#### **FACT SHEET - SHORT TERM RENTAL ACCOMMODATION**

November 2021



## What is Short Term Rental Accommodation?

Short Term Rental Accommodation (STRA) can be described as a dwelling used to provide residential accommodation on a commercial basis for a temporary or short-term period; with the host either residing on the premises (hosted), or not residing on the premises (non-hosted). The activity is most commonly associated with booking platforms such as 'Airbnb' and 'Stayz' and can also include traditional holiday rentals through property managers.

#### Can I use my house or apartment for STRA?

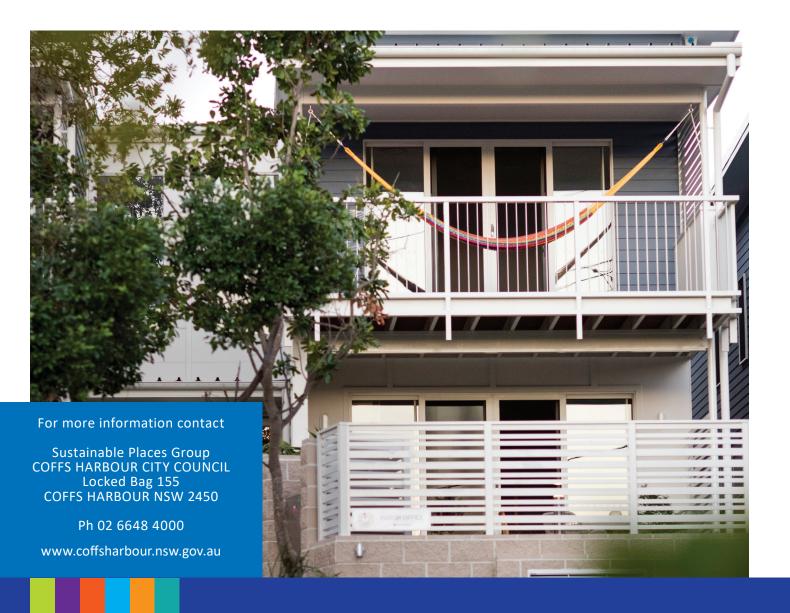
The NSW Government has implemented new rules for STRA, which came into force on **1 November 2021**.

Under the new rules, STRA can be undertaken in any location within the Coffs Harbour Local Government Area (LGA) if your house or apartment has been approved by Council. The new rules include fire safety standards for STRA dwellings and a new Government-run STRA Register.

### How is Council currently regulating STRA?

Coffs Harbour City Council (CHCC) is not currently undertaking any compliance action in relation to STRA, unless unauthorised building works have been undertaken on the house or apartment.

This is to ensure that CHCC aligns with the new rules for STRA developed by the NSW Government, which came into force on **1 November 2021**.



### How will the new rules apply?

The new rules intend to provide a balanced approach to allow homeowners access to the benefits of a sharing economy, while providing certainty for communities and visitors. The new rules allow both hosted and non-hosted STRA to be undertaken within the Coffs Harbour LGA without approval from Council for 365 days per year, provided the following standards are met:

- The dwelling has been lawfully constructed to be used for the purposes of residential accommodation;
- The type of residential accommodation that the dwelling is being used for is permitted either without or with consent on the land on which the dwelling is located;
- The dwelling has been registered on the <u>STRA register</u>;
- The <u>STRA Fire Safety Standard</u> has been satisfied; and
- If the dwelling is part of a Strata
  Title Scheme, the by-laws permit
  the subject lot to be used for the
  purposes of STRA.

STRA is **NOT** permitted in boarding houses, seniors housing, rural workers dwellings, ecotourist facilities, hostels, camping grounds, caravan parks, moveable dwellings, group homes, refuge or crisis accommodation or within tourist and visitor accommodation uses (which includes serviced apartments).

More detail on the new planning framework can be found on the NSW Planning, Industry and Environment's website.

### How will STRA be regulated under the new rules?

Any dwelling used for STRA purposes is required to be registered on a new State Government-run register for STRA. Information such as compliance with fire safety standards and the



number of days a property is used for STRA is captured and integrated with key STRA booking platforms (such as Stayz and AirBnB) and the NSW Planning Portal. This register assists Councils with monitoring and compliance of registered STRA dwellings and is available to the public via the NSW Planning Portal.

#### What is the new code of conduct?

As part of the STRA reforms, the NSW Government introduced a mandatory Code of Conduct for the STRA industry. This new code came into force on 18 December 2020 and imposes obligations on booking platforms, hosts, letting agents and guests. It sets new minimum standards of behaviour and requirements for all industry participants. For more information on this Code of Conduct, please visit the NSW Fair Trading website.

#### What are the rules for strata schemes?

Another important change introduced as part of the STRA reforms relates to strata and tenancy laws. Owners Corporations can now adopt by-laws that limit STRA in their strata scheme, by banning it in lots that are not the host's principal place of residence. However, if someone lives in a strata property as their principal place of residence, they will still be able to rent out their home or rooms while they live there, or while they are temporarily away.

You can read more about managing short-term rental by visiting the <u>NSW</u> Fair Trading website.

# What will Council's role be when the rules come into force?

Under the NSW Government rules for STRA, Councils have a limited role, as most establishments are able to be undertaken without approval. However, regional Councils have the ability to choose to retain a 365-day threshold (for non-hosted establishments); or to reduce the threshold to no less than 180 days.

CHCC has chosen to retain 365 days as the number of days that non-hosted STRA will be able to be undertaken, until such time as additional data is collected on impacts from STRA establishments. To address locality specific issues in relation to STRA, CHCC is monitoring this issue. If significant land use conflict is found to be occurring in particular localities, CHCC will investigate the need to amend the day threshold for non-hosted STRA in those localities.

CHCC has established a register to capture issues raised by the community in relation to STRA. This will enable CHCC to capture sufficient data and evidence to identify if significant land use conflict is occurring in particular localities and will assist with any requests to amend the day thresholds in those localities. To make a complaint in relation to STRA, please contact CHCC on 0266484000.