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13 March 2024

Housing Policy Team Department of Planning, Housing and Infrastructure Locked Bag 5022 Parramatta NSW 2124

By email: STHL@planning.nsw.gov.au

Dear Sir/Madam,

#### Submission to discussion paper on short- and long-term rental accommodation

Thank you for the opportunity to provide feedback on the discussion paper on shortand long-term rental accommodation (2024). Snowy Monaro Regional Council wishes to acknowledge the benefits this work will provide to our region and supports the prominence this work will provide short-term rental accommodation as a factor of housing unaffordability. As one of the most impacted regions by short-term rental accommodation, it is an issue of great significance to our residents.

Council's Strategic Planning team has reviewed the discussion paper and provided specific comments in Appendix A below.

Council would encourage the Department to work closely with Council's Strategic Planning team to address concerns raised.

Should you have any queries regarding this submission, please contact Council's Strategy Development Department on 1300 345 345.

Yours faithfully, That

David Hogan

Chris Hanna Mayor Snowy Monaro Regional Council

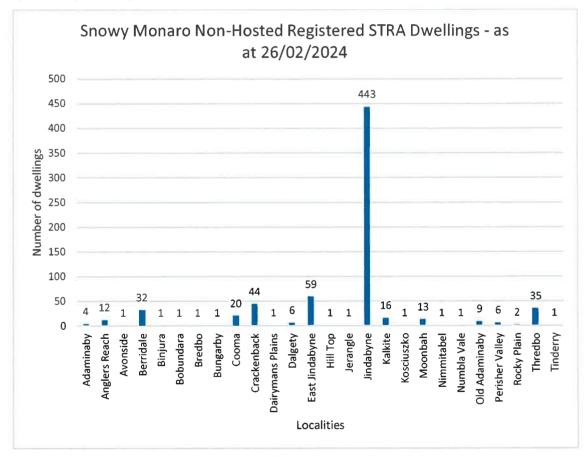
Chief Executive Officer Snowy Monaro Regional Council

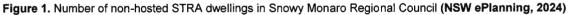
# Appendix A – Comments on Discussion Paper on Short- and Long-Term Rental Accommodation

Snowy Monaro Regional Council's Strategic Planning Team reviewed the discussion paper on short- and long-term rental accommodation (2024) and provided the following comments.

# **General comments**

As indicated in the Discussion Paper Table 1, 'Areas with the highest concentrations of non-hosted short-term rental accommodation registrations,' Snowy Monaro Regional Council has the second highest comparative non-hosted Short-Term Rental Accommodation (STRA) to total private dwellings, at 7%, in NSW. Extracting the STRA register data from the NSW Planning Portal, it was evident that STRA within the Snowy Monaro LGA is concentrated within the localities around Kosciuszko National Park, specifically Jindabyne, as shown in Figure 1 below.





In Jindabyne, 27% of all private dwellings are non-hosted registered STRA; see Table 1 below. In extracting non-hosted STRA data from the Planning Portal and comparing it against the total number of private dwellings as listed on ABS Census 2021, Table 1 clearly shows that localities with high concentrations of STRA are all within proximity to the ski fields. Thredbo and Perisher Valley, which have a high percentage of STRA, are within the Kosciuszko National Park itself and not under the jurisdiction of Snowy Monaro Regional Council, although they are within our LGA. Table 1. Percent of non-hosted short term rental accommodation of private dwellings by locality

Locality	STRA % of all Private Dwellings within locality
Adaminaby	2%
Anglers Reach	9%
Berridale	6%
Cooma	1%
Crackenback	27%
Daigety	4%
East Jindabyne	10%
Jindabyne	27%
Kalkite	9%
Moonbah	6%
Old Adaminaby	11%
Perisher Valley	86%
Rocky Plain	6%
Thredbo	6%

Looking at Jindabyne, which has a very high percentage of STRA, there is very low housing affordability. Figure 2 below shows that only 14.8% of sales in Jindabyne over 12 months to June 2023 were affordable, with a median house sale price of \$1,350,000. Similarly, Figure 3 shows that only 6.6% of rentals in Jindabyne throughout the 12 months to June 2023 were affordable, with a median rent of \$850 per week for a house and \$500 per week for a unit. It is critical to this region that measures are sought to increase affordability. While several factors affect housing affordability, the numerous STRA dwellings are a significant contributor to the constraints on housing supply and long-term rental availability.

There are benefits, however, to STRA that should be balanced with any introduction of restrictions or regulations on STRA dwellings. Given the high cost of house prices, STRA may be used to supplement mortgage repayments, and severe controls may inundate the market with houses from those who cannot afford repayments without the income from STRA. Jindabyne is often at capacity throughout the winter season, with both STRA and traditional tourist accommodation filled. Without additional tourist accommodation to replace what is currently provided by STRA, there may be significant price increases in tourist accommodation due to undersupply. It is essential for the continued growth and vitality of the town that Jindabyne continues to provide tourist accommodation.

Tourism in Jindabyne is seasonal in nature, with the highest peak during winter for snow sports and throughout summer as the mountain bike and hiking trails within Kosciuszko National Park and around the town are opened. In addition to tourists and visitors, seasonal workers are heavily impacted by rental prices and housing availability. While the ski resorts provide accommodation to their workers, other workers within Jindabyne struggle to find accommodation throughout the winter period. These workers either come to work in town throughout winter or are moved out from their rental in preference of use of the dwelling for STRA. The challenge of regulating STRA in Jindabyne and surrounding areas with its seasonal tourist nature is that day caps would likely not be enough encouragement to transfer more dwellings from STRA to long-term rentals. Shortening snowfall periods each year has shortened the timeframe of peak tourism, already limiting listing of dwellings as STRA.

There are other challenges STRA places on the local community in addition to housing availability and affordability. STRA exasperates parking issues as Development Control Plan (DCP) controls for residential parking do not meet tourist impacts. The insufficient parking capacity is particularly noticeable in Jindabyne with limited public transport options. Over the past two years, there has been a trial bus service that circuits Jindabyne and picks up those travelling to the ski fields that has shown beneficial results, however more is needed to alleviate parking issues around town. The Snowy Mountains Special Activation Precinct (SAP) has considered parking and public transport; however, without the distinction between residential and STRA within the Local Environmental Plan, the controls for onsite parking are limited to what is required for residential.

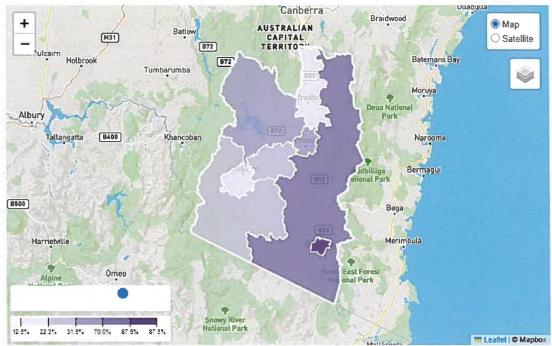
STRA also burdens community assets including, but not limited to, public toilets, roads, water and wastewater infrastructure and recreational assets such as mountain bike trails without appropriate monetary contributions towards maintenance and renewal of the assets. It would greatly benefit the community if, within this scope of work, the rating categories with the *Local Government Act 1993* were also reviewed to accurately reflect the impact of STRA on the local community as a commercial business. Another option may be placing a levy on STRA, such as the waste levy used by the Dorset Council in Tasmania to contribute towards financially sustainable waste disposal, including appropriate waste infrastructure to meet waste reduction targets.

## **Policy Objectives and Project Scope**

There are benefits to short-term rental accommodation that the objectives of the Discussion Paper acknowledge, and are important to retain. Council agrees that the policy outcomes should be balanced, effective, efficient, equitable, transparent and easy to comply with. Any new regulations and processes should be evidence-based and easy for landowners to follow.

#### How affordable are property prices?

Affordable property sales for moderate income over 12 months to Jun 2023 v for Average all households v



▲ Area			Affordable sales	¢% affordable	≎ Median house	
	SNOWY MONARO REGIONAL COUNCIL	380	123	32.4%	\$600,000	\$716,000
	BERRIDALE AND SURROUNDS	41	11	26.8%	\$671,000	N/A
	BOMBALA	24	21	87.5%	\$342,500	N/A
	CANBERRA CORRIDOR	8	1	12.5%	\$820,000	N/A
	COOMA	143	45	31.5%	\$570,000	N/A
	JINDABYNE	108	16	14.8%	\$1,350,000	\$750,000
	Total areas: 8					

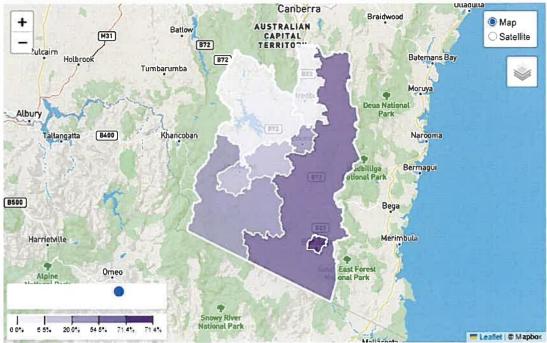
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Source: PropTrack (REA Group housing listings, 12 months ending selected period, compared to inflation adjusted 2021 Census income. Calculated and presented by .id (informed decisions).

Figure 2. Housing sale affordability in Snowy Monaro (.id, 2024)

### How affordable are rental properties?

Affordable property rental for low income over 12 months to Jun 2023 v for Average all households v



▲ Area		Total rentals	Affordable rentals	≎% affordable	≑ Median house (\$/week)	Median unit (\$/week)
	SNOWY MONARO REGIONAL COUNCIL	382	75	19.6%	\$500	\$425
	BERRIDALE AND SURROUNDS	43	3	7.0%	\$550	\$450
	BOMBALA	14	10	71.4%	\$345	N/A
	CANBERRA CORRIDOR	4	0	0.0%	N/A	N/A
	COOMA	169	47	27.8%	\$478	\$280
	JINDABYNE	121	8	6.6%	\$850	\$500
	Total areas: 8					

Show all

Source: PropTrack (REA Group housing listings, 12 months ending selected period, compared to inflation adjusted 2021 Census income. Calculated and presented by .ld (informed decisions).

Figure 3. Rental affordability in Snowy Monaro (.id, 2024)

## References

- .id. (2024). Affordability Monitor: Snowy Monaro Regional Council. Retrieved from .idcommunity: https://housing.id.com.au/snowy-monaro/affordability-andavailability#
- ABS. (2024). Jindabyne 2021 Census All persons QuickStats. Retrieved from Australian Bereau of Statistics: https://www.abs.gov.au/census/find-censusdata/quickstats/2021/UCL115086

NSW ePlanning. (2024). STRA Property Detailed Report. Sydney: NSW Planning Portal.