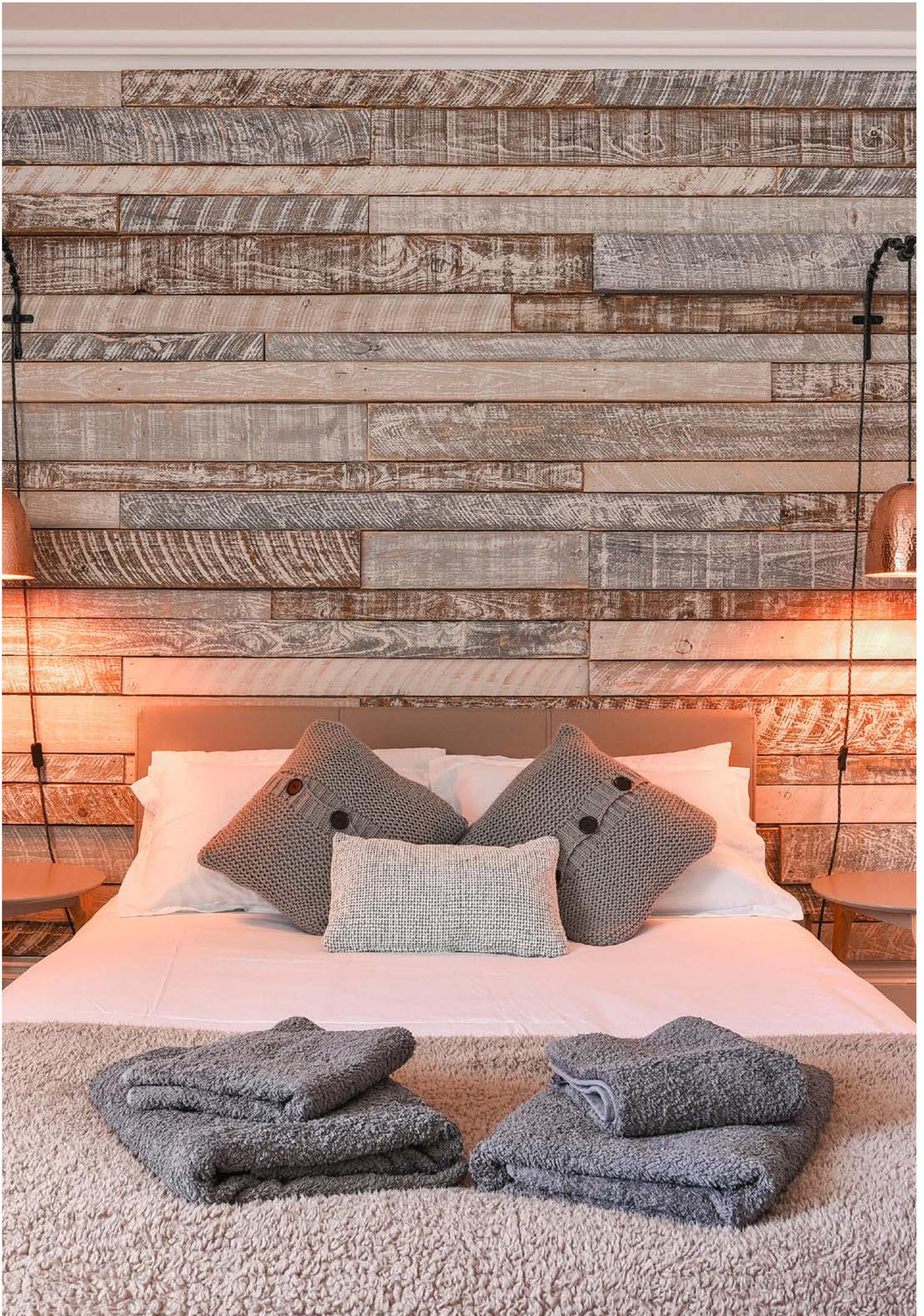


Home-share accommodation in Christchurch

District Plan options
- discussion paper

We are seeking your feedback on a range of options that will inform how the Christchurch District Plan manages environmental effects arising from home-share accommodation (e.g. Airbnb, Bookabach, etc.) within the Christchurch district.



Executive summary

The popularity, variety of offerings and convenience of online booking platforms has led to a significant increase in home-share accommodation (HSA) since the District Plan provisions were last reviewed. ChristchurchNZ estimates that between June 2016 and June 2019 the percentage of accommodation guest nights taken up by Airbnb and HomeAway/Bookabach guests rose from less than one per cent to approximately 27 per cent.

In the last twelve months, on those two websites alone, there were approximately 4230 listings for home-share accommodation in the Christchurch district of which 2135 (50 per cent) were for whole residential units¹. The remaining 50 per cent of the listings were for private rooms or shared rooms.

Home-share accommodation percentage of all guest nights in Christchurch

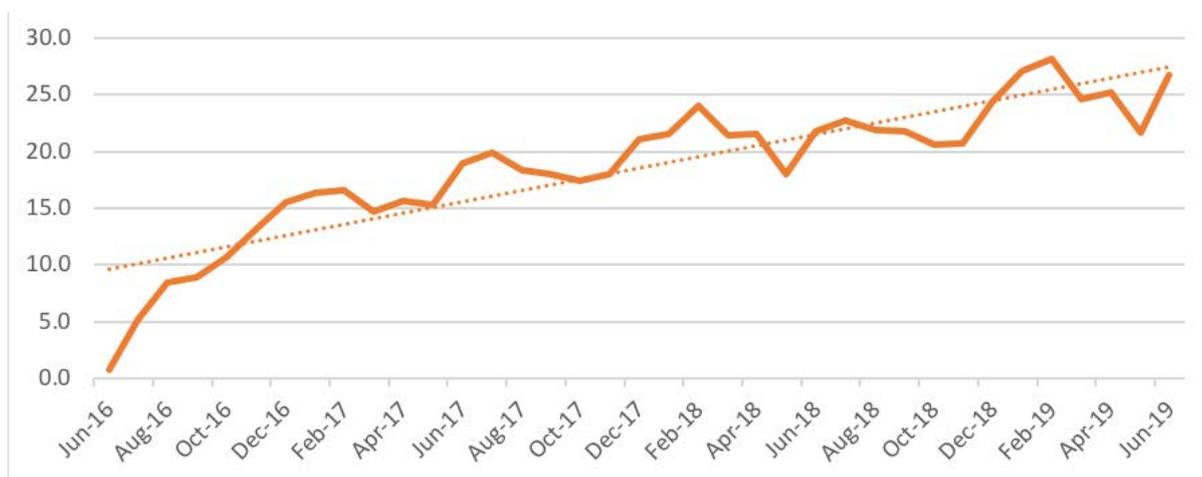


Figure 1 Proportion of estimated guest nights accounted for by home-share accommodation listings in the Christchurch district (Source: ChristchurchNZ, AirDNA)

The District Plan seeks to strike a balance between enabling business and tourism activities, encouraging the recovery of the central city and maintaining residential amenity and cohesion.

Outcomes that the Plan tries to achieve include:

- enabling the efficient use of existing buildings;
- managing effects on neighbours including amenity impacts like noise;
- promoting strong and safe communities;
- maintaining an adequate supply of affordable housing for residents including a choice of locations;
- attracting more visitors to the district and providing them with a high quality experience; and
- supporting the viability and vitality of commercial centres and encouraging the rebuilding of the central city.

¹ Information on the number of listings comes from AirDNA, an independent market research firm which compiles web scraped data on Airbnb and HomeAway/Bookabach, the two largest operators in the Christchurch district. There are a number of other platforms where home-share accommodation can be listed, so the AirDNA statistics used throughout this report will generally be conservative estimates of the size of the market rather than exact figures.

The following options have been identified to address these issues:

1. No change to the current District Plan provisions.

In summary, the current provisions are:

- a. Guest accommodation² (including home-share accommodation) is permitted in commercial and mixed-use zones, the Residential Guest Accommodation Zone and the Accommodation and Community Facilities Overlay.
- b. In residential zones, single room listings with the owner present (“bed and breakfasts”) are generally permitted with some standards, including limits on the number of guests (up to six) and length of their stay (90 days each).
- c. Likewise in rural zones, hosted accommodation is generally permitted as a “farm stay” or “rural tourism activity” subject to standards.
- d. In other residential zones outside the central city, unhosted accommodation/whole unit listings require a resource consent as a Discretionary activity³. Policies to restrict non-residential activities in residential zones are likely to make consent difficult to obtain (i.e. there is need to demonstrate a “strategic or operational need” to be in a residential zone and for effects on character and amenity in residential zones to be “insignificant”).
- e. In residential zones inside the central city, unhosted accommodation/whole unit listings up to 40 square metres per site are permitted, as long as standards are met, including that the activity does not employ anyone who lives offsite. Larger units require a resource consent.
- f. In rural zones, unhosted accommodation/whole unit listings requires a resource consent as a Discretionary activity if not part of a farm stay or rural tourism activity. Policies to restrict commercial activities in rural zones that do not rely on the rural resource potentially make these consents difficult to obtain.

2. Enable whole unit listings in residential and rural zones (as either a Permitted or Controlled activity) up to a specified number of days per year (for example 60, 90 or 120 days a year) and continue to restrict them for longer periods.

3. Enable whole unit listings in residential and rural zones in some areas but not others.

For example, the Plan could:

- 3a. restrict whole unit listings in specific areas where there is likely to be significant demand for home-share accommodation that could compete with objectives to increase the number of residents (e.g. in the central city). Whole unit listings would either be permitted or enabled up to a certain day limit in the rest of the district;
- 3b. enable whole unit listings in areas where there’s the highest demand for them (central city and surrounding suburbs; Banks Peninsula settlements) and restrict them in other parts of the district; or
- 3c. be more permissive in coastal suburbs where there are fewer formal accommodation options.

4. Enable whole unit listings in dwellings that meet specific criteria, minimising impacts of home-share accommodation on neighbours. For example, home-share accommodation wouldn’t be allowed in multi-unit dwellings or dwellings on rear sections. There must be adequate parking and manoeuvring room for larger vehicles and minimum separation distances between outdoor entertainment areas and neighbours.

5. Remove restrictions on whole unit listings and treat home-share accommodation as a form of residential activity.

There are also potential variations on options that draw on elements described above.

We are seeking feedback on these options from 16 January 2020 to 2 March 2020 with a view to deciding whether to notify a proposed plan change once the feedback has been considered. The options are explained in more detail in section 4.

We would like to hear what your preferred option is and how you think the rules should work. Visit ccc.govt.nz/haveyoursay to share your thoughts.

² Guest accommodation is defined in the District Plan as “the use of land and/or buildings for transient residential accommodation offered at a tariff”. The definition specifically includes “hotels, resorts, motels, motor and tourist lodges, backpackers, hostels and camping grounds” and excludes “bed and breakfasts and farm stays”.

³ More information on the different types of resource consents can be found in section 1.5.2 of the Christchurch District Plan.



Background

1. What is home-share accommodation and how does it work?

The past 10 years have seen huge international growth in the use of online booking platforms for guest accommodation in homes including sites like Airbnb, HomeAway/Bookabach and HolidayHouses.co.nz.

In some cases, the host lets a room or rooms in their home while they continue to live there (hosted accommodation). In other cases, the entire house or flat is let while the host is not present (unhosted accommodation).

2. Prevalence of and location of home-share accommodation in the Christchurch district

While short-term letting of spare rooms or empty houses over holiday periods is not new, the scale of the activity has increased significantly in recent years. There are dozens of websites offering accommodation in private homes in Christchurch, including foreign language sites and online booking sites with a mix of formal and informal offerings.

In Christchurch, home-share accommodation listings grew significantly between June 2016 and August 2019.

- Total active listings grew from approximately 283 in June 2016 to 4230 in August 2019 (nearly 15 times as many listings in a little over three years).
- The number of whole home listings increased from 114 to 2135 over the same period.
- Airbnb and HomeAway/Bookabach's share of all guest nights in Christchurch rose from approximately 0.7 per cent in June 2016 to 27 per cent in August 2019, peaking at around 29 per cent over the summer of 2019.

The most popular neighbourhoods are residential areas in the central city and surrounding suburbs, coastal suburbs and communities on Banks Peninsula, and neighbourhoods near the airport. However, there is a distribution of listings across the district in a range of suburban residential and rural areas as illustrated in Figure 2.

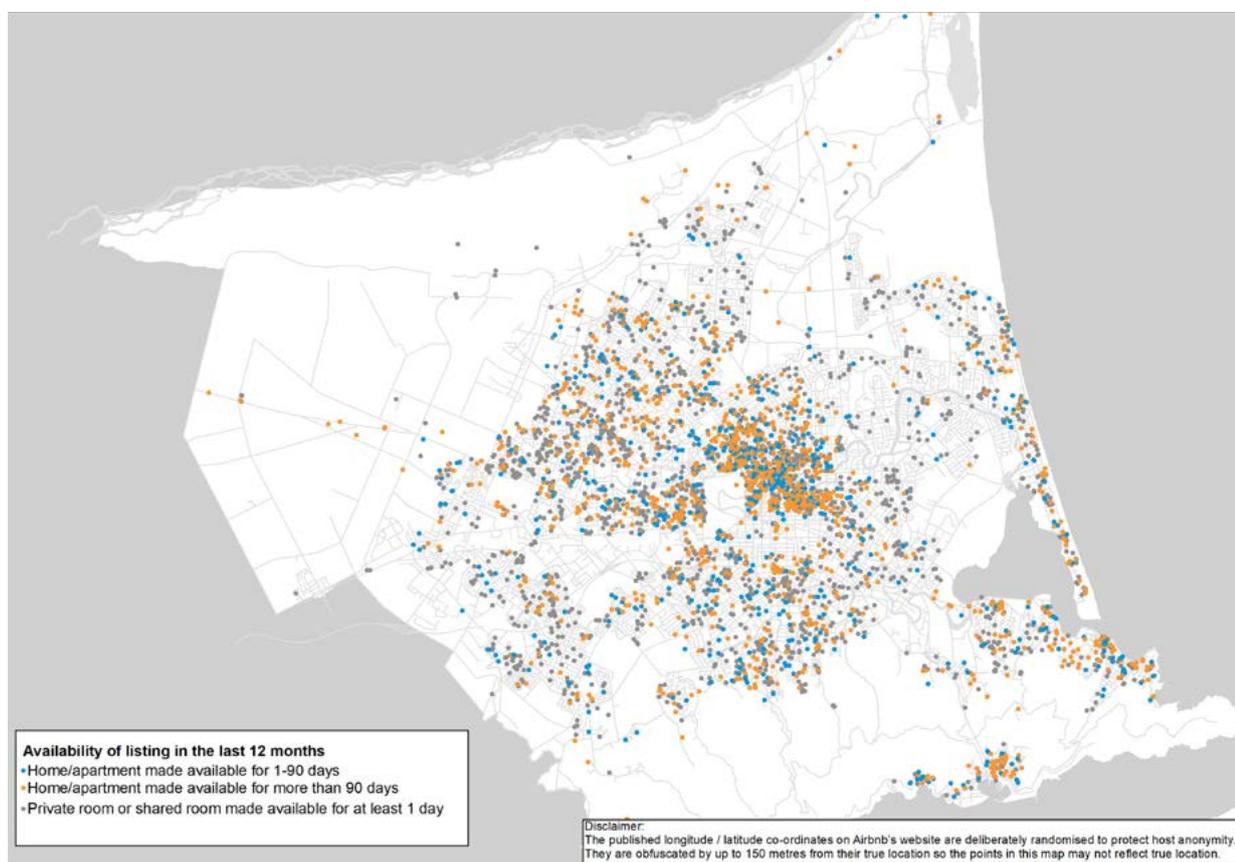


Figure 2 Airbnb and HomeAway/Bookabach listings in Christchurch city between August 2018 and August 2019 (Source:AirDNA)

Most popular areas for whole unit home share accommodation listings

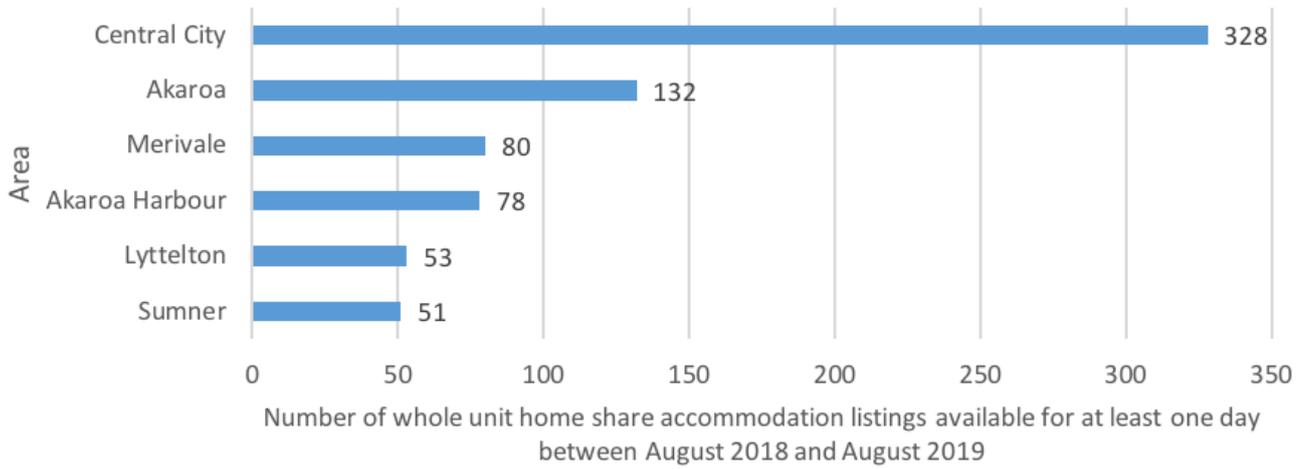


Figure 3 Neighbourhoods or settlements with the largest number of active whole unit Airbnb and HomeAway/Bookabach listings between August 2018 and August 2019 (Source: AirDNA)

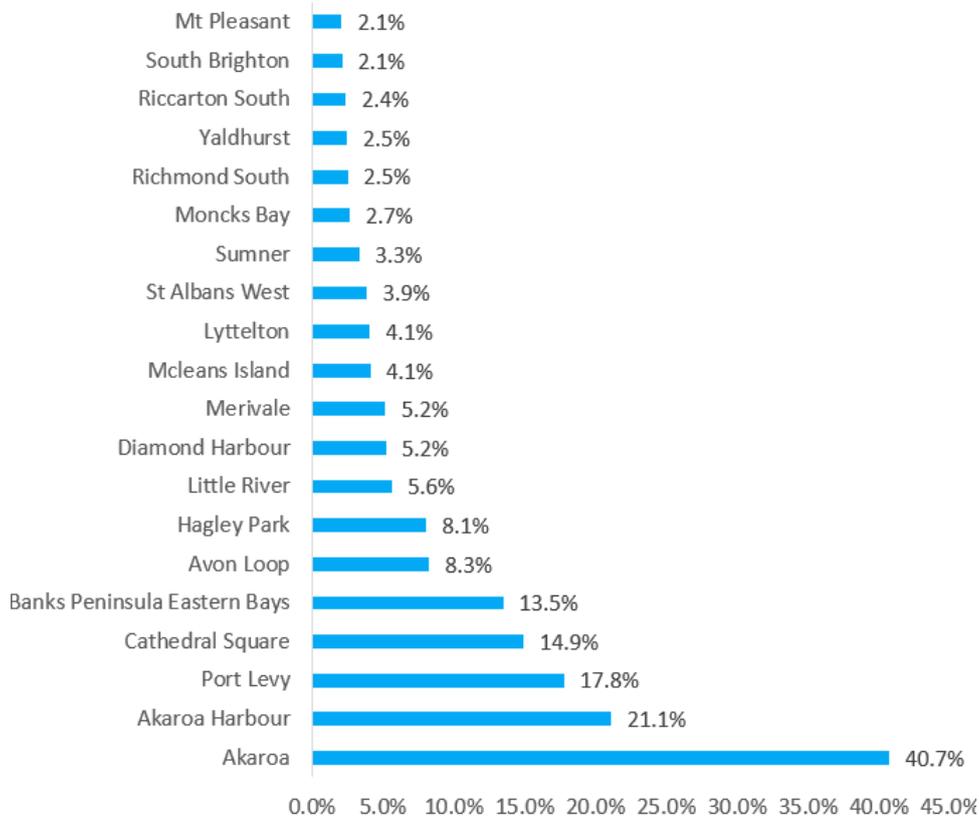


Figure 4 Neighbourhoods or settlements with the greatest concentration of whole unit home-share accommodation listings as a portion of total housing stock (from Property Economics; AirDNA; StatsNZ)

Issues

Increased home-share accommodation in Christchurch is likely having a mix of positive and negative impacts on the district.

Home-share accommodation provides an opportunity for people to supplement their income by renting out their homes or spare rooms that might otherwise be empty. This can potentially make home ownership more affordable for people whose ability to cover a mortgage on their own might otherwise be marginal. However, this may also inflate house prices and rents for people who do not host if it increases demand for housing in that area. Home-share accommodation also provides a low-cost entry for local entrepreneurs. It can diversify the types of accommodation that visitors can choose from and help to manage overflow demand during events or peak visitor periods.

Hosted home-share accommodation can promote cultural exchanges. Airbnb is branching into programmes to connect guests with local experiences that are “off the beaten track” and which enable them to “live like a local”, creating additional flow-on benefits for the local economy.

Visitors staying in home-share accommodation bring money into local communities and may support local shops. Data from AirDNA suggests that home-share accommodation hosts in Christchurch earned approximately \$50 million in the year up to August 2019.

It's likely that the majority of this spending would still have occurred in the absence of home-share accommodation options. There is some evidence however, that home-share accommodation can offer an alternative and more attractive option for some travellers (e.g. unique destination options, family groups wanting a kitchen, travellers with pets) and that some people would not have travelled without that option or may have stayed longer because of it⁴.

On the other hand, home-share accommodation can have negative effects including:

- nuisance impacts on neighbours (including increased noise, traffic, litter, late-night activity and reduced privacy);
- reduction or loss of close community ties in neighbourhoods where a large proportion of dwellings are used for home-share accommodation;
- reduction in housing supply and affordability where residential units are purchased by investors who do not reside there and are used full-time for home-share accommodation; and
- redistribution of retail spending from the central city to other parts of the district, potentially impacting the pace of recovery of the central city.

There has been widespread non-compliance with the current District Plan rules. AirDNA data suggests that between August 2018 and August 2019 there were at least 1600 active whole unit listings in residential zones that required resource consent⁵. Only a handful of hosts have applied for a resource consent despite requiring one. Applications to date have generally been declined or withdrawn because of the restrictive policy framework that applies to non-residential activities.

There are also likely to be a significant number of rural zoned holiday homes that do not meet the definition of a farm stay and are not associated with a rural tourism activity. Those listings also require resource consent.

⁴ Christchurch City Council. Summary of Residents Survey on home-share accommodation. Council Agenda 22 November 2018. pp.473-477. Geron, T. (2012, Nov 9).

Airbnb had \$56 million impact on San Francisco: study retrieved from <https://www.forbes.com/sites/tomiogeron/2012/11/09/study-airbnb-had-56-million-impact-on-san-francisco/#30c870a83962>

⁵ This is an estimate, noting that AirDNA does not include every booking platform, sites listed as available are not necessarily booked, and the locations are scrambled to within 150 metres of the actual location. In the Residential Central City Zone, it assumes two+ bedroom listings are over 40 square metres GFA; and studio and one bedroom listings are under 40 square metres GFA.

Issue 1:

Opportunity to enable more efficient use of existing housing stock

In many cases, whole units listed for home-share accommodation are still primarily being used for a residential purpose. Listing the unit while the primary occupants are away is a more efficient use of a unit that would otherwise be sitting empty.

Many home-share accommodation hosts let out their units on a casual basis. For example, they may live in the home permanently but list it for home-share accommodation for a few weeks a year while they are on holiday. Likewise, in rural zones, many people own holiday homes which they use for part of the year and which they would like to list when the homes are not otherwise occupied. In some cases, farm cottages for seasonal workers may be repurposed for home-share accommodation for the remainder of the year.

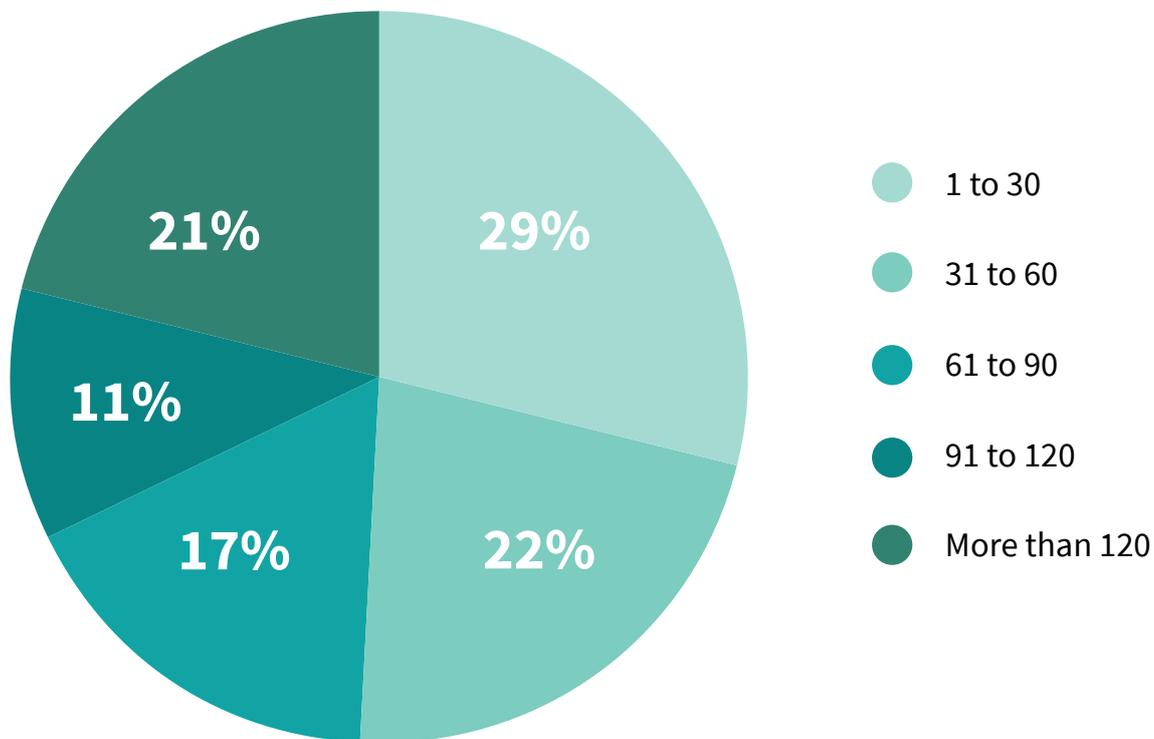


Figure 5 Number of days a year whole unit home-share accommodation units were shown as available for between August 2018 to August 2019. (Source: AirDNA)

The initial deposit for a resource consent for a non-residential activity in a residential zone is \$4000 and, depending on the complexity of the application, the ultimate cost could be significantly more. This is particularly true given the current policy framework, which generally discourages non-residential activities in residential zones.

This could contribute to homeowners not renting out their homes because the regulatory costs are too high or the process is too complex. This may not be the most efficient outcome in terms of the use of those sites.



Issue 2:

Maintaining residential amenity, coherence and character

Longer-term and larger-scale use of residential units for home-share accommodation could result in loss of amenity for neighbours beyond what could be expected from long-term tenants and owner-occupants.

These effects can include excessive noise, late night pick-ups and drop offs, additional competition for car parks, damage from larger vehicles (campervans, etc.) manoeuvring in residential parking areas not designed for them, and litter or other anti-social behaviour.

While long-term neighbours can cause the same effects, they may be more likely to occur and more difficult to resolve where occupants are transient, the accommodation is unhosted and the unit is let frequently. There is less incentive for very short-term guests to moderate noise and other environmental impacts and issues are more difficult for neighbours or enforcement officers to resolve when the property owner does not live on-site.

There can also be a reduction in social cohesion in residential neighbourhoods where a relatively high proportion of

home-share accommodation units mean that neighbours do not have an opportunity to get to know each other. This can result in a reduction of close community ties, the value of which was demonstrated in Christchurch after the earthquakes as neighbourhoods pulled together to assist more vulnerable members.

Residents can also potentially have a reduced sense of safety where home-share accommodation activities are of a higher density, larger scale or more frequently used, which brings a higher proportion of strangers into the neighbourhood.

In some cases, multi-unit apartment or townhouse complexes can be built and all the flats managed by the same company, which lists a large percentage of the units for unhosted home-share accommodation. The use of these buildings can take on a more commercial character as there is a loss of personalisation of the units and little incentive for designers or developers to differentiate them. This can reduce the sense for neighbours that they are living in a residential area.

Issue 3:

Housing supply and affordability

It is increasingly common for residential units to be purchased by an owner who does not reside at the property and to be used full-time for home-share accommodation. In some cases, newly built residential units, particularly in central Christchurch, are being marketed to investors for this purpose. There are also a number of property management companies that specialise in managing home-share accommodation properties. In Christchurch from August 2018 to August 2019, approximately 220 hosts listed more than one whole unit on Airbnb⁶. One host had 56 listings – likely a property management service. The other hosts with multiple listings had between two and 36.

Between August 2018 and August 2019, approximately 681 of the whole unit listings (32 per cent) were listed as available for more than 90 days a year, suggesting that a permanent resident may not live in the unit. This would indicate the approximate number

of residential units that may not have been available for long-term housing (in the year preceding August 2019) because they were being used for home-share accommodation.

By way of context, since 2014, the number of new homes built in Christchurch has been between 2000–3000 dwellings a year.

In terms of housing affordability, a few overseas studies have found some correlation between increased Airbnb listings and higher housing or rental prices. A comparison in US cities found that popularity of Airbnb listings correlated to an increase of both rents and prices and that there could be significant variability by neighbourhood⁷. Similar research has not been undertaken in a Christchurch context to determine whether the same correlation exists. However, higher demand can lead to higher prices.

⁶ Information was not available for HomeAway/Bookabach hosts with multiple listings.

⁷ Barron, K., Kung, E., Proserpio, D. (2018) The sharing economy and housing affordability: Evidence from Airbnb. SSRN Electronic Journal. 10.2139 / ssrn.3006832.

US statistical area	Year-over-year Airbnb Contribution		Year-over-year Growth	
	Rent	Price	Rent	Price
Top 100 statistical areas	0.59%	0.82%	3.18%	5.70%
New York-Newark-Jersey City, NY-NJ-PA	0.60%	0.83%	3.64%	3.55%
Los Angeles-Long Beach-Anaheim, CA	1.14%	1.79%	4.92%	9.66%
Chicago-Naperville-Elgin, IL-IN-WI	0.34%	0.44%	2.25%	3.98%
Dallas-Fort Worth-Arlington, TX	0.70%	1.01%	4.18%	8.21%
Miami-Fort Lauderdale-West Palm Beach, FL	1.02%	1.51%	4.51%	11.72%
Philadelphia-Camden-Wilmington, PA-NJ-DE-MD	0.54%	0.73%	1.94%	2.05%
Houston-The Woodlands- Sugar Land, TX	0.95%	1.37%	4.67%	8.34%
Washington-Arlington-Alexandria, DC-VA-MD-WV	0.70%	0.96%	1.28%	4.41%
Atlanta-Sandy Springs-Roswell, GA	0.75%	1.07%	3.11%	8.42%
Detroit-Warren-Dearborn, MI	0.16%	0.21%	2.41%	8.54%

Figure 5 Estimated Airbnb contribution to house prices and rents in US cities (Source: Barron, Kung and Proserpio 2018)

The Ministry for Housing and Urban Development measures housing affordability by comparing the income after housing costs for renters and potential first home buyers to the income after housing costs for average New Zealand households. They found that in December 2018, 65 per cent of potential first home buyers and 57 per cent of renters in Christchurch were left with below average incomes after housing costs⁸. This is similar to, or slightly better, than the national average of 70 per cent of first home buyers and 57 per cent of renters but still suggests a number of first home buyers and renters can struggle to afford housing.

A Housing Capacity Assessment also looked at housing affordability in Christchurch in 2017. It found that 28 per cent of households would be unable to buy a house that costs more than \$250,000 and 42 per cent of renter households could not afford to pay more than \$300 per week in rent. This was projected to rise to 35 per cent of home buyers and 48 per cent of renters by 2048⁹. The median house price in Christchurch in

September 2018 was \$464,731¹⁰ and the median rent in March 2018 was \$350 per week for a one or two bedroom property and \$440 per week for a three or four bedroom property.

This suggests that while housing in Christchurch is generally more affordable than other major urban centres in New Zealand, many households continue to struggle to find affordable homes to rent or buy. While the impact of increased home-share accommodation is likely to be minor, there is the potential in the future that housing supply could become more constrained while demand for home-share accommodation as an investment could continue to grow. These effects could also be more significant in specific neighbourhoods that are in high demand for home-share accommodation.

On the other hand, increased demand for housing in the short-term could, in the medium to long-term, lead to an increase in supply in areas where the demand can be met.

⁸ <https://www.hud.govt.nz/news-and-resources/statistics-and-research/housing-affordability-measure-ham/>

⁹ Greater Christchurch Partnership. (2018) Housing and Business Development Capacity Assessment 2018-2048. p14.

¹⁰ <https://blog.homes.co.nz/christchurch-median-house-price-by-suburb-2/>

Issue 4:

Economic recovery and growth/impacts on central city recovery

The Canterbury earthquake sequence had a significant impact on the district's economy, particularly in the hospitality and tourism sector with a large number of hotels, motels and other guest accommodation being damaged and/or unavailable for use.

The number of guest nights dropped from 3.35 million per year to 2 million between 2010 and 2012. In 2018, guest nights for the formal commercial accommodation sector had still not quite returned to pre-quake levels (3.1 million). Overseas visitor arrivals returned to pre-quake levels in 2018¹¹.

The number of hotels in the district halved after the earthquakes from 46 to 22. By 2019, the number of stay units¹² available annually in hotels had returned to only 69 per cent of pre-earthquake provision¹³. Anecdotally, at the time of writing, there are a number of hotels that are close to redeveloping but are waiting on a firm commitment and timeframes for the central city anchor projects.

The commercial accommodation industry contributed \$240 million to Canterbury's GDP in 2016¹⁴. Local home-share accommodation hosts made approximately \$50 million in Christchurch between August 2018 and August 2019. These figures do not include additional flow-on effects to local businesses.

While District Plan provisions cannot consider the effects of trade competition, they can regulate activities to the extent that enabling an activity in one area may negatively impact another area. For example, the District Plan currently directs retail and office activities to the central city and suburban centres to support their vitality and vibrancy, restricting these activities in other areas.

Because formal accommodation tends to be clustered in and around commercial centres and along major transport corridors, it is likely that at least some retail spending, that would otherwise be going to the central city, is instead going to smaller local and neighbourhood commercial centres. This is because visitors staying in home-share accommodation are more likely to go to the nearest commercial centres for at least some of their needs.



Figure 6 Impact of earthquakes on Christchurch formal accommodation annual guest nights (Source: CCC, StatNZ)

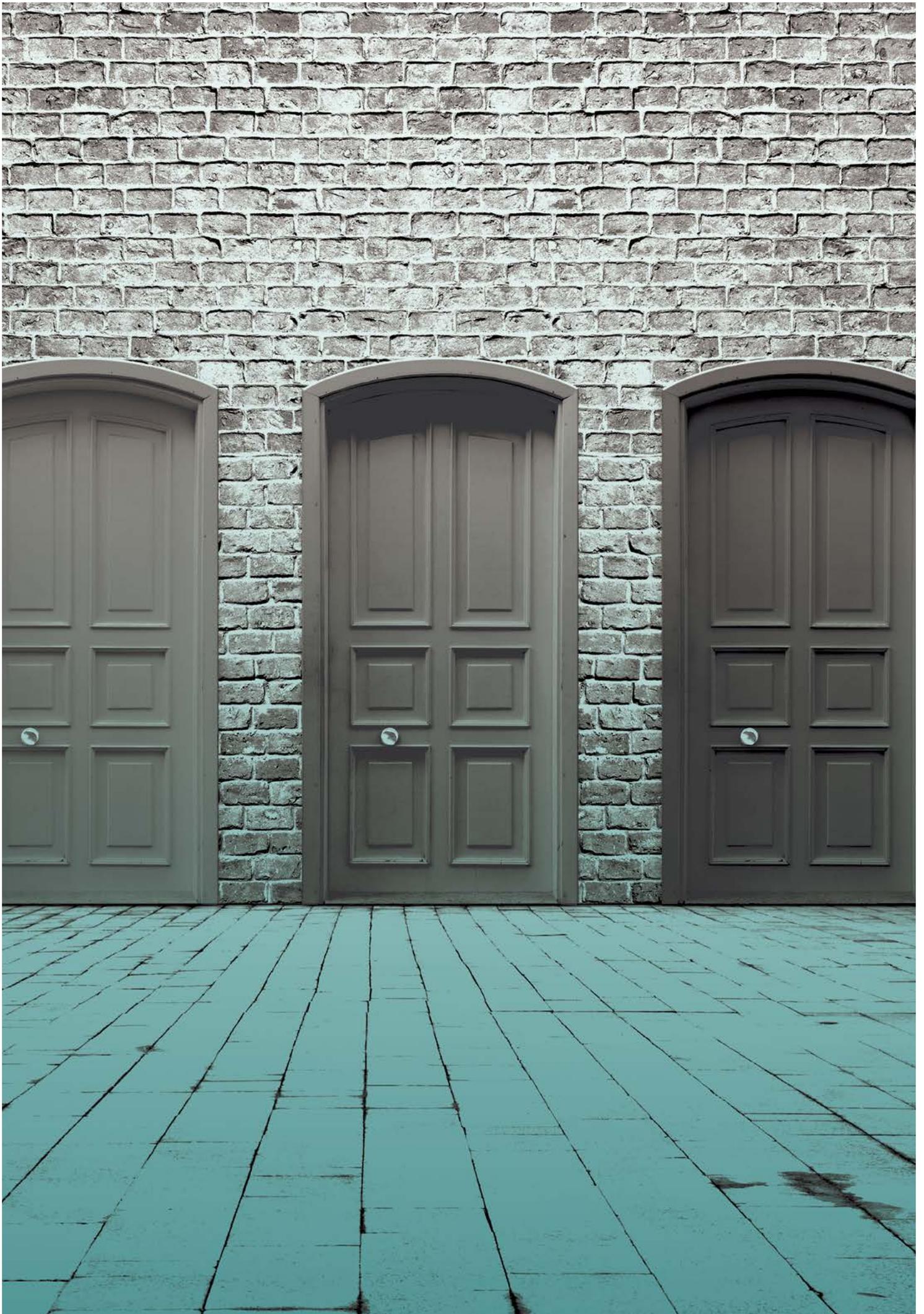
¹¹ StatsNZ, International Travel and Migration

¹² A stay unit is a unit of accommodation that is available to be charged out to guests (such as a room in a hotel or motel, a bed in a backpacker establishment, or a site in a caravan park).

¹³ <https://www.ccc.govt.nz/culture-and-community/christchurch/statistics-and-facts/facts-stats-and-figures/tourism-and-visitors/accommodation/>

¹⁴ <https://www.ccc.govt.nz/culture-and-community/christchurch/statistics-and-facts/facts-stats-and-figures/tourism-and-visitors/accommodation/>





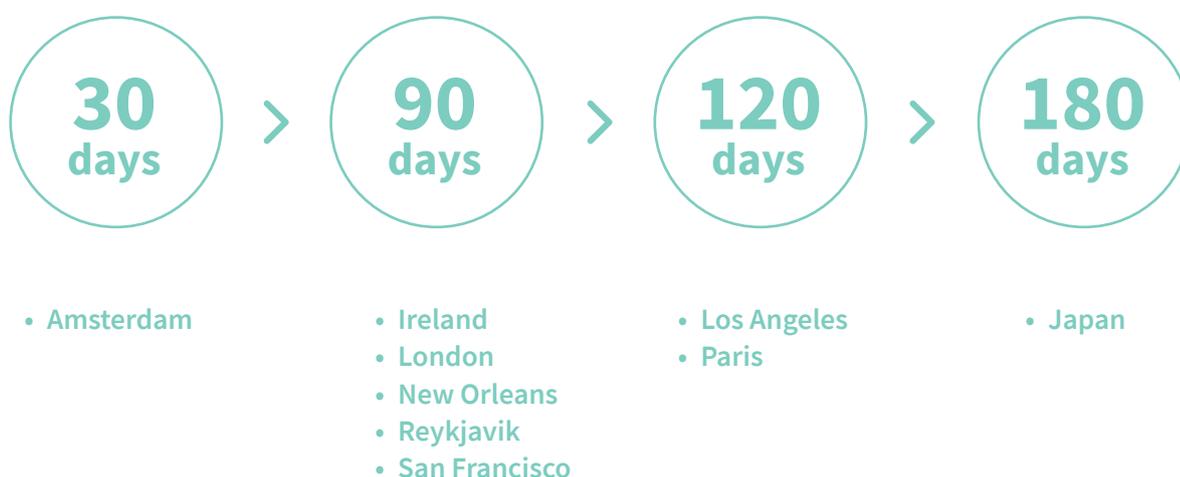
Options

1. What has been done elsewhere?

A number of cities internationally, and in New Zealand, have introduced, or are considering introducing, new regulations to more effectively manage the growth of home-share accommodation.

A common approach is some form of required registration to assist with enforcement.

Another common approach is to limit the number of days that whole units can be booked.



- New York bans all bookings less than 30 days long.
- Barcelona caps the number of home-share accommodation licences issued and has not been issuing any new ones.
- Most of these cities also restrict listings to owner-occupied primary residences.
- Some cities limit the number of units that can be listed by the same host.
- Some cities have restrictions on the location of listings (e.g. banning listings in the historic quarter of New Orleans) or on the types of units that can be listed (Queentown Lakes District Council originally proposed a limit on listings in multi-unit housing complexes).

New Zealand has a different regulatory context to other countries. The Council does not currently propose to rely on registration unless new legislation is introduced at the national level that provides local authorities with the ability to set up or obtain information from some kind of licencing or registration system.

Options

2. Options for the Christchurch District Plan

The District Plan is one of the primary ways by which councils carry out their functions under the Resource Management Act 1991 to achieve the sustainable management of resources. Activities described in the District Plan that are not “Permitted” activities require a resource consent.

The activity status of the activity determines what type of resource consent is required. These include:

Permitted

- No resource consent is required as long as all of the relevant standards in the District Plan are met.

Controlled

- A resource consent is required. The Council cannot decline the consent but can require conditions related to the matters on which it has reserved control in the Plan.

Restricted Discretionary

- A resource consent is required. In considering the application, the Council can only look at the matters it has reserved discretion over in the Plan.

Discretionary

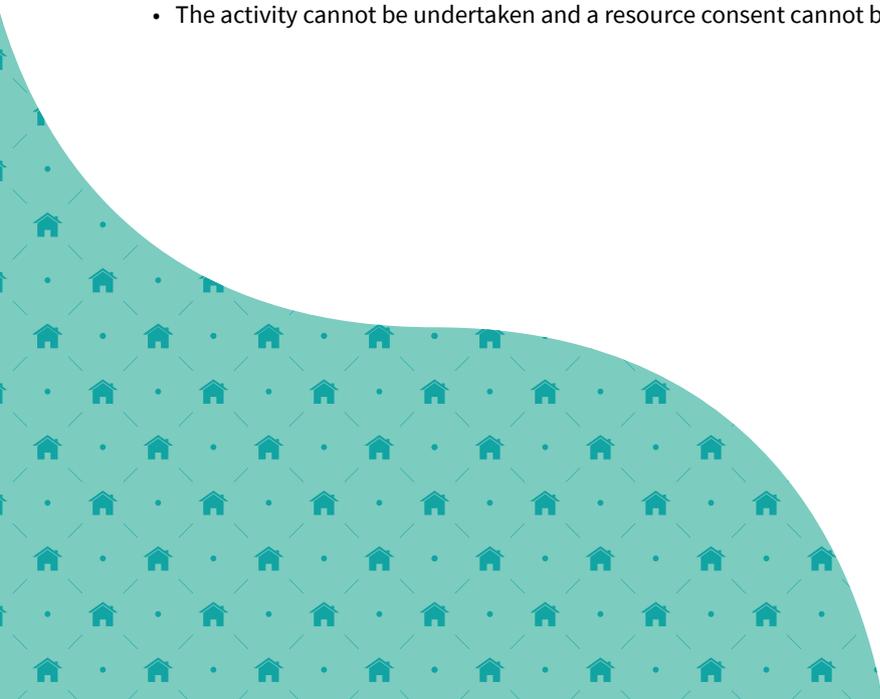
- A resource consent is required. In considering the application, the Council can consider any relevant environmental effects.

Non-Complying

- A resource consent is required. Council can only grant the consent if the environmental effects will be minor or the effects are not contrary to the objectives and policies in the Plan.

Prohibited

- The activity cannot be undertaken and a resource consent cannot be applied for.



The following five options are suggested as potential approaches for how the Christchurch District Plan could manage the impacts of home-share accommodation discussed above. The Council is seeking feedback on these options in order to assist with identifying a preferred option. This option could also be a mixture of several options below.

Note that none of the proposed options affect the current provisions for single room or shared room listings or home-share accommodation listings in zones other than residential and rural zones. They would only apply to the letting of a whole residential unit with no permanent host residing there at the time.

The assessments of the advantage and disadvantages of the options assume compliance with the provisions.

Option 1: No change to the current District Plan provisions.

Summary of provisions	Advantages	Disadvantages
<ul style="list-style-type: none"> • Guest accommodation is permitted in commercial and mixed use zones and some specific areas in residential zones¹⁵. • In residential zones, single room listings / bed and breakfasts are generally permitted, subject to standards including limits on the number of guests. • In rural zones, hosted accommodation is generally permitted as a “farm stay” or “rural tourism activity” subject to standards. • In residential zones outside the central city, unhosted accommodation / whole unit listings require a resource consent as a Discretionary activity. Policies to restrict non-residential activities in residential zones are likely to make consent difficult to obtain (i.e. there is need to demonstrate a “strategic or operational need” to be in a residential zone). • In residential zones inside the central city, unhosted accommodation/whole unit listings up to 40 square metres per site are permitted, as long as standards are met including that the activity does not employ anyone who lives off site. Larger units require a resource consent. • In rural zones, unhosted accommodation / whole unit listings require a resource consent as a Discretionary activity if not part of a farm stay or rural tourism activity. Policies to restrict commercial activities in rural zones that do not rely on the rural resource potentially make these consents difficult to obtain. 	<ul style="list-style-type: none"> • Manages potential amenity effects in residential zones outside the central city. • Limits the location of guest accommodation activities outside of commercial centres, potentially supporting the central city. • Encourages the development of small units in the central city. This may suit the general trend towards smaller households although it is unclear the extent to which these units might later be used as residences. • The option manages impacts on housing supply and affordability outside of the central city. 	<ul style="list-style-type: none"> • Imposes costs on casual hosts which could result in either non-compliance with the District Plan rules or homes sitting empty for a temporary period. • Reduces choice for visitors wanting to stay in suburban residential locations (for example, to be near friends or relatives or to experience “living like a local”). • Significant Council resources required to ensure compliance because of the large number of sites requiring resource consent and the relative ease of change of use between residential and home-share accommodation.

¹⁵ I.e. the Residential Guest Accommodation Zone and the Accommodation and Community Facilities Overlay

Options

Option 2A: Permitted activity status up to a specified number of days

Summary of provisions	Advantages	Disadvantages
<ul style="list-style-type: none"> • Enable whole unit listings (as a permitted activity) in residential and rural zones up to a specified number of days per year – potentially 60, 90 or 120. • Whole unit listings for longer periods would still require a resource consent as a Discretionary activity with a similar policy framework (non-residential activities are generally restricted in residential zones unless they meet specific criteria) 	<ul style="list-style-type: none"> • Enables the economic benefits of casual listings for home owners. • Manages the amenity impacts of home-share accommodation on neighbours, particularly where it is let multiple times on a frequent basis. • Limits impacts on housing supply and affordability on the basis that there is still a requirement for a permanent resident. Limits of 90 or 120 days would enable a house to be let to students or seasonal workers for part of the year and used for home-share accommodation the rest of the time. In most neighbourhoods in Christchurch, somewhere between 90 to 120 days per year is the threshold beyond which letting a room for home-share accommodation becomes more profitable than renting to a long-term tenant. Limiting the number of days to 90 would reduce the incentive to convert long-term housing to home-share accommodation units. 	<ul style="list-style-type: none"> • Potential for less retail spending in the central city compared with Option 1 as properties are able to be used for home-share accommodation in suburban and rural areas. Visitors are more likely to shop in commercial centres that are closer to where they are staying. • Compared with Option 1, it is more difficult without a registration system, resource consent requirement or other reporting requirement, for the Council enforcement team to establish how many days a year a property is being booked. • Some property owners may struggle to find an alternative use for the property for the period beyond that permitted. Having regard to the different types and standards of accommodation, a residential unit may not be suitable for multiple purposes. For example, low-cost student housing may not be to a standard expected by some visitors. The timeframes that accommodation is required for alternative uses may also preclude its use for visitors e.g. demand from seasonal workers in rural areas overlaps with peak visitor seasons. • Home-share accommodation rented out on a permanent basis would be restricted. This could reduce the offer of high-quality, professionally-operated units in residential areas, in favour of casual part-time hosts who may have less experience.

Option 2B: Controlled activity status up to a specified number of days

Summary of provisions	Advantages	Disadvantages
<ul style="list-style-type: none"> • Enable whole unit listings (as a controlled activity) in residential and rural zones up to a specified number of days per year – potentially 60, 90 or 120. • Whole unit listings for longer periods would still require a resource consent as a Discretionary activity with a similar policy framework (non-residential activities are generally restricted in residential zones unless they meet specific criteria). 	<p>Similar to Option 2A</p> <ul style="list-style-type: none"> • Controlled activity status would enable assessment of effects on a case-by-case basis, inclusion of conditions to manage effects and would enable better monitoring of the associated effects on the coherence and amenity of residential areas. • While still requiring a resource consent, it would likely be less expensive and difficult for hosts to obtain consent than with Discretionary activity status. 	<p>Similar to Option 2A</p> <ul style="list-style-type: none"> • A Controlled activity resource consent is still likely to cost several thousand dollars. Many casual hosts may not be aware of the requirement or continue to ignore the requirement if the costs of the consent exceed the potential profits and/or potential penalties.

Options

Option 3A: Restrict in high demand areas and enable elsewhere

Summary of provisions

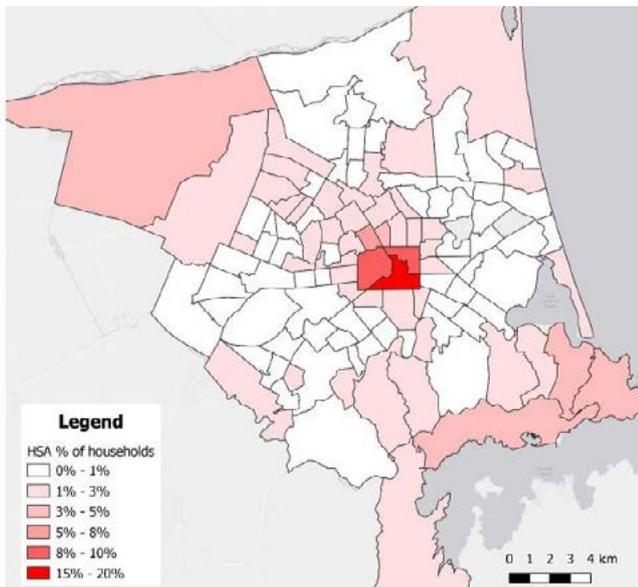
- Restrict whole unit home-share accommodation listings in areas where there is high demand for accommodation and/or a high concentration of home-share accommodation units relative to the number of homes and enable it elsewhere. In Christchurch this could potentially be areas where more than five per cent of dwellings are listed (central city, Akaroa and Merivale.) These restrictions would likely not apply to smaller settlements on Banks Peninsula where future housing demand is not anticipated to be significant.

Advantages

- This option could provide greater housing affordability and choice for permanent residents. Increased demand, however, may be able to be met by additional development in those areas.

Disadvantages

- Area-based restrictions may simply displace home-share accommodation (and any associated amenity effects) into adjoining neighbourhoods where the activity is permitted.
- Restricting unhosted home-share accommodation in the areas with the most demand for it could slow investment and development of new houses, particularly in the central city.
- Home-share accommodation could be located in areas that are further from attractions in the central city, increasing travel times.



Source: Property Economics

Figure 7 Proportion of households listed as home-share accommodation by census area unit.

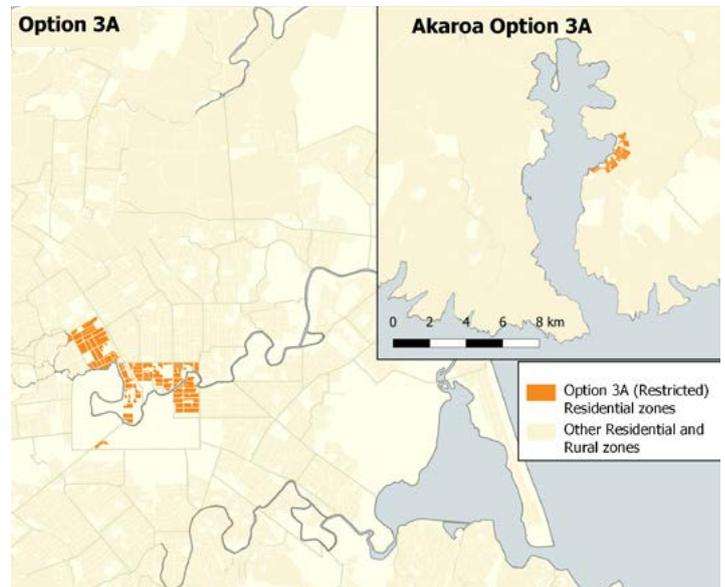


Figure 8 Indicative areas where whole unit listings of home-share accommodation in residential zones would be restricted under Option 3A. Home-share accommodation would continue to be permitted in commercial and mixed-use zones and in the Residential Guest Accommodation Zone and Accommodation and Community Facilities Overlay (not shown).

Options

Option 3B: Enable in high demand areas and restrict in other residential zones

Summary of provisions	Advantages	Disadvantages
<ul style="list-style-type: none"> • Enable whole unit home-share accommodation listings in areas where there is the highest demand for it and restrict it elsewhere. In Christchurch this could potentially be the Residential Central City Zone, residential zones in neighbourhoods adjacent to the central city including Mona Vale, Riccarton, Merivale, St Albans, Edgeware, Richmond, Linwood, Phillipstown, Waltham, Sydenham and Addington; and all rural zones, and residential zones on Banks Peninsula. 	<ul style="list-style-type: none"> • May increase retail spending in the CBD as more visitors would be concentrated near the central city. • Fewer amenity and housing impacts in neighbourhoods that are not in high demand (primarily suburban residential areas). • Allows visitors to stay and cluster near attractions such as the central city. 	<ul style="list-style-type: none"> • Potentially some neighbourhoods will see strong demand for both home-share accommodation and long-term residents. House prices and rents could rise, making it more difficult for permanent residents to afford to live in the central city and the other identified areas. • Clustering may occur, resulting in poorer residential amenity and cohesion outcomes for those neighbourhoods.

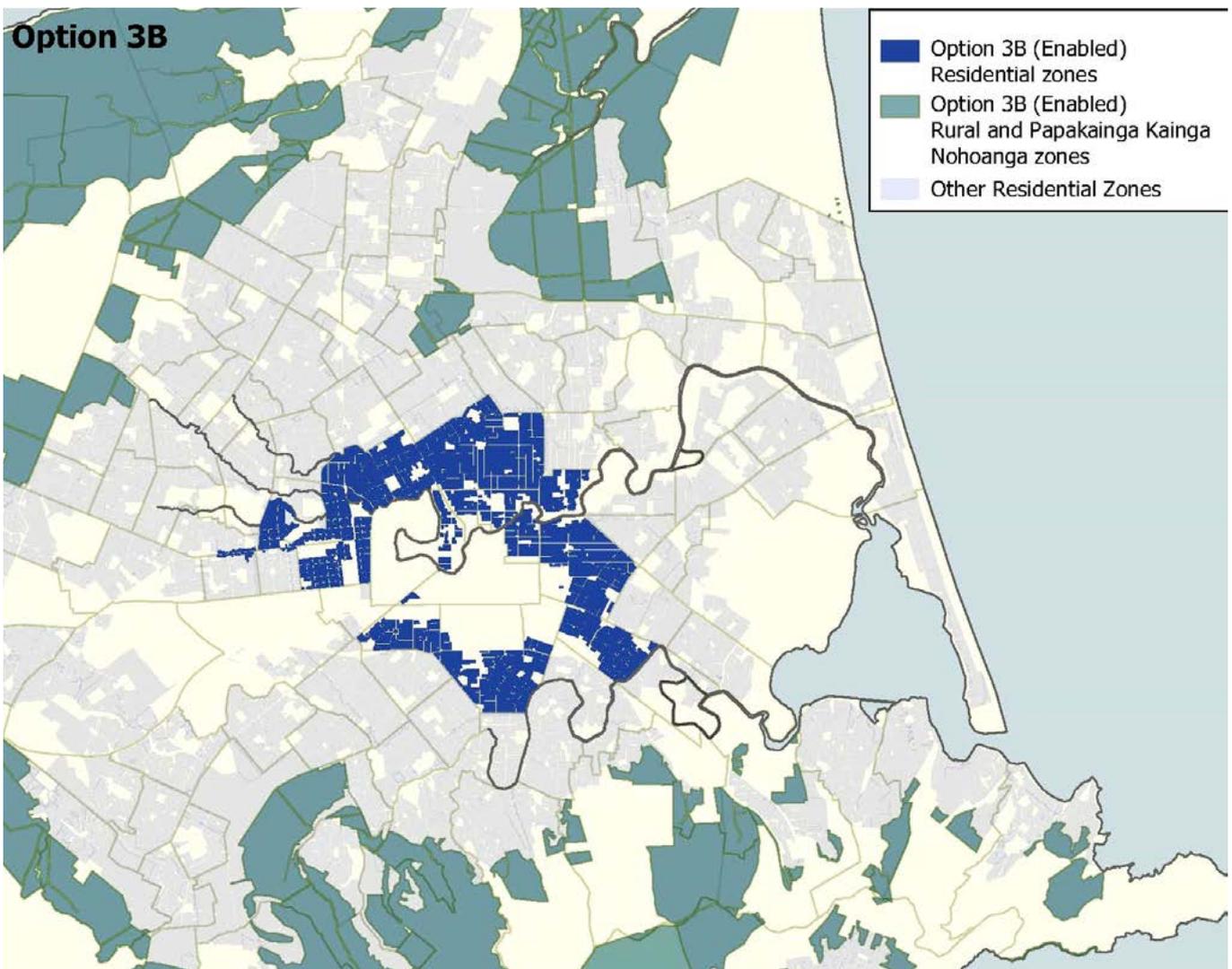


Figure 9 Indicative areas where whole unit home-share accommodation would be enabled in residential and rural zones under Option 3B. Home-share accommodation would also continue to be permitted in commercial and mixed-use zones and in the Residential Guest Accommodation Zone A (not shown) and the Accommodation and Community Facilities Overlay.



Options

Option 3C: Enable in coastal suburbs, and rural and residential zones on Banks Peninsula and restrict elsewhere

Summary of provisions	Advantages	Disadvantages
<ul style="list-style-type: none"> Enable whole unit home-share accommodation listings in coastal areas where there appears to be fewer options for accommodation (see Figure 11) and where physical or other constraints on land, e.g. narrow shape of parcels, reduce the likelihood of future larger-scale formal accommodation options. For example, home-share accommodation could be permitted in Sumner, New Brighton, Lyttelton, Banks Peninsula settlements, Bexley, Ferrymead, Heathcote Valley, Moncks Bay, Mount Pleasant, North Beach, Rawhiti, South Brighton and Waimairi Beach. It would then be restricted in other suburban residential zones and in the Residential Central City zone. 	<ul style="list-style-type: none"> Allows some diversity of accommodation offer. Coastal areas are often attractive for visitors. Helps to meet the demand for accommodation in communities where there may be comparatively few formal options. May help to support the struggling commercial centre in New Brighton by attracting more visitor spending to the area. Manages impacts of home-share accommodation on housing availability and affordability, and residential amenity in the central city and other suburbs. 	<ul style="list-style-type: none"> Potentially adverse amenity effects and weakened community connections in the coastal suburbs identified. Potentially fewer options for visitors wanting to stay in other suburbs.

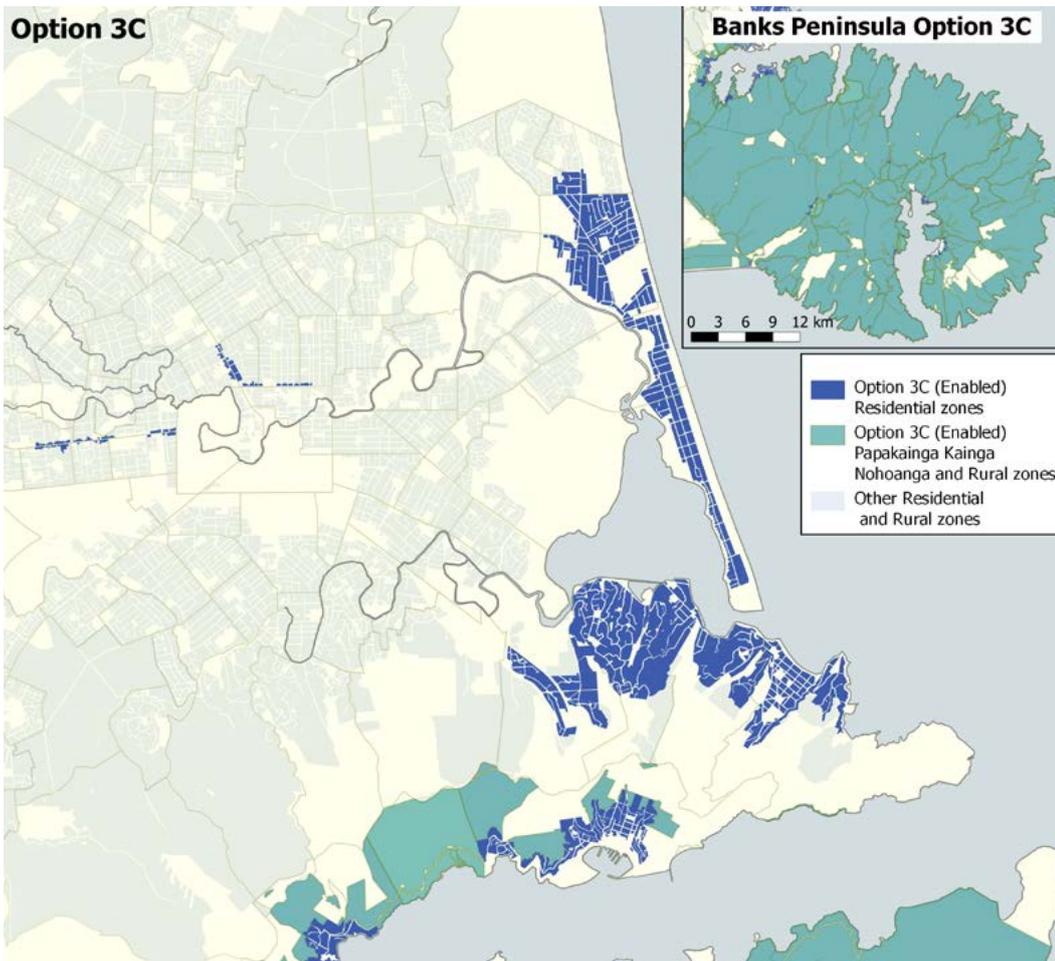


Figure 11 Indicative areas where whole unit home-share accommodation would be enabled in residential and rural zones under Option 3C. Home-share accommodation would also continue to be permitted in commercial and mixed-use zones and in the Residential Guest Accommodation Zone (not shown) and Accommodation and Community Facilities Overlay.

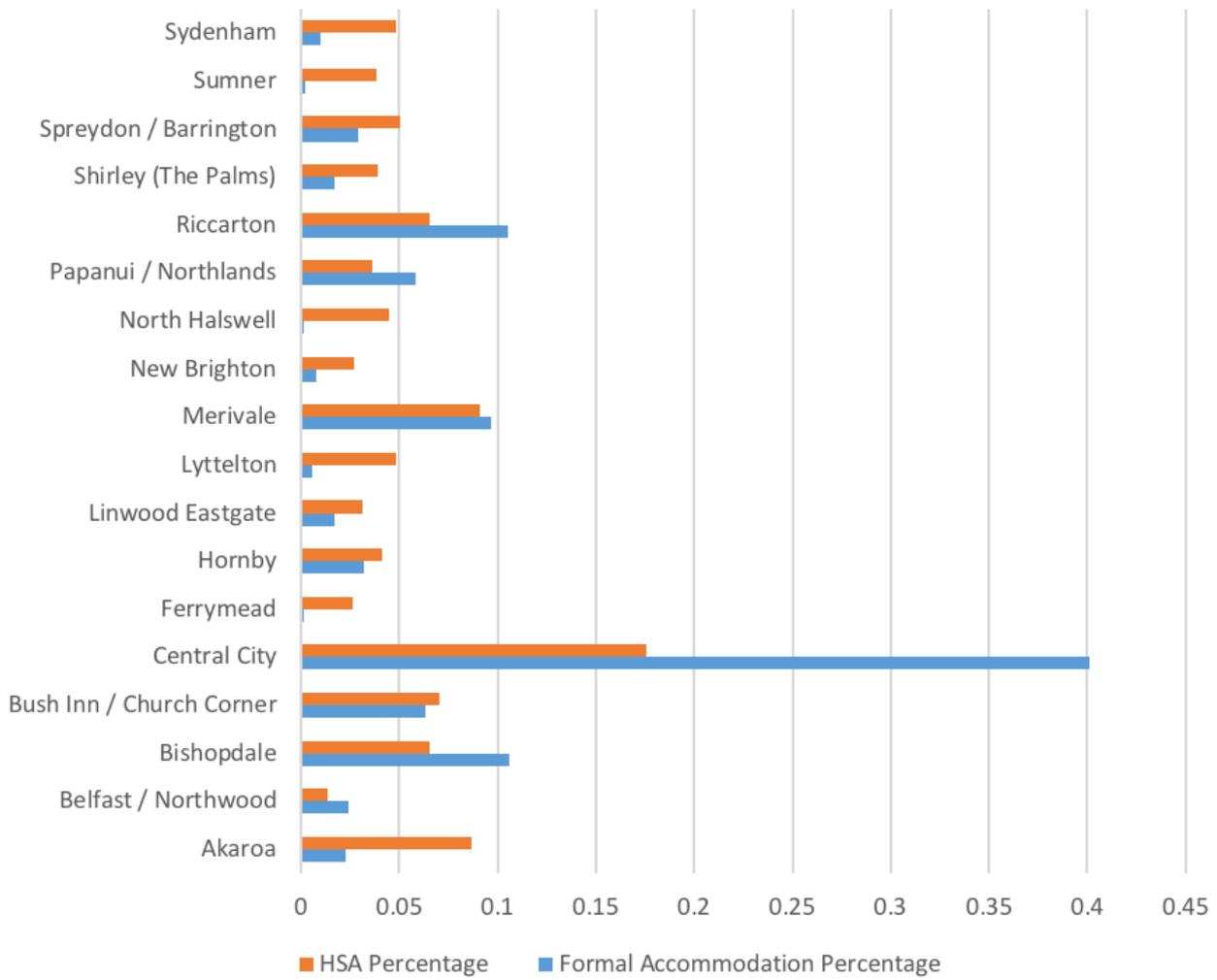


Figure 10 Distribution of home-share accommodation and formal accommodation guest nights by suburb (Source: Property Economics, AirDNA; Christchurch City Council survey of formal accommodation)

Option 4: Enable whole unit listings in dwellings that meet specific criteria that minimise impacts on neighbours

Summary of provisions	Advantages	Disadvantages
<ul style="list-style-type: none"> • Enable whole unit listings in dwellings that meet specific criteria, minimising impacts of home-share accommodation on neighbours. For example, home-share accommodation wouldn't be allowed in multi-unit dwellings or dwellings on rear sections. There must be adequate parking and manoeuvring room for larger vehicles and minimum separation distances between outdoor entertainment areas and neighbours. 	<ul style="list-style-type: none"> • Criteria could help to manage adverse effects on neighbours by limiting home-share accommodation to houses that have more privacy and separation from the neighbours and where parking impacts can be better managed. • Would allow some home-share accommodation in residential neighbourhoods, increasing choice for visitors. This could result in an increased offer across a range of suburbs. • Relatively restrictive criteria could limit the concentration (and therefore impacts) of home-share accommodation in neighbourhoods as only some homes would qualify. Generally, these would be detached houses in suburban neighbourhoods. These types of dwellings would offer the greatest contrast to the current formal accommodation offer for visitors (which more closely resemble studio or one bedroom apartments). 	<ul style="list-style-type: none"> • Criteria may not be able to anticipate and manage all of the potential adverse effects on neighbours. • More complex rules will be more difficult and costly to monitor and enforce. • Some risk remains that a number of houses in the same neighbourhood would still meet the criteria, allowing a greater density of home-share accommodation to cause cumulative effects. • May direct home-share accommodation to suburban locations that are further from attractions, increasing travel, likely by car. • May divert spending from the central city (but to a lesser extent than other options because fewer sites would qualify).

Option 5: Remove restrictions on whole unit listings

Summary of provisions	Advantages	Disadvantages
<ul style="list-style-type: none"> • Home-share accommodation is included in the definition of "residential activity" and generally permitted in residential and rural zones (subject to any standards that apply to other residential activities). 	<ul style="list-style-type: none"> • Provides maximum choice for visitors and opportunities for hosts to earn supplementary income. • Simple to understand. No costs to enforce (other than enforcement of effects under other District Plan rules including noise). 	<ul style="list-style-type: none"> • Does not manage amenity impacts on neighbours additional to what may otherwise occur. • Does not manage potential impacts on housing availability and affordability. • Potentially reduces some spending in the central city, redistributing it to suburban commercial centres.

Other methods

Other regulations also apply to home-share accommodation and manage different matters outside the scope of the District Plan – particularly in terms of health and safety. For example, the Building Act 2004 and the Fire and Emergency New Zealand (Fire Safety, Evacuation Procedures, and Evacuation Schemes) Regulations 2018 may include additional requirements if there is a change of use, depending on the type of accommodation offered and its scale. They can include requirements for things like smoke alarms, sprinkler systems, means of escape in case of a fire, evacuation plans and access for disabled persons. Hosts should seek further advice on whether or not they are complying with those requirements.

More information about these requirements can be found on the Council's webpage at:

<https://ccc.govt.nz/consents-and-licences/resource-consents/residential-and-housing/providing-guest-accommodation>

The Council cannot change how Acts or regulations that sit at the national level apply or don't apply to home-share accommodation.

The Council supports a registration system, requiring registration, and provision of information on home-share accommodation activities at a national level, which would assist with the enforcement of health and safety regulations as well as any District Plan rules that may relate to home-share accommodation.

Rules in the District Plan can only be for the purpose of managing adverse environmental effects and cannot “level the playing field” with other forms of accommodation beyond existing regulation. The Council is also unable to consider trade competition effects in developing District Plan rules.

Our consideration of how to fairly apply other regulatory methods for guest accommodation, to both formal and informal operators, would follow on from any changes to the District Plan and the ability to require registration.

The Council also plans to look at the most appropriate approach to rating properties used for home-share accommodation. Depending on the approach proposed, the Council is likely to undertake a separate consultation process before introducing any change.

Summary

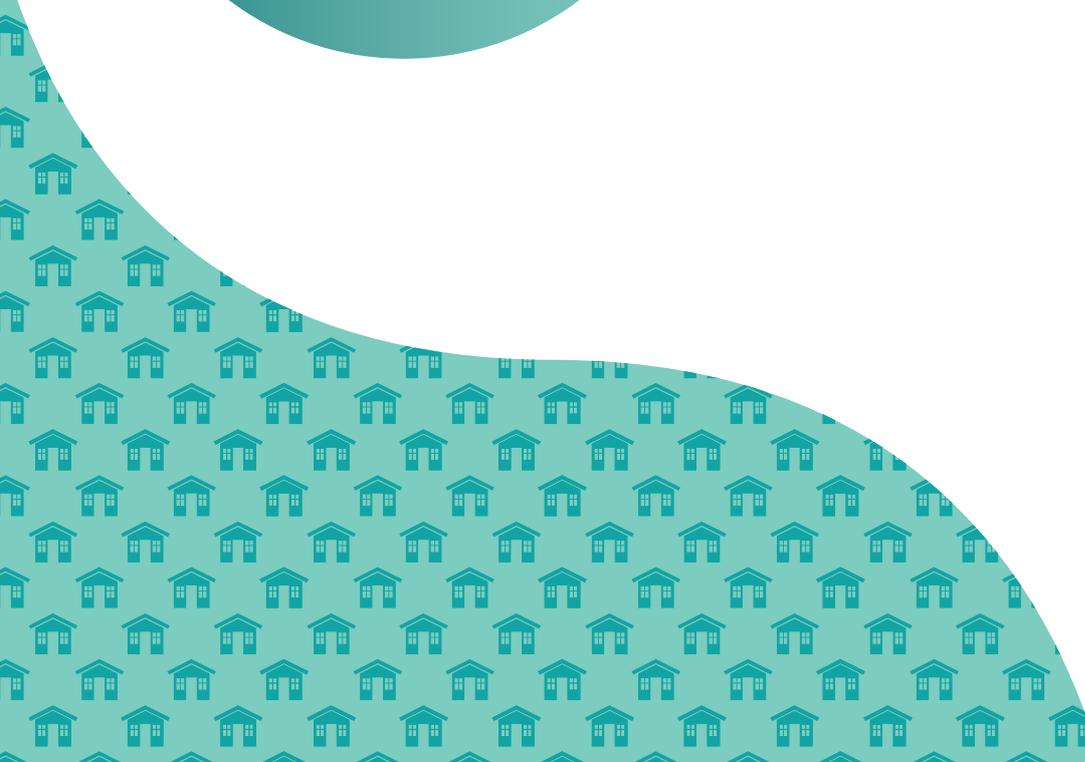
The growth of home-share accommodation in Christchurch is a complex issue with a range of both benefits and potential adverse impacts. Changes to the District Plan would seek to find a balance that maximises the benefits of home-share accommodation while managing effects on neighbourhoods.

The Council is seeking feedback on the options discussed ahead of selecting a preferred option and notifying a plan change for formal public submissions.

We would like to hear what your preferred option is and how you think the rules should work. Visit ccc.govt.nz/haveyoursay to share your thoughts.



**The period for
feedback is from
16 January 2020
to 2 March
2020.**



More Information



You may like to attend a drop-in session about the potential changes. We will be able to discuss the issues and options and answer your questions.

-  **Saturday 25 January 2020** | 11am–1pm
Akaroa – Gaiety Hall, 105 Rue Jolie
-  **Wednesday 29 January 2020** | 5.30pm–7pm
Te Hononga Civic Offices, 53 Hereford Street, Function Room
-  **Thursday 30 January 2020** | 5pm–7pm
North New Brighton – Community Hall, 88 Marine Parade
-  **Tuesday 4 February 2020** | 3pm–6.30pm
Mount Pleasant – Yacht Club, 21 Main Road
-  **Tuesday 11 February 2020** | Noon–2pm and 5pm–7pm
Central City – Tūranga, 60 Cathedral Square, TSB Room on level 1
-  **Wednesday 12 February 2020** | 6pm–8pm
Papanui – Library/Service Centre, 35 Langdons Road, Community Board Room

If you'd like more information but you're unable to attend, you're welcome to call us on (03) 941 8999 or email us at planchange@ccc.govt.nz

How to have your say

Tell us your preferred option for managing home-share accommodation by Monday 2 March 2020.

Written feedback

-  Fill out our online form at ccc.govt.nz/haveyoursay
This is your quickest and easiest option.
-  Fill out a hard copy feedback form at your nearest library or service centre.
-  Email your feedback to planchange@ccc.govt.nz
-  Post a letter to:
Freepost 178 (*no stamp required*)
Home-share accommodation feedback
Christchurch City Council
PO Box 73012,
Christchurch 8154
-  Deliver to Te Hononga Civic Offices at 53 Hereford Street by 5pm, Monday 2 March 2020.

You need to include these details in your feedback.

Your full name, organisation and your role (if applicable), postal address, email address and daytime telephone number.

You're also welcome to call (03) 941 8999 or email us at planchange@ccc.govt.nz



