

DOUG LUKE:

Hi, good afternoon, Panel. Thank you for giving me the opportunity to speak. I do acknowledge, uh, native Indigenous people and I have worked with them in the past. Um, I'm calling my little talk cap in hand. Is that what we are? The beggars of Byron? I'm a simple Cornishman brought up to care for my community. My parents spent a lot of their lives helping others. Family friends, neighbors, and even strangers. Here today something is wrong. Many have become self-obsessed with their own lives at the expense of others. I remember Margaret Thatcher saying, "Everybody has the same opportunity." I've never believed that. What opportunity do my neighbors have against rampant capitalism?

I first came to Australia in 1982 and apparently stood on this very beachfront and said, "This is paradise." I deny that. In Cornwall we are never that effusive. But from that day I determined that I would do nothing to the detriment of Byron Bay. Quite the reverse. I'm not anti-tourism, but I soon learnt that in this town, "Money talks, Doug." Money talks. It's sure talking in Sydney. The STRA industry, so-called, and their lobbyists, are chucking it around by the barrowful. Our little neighborhood, Davids, are up against the cashed-up interests of global Goliaths.

I read an interesting article this week by Dr. Jeff Lewis of RMIT, and Dr. Belinda Lewis about RWE. RWE, my eight-year-old grandson would say, "What the fudge, grandpa?" Right wing extremism. The good Dr. Lewis reckons short-term rental accommodation supporters share many characteristics with right wing extremists. A deep distrust of democracy and government systems. An exaltation of freedom,

which is defined as unhindered self-interest. A deep dislike for public welfare and community, both of which are seen as weakness and a hindrance to individual freedom. A disposition to violence as a legitimate, even necessary means to express freedom and self-interest. A belief that political and social improvement is only possible through the complete liberation of the individual and his self-interest. Dr. Lewis says, "The advertising and lobbying campaign that the corporate it- corporate property moguls have inflicted on the shire expose a deep disdain for community and neighborhoods."

At a recent rally here, just as I was about to speak, someone came up to me and whispered, "Don't mention Airbnb. They're very litigious." My old mate from Byron Bay, or rather my nemesis, John Gudgeon, still insists property owners have every right to do whatever they like on their property. But John was the first one to complain when he heard any noise from his neighbor who actually had the same belief.

Question. Why did Anthony Roberts chuck out cou- chuck Council under the bus just before the unanimous vote for the 90-day cap? "Come on, Doug." My grandkids called me Dopey Doug. Mr. Roberts gave into intense pressure from the STRA lobby. This pressure involves a fear campaign. Sound familiar? Mining clubs, you name it. We hear over-inflated numbers for jobs lost. We see huge numbers of dollars lost. The death knell of tourism, full page advertisements quoting non-existent reports from the Bureau of Statistics and tourism groups.

Did Mr. Roberts then come along to you worthy folk on this Panel and say, "Help me out here, guys. The natives are restless in Byron Shire." You will have heard and will be hearing from dozens of restless natives here in this room. I hope you see the social impacts on our Shire. Please tell Mr. Roberts to give us our 90-day cap. A crumb of comfort, at least.

Social impact. We hope... Excuse me, I was down for five minutes but I was given 10 minutes by Mr. Cope. From the Panel. Thank you. Uh, m- Mr. Holmes talked about his daughter in Bangalow. I'll just say a quick word about my daughter. She has a doc- doctorate in environmental science at our local university and she has a deep understanding of social license and how the coal seam gas industry here failed through not having it. I get that big time from listening to her and reading her papers. It's bleeding obvious, those holiday letting do not have any social license, yet they've benefited from negative gearing and una- other beneficial tax loopholes. Are they really incapable of any feelings for their neighbors? The old money talks again th- thing.

Please go back to Mr. Roberts and tell him we're hurting here. High house prices, high rents. Rentals with very short leases. No permanent rentals. People living in cars. Tell him real estate agents here have closed sales on houses by promising buyers they will holiday let their houses so that they can afford the purchase price. How can our nurses and fire personnel live close enough for emergencies? What about the two young solar electricians who visited me last week? One is living in his Ute, the other is hiding away in an industrial unit just outside Byron Bay. "Don't mention our names. Don't mention our names."

I founded VOHL, Victims of Holiday Letting, almost 15 years ago. Our victims live in fear of intimidation. They mostly decline to appear before you here. VOLE has attended numerous hearings, workshops, et cetera. We have helped on developing appropriate regulation, but have seen instead ridiculously weak self-regulation. What industry hasn't tried that one and failed? You will be aware of how much stronger and appro- stronger and appropriate regulation has been introduced around the world. The sky didn't fall in.

Dear Panel members, please ask Mr. Roberts to give us our 90-day cap. We really aren't asking that much, are we? Thank you.

COMMISSIONER COAKES:

Thank you, Mr. Luke. Mr. Luke, just one quick question from me. Um, obviously the code of conduct has come into, into play. Um, have you seen any, um, I guess demonstration of that working on the ground?

DOUG LUKE:

Uh, when I started VOHL the holiday let organisation started up, HLA. And we, we kind of had a code of conduct drafted. But since then it's been incrementally watered down. Originally it, it was of some use but at the moment it isn't. It's, it's kind of a, another form of weak regulation, as I see it.

COMMISSIONER COAKES:

Okay. Thanks. Richard? No? Okay, thank you, Mr. Luke.

DOUG LUKE:

Thank you.

LUKE WATERSON SC:

Uh, Samantha Pedlow. On the, on the phone.

SAMANTHA PEDLOW:

Hi (laughs).

COMMISSIONER COAKES:

Okay, hi, Miss Pedlow. Please, please go ahead.

SAMANTHA PEDLOW:

Hi. Hi, my name is Sam Pedlow and I'm from North Coast Lifestyle Properties at Brunswick Heads. Formerly Professionals Brunswick Heads and Ocean Shores. I've been the pr- the principal since 2012 and we've been managing short-term rental accommodation for the past 11 years, and the professionals before that, with its different owners, managed short-term rental accommodation for at least 20 years prior to this.

In 2017 we managed 75 holiday properties in the Byron Shire. That figure today is 42, which is nearly half of what it was. 57% of the 42 properties we currently manage are outside the 365-day precinct. We have conducted many surveys over the years to determine the intentions of our holiday home owners in relation to the different strategies Byron Shire Council have devised to combat holiday letting. Most recently we surveyed our owners in relation to their intentions with their property if the 90-day cap is introduced and out of the 42, only one said they would consider moving across to permanent letting. This single property is on the beachfront at New Brighton and could not be deemed as affordable housing.

Our owners bought their property [inaudible] them and move into in the future. They advised that they will leave their property vacant for the remaining 275 days if the 90-day cap goes ahead. If the 90-day cap is approved, the north of the Shire's tourism economy will take a huge hit [inaudible] benefit of affordable housing. [inaudible] properties we manage can be regarded as affordable housing.

We're a tourist destination. Our target market is those that wish to enjoy the simple pleasures, which means families. Mum, dad, the kids, the pooch. It means couples wanting a quiet or a romantic getaway. Where are they going to stay? Our guests do not want to stay in cabins or a room in someone's house or a motel room. What happens to our cleaners, landscapers and handymen? It is hard enough now with 180 days cap to find cleaners. It is unsustainable for them to run a business only half of the year, let alone a quarter of it.

What happens to our retailers and our hospitality businesses? What happens to my two holiday property management staff? Are they supposed to find alternate work for three quarters of the year and only work during peak seasons? 90-days will mean a loss of jobs and a loss of businesses in all business sectors across the Shire. How will the cap assist permanent letting? As I've already said, only one of the properties we manage have advised that they will, they may change to permanent letting. And I will not permanently let a home for nine months of the year and then evict a tenant to put in a holiday guest for three months.

However, other businesses and home owners may. Where do the tenants go then? The State Government's regulations and code of conduct was welcomed by those who work in the industry professionally. North Coast Lifestyle Property staff are on call 24/7 to manage any issues associated with holiday letting. The affordable housing issue in the Shire will not be resolved by a cap on the number of days a house can be used by holiday guests. Thank you for the opportunity to speak today.

**COMMISSIONER COAKES:**

Thank you, Miss Pedlow. Um, and I would ask, you mentioned that there's obviously a number of surveys that ha- have been undertaken of owners. If you wa- uh, if you, um, wish to please attach anything to, anything further to your submission. Any questions?

**COMMISSIONER MACKAY:**

Yes, please.

**COMMISSIONER MACKAY:**

Um, thanks, Ms. Pedlow. Uh, could I ask, um, about half of the properties that you are involved with are therefore in the, um, 365-day, uh, precinct proposal. Do you think there will be some, um, increase in the holiday rental activity as a result of that expanded opportunity?

**SAMANTHA PEDLOW:**

Um, in that area that, if we're talking about Brunswick Heads, there's only a limited amount of properties that have consistently been utilized in holiday lettings, um, since its inception. So I cannot imagine that, um, homeowners in Bruns are going to want to evict their tenants or move out to let, um, guests stay in the property. And that's not what we would want anyway.

COMMISSIONER MACKAY:

I- if, if I understood you correctly you were saying that 50, 52% of the properties, um, that, with which you're involved, are outside the 365 day, but therefore about half are within? And th-

SAMANTHA PEDLOW:

Yeah.

COMMISSIONER MACKAY:

... they're exis- they're existing rental properties. So I'm asking you, wouldn't they get rented more if the, if the cap rises to 365?

SAMANTHA PEDLOW:

No, 'cause they're already at 80%.

COMMISSIONER MACKAY:

Right. So the, so at 80%, um, isn't that above the existing 180 cap?

SAMANTHA PEDLOW:

Well, prior to the 180 cap, yes. But pri- prior to me, us being here for the hu- 180 cap those properties in Brunswick Heads were at a minimum of 80%.

COMMISSIONER MACKAY:

And wouldn't they go back to that if the cap were lifted to 365?

SAMANTHA PEDLOW:

Yes, but that's not enough to cover the shortfall in the surrounding areas.

COMMISSIONER MACKAY:

Right, okay, tha- look, thanks for that. The other, the other thing I just wanted to ask you about is are you presuming that if there's a 90-day cap people would rent for 90 consecutive days and therefore have the opportunity to do something or not with the other, um, three quarters of the year?

SAMANTHA PEDLOW:

Yes.

COMMISSIONER MACKAY:

Rather than, rather than putting it out for school holidays, which are sort of interspersed through the year?

SAMANTHA PEDLOW:

Well, that's the option, isn't it?

COMMISSIONER MACKAY:

Well, I-

SAMANTHA PEDLOW:

But that's what concerns us, that they're going to rent it for three month stints and then want to put permanent tenant in for the other nine months and then kick them out for the higher rate.

COMMISSIONER MACKAY:

Okay. Look, thank you for, thank you for that answer.

COMMISSIONER COAKES:

Mm. Thank you.

LUKE WATERSON SC:

Our next is Grant Moffit.

On the telephone.

GRANT MOFFIT:

Yes, good day.

COMMISSIONER COAKES:

Hi, Mr. Moffit. Please go ahead.

GRANT MOFFIT:

Yes. Yeah, thank you very much. Thank you, [inaudible]. Um, I just want to say that the 180 day, uh, r-uh, I'm getting echo back here.

COMMISSIONER COAKES:

Yes.

LUKE WATERSON SC:

Yeah, M- Mr. Moffit, if you could-

GRANT MOFFIT:

Got echo.

LUKE WATERSON SC:

... if, if you could take your mobile off speaker, that, we've found that assists-

GRANT MOFFIT:

Oh, yes, okay. Okay, let's [inaudible] good. That's better. Sorry for that.

LUKE WATERSON SC:

No problem.

GRANT MOFFIT:

Yeah, look, uh, I, I'm just, uh, concerned with this 180-day rule. I don't really understand, uh, why it's being implemented. Uh, I've been in Byron as a resident for 23 years and I live in the town, my children go to school in the town, I have businesses in the town, and I have real interest that the town proceeds to go ahead in the right manner and, uh, I'm looking forward to seeing the town grow as it is because at the moment, uh, uh, the town in the last 10 years ha- has created a lot of jobs, new businesses. Uh, it's doing very well.

And a lot of people that come to the town for holidays, a lot of them are from the country areas around New South Wales. They come down to, uh, holiday in Byron Bay, uh, uh, they're mainly families. They stay at my, my, uh, the house that I have, which is a long-term rental house, uh, short-term rental house. I have three other houses that I've built and I own through my super fund and, and with my business partner and, uh, they're rented long-term. So I have a balanced approach on this.

I, uh, also own two guest houses that I, that I own and manage with my business partner. And, uh, I just think that this rule that you're bringing in of 180 days is ridiculous. Um, not 20 years ago the, um, the, it, there was holiday houses in Byron Bay. People go there to holiday and they have been for years. I've got tenants that come and stay at my property that have been coming to Byron Bay for the past 30 years on their, on their family holidays.

If we, if we get rid of or if we reduce the 180 days, and intro- [inaudible] 180 days and reduced it to 90, it's going to make it very hard for anyone to rent a house, uh, in Byron Bay, uh, short term. By the time you cover land tax, insurance and rates and other cost to maintain the properties it just becomes unviable. So what we're saying to people is to get rid of short-term rental houses altogether. Ho- all we want in Byron Bay then is backpackers and couples that can pay \$800 a night. That's what we want. That's what the government is, is indicating when you bring in this policy.

Uh, as far as short-term houses, uh, a- as far as... Apart from that, the problem with, uh, the housing problem at the moment, it's not a problem of, uh, that's being deflected by Council, local Council, to the short-term rental houses, that's absolutely ridiculous. They've said that 6,000 houses are rented short-term in Byron. Its actual number was just over 1,100. It hasn't changed from that amount, uh, for something like 20 years. One in 17 houses are rented.

Again, if you pay rate tax, you're paying council rates, you're paying insurance and maintaining a house, I think you should have a right in Australia to do what you want with it, and not be told by government how to run your property. I think that Byron Bay is a mecca for holidaymakers around the world, not just Australia. It attracts a lot of people. To actually remove three, a \$300 million business from Byron Bay is going to cost jobs. I mean, it's common sense. It's economics. If you move 300 million out of the economy, jobs are going to go. And not just in people that are supporting short-term rental houses. You're going to find half the shops, half the businesses in the town will close.

They did it in Noosa many years ago and half the, half the businesses in the town of the main street in Noosa closed. So I don't understand why we don't learn from other people's, uh, demise, and continue to

go down this track of trying to get rid of an industry that's sustainable and brings in \$300 million a year. I don't understand it.

On the other side too, the argument is we're taking homes away from people. That's ridiculous. What's taking homes away from people is the inadequacies of government. I've just built 10 homes for local people in Byron, we're finishing in June. It took me 16 months to get the approval, to get those 16 out, those 10 houses built. And it, it took me \$89,000 in upfro- up, upfront fees from government to even get started on building those homes.

We got loaded with a, uh, an insurance bill of \$44,000 per home to build. Four of those people that are occupying those homes are first home buyers. And they shouldn't be having to foot the bill for insurance which is a problem in Sydney and now passed onto regional New South Wales. I think that's an absolute disgrace that they can do that. So, so we had to pay \$440,000 insurance upfront to build 10 homes, of which are going to be rented long-term.

If you wanna know what the real problem is, it's, it's a government locally that's not, h- has been in the past, a negative against, uh, development. If they'd gone ahead with West Byron 10 years ago they would have had nearly 1,000 lots of land sold at \$250,000 a block. Today, they're only releasing 200, and they're selling them at two million. It's all because we fought back against development in Byron Bay to release more land, build more homes and today we're paying the price.

But the government, local government and the State Government, with their support, are saying, "No, it's, it's the short-term rental homes. They're the problem. The 1,100 homes that are rented out." Well, I'm telling you now, the, the problem with accommodation is greater than 1,100 so after you've taken half or even three quarters of those houses, what is the, what's the excuse going to be next time? Is it going to be something else? Y- you won't have an excuse because at the end of the day, uh, w- what makes, what makes, put, puts roofs over top of people's heads are houses. Vacant houses. And if you're not approving them quick enough and it takes you 16 months to approve a development that had no dispensations at all, it was zoned residential and took 16 months, that is an appalling situation.

It's something that needs to be fixed and it's happening all around New South Wales, and in other s- other parts of Australia. It's too long. I mean, you know, a machine could probably churn out 90% what's on the DA. A- and the other 10% needs someone to look at it and use common sense and say what's a, what's, what's, what's good planning and approval. But, but that, uh, that's my situation.

I've got nothing else to say but I'm just, uh, I'm just mad about, that, uh, we're trying to deflect the problem, uh, of long-term rental houses onto, uh, oh, sorry, long-term houses, uh, and having houses available for people, and deflecting it on an industry which has been growing up in Byron Bay for many years. I just don't think it makes any sense on what the, the, this 180 days is about, or the 90 days. And I think that, uh, you know, common sense should prevail. Otherwise, you're going to have a situation like Noosa felt many years ago when they banned homes from being rented, and, uh, made it very difficult.

And when that happened, people that owned those houses just locked them up. People come there, they only came there two or three times a, a year, for one week, two weeks, and the rest of the time they weren't occupied. And it, you, and then what happened then, the, it doesn't take very much for a small business to lose profitability. If they lose 20% of their sales, in town, in retail, most of those retail shops, they will close. How do you know? I, I've known retail for many, many years, and I'm telling you now, if they lose 20% of sales, that's enough to tip them over the edge. And if you want to do, do that way, I've

said to the Mayor, I've spoken to him in the past, I said, "If you wanna go that way, just watch and see what happens." I'll put my money on it, that's what will happen. You will not only lose the jobs and all the people that are working in short-term rental accommodation, but you will lose a lot of jobs in that economy, in that local economy.

COMMISSIONER COAKES:

Thank- thanks, M- Mr.- Mr.-

GRANT MOFFIT:

And you will be party to that. That's fine. Go ahead and do what you're doing.

COMMISSIONER COAKES:

Thanks.

COMMISSIONER MACKAY:

Thank you.

GRANT MOFFIT:

Thank you. Bye.

COMMISSIONER COAKES:

Thanks, Mr., thanks Mr. Moffit.

COMMISSIONER COAKES:

Uh, Leone Bolt?

LEONE BOLT:

Okay. Uh, I'd like to acknowledge the native title holders of the land on which we meet, the Arakwal of Byron Bay. Most people in Byron Shire were shocked to see half of the village of Brunswick Heads and only a slither of Byron Bay township included in the initial 365 STRA precincts. They were shocked because for the past three decades Byron Be- Bay has promoted itself as an international holiday destination while Brunswick Heads has spent the last three decades doing everything it could not to turn into another Byron Bay.

The Brunswick Heads Progress Association would like to see an increase in the 365, um, STRA precinct in Byron Bay and a reduction in the 365 STRA precinct in Brunswick Heads. The three very large foreshore caravan parks in the Brunswick, in Brunswick Heads provide STRA 365 days a year. These caravan parks are controlled by the State Government and managed by Reflections. Since the floods a year ago, two of these parks have doubled the number of cabins in each park and these cabins are double the size of the previous cabins.

Has the State Government made a choice to be part of the problem rather than being part of the solution? The State Government could be part of the solution by providing some long-term affordable housing,

workers cottages or emergency housing for our community within these parks. We ask that the Commissioners consider this in their recommendations.

The association believes that for Byron Shire to have a strong, resilient community, residential zones need to be for homeowners, permanent renters and hosted STRA only. A strong local community can help heal the trauma of displaced renters and flood victims. Um, are my slides there? Uh, I sent a slide presentation in. Oh.

COMMISSIONER COAKES:

No, we haven't. Apparently we haven't received them.

LEONE BOLT:

Oh, I did send them. Okay (laughs).

COMMISSIONER COAKES:

Um, Mi- Miss Bolt I would ask you to- Yeah, is there a USB, or did, was, were they-

LEONE BOLT:

Oh, I didn't bring anything with me, sorry. Yeah, that's okay.

COMMISSIONER COAKES:

Okay. Um, Miss Bolt, can, can we ask that you attach those to your submission?

LEONE BOLT:

Yeah, yeah, I can do that. Um, okay. So, basically the Brunswick Heads Progress Association would like to see unhosted STRA only in commercial zones in Brunswick Heads such as the B2, um, business zone and the B4 mixed use zone where holiday letting is already permitted use. Um, the, um, Byron Shire Council's proposed 365 STRA precinct only included half of the B4 zone and, and should be amended to include the section of the B4 zone on the western side of Tweed Street as holiday letting is permitted use in that zone.

The Association believes the risk in the, uh, in Brunswick Heads is not the turning over of expensive homes in the STRA but rather the purchasing of more affordable, entry-level real estate such as units for 365 STRA. Um, I went around and looked at the area. Um, there's only one residential area, or two areas still left in the 365 STRA. One is the area north of Mullumbimby Street, Brunswick Heads, and that's the area I'd like to talk about in detail. And the other is the area, um, east of Simpson's Creek which traditionally been a holiday let area. And, um, which people find it acceptable to be in the 360 s-

People find it acceptable to be in the 360 STRA. So the area north of Mullumbimby Street has, um, uh... I went and looked at the use for each of the houses, it was on my presentation. I'll just have to read it now. Um, so, on Mullumbimby Street on the northern side there were 11% owner-occupied, 74% permanent rental, and 15% STRA. On the next streets over, Park and Forsyth Street, 34% was owner-occupied, 34% was permanent rentals, and 32% were STRA. On Miner Lane 40% were owner-occupied, 20% were permanent rentals, and 40% were STRA.

I also then had a map of all the, um, unit blocks in that area. Um, Mullumbimby Street just on the, that northern side of Mullumbimby Street has over 20 unit blocks. A lot of them were built in the 1970s and, um, they provide entry-level accommodation for small families with their first child, older couples. Um, you know, adds to the tapestry of Brunswick Heads.

And I'm, I live with six units either side of me. I have my on, uh, Queenslander. And traditionally there's been one holiday let in each of those blocks. Now there are four on one side and one on the other. Uh, there's also a block down on Forsyth Street with four long-term rentals, uh, uh, people there for over 20 years, the whole lot has been turned not four holiday lets. And I can see that this, you know, they're a million dollars, these units, but they're the cheapest property in Brunswick Heads so people who want to get into STRA aren't gonna be looking at the whole of house, they're going to be looking at these units. And it could change the fabric of Brunswick Heads forever. Yeah.

COMMISSIONER COAKES:

Thank you.

LEONE BOLT:

Thank you very much.

COMMISSIONER MACKAY:

Ms. Bolt, I have a question.

COMMISSIONER COAKES:

... um, still have one more question.

LEONE BOLT:

Oh, sorry (laughs).

COMMISSIONER MACKAY:

Th- thank you Ms. Bolt. Could I just ask then, um, is it right that the, uh, the Brunswick Heads Progress Association is comfortable with the notion of a 365 precinct and 90? But bottom line in everything that you've just presented is that you're suggesting the other side of, um, Tweed Street needs to be also included in the 365?

LEONE BOLT:

Okay. Um, we don't really support precincts because we think they're dangerous, but we do s- support Council's attempt to try to curb the situation. Um, we would like to see, if here are precincts, that they align with the land use, like commercial use areas. And when I said the "opposite side of Tweed street" I was referring to the B4 zone which sits on one side of Tweed Street and on the other, between certain blocks. And it's i-, uh, it is a permitted use to have holiday let in that zoning, so I don't know why if there is going to be a 365 precinct, it wouldn't have been included. And that the area, uh, for example, the area south of, um, the CBD area, uh, south of Bunjalung, has been removed by Council because it's residential

area. And I would like to see the area north of, um, Mullum- Mullumbimby Street, the northern side of Mullumbimby Street, um, uh, through to the water, um, removed also because it is a residential area. And as I say, I've got six units either, either side. I've contributed to my community for 30 years, and I wanna grow old with community around me.

COMMISSIONER COAKES:

Yeah. Thank you Ms. Bolt. And um, please, please attach that into your submission. Thank you.

LUKE WATERSON SC:

And next we have Nicole and Craig Spencer... on telephone.

NICOLE AND CRAIG SPENCER:

Hello?

COMMISSIONER COAKES:

Hello, Mr. And Mrs. Spencer? Um, we understand you've got your, uh, phone on speaker because you're both presenting. So if you'd like to proceed hopefully we'll be able to, to hear you. W- we'll let you know if not.

NICOLE AND CRAIG SPENCER:

Okay. Well th-

NICOLE AND CRAIG SPENCER:

I'll take it off speaker while I talk and then-

COMMISSIONER COAKES:

Thank you. That would... be great.

NICOLE AND CRAIG SPENCER:

So I'm taking it off now. So we wanted to put our thoughts forward because this matter concerns the whole community which we are a part of. My husband and I purchased our property in 2018. It is a 100 acre cattle farm in the Byron Rural Hinterland. We can only run 30 head of cattle, which it's not a large money earner, so to supplement our income we always intended to run STRA.

It is critical for property owners to be able to continue STRA to support paying their mortgage. And many Byron Bay residents rely on the income from STRA as a support... As a source of income to support living in the community. STRA is an integral part of our community providing jobs for locals. We use a pickup and delivery laundry service, we have cleaners who are based in a neighboring village, together with gardeners and pool-servicing contractors. On top of this, you local businesses, restaurants, cafes, home wares and clothing shops, et cetera, could not survive without the tourist dollar.

Tourism brings a lot of wonderful things to the Byron Shire. It brings diversity, well-needed money for business owners and mortgage holders alike. Removing the ability to provide short-term accommodation

would not encourage people to provide permanent accommodation and is not, as it is not financially viable.

It is acknowledged that the community needs to balance housing for permanent residents as well as STRA for tourists. There is no easy short-term fix for the problem without adversely impacting existing homeowners and inadvertently creating another problem by the proposed intervention. There is no guarantee any of the houses will be returned back to the permanent rental [inaudible 06:32:07]. People who have purchased investment property for rentals are not going to rent it out for a loss. So they will sit vacant and no doubt rent them out at much higher rates during the peak time. This policy is not solving the affordable housing crisis.

The government should take a long-term view to resolving the issue by ensuring all new land releases are subject to a restriction on holiday letting so buyers are aware of the rules from day one. And encouraging permanent letting through incentives rather than penalties on short-term letting. It's like such incentives could include rate concessions or land tax concessions. Anyway, thank you for your time. That's....

COMMISSIONER COAKES:

Thank you. Ms. Spencer just, just a clarification, are you, um, operating a hosted or an unhosted short-term rental?

NICOLE AND CRAIG SPENCER:

Hosted.

COMMISSIONER COAKES:

Hosted, okay. Thank you.

COMMISSIONER GRANT:

And i- is that in, um, uh, uh, as part of, of the main dwelling or o- do you have, um, purpose built accommodation on the property?

NICOLE AND CRAIG SPENCER:

It's the second dwelling on the property.

COMMISSIONER GRANT:

Thank you.

COMMISSIONER MACKAY:

And, and if I may, um, Ms. Spencer, um, what's the zoning of your land, please?

NICOLE AND CRAIG SPENCER:

We're R2.

COMMISSIONER COAKES:

Okay. Any, uh, further questions? No? Thank you. Mr. and Mr. Spencer. Thank you.

NICOLE AND CRAIG SPENCER:

Thank you very much.

COMMISSIONER COAKES:

Okay, we're going to break for 10 minutes and we'll be returning at 4:10. Thank you.

LUKE WATERSON SC:

Right, next speaker is Marty Brennan.

MARTY BRENNAN:

Thank you. Hi, I'm Marty Brennan. Uh, I've been working and living in this area for over 35 years in the construction and development sectors. Delivered some of the key projects you would know, Elements of Byron, Byron to Byron, Eastern Byron Waves. Uh, y- done them all. I worked in a lot of the local schools. I'm here to support Council's position. And the reason that I am is because what I'm seeing, mass exodus of our young people from this area. Where is the next generation of people coming through that are going to keep this community afloat and are gonna keep it moving? Where is the intelligence going? Where are the smarts going? Well, they're not staying here. And they're not staying here 'cause they can't afford to stay here.

Sp, there is nowhere for them to live. They can't afford \$1,000 a night. They just can't afford that. No, well I can't. So for those people that can, we need to be able to provide some certainty. And the only way that that certainty comes is through long-term rentals, that's where we all started. None of us could just afford to walk up and buy a \$2 million house. No one could.

In this area, when I first started in this area, and I'm not, you know, being retrospective and all of that, but the local trades, be it the Great Northern or the rails every afternoon going, "Right! Where we gonna beat 'em?" "All right. Well, tomorrow you're going there, and you're going there, and you're going there." But they could afford to live here. And they could afford to raise their kids. They could afford to do that. Can't do it anymore.

So what's gonna happen? We keep letting these houses that are sitting there empty for so much of the time, we just let them sit there for the benefit of hu- of who? What the people that contribute to our community? Don't think so. It's to line the pockets of a few. So it's more im-... And what we're losing, and someone used this word to me today and I thought it was perfect, the glue. What's the glue of the community? What is it? Well, it's not the people that fly in for two nights once a month and spend \$1,000, whatever their figure is. You know?

What's been really clear with every presentation that I've heard here is jobs and economic impacts. Well, just with the projects that I've been in, and two projects that we're involved in right now in Byron Bay, just these two projects we're involved in right now will bring in 126 jobs when they're completed. That's Bonobos by Raes next to Mercato and 7 Marvell Street in Byron Bay. 126 jobs. So where do they live? Well, it's not gonna be Byron Bay. Th- it's, it's not going to be. Right now, even for us to be able to get

people to come in and build the buildings, and everybody whinges about how expensive trades are and how all of that...

Well, they are because having to drive 100 kilometers to turn up and, and all. They can't, they can't live here. I really strongly support the fact, uh, everybody's entitled to make money, and get ahead, and all those things. I'm not begrudging that. But what about the people that are starting out? And what about the ones who aren't smart enough to get an academic career and just to struggle week to week to week? They're a m- they're the, the fabric of the society. You know? What, all that's happening is our kids are coming through high school and we're doing all of that, you know, contributing and then they're going. They're leaving. How many stay behind? Not very many. Do we see 'em any? Not really. And that's number's getting worse and worse.

Through, so that huge exodus is putting a massive strain on the cultural identity of who we are and what we want to be. And what is it that we want to be? Well, it's a really important question. You know, the reason people love Byron Bay and love coming to Byron Bay is because of its culture and because of its empath. So if you walk through Byron Bay right now, every shop's got a sign up saying, "We're hiring. We're hiring. We're hiring." Their businesses are being restricted because they can't get enough people to serve your coffee so that the person who's paying \$1,000 a night and turning up for two nights a year is going to whinge about the fact it's taking me 40 minutes to get my cup of coffee. All First World problems, but these are real. These are real problems for the people in you community. We need to be thinking more about them.

Without a community, without people that can serve as a community, you can't have tourists. Don't exist. Can't have them. That's it. Thank you.

COMMISSIONER COAKES:

Richard's got a question.

COMMISSIONER MACKAY:

Th- thank you, Mr. Brennan that's very clear. I just invite you to comment if you would. You've talked particularly about the Council, the planning proposal, the 90 cap. Um, what about the supply side? What about actually providing more land, more buildings, more what, for you, I guess building them? Um, that is actually directed at social housing, low-cost accommodations. Do you think, do you think enough is being done there?

MARTY BRENNAN:

No, not at all. Um, not at all. I mean, if, if, if you look it examples, I'm gonna us a, an out there example. Let's say Hamilton Island. You know? Which is a little island. They build and provide accommodation for all of their workers as part of what happens. Well, we don't. You know? Like and w- and, and we're a, we're a community now that's scarred on the back of, of these major floods that happened 12 months ago. Well who were the people in the boats that went out helped people? It wasn't the people staying in the Airbnbs, it was the people that live here.

So, it's, it's, it's that giving to community that's missing. Social, it, it's critical, it, it's so important for our, for the next generation to be able to afford to live here. This is their home. It's where they live. You know,

and w- and, and what about our First Nations? You know, like, y- l- like, how can they possibly? Like, th- they have Native Title over this land. H- how do they afford to stay here? H- how do... So our culture disappears and for what? So some, you know, pop star can turn up and? It, it, y- y-... We're, we're missing the point I suppose.

COMMISSIONER MACKAY:

Thank you.

COMMISSIONER COAKES:

Thanks, Mr. Brennan.

LUKE WATERSON SC:

Uh, next is Ross Kendall.

ROSS KENDALL:

Great. Uh, thanks very much for coming out to listen to us. I really appreciate the opportunity to speak. Uh, I'm against unfettered short-term rental accommodation. I think 90 days is too slack. I'd like to see 30 or 60. And the smaller, you know, exclusion zones the better. That last talk was fantastic. Uh, I mirror a lot of those comments.

What we're seeing now is capitalism at its worst. It's rampant and destructive. It's cannibalistic. You've got the holiday letters, the owners and the users. They're just eating up family homes, spitting them out. It's ridiculous. It's a, such a waste. And it's a classic example of a community good being appropriated by a very small sect of private and they're taking all that, they're destroying that value and taking a little bit of cash. They're probably buying color TVs.

What they're destroying is the very, everybody said it, the fabric, family homes. You don't think about it until they're losing. You can see them falling away. Disappearing, disappearing, disappearing. There's nowhere for anyone to live. It's, um, it's shocking to see it get this far. We heard from the lady on the phone, um, say, "It's all a bit complicated." Well that's the State Government's fault. They've let the genie out of the bottle. We've been complaining o- about it up here for years. They sent us down a two-year rabbit hole to do all the studies, and the Council did all that. And then right on the D-Day, oh boom, sorry. We're gonna delay this even further.

You guys are here, that's great. Do you know what I mean? This has been going on for years. The problem's been exacerbated by them sitting on their haunches thinking nothing's gonna go wrong or somehow it will sort itself out. It's just got worse and worse. People are eating each other up here. It's horrible, it's disgusting.

Added to that fact, just had a flood. 4,000 homes gone. Okay, so what you've got here is families living in tents, caravans, and now pod homes. The tourists swan in, lounge about for a few days in their homes. It used to be the tourists would come here and stay in caravans. Not anymore. It's, it's a ridiculous situation that's been left to go completely out of hand. Someone's gotta take control.

Um, the economic arguments are silly. Uh, anyone who's part of a family knows what they spend and the range of, uh, things they spend that on. You know, tourists are, what, food, booze and a few attractions?

Families have got, you know, dentists, paralegals, fresh food markets, schools, um, you know, fitness, training, yoga, all those things. We're making a very... Talk about the money but it's a very brittle economy. So shallow. You know, to survive the ups and downs or, you know, and God forbid another COVID, you need a broad economy with lots of people living here.

Um, the point about, you know, holiday makers being here within the tough times, they're not going to be. We need a solid community and we can't do that without family homes.

Uh, one other point I'd like to address, I heard this on the radio so about, uh, apparently Mark Swivel spoke and people were confused about whether he was a Councillor or a lawyer. Just like to say, he had ample opportunity to be honest with the electorate and tell them that he was going to support unfettered short-term rental accommodation, and he didn't. He has no electoral mandate whatsoever to speak for the people of Byron Shire. None whatsoever. Absolute fraud.

Um, well also, that point about the young people. I'm involved with a lot of sports club, I'm sports editor at the, uh, local newspaper. We had an example the, uh, at fooball club, they won like five Grand Finals in a row. Last year they couldn't field a team. No one here. That and the gig economy. But there's no...

They're just not here. So we get all those surf lifesaving clubs, all those things that need young people are, um, falling away.

Uh, one last point is just the frustration that this has been going on for so long. The two-year ramp up process Northern Rivers has got history of, uh, you know, peaceful protests. The government, if they're sitting on their hands thinking there's gonna be no involvement, will sit back, nothing will happen, it'll all sort itself out. They're wrong. They have got to act. They have got to act decisively and strongly. People will take this into their own hands. They're not gonna sit here and watch their homes being ripped away from them. Thank you.

COMMISSIONER COAKES:

Thank you, Mr. Kendall. I think Richard has a question.

COMMISSIONER MACKAY:

Um, thank you, Mr. Kendall. Could I just clarify as well as being the sports editor of the local paper, what other, uh, role or interest-

ROSS KENDALL:

Oh, I'm a handyman painter. Eh, I'm a realtor. A realtor.

COMMISSIONER MACKAY:

Sure, thank you for that. And then, can I just also, also ask-

ROSS KENDALL:

Yeah.

COMMISSIONER MACKAY:

... um, I, I've, are you, are you supporting the 90-day cap because it will put, uh, more homes back into the system or do you see it as preventing more homes, um, bleeding out into tourist accommodation as opposed to-

ROSS KENDALL:

I think it'll definitely put more homes in. Absolutely certain of that. And you make it even less, more homes will come back. I just had quickly addressed that example lady on the phone, if that was a, let's say that was a three bedroom house they're renting out up there, and at least get \$1,000 for that. At least. That's \$50,000 a year that they're not happy with. It's also what a family would have to pay. Think about a family coming up with \$50,000 a year just for rent. That's where it's gotten to, and it's gonna get worse unless something happens.

The other example about that point was that if they're obeying the rules that property's lying idle for 180 days a year. Half the time, it's empty. People are living in tents, in cars. In Lismore they live in cars. Every car park in Lismore I heard today has got 10 cars in it with people living in it. And a house is sitting there empty.

LUKE WATERSON SC:

I've got a question.

COMMISSIONER COAKES:

Luke.

LUKE WATERSON SC:

Uh, thanks, Mr., uh, Kendall, wha- what do you say to the proposition that, um, it's not going to be returned to the long-term rental market because no one wants to rent a place, um, for a period of time and then have to leave while it's put onto the, um, short-term rental market?

ROSS KENDALL:

Look, well, that's I like much shorter, 30 or 60 days. That's a family. You can rent that as a family. Most people get four weeks holidays, maybe six. In the old days, Byron did all this... Byron, a lot of the culture is based on being able to go away for six weeks to Bali. Rent a house out to friends out in Sydney. Great. Do it that way. You know what I mean? You can- you can rent a house for 12 months yourself, you know, and... if you live there, you- you can fo- month to rent it out short-term holiday letting is fine. I think with 90 days and less, the economics would tip the balance- And I think that people would throw them back on the market. They'd have to.

LUKE WATERSON SC:

Sorry, I, sorry, I- I probably didn't explain my que- or, express myself clearly. I meant from the perspective of the renter. Having that- that gap.

ROSS KENDALL:

Well-

LUKE WATERSON SC:

Is that a- is that a viable proposition?

ROSS KENDALL:

Nine months is better than nothing.

LUKE WATERSON SC:

Yes, I understand.

ROSS KENDALL:

Yeah. Simple as that. You know?

LUKE WATERSON SC:

Understand.

ROSS KENDALL:

Yeah. And then, you know, if you know that's happening, you might be able to go, "All right, the landlord says you gotta go for three months." You go, "Right, I'll go three. Can I have it when I come back? Yes." Least you've got that certainty. You can keep your kids at school.

COMMISSIONER COAKES:

Okay, thank you, Mr. Kendall.

ROSS KENDALL:

Thank you.

COMMISSIONER COAKES:

Thank you. Brandon.

LUKE WATERSON SC:

OK, Brandon Saul.

BRANDON SAUL:

Hey. Thank you for having me. Um, my name is Brandon. I'm a- an economist, a lawyer, festival producer, property developer, which is akin to the devil here, and one-time, uh, deputy chair of Northern Risma- Rivers Tourism. In short, you could argue I'm part of the problem and expect me to, uh, uh, talk in favour in tourism. I'm here to, um, talk in the opposite.

Um, because I'm also a father of people live here. I am treasurer of the community center. I played a large role in- in getting the homeless center down the road off the ground off of Street Cottage, which I'd love to show you. Um, and I've just founded the, uh, Byron Shire Community Land Trust because I'm sitting in a community that is just decaying in a... in inextricable fashion.

so what I wanted to do- do today is just ask a couple pieces to the narrative that I thought might help. One is to talk to the economics. The economic argument. I read the economic papers. Frankly, as an economist, it seems to miss the point that if we have beds but we don't have cafes or people to change the sheets or people to clean, which is the situation we're at. Um, it's actually a self-defeating proposition.

I've just literally come, if your Habitat and outsi- uh, well, I think most people here probably know where Habitat is. I've just come from the restaurateurs there who are talking about closing down, not because of lack of staff, because it's a lack of trade. Because a lack of staff. They simply cannot get lack of- get staff. Full stop. People aren't prepared to drive from Lis- from Casino or the Gold Coast to come down to be sous chefs or waiters. And they can't afford to do it.

Um, I think the ec- economic argument is- is flawed. There has to be a balance between beds and the ability to service the- the guests. Uh, that is out of whack. Um, at a more personal level, um, my daughter. I'm a father of four. Um, turned 19, decided after COVID that she and her friends would stay in Byron. Um, clever little thing that she is, she said, "Dad, I'm gonna get some experience in the tourism market, so I can travel later," which they do. "Uh, I'm- I'm happy to go and be, um, a glassy at the top pub, or should I go and change sheets at the, um, Elements?"

Um, she and her friends were all going to stay in Byron and perform the tasks that we need performed in the tourism industry. Um, they couldn't get housing. They moved to Melbourne. About 50 of them. And they all live between Fitzroy Street, and it is one little precinct in Melbourne. So we got to a situation where our kids are growing up expecting not to be part of the economy or the future of the place. That- that- that for me is just terrible.

Um, closer to home, homelessness. Um, the homeless centre down here. We've had a explosion in the- in the number of people we're treating. 30% in the last three months. And in particular, the category exploding is working women with children. So not the traditional homeless with, you know, drug and alcohol problems, mental health issues. These are working women with two jobs that simply can't find a place to live. Full stop.

Um, so I think the argument we don't have a problem, you know, for anyone that lives here, you know we don't have a problem. You know, we- we- we have a problem. You know, the restaurants, uh, can't open for the periods that they should. Um, you know, we have a shortage of all the service- services that are required to build and service the tourism industry.

Um, so, I- I had, um... I know there's a lot of talk about 90 days. Will that work? Et cetera. Had one particular provision that I wanted to sort of table. So in the SEPP, and- and I've- I've read the SEPP. For anyone here, it's available on- on the- the Housing SEPP. If you go to part six. In section 113, it specifically provides for an exception for anything that's been approved, whether it's a condition of consent prohibiting, um, short-term holiday lets.

And I think this is really important point because I think this is the lowest hanging fruit that can help solve some of our housing crisis. And in fact, strengthen the tourism industry very quickly. Um, we- Council approve something like 600, um, granny flats, secondary dwellings. Um, where the applicants

didn't have to contribute towards the fees that they normally would for development, on the proviso that they would not end up in the short-term holiday let.

My reading of the SEPP is that those developments and any other development. And I should say, Habitat has a similar provision. We've built something like 110 dwellings there, all of which have the same provision. And we've used that successfully through our body corporate system to prohibit short-term holiday letting. I would hope in your response to this, you can clarify that particular point, so that Council can act on it. 'Cause that alone would return something like 1,000 homes of the right size and quality to the market almost immediately. There'd be a process to go through.

Um, the second thing, which I think is perhaps more important, as a developer who's looking to address the housing problem, we need to come up with provisions such that when more houses are built, they don't too end up in the short-term holiday let. So I'm- my company's committed to building diversity housing here. But I- I think one of the things I would ask you to do, 'cause I believe there is clarity on the position for DAs that have already- already been approved, but there is some confusion as to what would happen going fo- forward, in terms of there being a conflict.

Um, and if I put it to you, we need to absolutely guarantee that any further housing stock that's added to the market here does not end up in the short-term holiday let, for the benefit of the community, but also for the benefit of the tourism industry. I think there's all pitched at odds with each other. And from what I can see, it's the people with the beds that are arguing in favor of it, not the people with the restaurants, not the people with the cafes, not the people with the shops. They're the ones that are suffering. So, anyway. Thank you.

COMMISSIONER COAKES:

Mr. Saul, could you? Yeah? One, er, question from Richard.

BRANDON SAUL:

I should say I probably just lost half my friend group tonight-

COMMISSIONER COAKES:

(laughs)

BRANDON SAUL:

... 'cause, um, and I know I'm out of time. But there was a point, you come to barbecue at my house. We'd all be the same. And we're all kinda came through Bellingham. We're all hippies that turned into business people. I now have haves and have nots. We have Airbnbs. We don't. And that they used to be equal. They're not any more. You know, I- I've lost friends left, right, and center. Simply because my other friends are making tourism propositions out of what would otherwise be homes.

COMMISSIONER MACKAY:

Thank you, Mr. Saul. Um, I'd just like to take up the point that you made about the- the SEPP or the mechanisms of conditional development consent.

BRANDON SAUL:

Yeah.

COMMISSIONER MACKAY:

Um, I- I observe that the- the number that seems to be most generally accepted here is about 1136 properties that are used for non-hosted, um, short-term residential accommodation in Byron Shire at the moment. And you know, if- if the 90-day cap is imposed, and the predictions in the Urbis economic impact assessment are correct, you know, maybe a quarter of them could be returned to housing accommodation. I'd just be interested in your perspective, I guess, as an economist and a developer in town... about, um, whether- whether that consent mechanism, whether the use of the SEPP provisions could actually do more to provide affordable housing in greater quantity quicker.

BRANDON SAUL:

I- I want to make sure I'm answering your question accurately. Um, having studied this, I think the only way to get stock back into the market quickly is to utilise provision I've just talked about where development consents were granted on the specific proviso they not be used for short-term holiday let. To speak against that, the 90-day cap is not going to change anything in the Golden Triangle here. To be- to be really honest, 30 days of holiday rentals here will out win any long-term let. So another point I'd like to make -

COMMISSIONER MACKAY:

Sorry, just, if I could just clarify that point. So I mean, that's what I'm interested in. I- I'm- surmising and I want to make sure I have this correct. That you're- you're actually saying, "Address the supply of housing issue by putting new housing into play using the provisions of the SEPP because that's gonna be more effective than the 90-day cap."

BRANDON SAUL:

No, I'm- I'm saying two things. Yeah, to be fair. We clearly need more housing. But we- we need more housing diversity. So then we need social housing, affordable housing. We need housing for singles, housing for young people, housing for divorced, multi-generational housing. With- we need the typologies that aren't, to be honest, fostered through the planning system, desperately.

But the reality is, as someone that's engaged in that, there's a- there's a five-year horizon on that before they're even permissible to be built. So we've got a five-year horizon between there where there is no stock coming into the market. Um, so I think the point I was making is we need to address what's happening here and now for the benefit of the tourism industry as well as the- the community. And I- I think one of my concerns is, if you take the secondary dwellings that were permitted, there's 600 of them, just to put that in perspective. That's a lot of one-bedroom, um, propositions that were specifically provided to help alleviate this situation.

They are under the definition of this, of- of the provisions, um, they could be argued to be hosted. Because they're on the same property as the owner. The reality is, though, they were given consent including, um, a waiver of any development fees on the basis that they would not end up in the short-term holiday let.

So I got three points. One is, it'd be great if you could clarify that in your report. Just the legalities of it. So councils can rely on that with confidence when they go to enforce those provisions. The second, and I think it's also important to note, that applies to what would otherwise be host-hosted propositions. So they would go not to 180, but to zero. Which is where they should be. Um, there also could be concessions on parking and a whole bunch of other things.

The, so that's my short-term point. My long-term point, which I think is not clear from a legal position, 'cause there's no case law at the moment. If I or any other developer build further homes, we need the ability, and the community needs the ability to hold the developer to account, and the subsequent owners, that they too don't end up in the short-term holiday let market. And I think that point is unclear.

COMMISSIONER MACKAY:

Thank you.

COMMISSIONER COAKES:

One more question.

LUKE WATERSON SC:

Can I just ask you a question about the, um, secondary dwellings point you were making.

BRANDON SAUL:

Yeah.

COUNSEL ASSISTING - LUKE WATERSON:

Whe- when- when you said, well... As I understand what you were saying, you were saying that consent was granted for those secondary dwellings. You used the phrase, "on the proviso that they not be used for short-term rental accommodation."

BRANDON SAUL:

Yep.

LUKE WATERSON SC:

Are you saying there that that sentiment's not reflected in a condition of consent? But that was the understanding on which it was done, or it-

BRANDON SAUL:

No, no, no.

LUKE WATERSON SC:

... there is a condition of consent that-

BRANDON SAUL:

My... look, there was a... I've lived here long enough to work with multiple planners and multiple general managers of Council. This was out of the- the last housing summit. Um, um, the introduction of the typology of granny flats, secondary dwellings on, uh, principle residences. They all have a written condition of consent that says you don't have to pay the contributions. You're prohibited from short-term holiday let. Um, and it was an incentivised scheme to add some housing diversity in- in the segment of the market that was most important.

So from my point of view, it's- it's very clear that that could be enforced, um, and in doing so, return a whole bunch of homes to the market. And that's not just in that provision as well. So you know, I- I built 60 very small, I call them barista flats, out at Habitat, 'cause I knew we gonna have a barista problem. Um, and another, I don't know, 45, um, live-work provisions. They all have this exact same condition. We built that into our, um, community management statement, and we enforce it.

So you know, for anyone else that... These things are enforceable. You know, so that there's probably 1,000 homes out there now, that if that were... and it might be a little less, might be a little more. You know, I'm 100 of them. Um, there's another 600, um... uh, and, the- the- there are- there's- there's a quick win there.

My concern when we're talking about solving the problem by expanding supply is we need legal clarity that when development consent is given to people like me, that neither I nor the subsequent owners can use them for short-term holiday lets. And I should say I'm speaking directly against my own interest. The moment you can... if I've got a- a unit that will sell for five... I can rent for 500 a week. And then you can rent it for \$400 a night. That would, in terms of the economic value of that property, it just elevates it, full stop. So I'm... but you know, ultimately, property developers need to build what c- the community needs. And the guidelines need to be put in there, so they- they meet the needs of the community.

At the moment, it's not clear. You know, I think the... for what it's worth, the Housing SEPP's pretty good. Um, and that particular provision was great to read. But there is a lack of clarity going forward that needs to be solved. If not, we'll have more houses that become holiday lets.

And I'll say one last thing. You've got a street full of houses. If four of them are holiday let, that changes the price for all the others. Because the way the banking system works, um, the banking system basically gets comparable sells, the initial four, if they can be funded because the people buying them can rely on the revenue, the bank will lend them more to pay more. Which is essentially why Byron's housing prices have gone through the roof.

Um, even if you're not a holiday let, if you're in the- in an area that could be holiday let, the banks value it that way. Uh, and that's priced all the color and joy out of the community. Um, but it's also means we don't have staff to service the tourism industry.

#### COMMISSIONER GRANT:

Can I- can I just ask you, you're talking about the need for more diverse housing supply, and the SEPP does, uh, the Housing SEPP does cover a whole range of different kinds of housing. Do you think that the incentives and the provisions in the Housing SEPP are sufficient to incentivise developers like yourself to build some of those new and interesting, creative, diverse housing typologies, or do you think there are other mechanisms that could be considered that would assist to encourage those affordable and- and diverse housing typologies?

BRANDON SAUL:

Yeah, so it's probably worth... I mean, I'm dedic- our company's come together specifically to address the housing diversity in this area, full stop. We only have one mission. Um, the real problem is the siloed bureaucracy. I'm sure I'm not telling anything you don't know. The amount of time be- be- between starting and getting to a point you can build something is beyond any human enthusiasm.

But it- it's also beyond the ability of- of a benevolent despot like me to- to make that divide. Which means you end up with public companies and superannuation funds and suits in Sydney being the only ones that can last the distance from purchasing land to building something. So I- my model's very particular. You know, I've managed to gather some community-minded, wealthy men, who support the vision. Um, I've only... I almost went bankrupt three times building Habitat. You know, everyone, it's, you know, it's the government architect's case study. People keep bringing people up. It's not that revolutionary. Anyone's been to any village in any part of Europe just goes, "Course the shopkeeper used to live above his shop."

Um, so the- the short answer, I'm not at all hopeful that we're going to get housing diversity anytime soon. And if you look up the Eastern City Board, look at either side of us. If you go to Ballina, you got quarter acre housing. It's not even quarter acre. You've got, you know, project homes from one end of the end of the place to another. Which- which work for nuclear families. What about the young people? What about the single people? What about the divorced people? What about the people who just don't own enough? You know, my daughter's math coach. You know, all the people who actually make society work have been priced out.

And I think there's an extreme version of that in Byron because of so many other things. You know, COVID exacerbated it, floods exacerbated it, Instagram's exacerbated it. And there are multiplicity of reasons why this... like, people have been squeezed out. But right at the guts of this is the dominance of tourism over community. You know?

And I should say, look, I have an approval to build a hotel. I'm not going to build it because I know I can't staff it. So the economic argument favor of tourism is really, really lean, and not thought through.

COMMISSIONER COAKES:

Okay. Thank you.

BRANDON SAUL:

Thank you.

COMMISSIONER COAKES:

Thank you.

LUKE WATERSON SC:

Uh, next is Michael Tappenden.

MICHAEL TAPPENDEN:

Good afternoon, everybody. Um, I'd like to attack this, um, problem on two fronts. Firstly, on a personal basis. And secondly, to have a look at the problem as the problem is and see what can proly- uh, probably

be done. On a personal basis, um, myself and my wife bought a unit in Byron Bay about 35 years ago. With the sole purpose of, um, having it as a holiday home for the family. Um, at my age, my kids are now all flown the nest. So we now got a situation where there's just myself and my wife, and we probably don't need the unit, uh, for holidays like we used to.

So, what's actually happened is that we've moved on to renting it when we don't use it. Um, the unit that I own is in a small complex on the other side of Byron Bay, which would, at the time of buying it, was considered to be very much on the wrong side of the tracks. By effort of the Strata- by effort of the, um, the Strata Committee, over the 35 years, we've improved it to the point where it now offers very much acceptable accommodation for ow- for owners, which we do have. For te- long-term tenants, which we do have. And also for short-term renters.

Um, to get it to this stage, the- the input by the committee and the cost of special levees was not- not small by any stretch of the imagination. So I believe we're not entitled to a certain extent to reap the benefits of our efforts.

Um, that's- that's from a stand- that's from a personal standpoint. Addressing the problem at it is, um, if your- our average short-term stay is about three and a half days. If you divide 90 by three and a half days, that can... allowing that each of those three and a half days is in its own week's, like, in its own one week so- slot. That means to say I'm consuming, just from rental, 25 weeks a year.

If I then add on two weeks I come up here for an AGM, then another two weeks and another two weeks, there's another, what's that? Uh, six weeks. There's another 42 days. So really, how is this- how is this 90-day cap gonna work? Or, 180-day cap? With, uh, short-term rental, there is no formula for when and how it happens with the exception of generally speaking, religious holidays, IE, Christmas and New Year.

If other- others like me decide to rent on short-cap, and you get to the end of your 90 days, not, just gonna shut up shop, go home. And then you've got, uh, accommodations sitting in and around Byron Bay which is not being used. Not only is it not being used, um, rental accommodation is the equivalent of cash. If you're not using cash, then it sli- stays idle. If it stays idle, no taxes paid on it, no taxes paid, the state and the gover- the state and the country need taxes to go round and round. So why are we crippling ourselves by, um, cutting it back to a 90, uh, 90 or 180-cap?

Um, as a matter of interest, shortly before coming up here, I looked up the, um, census. On the- on the computer. The census for Australia is done every five years. And believe it or not, what the census calls itself is a census of population and housing. Now, as I say, I've had my unit for 30 years. Five, 30 divided by five- five is six. If we're in the state we're in now, what has happened to the VM, the contents of this Census? Is nobody looking at it? Is nobody worrying about it? It costs you a fortune to run the ABS, what's happening to this? Who- what's dropped the ball? We're in a situation where we really shouldn't be. And I- I don't- I- I cannot for the life of me, uh, consider who to point the finger at. But obviously, something somewhere's gone wrong, and this needs addressing more so than anything else.

Going back to what I said about, you're getting to the end of your 90 day, your 90-day limit, if you shut up shop, then you don't get tourism. Tourism is here to stay. There's no argument about that whatsoever. Pick up your newspaper any day of the week, and you will find that the, uh, tourism industry is damn-damn nearly keeping the newspapers alive with a- amount of adverts. So, if we cut off the tourism industry, we cut off a lot of dollars. Not only do we cut off a lot of dollars, but we also cut off a lot of

disposable dollars, which permanent rentals very probably wouldn't have to spend. They'd be spending it on rent and keeping themselves.

I don't really think, uh... No, I don't really think there's much more contribute. I'm not a local. I'm from Sydney. So my exposure is to- to Byron Bay is only, uh, probably six weeks a year. So I think I've said my bit. I don't agree with manner in which the- the capping is done. I think if the capping is introduced, all you're doing is shifting the problem there to somewhere else.

COMMISSIONER COAKES:

Thank you.

LUKE WATERSON SC:

Thank you.

MICHAEL TAPPENDEN:

I think- I think that it's just... it's a short- short-term, uh, knee-jerk reaction, instead of addressing the problem right from grassroots, right where it should have been the beginning and resolving the problem fully.

COMMISSIONER COAKES:

Thank you, Mr-

MICHAEL TAPPENDEN:

Thank you for your time.

COMMISSIONER COAKES:

Thank- thank you. Thank you.

LUKE WATERSON SC:

Uh, next we have Joshua Ackman-

COMMISSIONER COAKES:

On the... yeah.

LUKE WATERSON SC:

On AVL

JOSHUA ACKMAN:

Hi, everybody. Can everybody see me and hear me okay?

COMMISSIONER COAKES:

Yes. We can, Mr. Ackman.

JOSHUA ACKMAN:

Great, great. Thanks very much. Yeah, I'm just, um, moving it, so I don't have a vision of myself while I'm speaking. Well, first things, thank you very much for- for including me in this and taking the time. I was... I believe I was meant to be on yesterday and messed up the timing, so I- I very much appreciate you making time for me this afternoon.

I, um, I've been a longtime visitor to Byron Bay. Um, at times have spent longer times there. My mum, um, was a Rajneeshi in the '80s and first brought me up to Byron and- and Suffolk Park in 1985, 1986. Um, I spent a lot of time up there in the communities and communes around the area.

Um, as I grew up myself and went to university, um, me and my friends in the early '90s used to come and have holidays and spend a month or two in Byron over the holiday period, there in Bangalow. Um, when I got old enough to do so and had enough money to save up to do so, about 10, 12 years ago, I bought my family a holiday house in Byron Bay, and, um, my family loved it, and it's a really special, sacred place to us as- as Byron is a sacred place to us and to me. Um, that we can use for our family and enjoy.

We have a holiday house in Byron Bay. Um, when I bought it initially, I actually bought it in Suffolk Park about 10, 12 years ago. Then moved into town about, uh, seven or eight years ago, nine years ago. It was really before Airbnb or short-term rentals had taken off. So it was never in my field of vision. It was always just my holiday house that my family was gonna enjoy.

Um, then when Airbnb became available and became prevalent and o- other platforms existed, there was, um, an opportunity to put it on short-term rental. Um, that was also flexible. So we could still use it as well. Um, my wife never wanted to rent it out as a long-term rental because she furnished it with our furniture and viewed it as our house. So it was always our house. Our- our family's sacred holiday house. And she didn't want to, um, she could understand people staying there for a short time, um, but it was our furniture and our place, not people staying there long-term.

Um, what's been important to us is we have flexibility to go up there and stay at the house when we want to. So even if the cap was placed on our property, we would not put our property into the long-term rental market. Because we want the flexibility to come up. We live in Melbourne. We want the flexibility to come up to Byron at short-term. At- when we have the weekend off, when we have a week off. We sometimes don't decide we're coming up until a week in advance. And, um, and if we rented our house at for six months of the year or nine months of the year, we wouldn't have that flexibility. We never bought the house with the intention of renting it out. The house is our house. The house is our holiday house. And we wanna have use of it.

Um, I agree there's a problem. There's no doubt there's a problem. As I mentioned, I've been coming to Byron for nearly 40 years now myself. Um, I love Byron. I- I love the community. Um, it devastates me to see the harm that's being done to the community. Um, I think we all agree. I think Brandon, who I was listening to, he just spoke a couple of, um, speakers ago, spoke very eloquently about the problem. Um, and there's no doubt there's a problem. But the solution and- is not in putting a 90-day cap or even a 180-day cap on the properties. Our house would not go back in the long-term rental market as in the pool. Um, it would not be available for more rental. All it would mean is there are less people staying in the

community, less people visiting the community. Less people contributing to the community, and less jobs available in the community.

I appreciate Brandon's point that it's not the lack of jobs that are the problem, it's the lack of available staff. And that's where we get back to our agreement. Is that there's a real problem, and the problem has been built up by years of neglect from various governments. And/or potentially various councils about provision of affordable and diverse accommodation in the area.

Um, uh, there is no doubt there's a problem. Significant problem. But this 90-day cap and 180-day cap is- is a very shortsighted, myopic potential solution that is no solution whatsoever. All it does is create more problems.

Um, I don't know. I'm not here to provide solutions. I'm sure there's much smarter people around the table than me with ideas. As someone who loves Byron, has been coming to the community many years, I want to see Byron prosper. I'm happy to make a contribution to that. Um, I'm happy. I would love to see, um, guests who come and stay at our house make a contribution to that. So whether it's a tax that's placed on guests staying in the Byron area, this provi- um, provisions through Airbnb or stays and gets paid through to the government. And that money is then used to fund some affordable housing solutions in the community. I think it's a far more equitable solution.

I'm happy to- to pay a- a- a- a- some sort of tax on my property for it to be rented out as a short-term accommodation property. I've got no problem with that. As long as that money's going back into solutions for long-term, um, housing solutions for the community. Um, we all agree there's a problem. We all agree it needs a solution. The 90-day or 180-day ca- 180-day cap is not a solution. It just creates more problems.

Uh, furthermore, many people can circumvent Airbnb or stays by renting their house directly anyway. Um, if people really wanted to rent it, um, I don't think, um, I don't see how the 90 or 180-day cap can actually be policed. People can rent it to friends, family. People from their school community. Um, who will just pay them directly.

Um, so in short, look, I- I love the community. I want to see the community prosper. I want to put back into the community and give to the community. I want to find solutions, but this 90-day cap, 180-day cap, i- is just not a solution. It creates more problems.

#### COMMISSIONER COAKES:

Thank you, Mr. Ackman. Any questions from the Panel?

#### COMMISSIONER MACKAY:

Thanks, Mr. Ackman. Can I just, um, ask you, is your property managed by a local agent, and if so, by whom, please?

#### JOSHUA ACKMAN:

Yes, it is. It's by, um, managed by, they're called Casa Byron, who are two local moms. Um, who manage, um, I think five to 10 properties in their spare time. Um, um, and so they're- they're local moms. Their kids go to the local schools, um, and they, um, support the local community. Um, yeah.

#### COMMISSIONER GRANT:

And- and your property, you said was, is now in Byron CBD.

JOSHUA ACKMAN:

It's in Byron proper, in I guess what's called the Golden Grid. Yes.

COMMISSIONER GRANT:

So it would be subject to the 365-day precinct.

JOSHUA ACKMAN:

Um, I'm not aware. I'm not sure of what the precinct would be 365, 90, 180. I'm- I'm not sure. And I'm not calling here about self-interest. I'm calling about the interests, you know, my personal interest. I'm calling about the interest of the community. Um, uh, the interest of Byron, the- the- the shops, the cafes, et cetera, um, again, we need a solution. We need a solution to more effective housing, affordable housing. Um, but providing a 90-day cap or 180-day cap is either gonna stop, limit the number of tourists coming into town. Um, it doesn't provide the solution. Um, and so to your question directly, I haven't looked at the provisions. I'm not sure whether my house in the Golden Grid would be subject to a, um, a- a 90, 180, 365, I'm really not sure. I'm sorry.

COMMISSIONER COAKES:

Thank you.

JOSHUA ACKMAN:

Thanks.

COMMISSIONER MACKAY:

Mr- Mr. Ackman, um, you put in a submission to the Council a little while ago. Um, and that su- that submission's got quite a lot of content that's common to a whole lot of other submissions. Can I just ask you where that came from and how that came about, please?

JOSHUA ACKMAN:

Um, how long ago was the submission put in, sorry? It was, uh-

COMMISSIONER MACKAY:

Would have been-

JOSHUA ACKMAN:

'Cause I've made a cou- I've made-

COMMISSIONER MACKAY:

It would have been last year. It would have been last year.

JOSHUA ACKMAN:

Yeah, yeah. Um, I- I honestly, I'm- I'm not sure. I- I'm- I can't exactly recall the- the content of that submission. I'd be happy if you could, um, help refresh my memory. I'd be happy to- to let you know.

COMMISSIONER MACKAY:

Well, it's- it's one that quotes things like the, um, number of STRA properties, um, the amount of, uh, income that's generated locally by STRA. Um, and then quotes the Mayor and a few things like that. So, I'm just- I'm- I'm just interested in how these submissions came about, as there are a number of them that are all variations on the same, um, structure. So, it's just helpful to understand-

JOSHUA ACKMAN:

Sure.

COMMISSIONER MACKAY:

... whether there's sort of a- a- a- I- I guess, a background program that's- um, or group that's bringing these together?

JOSHUA ACKMAN:

There- there certainly has been a number of groups, um, that... You know, there's been a- a- a- a- a Facebook group, there's been, um, uh, some other social media groups, um, that have had coordinated, you know, concerns about this. Some of them are more self-interested than myself, of course. Um, they've bought a property, they're concerned about their rental income. Um, for me, it was less of an issue of that. Um, for me, it's more just- um, uh, uh, it- it- it's just... To me, it is more- it's more confounding that this 90, 180-day cap is- is just not a solution. It- it seems so evident to me that there's a problem. We all want a pro- we all want a solution for this problem. We love Byron, we want to contribute to Byron. I'm happy to contribute in other- in- in any way. We- and as I'm saying, I- I'm not saying... I- I'd be very happy if you- if- if- if the government imposed some kind of tax on my property and gave me a license to rent it on a short-term basis, and that money went back into housing solutions for the community. I'm very happy with that.

COMMISSIONER MACKAY:

Okay. Well-

JOSHUA ACKMAN:

It's just this 90, 180-day cap, it is just- it- it- frankly, it seems nonsensical, it seems very poorly thought out.

COMMISSIONER MACKAY:

Um, thank- thanks, Mr. Ackman. I think that's the first submission we've had suggesting that, um, the property owner, um, be taxed. But, um, thank you for that, and that's all very clear.

JOSHUA ACKMAN:

Great. Thanks very much, uh, for taking the time to hear me. Thank you.

LUKE WATERSON SC:

Okay. Uh, now we have a submission from the Council.

COMMISSIONER COAKES:

Yeah. So, I think our next, um, couple of presentations are opportunities for both the Council and the Department to provide any further reflection or response to what they've heard over the past couple of days. Um, the Council- Councillor Lyon and Ndiaye are up first, I think. And we also, as a Panel, have a number of questions. So, if it was okay, we would like to maybe ask those questions at the, um, beginning of the pre- of the presentation. And then, um, obviously, after we've finished that, if you could then sum up, Councillor Lyon, that would be-

CR MICHAEL LYON:

Yeah, that's fine.

COMMISSIONER COAKES:

Is that okay?

CR MICHAEL LYON:

Can you hear me okay?

COMMISSIONER COAKES:

Yep. Yeah. So, just a- just a couple to start off. Uh, could you just outline what Council is doing to address affordable housing supply within the Shire?

CR MICHAEL LYON:

Yeah, sure. Um, I've got some notes, but it'll probably just be better to speak off-the-cuff. Um, since I've been on Council in 2016, uh, it's been very clear that- that we have an issue. Um, I think the... Th- there's a number of issues, and we've spoken about this before, in terms of, um, some of the constraints that we've had and- and that pretty much everywhere south and west of Mullumbimby has had this regionally significant farmland mapping, which pretty much prevents any sort of development, in that green field sense, anywhere in that area.

Um, our residential strategy, when we first started working on it, uh was looking very much at in-field development, um, and we've improved a number of those developments. Uh, and that was within- in that sort of Byron area, large Byron area, Ocean Shores as well. Um, we've seen it, uh, somewhat in Mullumbimby, and that was... You know, and we've been very- uh, some would certainly accuse us of being very liberal with our approvals, um, in terms of housing. I've certainly always been supportive. We've always put in consent conditions about no holiday let as part of that.

Um, but what's happened is that's- part of that strategy has become outdated as land values have increased. And so, what used to happen was they'd buy two properties or three or, you know, even one. Uh, you know, th- 800,000 square meter blocks, join them together and they could get eight, ten townhouses in there, and- and that sort of thing. And that brings its own issues around parking and things but we- you know, generally speaking, in the councils I've been involved with, we- we've been improving those. Um, you know, limiting, in- in some ways, so if they put ten, we'd generally go to eight. You know, t- take into account community concerns, but- but- but progressing those.

So, uh, I guess I'd start that answer by saying we've been improving where we can, as- as much as we can. Um, I- I will just make sure I don't miss anything. And I would say that it takes a while to- to turn your mind to this issue and- and to formulate responses. We- we had a, uh, forum, uh, probably in tw-... This is the history of the planning proposal I think.

So, in terms of my involvement, yeah, we had a housing summit in 2017. Uh, we did an expression of interest for affordable housing on private lands. We had a housing la- uh, roundtable in- in 2018. Um, and- and yeah, obviously, we're aware of the holiday letting issue, and so we've- we've worked on- on trying to get, sort of, the- the foundation shored up in terms of- of that.

Um, and a lot of it's learning. I mean, uh, being on Council takes a long time, and apologies for the a- answer, but I wanna get to the point which is, I feel like we've done a huge amount and it's taken us a bit of time to get across the issue.

Uh, one of our most successful initiatives, in terms of planning for the future, has been the Affordable Housing Contribution Scheme. We're the first regional council to be granted the ability to create that scheme. And now, that- that's not the sort of scheme where you can just map the entire Shire and say, "Hey, if you rezone or upzone, you- you get a contribution." We have to identify lands and then put them in the scheme each time.

So, we've done that, uh, in- as a first lot of- of lands that's come- been coming out of the strategy, to go into that scheme. It's my intention, and I have tried to propose a notice of motion that we just apply to the entire Shire, but I'm told there's very good reasons why we have to do this in a staged approach, uh, as we identify new lands.

So, what's really exciting about that is- is the 20% contribution leverages the high land values. Because, even though construction costs are going up, it's nothing like- like the- you know, the- the costs of- of- of land and- and- or what people will pay for the land, more importantly. So, it doesn't threaten the viability of developments to tax that development 20% of the lots. Those lots come to us serviced, uh, and- and we can then... Uh, so what- what we've done is applied to the government for a community land trust, there are models of- of around the world, there's about 10 in Australia, I believe.

Uh, long story short, we place the lands- uh, the- the lots in a trust, and- and the trust enables, uh, through either provisions to community housing providers, potentially in the first instance, uh, and then eventually to the private market, for those um, lots to be used. Buildings can be put on them, but there are very clear conditions under a community land trust about the onwards sale of those lots. You don't take the land appreciation value with you, only the value of the buildings and any- any capital improvements that you may make, plus a- a level of inflationary adjustment.

So, you're pinning it to the inflation rate, uh, the construction costs at the time you make the construction, uh, and that creates affordable housing in perpetuity. And this has worked really well in other

jurisdictions, and that is our plan going forward in terms of the large scale creation of affordable housing in the Shire. Certainly, that is the main mechanism, I see, as being the most useful to achieve that.

Um, what the flood- the floods have been devastating for our community in so many ways. But the- but the one silver lining for me that came out of those floods is that the de- the- the- the- the p- State Government sort of came out with it well, the- the inquiry... I may have said this the other day. The inquiry made a recommendation, it was number 24, uh, in- in terms of, um, cleared agricultural land being opened up and available for new housing.

And so, certainly from my side, I see us pairing environmental outcomes with these, um, housing outcomes in these cleared agricultural land space. That gets out community onboard 'cause they can see... And- and this is at higher density too, so we really make sure we take advantage, uh, of that- um, that- that development to make sure we get the best bang for buck for our community. And- and- and- and- and that mechanism, I believe, in- combined with that flat inquiry recommendation, enables us on- on the outskirts of towns, whether that be in Bangalow, potentially in Clunes.

I mean, it's- I mean, I'm- I'm preempting the future here, but there are opportunities where it's cattle grazing, it's not particularly well income-reducing, most of the value of the land is locked up in the dwellings. So if you carve the dwelling away from- from the acreage, we can- we can actually still purchase the land at affordable rates. For me, it's going to work, and- and it's- and- and it's gonna work well, it's gonna take time. And- and one of- one of the things about today, is- is buying us the time to make sure that we don't have our foundations continually eroded, uh, while we put new supply in.

Now, some people are saying, "We don't- its' not about supply, uh, it's about the land use." That's partially true, it is also about supply. There are people wanting to come and live here, we need to accommodate for that. Um, and- and- and we certainly need, for our own people, to- to build more housing, and a lot more housing. That- that's absolutely clear.

#### COMMISSIONER GRANT:

Sorry. So, can I just ask, so in terms of that- that response to the Flood Inquiry recommendation, is Council pursuing a planning proposal to rezone that land, to facilitate that development?

#### CR MICHAEL LYON:

Well, when you say, "That land," this is about- generally speaking, this is a recommendation, a broad recommendation for across the region, and b- and- but they certainly had an eye to our Shire. Um, a broad recommendation about using cleared agricultural land, for the purposes of housing, which had previously been locked up by this regionally significant farmland mapping. Which is peculiar only to the north coast, and nowhere else has it. Everyone's got state significant, but we're the only one that's got regionally significant. And it's- it wipes out, literally, half our Shire. As soon as you go south of- of- and- and west of Mullumbimby, it's- it's- there's- there's nothing available pretty much. So, that's- that's one thing we did. Um, we've been investigating every single-

#### COMMISSIONER MACKAY:

I'm sorry to interrupt, but- but just further to Commissioner Grant's question, I mean, is- is there land- is there some of that land specifically in Council's program or sites at the moment? I mean, it might not be at planning proposal stage, but could you just expand on what Council is doing-

CR MICHAEL LYON:

Yeah, certainly.

COMMISSIONER MACKAY:

... to- to take up that land for residential purposes, please?

CR MICHAEL LYON:

Two things. We're speaking with the Northern Rivers Reconstruction Corporation. They've got their own EOI process that they have undertaken. They've got two- two blocks of the land that they're interested in particularly. Um, there's always that level between staff and Councillors, I'm not privy to that yet, I'm sure I'll get my turn. Um, but they- I do know that there are two, uh, that they're looking at.

Um, for our part, in terms of our residential strategy, we are reviewing that. Because we knew, once that infill equation wasn't gonna be met, that we had to review it. Um, the Department has held us up, and I'll come to the reasons why they've held us up in terms of, uh, endorsing the adoption of our strategy, which was several years ago though now, I believe, that we adopted it.

Um, but... Lost my train of thought there, but I'll move onto what we- was lot 22. And so, lot- and so, what I was saying before that was, we've been looking at every single piece of land that we own to see what we can do in order to create affordable housing for our community. Um, one of our big projects that we were keen, uh, to investigate, uh, was lot 22.

Now, lot 22 is- is in the floodplain of Mullumbimby, it's adjacent to the community gardens down the end of Stu- Stuart Street. Uh, it was part of a larger flood assessment we did, uh, with neighbors as well. So, we jointly funded this, uh, flood study to see how, and if, we could develop on that land. And it determined, pre-flood, um, that that was a viable option, that we could actually move, um, dirt around without any real net inflow required. That- that we could move dirt around on the site and create fill pads to be able to put lots on top. Uh, and initial estimates were that we'd get something like 300 lots out of that.

And then all of the surrounding areas would be in this contribution scheme, which we were working feverishly on to get in there before it goes in s- because it needs to be- get paired in order to ensure that that statutory scheme applies to those areas. And so, we've got the scheme, or at least the ability to do more schemes now.

Unfortunately, the floods changed, literally, the landscape and obv- obv- obviously, also metaphorically, in terms of what was politically feasible. And that project, which we had a lot of hope for, um, is- has- has become unviable in- uh, in- in- in almost every way. I still think it could theoretically work, but um, given we now have this opportunity, potentially, through that recommendation for other cleared agricultural lands in these regionally significant areas, which aren't being used significantly and that's the point, um, it's a m- it's- it's- that's a much better opportunity, on a higher land, uh, flood-free, unproductive, um, and- and most of the day, as I said, tied up in a dwelling.

And- and it's just a huge... That's- that's our opportunity for the future growth, in my view, in this Shire, that the community will accept, paired with environmental outcomes. Um, and you know, close to town centers, obviously preferred sites will have sewer connected and it's all ready, or be close to. But there's a- there's a- there's a great pathway there.

Other projects. Um, there are two that are really standout. Um, we worked on- actually, put a resolution, probably now three and a half years ago, about creating housing... I'm sorry if I'm going on too much, but you asked me a question and there's...

COMMISSIONER COAKES:

No, no, no.

CR MICHAEL LYON:

Yep. Um, about creating, uh, uh, housing above Council's carparks. So, we have a number of carparks and- and so, we worked with, uh, Landcom, uh, to investigate a site at 57 Station Street. Um, it's just sort of like, diagonally opposite the Council chambers. And, uh, that's, uh, I think something around, anywhere between 29-34, depending on how the tenders go. Uh, y- I think one and two bedroom units and studios, uh, above that carpark.

Um, we have also been, uh, working really hard, our community has often looked at the rail corridor over the last 10 years, at different- at different ways that we could utilize that- that- that surplus rail land, which is often quite wide when you're in the town centers, uh, for the purposes of housing and affordable housing in particular. Uh, and just recently, we signed, uh, an MOU to do that further investigation. Uh, and that amount of land, uh, you know, is- is- is- it's got a lot of potential. Potentially, you know, I don't wanna- it's certainly a hell of a lot more than just that small carpark in Station Street. It's- it's got- it's got huge potential. You're talking about, um, it must be at least a kilometer long and- and- and- and very wide in parts. So, um, we've been wor- working on that.

Um, we have a representative on the regional housing taskforce. She's, yeah, up- she's up there. Um, and as I said, we worked on the land trust. We had another housing forum after the last election. But I guess I would say that within that, we feel like we've got the tools now for the future, absolutely, to- to deliver the- the affordable housing our community needs. Um, and so, you know, worst case scenario, you know, you guys committed to the 180 days and- and whatever, you know, we can buy some time f- for five and ten years that, you know, if we restrict it and then, you know, later in the day, we can potentially, you know, open it up again once we know we've got our housing needs met, and we can put criteria around that. But for all the reasons that have been expre- expressed about protecting residential areas, I would- I would say that that's not, personally, what I want to do. I- I wanna keep these residential areas. We can look at what they are, we can review the precincts over time, but I just think it is important just anyway, in a planning sense, to protect residential communities to some extent. Um-

COMMISSIONER GRANT:

So y- so you... Sorry, you- you talked, um, e- earlier today about the- the granny flats, and- and- and it's been raised a couple of times in terms of the waiver of DA fees and the prevention of those granny flats being used as STRA. And you mentioned some- um, a comment about Council taking enforcement action.

CR MICHAEL LYON:

Yeah, and so-

COMMISSIONER GRANT:

Is- is that an opportunity as well to pursue?

CR MICHAEL LYON:

Yeah. And we've been waiting for a report back on that, and- and it is a bit complicated. So, when the SEP came into play, it had that provision that- that- that Mr. Saul referenced. And in terms of, uh... And I took a photo of it, I... But it- it basically is that, consent conditions, existing consent conditions, can be enforced.

Now, for West Byron, for example, where we negotiated an outcome with one of those developers of 160 lots, they had a very strict... And as I've said, any development we've approved, we've put in consent conditions prohibiting holiday letting. If we can enforce that, and if we can get a determination that that is definitely enforceable, fantastic. It looks like it on the reading of it, but obviously, you know, w- we can't do everything at once.

And we- we've- we're certainly investigating what- what that means, we're looking for clarity from the Department to say that we can enforce that. And as Mr. Saul has said, that will enable us, um, to hit up those secondary dwellings. We- we've written to all them. We- we- we've absolutely made it clear what our position is, th- or certainly what we believe, and- and you know, there's a- there's an element of doubt in it, in the sense of, you know, this SEPP having been recent. But yeah, certainly, it seems, the way it's written, it's enforceable. So, I really-

COMMISSIONER GRANT:

Development consent is enforceable. That's- that's Council's core business. So, why is there a doubt?

LUKE WATERSON SC:

I agree.

CR MICHAEL LYON:

Well, um, because it's a- a SEPP that pr- provides exempt development and so, uh, you know-

LUKE WATERSON SC:

No, forget about the SEPP. If you've got a condition of consent, why is there an, "If it's enforceable..?"

CR MICHAEL LYON:

Yeah. Well, we are in a... In- in terms of that way, we're certainly proceeding. We've done data collection. I mean, it- it's not like, that we're not gonna do it or we don't wanna do it, and I'd say it's in process, um, but it- it's gonna require resources, and we are trying to gather that data. Uh, interestingly, obviously, the people we've written to, I think only about half responded, you know? And- and most of those were the ones that were doing a permanent rentals, you know?

Um, and so, at a minimum, we would certainly want the contributions back that they- that- that they never paid. But better than that, yes, let's enforce those consent conditions, and I think that would be a- a very productive way forward. It would be fantastic to know if that provision in the SEPP applies to new-

LUKE WATERSON SC:

No, but I- I think- I think you're missing the point.

CR MICHAEL LYON:

Okay.

LUKE WATERSON SC:

Forget- forget about the SEPP. Say there was no SEPP, if you've given a consent that has a condition that it not be used for STRA-

CR MICHAEL LYON:

We've been in a position that there is doubt around that because of that SEPP. That- that... Th- th- the doubt being that the SEPP was taking what was an unauthorized use, which you could say is equivalent to a consent condition saying you can't do it, and then it's overriding that and saying it's exempt development, it's an exempt residential use. And so, we were unsure about whether or not that was enforceable because the SEPP pretty much said that what was previously unauthorised is now legal. Well, does that apply to the consent conditions as well? Very happy to hear that you think that that's unequivocal-

LUKE WATERSON SC:

No, no, I'm- I'm not expressing a view. I'm just-

CR MICHAEL LYON:

Oh.

LUKE WATERSON SC:

... trying to understand wh- what the- what Council's view is on the interrelationship between the SEPP and a consent condition that it's granted. But y- y- y-

CR MICHAEL LYON:

We're in a data gathering phase, and then- and- and- but certainly, our intention is to- um, is to move forward with- with enforcing those conditions of consent. Um, potentially, the register will hel-... I mean, there's a- there's an awful lot of work in this to get our heads around and to- and to- and to make sure that, you know, just with everything going on. So, um, I'd say it's in play. Um, you're making me feel like we should have done it last year or the year before, but, um-

LUKE WATERSON SC:

Uh, I- I don't- I don't want you to take as a criticism. I was just trying to understand-

CR MICHAEL LYON:

It's on our radar, 100%.

LUKE WATERSON SC:

I understand.

COMMISSIONER GRANT:

And is that, similarly, um, there w- there was, I think, some comments, um, throughout the day about, um, you know, that- that it's actually previously been considered to be- STRA was con- previously considered to be a pr- uh, prohibited use in the residential zones and then the SEPPs introduced some confusion. Is- is that- is that element also on the radar in terms of investigating, um, and enforcing?

CR MICHAEL LYON:

Yes. And we've got a- an existing Council resolution that speaks to that, and then the investigation of that, and then we are looking for clarity on that. And to get that clarity quickly, especially with that new development.

COMMISSIONER GRANT:

Yeah.

CR MICHAEL LYON:

But if we can impose consent conditions on new development, that means that SEPP doesn't apply, or at least that the SEPP allows it through that- that provision of it, then fantastic. Um, we would love that asap because then we can, w- n- with- without any, um, hesitation, advise people through the development process that that is an enforceable condition and th- that- that we will be enforcing it. Um, and it effectively means we wouldn't need zero day caps on new residential developments because we could just simply impose them ourselves. Uh, great. And then, you know, we- I guess, you know, when you are made to feel powerless, uh, on a few occasions then you- you might just start to ass- (laughs) assume it's a- it's a constant, but- but I would love- uh, obviously, we would all love to know that and have that- that clarity.

COMMISSIONER GRANT:

And the last- I guess, the last question from me, um, it's been raised, um, numerous times about the, you know, potential to lev- introduce levees, contributions, some kind of tax, and I know that councils can't tax, but some kind of ability to use the short term, um, rental sector to fund some of the community building exercises. Is that something that Council has turned their mind to?

CR MICHAEL LYON:

Oh, absolutely. I- uh, I think, in the first instance, what- the- the best way forward on that, is- is- is- is to give us control of the registration system, even if it means using the same system, but- but we're the ones administering it in our local government area. Give us the fees for it, and let- and- and- and let's have a conversation about what those fees could be because those fees need to cover the cost of compliance and enforcement. We don't have any way to cover that cost at the moment.

One of the reasons Tweed Shire didn't go into the 180-day cap provision is because they were like, "Well, how the hell are we gonna enforce that?" That was their reasoning. It wasn't because they didn't think it was an issue or that they wished they couldn't have even gone further, but at 180 days, it's just- it's- it's- it's impossible to enforce because it's... And- and it's- and- and in some ways, in terms of affordable housing or- or available housing, it's- it- there's no point enforcing it. It's- it's- it's not gonna- it's- it's not gonna be something which makes a difference to investors and to- and- and to people in that market. It's not gonna return properties and it's not gonna prevent people from going in- in. The- the- the incentives are too great, uh, when you're allowed to do that much holiday letting. Um-

COMMISSIONER GRANT:

I think th- I think some of the- the- the owners have- have suggested that there could be additional... Uh, uh, setting aside the registration fees-

CR MICHAEL LYON:

Yeah, yeah.

COMMISSIONER GRANT:

... but additional-

CR MICHAEL LYON:

I'd like maybe like, 50% of the- of the gr- of the net profit after the- after the original 90 days, something like that, you know? We could come up with something fair. Um, always open to- to the idea of us being able to, um, fund the works that- that we need to do. Absolutely, yeah.

COMMISSIONER COAKES:

We just had a couple of other questions, more related to, um, I guess, data that the Council may- may have. So, have- has Council mapped or geo-referenced the 1,200 registered STRA properties in the Shire, and can that be provided to the Commission?

CR MICHAEL LYON:

Um, it hasn't. But if it means me sitting down and just going through them address by address, then uh, uh, between now and... Is it the 8th of March now? I'm- I'm- I'm happy to make sure that that gets done.

COMMISSIONER COAKES:

Just one of them you d- you need to rezone it-

CR MICHAEL LYON:

It is 1,367, we checked it this morning.

COMMISSIONER COAKES:

Yes. Yeah, I mean, that's... Yeah.

CR MICHAEL LYON:

And I just wanted to- to make the point that, it's interesting that that extra 200, in a very short space of time, has happened. Um, it might mean that, through this process, people are learning the difference between unhosted and hosted? Um, could be one, um, nice explanation for it. Because the overall number hasn't shifted, it's only gone up about 20, in terms of hosted and unhosted. So, we're- we're- already seeing what we suspected, which was people, um, were incorrectly registering, uh, their properties.

COMMISSIONER COAKES:

Okay. And, um, is there any additional data that Council is collecting in relation to STRA? Um, if so, we would appreciate if that could be shared with the Commission.

CR MICHAEL LYON:

Yeah. Uh, we'll take that onboard.

COMMISSIONER COAKES:

Yeah.

CR MICHAEL LYON:

Yeah, sure.

COMMISSIONER COAKES:

Okay. So, Council- uh, Mayor Lyon, would you like to, then, reflect on what you've heard over the last, um, couple of days?

CR MICHAEL LYON:

Oh, absolutely. I- I'll keep it brief. Uh, and- and I'll try not to be cynical, where- where at all possible as well, just on a couple of my observations. Um, but, um, uh... Let's just... Uh, I just wanna, uh, re- reflect on the Airbnb submission, um, firstly. Um, just the fact that it took three goes at getting Bundjalung right and still didn't get there.

I thought that was reflective, that they don't really care about this country and this community. Um, I found it interesting that he was scared. I don't think he's scared like our community is- is scared. Um, I think they're scared about their bonus maybe. Um, yep. He asked you to, um, discount Peter Phibbs. I thought that was pretty convenient given Peter Phibbs has got 20 years of research into the area, and- and, um, I think he would be someone who's really worth listening to on this.

Um, I think probably scared, more than anything, that this could be replicated elsewhere and that other communities might start to push back and- and- and feel like, that they can, you know, um, take on that- that, well, you know, juggernaut, that- that- that, you know, they're- they're feeling is really impacting on their communities, you know? So, I think there's a- there's a fear there, um, but it's- it's- it's not one that I think we need to pay much attention to, you know, in- in that sense. I think it's a monetary fear, it's a business thing, you know? And- and, they'll be okay. That's- that's my reflection on that.

Um, another thing he said was, uh, "Giving stakeholders different weights does not reflect bias." Sorry, he was saying that giving stakeholders different weights does reflect bias. I would just make the observation that giving stakeholders different weights, when you're trying to value things in- in- in that sense of what's- you know, making a recommendation, it reflects the relative importance of those stakeholders and- and I think that's- that- that's gotta be taken into account. And- and- and local workers and local residents have- have a huge amount of value in- in- in this. The other stakeholders, uh, they're all valuable, but- but I would just make the case that- that local workers, our local community, is- is- is the most valued stakeholder, certainly in my opinion and- and on my reflection. Lastly, on- on Airbnb, as always, they provide no data. Um, and- and I'll be interested to see if- if they do.

On the housing crisis, we're not- we're not looking to solve it, we're just looking to shore up our- our foundations. We- we- we believe we've got the tools, going forward, to- to provide enough affordable housing over the next 5-10 years. Um, w- we're just trying to buy ourselves some time and- and save our- wh- wh- certainly, what's left of our community, in the process. And, uh, geez, it'd be lovely to welcome some of them back, you know? Um, that's- that's certainly my intention through all of this.

Um, we- we do have a couple of slides. I should do, um, our staff the honor- uh, the respect of putting what they've prepared up. Um, and I will just say that there were some questions from the Commission in some of the previous slide. Um, around the 11% of properties for the long-term rental market, I think 10% was, uh, the ones that would only do the- the nine months and the three months. And- and we will make a really fulsome reply on that, um, uh, because it's a- it's a big picture.

But I'll just make the really quick observation that, holiday letting is a year round industry in the Byron Shire. It's there, you have to go back over 20 years before you could walk down the street in winter and it not be busy. So, even though there are peaks, um, we've got a graph that you can see, this is a year round activity and- and many different operators operate in many different ways. The market will adjust, would be my answer to that, but we will have a more fulsome response. The market will adjust as- as- as there is peaks and demands, that it will spread over the 12 months, in- in terms of what those 90- th- th- those people that would do a six or nine month lease will do.

#### COMMISSIONER MACKAY:

Yeah, through you Chair... Uh, uh, Mr. Mayor, I- I think the issue that the Commission has raised is that, in the Urbis analysis that you quoted- the- the- the colored circle, um, in amongst those segments, there is a segment of either 10 or 11%-

#### CR MICHAEL LYON:

10- 10% that would do-

#### COMMISSIONER MACKAY:

Which- which says, and- and- and you've been putting this to the Commission, that that 10% of STRA owners under a 90-day cap would lease out for nine months of the year, long-term, and then three months of the year to short-term and make their money. And the Commission has put to you that, um, that's a bit of a paradox. Because, in those three months, you'd be turfing out your long-term occupiers, who are like your service industry people, at the very time that you've got the tourists coming in and creating additional demands. So... I'm not quite sure how it helps.

CR MICHAEL LYON:

I understand that. And- and what I'd say to you is, that- that- that... And, I'm aware of that. Th- th- the- what I'm saying is, the three months is not the same three months. It's not gonna be just the three months from December to March or, you know, people will do... I- in- in that 10% category, it will be a different three months. There will be more over the peaks, but that- that will spread over the year. The Easter period is huge too. So, people will do April, May, June, and then do the other nine months. They will adjust, the market will adjust based on the- the amount of housing in there.

The bigger point is, it doesn't mean it's not worth doing, and there are a lot of workers that- that come at different times of the year as well. Backpacking is a- is a year round thing in the Byron Shire, and so having a supply of houses that are on the market for six months, as long as the lease terms are clear, um, that's gonna service a certain type of per- people as well. And so, in combination with the longer- the- with the full-time permanent rentals coming onto the market, it's not a bad thing. It's a- it's a good thing. And I believe it will re- it will adjust and- and- and satisfy demands across the year. And that's, I guess, what- my address to that, but- but there's a more fulsome response.

COMMISSIONER MACKAY:

Thank you.

CR MICHAEL LYON:

Um, the- and just to- to note, that we also mentioned about the mapping of the registered STRA properties, I think you've already said that, and other data collection. I also think it's really important that we provide you with the experiences in other jurisdictions, and what they've done and how it's worked for them. And so, we're really keen to provide a really good report to you on that.

So, just to the next slide, um, really quickly, it's been a long day, it's been a long process for- for everyone. Um, but yes, it's- it's- it's partly not about supply, it is about how it's being used. Um, and everyone's been engaged along the way. It certainly isn't gonna wipe out our tourism and hospitality sector. I maintain it will actually benefit the broader economy. It will actually help, it will increase the overall economic activity. That is my contention.

Um, we do have things in the pipeline. I didn't mention the Mullumbimby hospital site, and that is, uh, something which I think is really worth mentioning. I'll come to some slides in a second on that.

Yes, properties will return to the long-term rental market with a 90-day cap, but more importantly, will protect us in future. Um, housing for our key workers and community is needed. And the transition provisions, I don't think I understood, earlier in the day, what you meant by the transition provisions. I think you were talking about between when it sort of goes forward, if it goes forward, and then the 12

months up until June 2024 that people have to adjust to the new rules. And if that's what you meant, then yes, I- I- I'm- I'm in favor of having that transition period, it's been signaled. Everyone's aware of it, let's keep to that timetable. I'm in favor of having that transition period before the new rules come into effect.

Um, and changes to the day cap is... Yeah, and this is the thing. This is not a silver bullet, uh, at all. It's just about the foundations of our housing supply and respect for our residential areas.

The next slide please. We can see there, the... I just love that little snakey snake drawing. Um, in terms of the process on holiday letting over 20 years. Um, we've already discussed what Council has been doing. The one thing I didn't mention, if we go to the next slide, uh, and the one after that is the Mullum Hospital site. And this is really exciting. This is one of the government's, um, promises, I guess, or things they did for us. They sold us the hospital for a dollar. It was actually five million dollars because of the asbestos. So, we do have a- a- a cost to- to recover, but um, look, there's a lot of opportunity here.

And just to show what Council is committed to, this is the first time in our Shire we are proposing of going to 11 and a half meters in a residential area and going R1. That's the first time we've ever done that. It's a difficult decision for us. It's a difficult d- decision to sell to our community. Um, but we're doing it because we- we accept our responsibility to provide housing for our community. And we've never shirked that, we're not looking for a scapegoat.

Uh, and if you look at the next, you'll see those- those diagrams, particularly, uh, that bottom left there with the general residential. Uh, there's also that R5 that borders it, and we're looking at some of that becoming R1, general residential, as well there to the south. And, uh, I just didn't want you to be in any doubt about our commitment to our community and to affordable housing, and the part that we play in that. Um, just the final couple of slides. Uh...

CR MICHAEL LYON:

... just the final couple of slides. Um, we haven't focused on the register because we just, we needed to get something that we could work with first, and then we can worry about compliance, and that's why we need the transition period. We need to get our heads around about how we're gonna make, make sure that it, that it works and that people are doing the right thing, and that we have mechanisms to catch that.

Um, that the register works to reflect not just the Airbnb, but also all the other privately, um, organised accommodation. You know, we need mechanisms within the register to capture all of that, and, and we need to work out the enforcement regime and compliance regime to make sure broadly speaking, that that happens, that people are aware that we have those mechanisms and therefore are more inclined, uh, to follow the rules.

Uh, in terms of what we need, um, I think it's been real- made really clear, and, and um, I think that it's really important that we can levy, even if it's just 1000 bucks a year on each one of them, you know, that's, does nothing to the business model for most of them. You can, you can discriminate if it's a 90-day one, then maybe you could make it less, and then 365 could be more. That's- it's all worth- worthy of discussion. But I think we need the money for the compliance, otherwise, like a lot of things, we just don't have the ability to do what's being asked of us because we don't have the funds to, to pay for it.

It's a cost shifting, you know, era. Um, and it would be good to get some coming back the other way. And uh, we're look... next slide. Sorry, next one. Yeah, thank you.

COMMISSIONER COAKES:

Thank you. Any further questions? No? Good. Thank you. Okay.

The Department, thank you. Okay, thank you.

COMMISSIONER COAKES:

Mr. Walton, just a- again, if we can follow the same process. Just a number of, um, questions just to, um, to start off. Um, obviously just in terms of the data we have highlighted through, um, the last couple of days the importance of us being able to see the analysis of the registration scheme data if that, your referencing of that would also be helpful if possible.

LUKE WALTON:

Yes, I mean, we're using the same data as Council, so-

COMMISSIONER COAKES:

Yes. Yeah.

LUKE WALTON:

Um, if Council doesn't give you that, we will.

COMMISSIONER COAKES:

Okay.

LUKE WALTON:

Um, the, the issue for us is, it might have to be like, a heat map rather than specific addresses as a, you know, for privacy reasons. Um, but I'm happy to, um, give everything we can.

COMMISSIONER MACKAY:

To the microphone for the livestream, please.

LUKE WALTON:

Thank you.

COMMISSIONER COAKES:

And it would be useful to us to also understand, um, I guess which of those properties, if possible, from the data that you've collected and as part of the registration are attracting more than that \$1000 rental per night.

LUKE WALTON:

The, the register itself doesn't collect that information.

COMMISSIONER COAKES:

Okay.

LUKE WALTON:

We collect, um, some details about, uh, the features of the property, how many bedrooms, et cetera. Um, uh, and we would, um, I guess you could, you could get that information from the platforms, that'd be where we get it from. We can, happy to give you what we, we've got.

COMMISSIONER COAKES:

Okay. And just in relation to the STRA register.

LUKE WALTON:

Mm-hmm.

COMMISSIONER COAKES:

Um, what measures are in place to ensure the booking platforms comply with the data entry requirements? Because we've obviously had some-

LUKE WALTON:

Yes, sure. S- well, I mean, there's, there's ... It's true, the register relies on, um, ultimately the host being responsible for inputting the data. That, you know, how many nights they rented out for. We have data sharing arrangements however, in place with the, um, platforms. And um, it's a requirement under the code of conduct for them to provide that data to us, um, in the format that we need, which is, um, basically it's an electronic transfer. And they give us that data on a daily basis. So, um, there's some really good sharing arrangements in place.

Um, I know a lot of the, uh, they're talking to, I guess, some of the smaller players, as well to see how that, we can automate some of that. So, that's really the next step. But, um, certainly the big platforms are all, um, uh, sharing their data with us in accordance with their locations under the Code of Conduct.

COMMISSIONER COAKES:

Okay. And um, is the, um, information being shared with local councils?

LUKE WALTON:

Yes. That's all- that all goes into the register.

COMMISSIONER COAKES:

Yeah.

LUKE WALTON:

Councils all have access to their own data for their LGAs, as we, you know, we have the statewide and councils connects us their LGAs in the same way.

COMMISSIONER COAKES:

Okay, great. Um, just moving on then, which elements from the international STRA case studies, we've had a lot of, um, reference to some of those case studies during the last couple of days.

LUKE WALTON:

Mm-hmm.

COMMISSIONER COAKES:

So, which of those and the frame, and those frameworks did the Department consider and utilise?

LUKE WALTON:

Yeah, so um, we had, uh, lots of, uh, phone calls with, uh, other jurisdictions at crazy times of the day and night. Um, so, uh, I guess we were kinda moving at the same sort of pace as some of the other leading jurisdictions in this, this space. So, lots of the American city based, um, discussions, so um, you know, Portland and San Fran, and, and a few others. Um, but also we had some discussions with, um, cities in Europe in particular and Japan. So, Tokyo.

Um, I, I guess some of the same, everyone's got different systems. They regulate in different ways. Some of the same things that we, uh, uh, you know, the- some of the things we developed following those discussions I guess what were, what was a good practice. Um, most of those jurisdictions don't trade STRA as a different land use. So, it, there- there was no need for a change of use applications if you do STRA. That's fairly common. Um, the other aspect is that, uh, quite a few cities do have day caps, maybe in particular areas. Uh, and those day caps range, um, so some of them were down as, as low as 60. Um, and others, um, and basically up to 180 I think is- was fairly common. Uh, and there were some variations to that approach that, that they used, yeah.

COMMISSIONER COAKES:

Okay. We've had a lot of discussion about some of our, the more vulnerable groups within the community. Just, you know, what actions are being pursued in relation to housing for First Nations' communities?

LUKE WALTON:

That's, that's not for me to talk about in terms of the STRA, uh, register and system but I don't know if Malcolm has anything else to say.

COMMISSIONER COAKES:

Malcolm?

LUKE WALTON:

I mean, really the, the supply of, say, Indigenous housing I think, is probably, we'd have to get that sort of information from Aboriginal Housing Office, so-

COMMISSIONER COAKES:

Okay. So, you'd like to take that on, on notice?

COMMISSIONER GRANT:

Well, well they- I mean, the Department's got, um, actions to pursue, haven't they? Um, in terms of Closing the Gap, um, activities?

MALCOLM MCDONALD:

Yeah, that's right, so the ... Each state government has an implementation plan in relation to its commitment to meeting the, the various, um, uh, action recommendations for closing the gap. Um, so, uh, across the portfolio of DPE there's a number of, um, matters they've been committed to. There's a number of, um, funding arrangements and grant programs through the recent budget as well.

Um, um, specifically in relation to planning and the Aboriginal Housing Office, uh, there's been some recent changes to the Housing SEPP to enable the Aboriginal Housing Office to assess and approve housing for Indigenous, um, um, occupants and for Indigenous households, um, under a part five arrangement or a self assess arrange- self assessed arrangement that's consistent with, uh, the Land and Housing Corporation's framework as well.

Uh, there's broad, um, references in the north, North Coast Regional Plan as well, in relation to broader issues, in relation to supporting housing supply and housing diversity and providing ... Working with councils in indigenous, um, communities and stakeholders to provide housing for the different types of the community. Um, there's an action within the North Coast Regional Plan that extends to establishing an affordable housing round table for each subregion. Um, so we'll be starting that up in coming months. We'll be inviting Indigenous stakeholders to be part of that round table as well to look at various measures and actions that the Department can, can support to provide as well as others, um, Indigenous housing solutions. But I think more broadly, if it's okay, we'd take that on notes and write a detailed response to all the measures under there Closing the Gap framework.

COMMISSIONER COAKES:

Thank you. Uh, for another, just a couple of additional questions. Are local councils able to apply different rates levied under the local government act to STRA properties under the current legislative framework? And what would be required to do so?

LUKE WALTON:

Um, yes that's a- a common question. I know it's, it's been playing out. Um, uh, really gets ... It's some, the rights frameworks under the local government act and you know, keeping ... They probably, local office, or local government's probably the best to give you definitive advice. What I will say is that, um, under the planning, um, under, under planning we'll, um, STRA as it's defined as a residential use, uh, my understanding of the rating system under the local government act is that the land needs to be defined as residential, commercial, or farm and other. Something else, or that's ... Some various broad categories that they have to a- have to use. Um, I don't know whether or not there's a mechanism under that legislation to, um, distinguish particular properties. Um, and, and how rights are applied to those. So.

COMMISSIONER GRANT:

Okay, thank you. Is that one you can take on notice-

LUKE WALTON:

I- I'm happy to take that on notice and talk to my colleagues.

COMMISSIONER GRANT:

Thank you. (laughs)

COMMISSIONER COAKES:

And a final question from the Panel, did the Department consider any use of transitional arrangements, and/or a step to implementation framework which may address the circumstances of existing STRA properties outside the Byron Shire precincts?

LUKE WALTON:

Um, yeah, I'm not really quite sure what that was getting at. If it was the, the, the question about transitonals [inaudible].

COMMISSIONER COAKES:

Yes.

LUKE WALTON:

Okay. Um, uh, we ... I don't remember us actually, um, uh, coming up with a, a varietal of options. But what we put to Council as part of the, the back and forward on the planning proposal was, uh, that we should be having a 12-month implementation and there was a couple of reasons for that. Uh, the primary reason is that a lot of, um, uh, properties have bookings up to a year in advance and people have paid their yearly registration. Okay? So, um, uh, to, to have a transition period less than that, we saw it would be disruptive, to um, you know, people who have made holiday bookings. The other aspect is that there is an element of time required to, uh, update the portal and, um, the on- online, um, booking arrangements, and so there would have had to have been some sort of delay to implementation anyway.

COMMISSIONER COAKES:

Okay. And-

COMMISSIONER MACKAY:

Oh, thank you. Just pursuing that for a moment.

LUKE WALTON:

Mm-hmm.

COMMISSIONER MACKAY:

I guess, I, I guess that's from a mechanics'-

LUKE WALTON:

Yeah, mechanics. Yeah.

COMMISSIONER MACKAY:

Point of view. But we, we ... The Commission over the last couple of days has heard some representations that there are owners of these sort of luxury properties that sit outside the 365, and they're never gonna return to the, um, long-term affordable accommodation that, well they're never gonna go across longterm affordable accommodation. We- we've asked for some substantiation and some information about that.

LUKE WALTON:

Mm-hmm.

COMMISSIONER MACKAY:

But for one of those owners, I mean, presumably a solution for them and the commis- the Commission's not pushing a particular solution, but presumably a solution would be to put in a DA and get consent for the, um, short-term rental accommodation and, I- I guess the other part of the transition would be do you have some kind of grandfather provision that allows time for that to occur? Especially, you know, if, if, if this 90 day cap were to proceed and there's a little group of them, you know, Council itself might need, um, the opportunity to turn its mind to how it's gonna deal with a little, um, bag of DAs, you know, all at once.

LUKE WALTON:

I think- yeah, look, I think, um, I'm not sure that there is any LEP in the state that allows for permissibility of STRA in the way of lodging a DA in that sense. But, I do think there's probably some simple solutions there because it's around, uh, using the existing framework and mapping where you want things to h- to apply and how you want them to apply. So, um, there- there probably is some really simple solutions here if, if the outcome of all of this is that, you know, the, the existing, um, all the, all the proposed, um, precincts change, or there needs to be different rules applied to different, different parcels of land, it's conceivably possible to do that under the existing laws.

COMMISSIONER MACKAY:

I guess another way to conceptualise it, and look, and to be clear, the Commission, I, I, you know, I don't think any of us have a view about this, but if on balance having looked at the fine ground of what's where, in terms of the existing pallet of STRA properties has sort of said, well, can see some logic in the 365 precincts but there's a few outliers that really should have the same approach. Um, transition arrangements might give an ability to deal with that. What- whatever view you take on the outcome.

LUKE WALTON:

Yeah, and I think that that would be technically possible to do. So, if that's the, that's the, um, the advice that ultimately gets carried forward, that would be possible.

COMMISSIONER MACKAY:

Thank you. Thank you. All done.

COMMISSIONER COAKES:

So, in the remaining time would you just like to provide any further reflection on what you've heard over the last few days?

LUKE WALTON:

I might respectfully decline on that. Um, but I don't know if you had anything else to add, Malcolm.

MALCOM MCDONALD:

Uh, just um, to just reflect back on the terms of reference of the IPC's request for advice, um, extensively in two parts in relation to the review of the planning proposal itself. And just to, to note that the Department has- has not begun, or um, turned its mind to an assessment of Council's proposal and we're really mindful of, of your advice to the Minister and the Department on any recommendations. Both extending whether that's to the precinct boundaries or the term- the timeframes. Um, so we really have an open mind in relation to Council's proposal as it stands.

Um, the, the other aspect of the, of the IPC's terms of reference related to broader issues around housing supply and rental affordability, uh, and there's really been, um, you know, enormous amount of submissions made over the last two days, and, and through previous submissions about, um, some real, um, issues facing the community in relation to housing, uh, pressures facing Byron, um, and housing supply, and housing diversity, and housing affordability, you know.

They're key priorities for the Department, um, and you know, we acknowledge, and fully respect Council's made that as well in, in seeking to achieve those outcomes as well. Uh, we've heard some submissions that relate to, uh, some of the complexities of this extending across federal, state, and local jurisdictions. Um, so again, we'd be really, um, really welcoming advice and recommendations from the Commission that, to the extent to which the State, and particularly the Planning Department can influence, um, housing supply and affordability, uh, within Byron Shire, but more broadly, uh, we'd really welcome that.

Um, and just to further note that, you know, as the mayor mentioned, some of the sites that Council's identified through its residential strategy, um, its recent affordable housing contribution scheme, which the Department, uh, fully supported that was recently, uh, commenced, uh, only this year in January. Um, and the Department has a long-standing relationship with Council. Our regional office works, um, we have deep relationships and we have, have, in our regional team have a strong understanding of the area.

So, we're gonna continue to be here to support Council, and provide State and local support, um, and, and examples such as Mullumbimby hospital site where there's a role for, uh, government held land that can be better utilised to support local objectives and State outcomes. That's something that I think the Department can play an increased role for. So, if you see recommendations in relation to that we'll welcome that. Um, now I will leave it there. Thank you.

COMMISSIONER COAKES:

Okay. Thank you. No further questions? Okay, well that brings us to the end of this public hearing into the Byron Shire short term rental accommodation planning proposal. Thank you to everyone who has given up their time to participate in this important process, and the Commission Panel has greatly, um, appreciated your input. Just a reminder it's not too late to have your say on this application, um, please click on the make a submission portal on our website, or send us a submission by email or post, and as we said, the deadline for those written comments is 5:00 PM, Wednesday the 8th of March.

In the interest of openness and transparency we'll be making a full transcript of this public hearing available on our website in the next few days. At the time of determination, the Commission will publish its statement of reasons for decision, uh, which will outline how the Panel took the community's views into consideration in providing its advice. Finally, a quick thank you to my fellow Commissioners and also to our Counsel Assisting. Thank you for being a part of the hearing, and from all of us here at the Commission, enjoy the rest of your evening. Thank you.