



Te Tai o Poutini PLAN

Short Term Residential Visitor Accommodation Options for Te Tai o Poutini Plan

What is short-term residential visitor accommodation?

Short Term Residential Visitor Accommodation is Air BnB or Book-a-Bach type accommodation located in a residential house in a residential area. It has become increasingly popular as a way for visitors to stay in West Coast towns and settlements.

There are two main types:

- Homestay (or hosted) accommodation – where people stay in the house with the owners/occupiers, or in a separate unit or sleepout on the same property. This includes bed and breakfasts and farmstays.
- Unhosted accommodation -when the whole unit or house is rented out for short term visitor accommodation.

Where guests stay for more than 90 nights this becomes a normal residential tenancy under the Residential Tenancies Act and is not included in these definitions.



What is proposed?

Currently the West Coast Councils are reviewing the rules in their district plans. The new rules will be included in a combined district plan for the West Coast – Te Tai o Poutini Plan. When the current district plans were written, most visitor accommodation was traditional hotels and motels, and the residential zones do not provide for this. However, since that time, homestay hosted BnB type accommodation, and unhosted holiday home rentals have become very popular. Some issues have been identified with this – and the Councils are seeking feedback from the community about the best approach to manage short term residential visitor accommodation.



What are the issues?

Communities have told us that they are concerned about the impact of unhosted residential visitor accommodation on housing availability. There have been some effects in terms of difficulties for workers and new residents getting accommodation. Community feedback in some smaller settlements is that this has also resulted in increased prices for longer term rental accommodation and a housing shortage so that older adults and young families can't move into a community.

Where short term rentals make up a big proportion of the housing, in places like Punakaiki, people have said it has affected their community by reducing the community size and ability to support community function with things such as school rolls, and volunteer fire brigades.

While not identified as such a significant problem, issues have also been raised with noise associated with some short term rentals with "party houses" and holidaying behaviour. Parking, traffic generation and pressure on water and wastewater infrastructure have also been identified as issues in some locations.

Options for Feedback

There are two options being considered for including in the draft Te Tai o Poutini Plan around managing short term residential visitor accommodation.

Option 1: Restricted Discretionary Activity Resource Consent required for Unhosted short term residential visitor accommodation. Maximum use for short term rental of 180 days per year. Homestays up to 5 guests per night can operate without resource consent.

This option is a modification from the current district plan requirements. The restricted discretionary activity resource consent is less onerous than the current discretionary consent, but still requires consideration and approval from the Council. Restricting the number of days per year of use for short term rentals has been identified as a key way to reduce the impact on the longer term rental market. Typically Air BnB on the West Coast sleep up to 5 people, and this is a normal "carload". If someone wanted to have more people, or more days of rental, a more complex resource consent would be required and public notification would be possible.

Option 2: Both unhosted short term residential visitor accommodation and homestays can operate without a resource consent as a Permitted Residential Activity. Building Act Compliance still required.

This option would substantially reduce the regulatory requirements to operate residential visitor accommodation. Prior notification to the district council and Building Act compliance certification would still be required but no other approvals would be needed from the Council.

What are the trends?

Information is only available on Air BnB, although there are other booking sites. The number of Air BnBs on the West Coast has doubled between 2017 and 2020 – from 452 to 861. Of these 629 are entire home rentals. The largest numbers of Air BnB properties are at Franz Josef, Hokitika, Punakaiki and Westport. This is also where some of the strongest community concerns have been heard.

What are the Current Rules?

Under current district plans unhosted short term visitor accommodation generally requires a Discretionary Activity resource consent. There are also Building Act requirements, and written notification to the district council ahead of renting a property for visitor accommodation is always required.

Building Act Requirements

Section 115 of the Building Act means that the building would need to be assessed as meeting the current Building Code for:

- Means of escape from fire
- Protection of other property
- Sanitary facilities
- Structural performance
- Fire rating performance

If there is any construction or alteration activity undertaken as a result of, or to enable the change of use to short term visitor accommodation, (including that to meet the above building code requirements) then this also triggers an additional requirement that there is provision by way of access, parking and sanitary facilities for people with disabilities.

If you have a short term visitor accommodation rental you should check you are operating legally. Operating without meeting Building Act Requirements can lead to a \$5000 fine as well as the requirement to undertake remedial work.

What about Rates?

The district plan rules do not affect decisions around rates. Some of the West Coast Councils are considering, or are, charging residential visitor accommodation commercial rates. This is a separate process relating to the impact that the activity has on the demand for council services and effects on the wider visitor accommodation sector.



Feedback Questions

Name

Address

Contact Email

1. Which of the two options do you prefer?

Option 1: Resource Consent required for Unhosted short term residential visitor accommodation. Maximum use for short term rental of 180 days per year. Homestays up to 5 guests per night can operate without resource consent.

Option 2: Both unhosted short term residential visitor accommodation and homestays can operate without a resource consent as a Permitted Residential Activity. Building Act Compliance still required.

2. Why do you prefer this option?

3. Are there other options or ways you think Te Tai o Poutini Plan should manage short term residential visitor accommodation?

4. Why?

5. Is there anything else you would like to say about residential visitor accommodation?



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