Submission No 112

ADEQUACY OF THE REGULATION OF SHORT-TERM HOLIDAY LETTING IN NEW SOUTH WALES

Organisation: Elders Real Estate New Brighton

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Director, Committees Legislative Assembly Parliament House Macquarie Street Sydney 2000

Dear Sir/Madam

Re: Adequacy of the regulation of short-term holiday letting in New South Wales (Inquiry)

We are the owners of Elders Real Estate New Brighton/Ocean Shores situated in the Byron Shire. This office has been operating in New Brighton for 37 years, successfully and professionally specialising in managing holiday lettings. The villages of New Brighton and South Golden Beach have been a family holiday destination going back to the 1920's.

We currently manage 45 holiday properties in New Brighton and South Golden Beach and employ two full time staff members as holiday managers. We have the largest holiday rent roll in the northern end of Byron Shire.

There are no serviced apartments in New Brighton or South Golden Beach and no properties with on-site managers; we are two very small villages. We also do not allow so called 'party houses'.

Our holiday houses in New Brighton and South Golden Beach are not run as businesses. They are family owned and used as such for a good part of the year either by the owners, family or friends. The properties we manage are in the main placed into holiday rental to help offset the costs of the property that are used primarily for family and friends and are not used as a profit making venture ie: a business.

If holiday lets can be viewed as a business as Byron Shire Council are then surely long term (permanent) rentals would be viewed as such? The argument regarding commercial activity in a residential zone is hypocritical. All forms of letting and/or conducting business from home is a de-facto commercial activity. Singling out holiday letting is not justifiable. Behavioural issues, the main reason for intended holiday letting restrictions, are not limited to holiday letting and as such the singling out of holiday letting is again not justifiable.

Byron Shire Council is in the process of introducing a planning proposal to include a special provision to define and then require development consent for short term rental accommodation. It also is looking to establish the circumstances in which short term rental accommodation would be exempt development

While we agree that holiday lettings should be regulated due to ongoing issues within Byron Bay itself and neighbouring Suffolk Park, Council should not presume all holiday lets are the same and lump us all in the same bucket.

The properties that this office has managed over 37 years are governed by stringent policies and procedures, our guests are screened to place them in the most suitable properties and we hold security bonds over the lettings. We are personally on call 24/7 should we be required to attend a problem, which are few and far between. In short we run a very tight ship and take holiday management in our local area seriously with respect for the local environment and residents.

Our properties are routinely inspected to ensure they are up to scratch for our owners, guests and in line with health and safety requirements. We report to our owners regularly in relation to their properties. We do not take on any property unless we have viewed it and assured ourselves that it meets the requirements of our office policies and procedures to have available for holiday rental.

We agree with a large proportion of the requirements for regulation that Byron Council is putting forward with regards the Exempt Development. However we feel very strongly the Development Consent it is a bit of 'over kill' especially with regards to properties that are managed by a reputable, professional agency against those managed by absentee owners or owners that are just after the 'big bucks' for a few weeks of the year.

It is quite clear where the majority of the 'owner managed' properties are located; these areas are not New Brighton or South Golden Beach. We believe that the holiday letting issue is a Byron Bay/Suffolk Park centric issue that has caused some grief & problems that need to be appropriately addressed.

New Brighton and South Golden Beach are traditionally family oriented areas for holiday makers. We have 3rd generation families coming here year after year for their annual holidays. A vast majority of our holiday properties are used quite extensively for private use. We are not party areas and this is driven home to anyone we feel may look at it as such.

In our area it is a myth that there is a surge in properties being bought up and converted from permanent housing to holiday rentals and that this is creating a shortage of permanent rental accommodation. The shortage in permanent rentals is predominately the result of properties being bought for owner occupation instead of being retained as rental investments. Historically our holiday rental pool stands at the 45 property mark, we may lose one or two but then we gain one or two.

Although we agree with the regulation of holiday properties we feel that the proposal for Development Consent requirements are a heavy handed and terribly involved.

Yes regulate it but 'Keep it simple'. I feel sure that a 'Victim of Holiday Let' will still complain even if the property has a DA and is charged commercial rates.

We would be more than willing and happy to avail ourselves for discussion with matter or if you require any further information.

s faithfully

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Will Sorrell
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Elders Real Estate New Brighton

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