

## **INTERIM PLANNING DIRECTIVE CHANGES PLANNING APPROVAL FOR VISITOR ACCOMMODATION**

### **FACT SHEET FOR COMMUNITY MEMBERS – July 2017**

On 1 July 2017 the Minister for Planning changed the planning laws relating to VISITOR ACCOMMODATION in the General Residential Zone, the Inner Residential Zone, Low Density Residential Zone, Rural Living Zone, Environmental Living Zone and Village Zones across Tasmania. As Battery Point is predominantly an Inner Residential Zone, these changes will apply to Battery Point as well.

The changes were made law by the Minister through a planning instrument called an INTERIM PLANNING DIRECTIVE. Under the Directive, Visitor Accommodation is defined as ‘use of land for providing short or medium term accommodation, for persons away from their normal place of residence, on a commercial basis.’ Examples include a backpackers hostel, bed and breakfast establishment, holiday unit, motel, residential hotel and serviced apartment.

There has been no consultation on these changes by the Minister for Planning with either the Hobart City Council (HCC) or local residents. The changes mean that Visitor Accommodation is now treated differently in Battery Point:

- Visitor Accommodation is exempt (doesn’t require a planning permit) if a dwelling is lived in by the owner/occupier, and is only let out for visitor accommodation if they’re temporarily away from their place of residence (on vacation for example)
- Visitor Accommodation is exempt if the dwelling is used by the owner occupier as their main place of residence and visitors are accommodated in ‘spare’ rooms (only up to 4 bedrooms)
- Visitor Accommodation is otherwise permitted with no qualification in the aforementioned zones. There is a use standard, however, that requires visitor accommodation to be situated within existing buildings, and to be no more than 300m<sup>2</sup>. Otherwise the application becomes discretionary (Subject to Council approval).

Therefore, investors can now purchase a residential property and rent it as self-contained Visitor Accommodation as a permitted use. This significantly reverses the previous situation.

The ‘ban’ on self-contained Visitor Accommodation in Battery Point had been in place since the introduction of the Battery Point Planning Scheme in 1979 and was continued into the current Interim Hobart Planning Scheme. It was the intent of these schemes to ensure that in the Residential Zone, private, owner-occupied residential use was given first priority. To allow conversion of existing private residences to Visitor Accommodation was considered inconsistent with the tenor of the scheme as it could result in a significant change to the residential character of Battery Point.

In addition to the changes to the Visitor Accommodation provisions, a process of self-assessment has been put in place. This enables people interested in using their properties for Visitor Accommodation to ‘self assess’ to say that they comply with the requirements of the planning scheme. This option is available to properties where Visitor Accommodation is exempt or permitted.

Notwithstanding that the Interim Planning Directive became law on 1 July, it will be publicly advertised by the Tasmanian Planning Commission (TPC) and public hearings will be held and a report made to the Minister.

It appears that the only option open to the Battery Point Community Association and the HCC to have changes made to the Interim Planning Directive is to make a representation to the TPC as part of the above process. If such representations were successful, it would still be up to the Minister as to whether he would agree with the Commission’s recommendation.

As part of the Minister’s new STATEWIDE PLANNING SCHEME, the HCC proposes to prepare a SPECIFIC AREA PLAN FOR BATTERY POINT, which will enable the HCC to put in place some planning provisions that can be

applied to particular urban areas or heritage precincts. However, this opportunity will not enable the Visitor Accommodation provisions proposed in the INTERIM PLANNING DIRECTIVE to be amended.

The Battery Point Community Association proposes to make a representation to the TPC based on a set of principles that will be put to a PUBLIC MEETING ON THURSDAY 10 AUGUST AT 5.30 PM.

IF YOU HAVE QUESTIONS, COMMENTS OR RECOMMENDATIONS, please make them through the Contact link on the Association website [www.batterypointhall.org.au/contact/](http://www.batterypointhall.org.au/contact/).

INFORMATION ABOUT THE INTERIM PLANNING DIRECTIVE: [www.planning.tas.gov.au/home](http://www.planning.tas.gov.au/home)  
VISITOR ACCOMMODATION INFORMATION SHEET: <http://planningreform.tas.gov.au>

## **INTERNATIONAL AND AUSTRALIAN RESEARCH FINDINGS ON VISITOR ACCOMMODATION**

Visitor Accommodation is available in a variety of forms on online booking platforms, including Airbnb, Stayz and several hotel booking platforms.

Most short-term listings are for self-contained accommodation and accumulate in areas of high tourist attraction. In Hobart, 78% of properties listed by Airbnb are offered as entire homes. 44% of short-term rentals are advertised for over 10 months of the year, making them unlikely to be available for longer term housing supply.

Short-term, self-contained rentals create upward pressure on rents because they provide a more lucrative income for investors than long-term rentals. While short-term, self-contained rentals continue to increase, there has been a 15% reduction in available longer-term private rental accommodation in Tasmania in the past year. In the south of the State, there has been a 60% drop in supply from five years ago.

Many cities around the world are concerned about the impacts of short-term rentals on rental housing stock, affordable housing, residential amenity and character, and are reducing the spread of Visitor Accommodation.

Different cities adopt different short-term rental regulations; for example:

- Berlin allows no short-term rentals of entire housing units and makes it illegal for apartments to be rented for more than the average rent for the local area.
- Denver allows short-term rentals in principal residences only.
- Austin, like Tasmanian cities and towns, allows short-term rentals in principal residences and investment properties.
- London and Paris cap the number of days properties can be rented and levy tourist taxes and fees.

### **The Positives**

- Short-term, self-contained rentals increase the supply and diversity of visitor accommodation.
- Hosted short-term rentals invite tourists to 'live like a local'.
- Short-term rentals can bring new income to local hosts and some businesses.

### **The Issues**

- A prevalence of short-term, self-contained rental accommodation in a residential area diminishes residential character, amenity and sense of community
- Noise, safety breaches, damage to common property and pressure on shared resources (e.g. on-street parking, utilities, and waste management) may bring negative impacts when short-term holiday accommodations penetrate residential areas.
- In higher density metropolitan areas that already experience traffic and parking congestion, residents often resent increasing numbers of tourists.

TWO EXAMPLES OF RECENT RESEARCH FINDINGS ON VISITOR ACCOMMODATION:

<http://council.vancouver.ca/20161005/documents/pspc1c.pdf>

<http://www.tandfonline.com/doi/full/10.1080/01944363.2016.1249011?scroll=top&needAccess=true>