

## Resolution of Council

**15 May 2023**

### Item 11.4

#### Short Term Rental Accommodation City of Sydney

Moved by Councillor Ellsmore, seconded by Councillor Chan –

It is resolved that:

(A) Council note:

- (i) there is a shortage of rental accommodation within the City of Sydney. Short term rental accommodation (such as AirBnB) contributes to the shortage of rental housing supply, where it converts properties that would otherwise be available for long term rental into short-stay accommodation;
- (ii) low vacancy rates are contributing to skyrocketing rents. Rents for units across the Local Government Area have increased by 27 per cent in Zetland, 29.5 per cent in Chippendale and 20.0 per cent in Glebe (in the 12 months to March 2023);
- (iii) according to independent platform Inside AirBnb, as of May 2023, there were 5,019 listings of short-term rentals in the City of Sydney Local Government Area - 3,493 of which were entire homes or apartments. The average stays are getting longer – 59 nights for an un-hosted property, up from 39 nights this time last year;
- (iv) The Guardian reports that short term rentals have surged since 2021 – with the City of Sydney being one of the top five Local Government Areas in terms of numbers of rentals;
- (v) local councils have limited powers to regulate short-term rentals. There is an 180-day annual cap for non-hosted accommodation, and accommodation managers are required to register with the Department of Planning and Environment;

- (vi) however, many properties in the City of Sydney Local Government Area are not registered. As of 9 May 2023, only 2,660 properties were listed on the State's (STRA) register - 1,766 of these are non-hosted;
  - (vii) since 2017, the City has made four submissions in response to the NSW Department of Planning and Environment's proposed changes to Short-Term Rental Accommodation. The City's submissions included a key recommendation that the cap for non-hosted short-term rentals is reduced to a maximum 90 days per year;
  - (viii) in April 2021, the Lord Mayor wrote to the NSW Government raising concerns about the impacts of non-hosted short term rental accommodation on housing affordability and hotel and hospitality businesses; and
  - (ix) in April 2023, the Independent Planning Commission provided formal planning advice to the NSW Government in support of the ability of Byron Bay Council to impose a 60-day annual cap on non-hosted short-term rentals, as a measure to address housing availability and affordability. However, it also recommended that non-hosted short term rental beyond the 60 day cap should be permissible with development consent;
- (B) the Chief Executive Officer be requested to:
- (i) investigate commissioning a study to report on the impact that short-term rental accommodation is having on rental affordability and availability and tourist accommodation in the City of Sydney Local Government Area; and
  - (ii) report back to the Housing for All Working Group and Council with the findings and recommendations of the study and what actions the City will take;
- (C) the Lord Mayor be requested to write to the NSW Minister for Planning and Public Spaces, Paul Scully, and the NSW Minister for Housing, Rose Jackson, with the findings and recommendations of the study; and
- (D) Council endorse this motion for the Local Government NSW 2023 Annual Conference.

Carried unanimously.

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