

## OSCAR President

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**From:** Tony Wellington <tony.wellington@noosa.qld.gov.au>  
**Sent:** Tuesday, 28 August 2018 13:27  
**To:** Brett de Chastel; Greg Smith  
**Subject:** Re: Party house correspondence  
**Attachments:** PastedGraphic-1.pdf

Hi Greg,

Here are some answers to your questions:

### 1. Estimated number of properties?

Data scraping has suggested that we have around 3,000 properties listed for short-term rentals using on-line platforms such as Airbnb and Stayz etc. Here is an example of a scrape done many months ago for just some areas of the shire - it focussed on Airbnb. Note the growth rate over 2 years.

Area	2016	2017	2018	Growth Rate last 2 years
Noosa Heads	150	380	690	360%
Sunshine Beach	80	240	460	475%
Sunrise Beach	50	150	290	480%
Noosaville	90	210	450	400%
Tewantin	30	80	150	400%
Noosa North Shore	10	20	30	200%
Marcus Beach	10	30	50	400%

The real issue for local government is that the platforms have thus far refused to share data, and thus addresses. We can't manage what we can't locate or identify. I note that Mornington Peninsular in Vic is using local laws to force a registration system. They have around 5,000 properties. But the use of local laws is being challenged legally there (as it is elsewhere). That's why we need State legislation to force platforms to divulge property addresses - as is happening in many other places in the world from New York to Barcelona.

### 2. How many complaints about party houses?

It's hard to know how many complaints we are getting about amenity issues relating to short-term rental properties. That's because they come in different forms and to different staff or councillors. I guess I am personally getting around a dozen complaints annually. But there are also complaints about bins being left out, vehicles parking out streets, etc. Even some Council staff have found neighbouring short-term properties a problem, with a couple of staff telling me that they have had to move bedrooms or are even thinking of moving house to get away from the impacts. Certainly the majority of complaints are from Noosaville, Sunshine Beach, Noosa Heads and Noosa Junction areas.

### 3. Number of complaints made to police?

I am not aware how many complaints are made to police.

I recently sat down with our top dozen real estate agents that offer properties to rent. They are certainly feeling the impacts of badly managed on-line properties, and concerned this is giving them a bad name. One agent has engaged the services of a private security firm to act on bad behaviour in properties they don't even manage!

If a complaint about late night revelry and noise comes to Council, we explain that this is a policing matter, as we don't have legislative authority to act.

### 4. Is there a joint taskforce examining the issue?

Not that I'm aware of. However, our local laws team and other staff regularly liaise with QPS. Meanwhile, as you know, the State's Peer-to-Peer & Short-term Letting Industry Reference Group has been meeting with the aim of developing appropriate State legislation.

## **5. Does NC have plans to regulate short-term letting properties and "party houses"?**

The party house legislation was introduced by the State specifically for the Gold Coast. However, there is now opportunity to incorporate party house considerations into planning schemes. As Noosa is currently developing its new planning scheme, it is likely that we will incorporate appropriate party house regulation - using the State's definition - into our new scheme.

We are also considering what role our Local Laws might play in terms of helping to deal with issues around short-term rental properties.

Note that the Minister for Tourism, Kate Jones, has publicly stated that she will be considering introducing code-of-conduct legislation in relation to short-term, rental properties. This was a media statement immediately after our last P2P meeting. (The P2P Ref Group have considered and discussed the proposed NSW legislation and regulations.)

The big issue that your letter fails to consider is the impact of this new sector on the rental market. Our focus is not only on amenity matters. Arguably more important are the effects on available long-term properties for rent (because so many former long-term rental properties are being removed from the market and turned into lucrative short-term rentals), the resulting impact on rental prices, and the flow-on effects in terms of housing affordability. Noosa's main employers operate in tourism and hospitality, which are not high wage sectors. Increasingly, Noosa workers can neither find accommodation nor afford accommodation in Noosa. This impacts on staff availability as well as traffic congestion etc as so many must drive into Noosa from outside the Shire.

This issue of housing availability and affordability is the key driving impulse in many high tourist locales around the world. Barcelona, Berlin and other places are desperately trying to retain communities where short-term rentals are destroying them. Even Byron Bay has had a lot to say about the impact of Short-term rentals on their social fabric.

## **6. Have we undertaken a study re contribution of short-term rentals?**

Again, this is very difficult when the properties can't be identified (you only get the actual address after you make a booking) and thus can't be effectively surveyed etc. Deloitte suggest that Airbnb guests generated \$217m across Qld in 2017. But how they come to that figure I don't know.

Certainly, we don't expect this new form of accommodation to disappear. But we do need to get a handle on it. We also expect that businesses which are benefitting from destination marketing contribute towards that marketing via the Tourism Levy.

There is so much more I could say about the issue, and I have lots of information from other Australian and international jurisdictions on how everyone is trying to manage the matter.

The P2P Reference Group has met 4 times and will meet at least once more. There is no fixed end date, and no set number of meetings. That appears to be at the Minister and her DG's whim. However, Jones did state that she would like to introduce legislation next year. In the meantime, everyone keeps lobbying, especially Airbnb.

A media release from the ATO was released in the last week warning that they are now cracking down on undeclared income from short-term rentals, and they are backdating their investigations. I am told they have been working on their own data scraping system, but not sure where they are at with that.

Curiously, there is only one player in the mix of the P2P Group that is lobbying fiercely against a registration system. That is Airbnb. Stayz, by contrast, is supporting such a move because, in their words, it will give the sector more credibility. Stayz are also keen to distance themselves from their main competitor.

The other thing that must be pointed out is that the majority of problems are not with “home-hosted” properties (and Airbnb continues with a charade that their properties are home-hosted). The resident home-owner renting out a spare bedroom is not our main concern. Rather it is the 62% (Deloitte Access 2017) or 70% (Inside Airbnb 2017) properties listed that are entire homes being let - i.e. apartments or houses with no owner present. They create the headaches and the impacts on housing availability and affordability.

Kate Jones has said she will consider legislation requiring registration of Non PPR (principle place off residence) properties. That would be great from our point of view, and what we have been asking for all along.

Oh, and the Dept of Local Gov promised at the last P2P meeting that they would investigate creating a model local law to help councils track and deal with short-term rentals. We’ll see if they live up to their promises.

Cheers

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