

Paul Crooks Submission to PC4 Hearing as part of Coalition for Safer Accommodation in Christchurch

If passed PC4 is passed, it still has to be monitored and enforced so its provisions are adhered to, especially if the night limits 1-60, 61 to 180 etc are included.

So I want to first share some personal experience of how inadequate monitoring and compliance of STRAs has been to date under the current district plan in Christchurch

In November 2019 my neighbour was evicted from his residential tenancy as his new landlord told him he could make more money out of Airbnb short term rentals

I knew that Airbnb was not a permitted activity in our area under the current district plan so contacted CCC compliance. Jon Hurley, the compliance officer assigned told me he called the new owner and advised him he could not open an Airbnb in that location. Despite that, soon after the new owner proceeded to advertise the unit on Airbnb and I sent a screenshot of the listing to Jon Hurley in January 2020. He told me he then wrote to the owner threatening further infringement action. Despite this the unit continued to operate as an Airbnb until June 2020, i.e. almost six months later, until financial considerations forced the owner to sell it and fortunately it was purchased by an owner occupier. During the whole time it was used an Airbnb none of the guests made any attempt to communicate in any friendly manner with my family as "neighbours".

In January 2020 my neighbour but one also listed her unit on Airbnb after the then residential tenancy expired. Again I sent a screenshot of the listing to Jon Hurley. Again he contacted the owner and they said they were thinking of switching back to a residential tenancy. However it continued to operate as an Airbnb and for the Electric Avenue concert weekend in February 2020 it was booked by a group of young people. They started a party outside at 10am and were joined by an ever increasing number of guests. Fortunately my family and I were going out for the day but when we returned at about 6pm the party was still in full force with at least 20 in attendance. I was just considering calling CCC Noise Control when the noise abated and when I checked again almost everyone had left - presumably to attend the concert nearby at Hagley Park. They left behind a huge mess which the owner had to clean up the next day. I was subsequently advised by Jon Hurley on March 20, 2020 that the unit owner had advised it was going back to a residential tenancy which did indeed occur soon after.

During my conversations with Jon Hurley he told me that under the RMA he had the ability to issue multiple \$400 fines for non-compliance. I subsequently read an article in the Press newspaper quoting Tracey Weston, head of the CCC compliance team that they had never issued a single fine to a noncomplying Airbnb.

I give these first hand examples to show that Airbnb activity in chch has never been actively monitored or enforced. The CCC relied solely on complaints from residents, many of whom would have been unaware that Airbnbs were not permitted in their area under the current district plan without a resource consent. Indicative of this lack of enforcement is that one large scale property developer the city said in their sales

material to prospective purchasers that the property may not be used as an Airbnb without a resource consent but CCC was unlikely to enforce that.

As part of the coalition and other groups, I have participated in meetings with CCC planners in recent years who said they could not enforce the current district plan as they did not know which properties were operating as Airbnbs. This despite the fact a third party company could provide them with a list for a fee.

Then PC4 appeared with its proposal to allow Airbnbs subject to different resource consents based on nights used as an STRA. i.e. 1-60 nights, 61 -180 nights etc

I could not find any information under PC4 about how the night limits were going to be monitored and enforced but I was surprised to read an article from July 20, 2021 in the Canadian newspaper The Globe and Mail that in Canada, Airbnb, the largest short term rental provider, is actively co-operating with councils giving them back end access to Airbnb so that if their hosts have lost their licence (registration now required in Canada's biggest city Toronto) or gone over the allotted days they can be removed from Airbnb.

The article quotes Nathan Rotman, manager public policy for Airbnb in Canada, saying he is proud of the relationships Airbnb has developed with cities, as well as provincial and federal governments. For example, as of January, 2021, only registered hosts with a licence from the city were eligible to continue on Airbnb as a short-term rental in the city of Toronto.

“We share booking data with cities on a monthly basis,” says Mr. Rotman. “We also launched the city portal, a bespoke tool giving live access to the back end of our platform. If a host has lost their licence or gone over their allotted days, the city can flag it for removal.”

<https://www.theglobeandmail.com/real-estate/article-whats-happening-with-airbnbs/>

I forwarded the Canadian article to Tracey Weston at CCC on 20 September with a series of questions I had and received a reply from planner Mark Stevenson on 27 September. His reply to my first question “Has Airbnb offered to provide the same detailed information to CCC? was **No**

I shared this correspondence with some other coalition members and one then gave me a copy of a discussion paper from Airbnb to the Christchurch City Council signed by Derek Nolan, Airbnb Head of Public Policy for Australian and NZ (it is undated but believed to be from 2019). This paper is attached and it states in part:

“Without adequate compliance measures and mandatory participation of booking platforms and letting agents, a night threshold is also a costly, complex and confusing compliance exercise to administer. Airbnb is committed to working with Christchurch City Council and the central government to help achieve the right policy settings and compliance measures to enable the home sharing economy to grow sustainably. “

It is clear from this, that Airbnb, contrary to what Mr Stevenson believes, actually wants, like its Canadian arm, to assist the CCC in its monitoring and enforcement.

Addition to PC 4 suggested

Therefore, it is my submission, that information assistance from the short term online booking platforms should be a requirement specifically included in PC4.

In his reply to me, Mark Stevenson referred to one existing provision in PC4 i.e. clause "14.4.1.2 The Matters over which Council reserves its control, subsection b. "Record keeping and provision of information to the council."

This provision should be broadened and strengthened in PC4 so that short term rental booking platforms such as Airbnb are required to provide detailed information monthly to the CCC compliance team. This should list their hosts in the city, the number of nights listed online and bookings they have received in the month and the cumulative total of nights for the previous rolling 12 months. This would enable the CCC compliance team to quickly discover those hosts contravening any resource consent conditions they have relating to nights (it is not clear if nights refers to booking nights or nights available for booking). It would also quickly enable them to discover any hosts without the required resource consent.

Clearly from Mr Nolan's offer, Airbnb would support this change which he reiterated later in the document when he said "Airbnb is supportive of establishing an industry wide, mandatory national data sharing framework to drive compliance with STRA regulations"

He also rightfully pointed out, "However, a framework which is voluntary or does not apply to all booking platforms would allow STRA operators to avoid detection by moving their listings to booking platforms not subject to the same compliance measures."

So it is important that my proposed addition to PC4 makes this requirement applicable to all short term online booking platforms that want to operate in Christchurch.

It is clear if all the booking platforms comply, then the CCC should be able to effectively enforce night limits etc under PC4. But if not, then compliance under PC4 will be no more effective than is currently under the current district plan rules and so we are no further ahead.

Paul

2019?



Christchurch City Council

Home-share accommodation in Christchurch: District Plan options — discussion paper

Airbnb Supplementary Information

Thank you for the opportunity to provide supplementary information on the *Home-share accommodation in Christchurch: District Plan options — discussion paper*. In our recent discussion, Christchurch City Council requested further information from Airbnb regarding night thresholds for short-term rental accommodation (STRA) and we are pleased to provide the Council with further insight into this issue.

STRA Night Thresholds

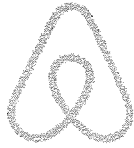
Governments around the world are embracing home sharing and passing new regulations. As cities, states, and countries look at supporting this activity, important questions need to be answered regarding who, how, and when someone should be allowed to undertake this activity. As a company we firmly believe that all people in their own home should be allowed to share their space with guests from around the world without harsh or unnecessary restrictions — as long as they do so responsibly.

We also know that not all rental activity is identical and for that reason we have worked closely with governments to include thresholds to differentiate between a host who is renting infrequently and a more professional host. The latter may need to take additional steps like getting a license in order to rent their home — in this instance, more stringent planning requirements could apply to this category of hosting. While hosts renting less than the threshold do not need a license, they still need to meet all the safety and good neighbour standards that are in place.

The difficult question is at what point does one cross the threshold from amateur to professional hosting activity and require a license. Looking at the data of active hosts in Christchurch, a threshold of 180 days per year for un-hosted STRA¹ for example, would mean that the ~20% of the most active un-hosted STRA listings would be required to obtain resource consent to continue hosting above the threshold.² Such a threshold would feasibly allow a family to take bookings for their own family home every weekend and for the twelve weeks of NZ school

¹ Exclusive of self-contained spaces — such as ancillary dwellings or “granny flats” — within a single property. Airbnb views STRA where the host is present to include ancillary dwellings where the guest/s have exclusive access to the property. Such dwellings are often used by the host for accommodating their own friends and family from time-to-time and do not present the same issues regarding residential amenity as un-hosted STRA in a discrete property (i.e., a whole house, townhouse, or apartment).

² Estimated from internal Airbnb data.



holidays annually and not be required to obtain costly resource consent to do so. Whilst those undertaking hosted STRA, would not be required to obtain resource consent or any other approval.

If a night threshold were to be introduced by the Council, Airbnb highly recommends that stays of 21 nights or longer in un-hosted STRA not count towards the night threshold in any given reporting period. This is in recognition of the increasing mobility demanded by a modern workforce and families for temporary accommodation for reasons such as short-term contract or project work and relocations that are distinct from visitor accommodation.

Risks and Impacts of a STRA Night Threshold

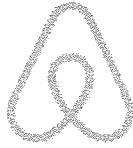
Implementing a night threshold for un-hosted STRA, however, is not without risks or impacts. This includes economic impacts on the local visitor economy and costly enforcement and compliance costs for the Council.

A night threshold risks damaging the recovery of the visitor economy in Christchurch when travel restrictions are lifted following the COVID-19 pandemic. The additional compliance costs may act as a barrier to STRA operators choosing to contribute accommodation to the local visitor economy, in turn limiting the accommodation choices for visitors. This will likely lead to fewer visitor nights and thus fewer visitors injecting valuable tourism dollars into the local economy. At a time when governments, industry, and communities must be working hand-in-hand to rebuild the tourism economy sustainably, any moves by the Council to implement a restrictive threshold on the number of nights a property could be let without resource consent would be ill-judged and serve only to dampen the economic regrowth that is so sorely required in communities across the country. Put simply, a cap on the number of nights a holiday home, bach, or crib can be let is a cap on local jobs in Christchurch.

Without adequate compliance measures and mandatory participation of booking platforms and letting agents, a night threshold is also a costly, complex, and confusing compliance exercise to administer. Airbnb is committed to working with the Christchurch City Council and the Central Government to help achieve the right policy settings and compliance measures to enable the home sharing economy to grow sustainably. We believe working collaboratively with governments and communities is the best way to optimise the value proposition of home sharing as an economic solution that empowers people to earn, expands and enriches travel for consumers, and strengthens communities through sustainable tourism that supports jobs, promotes neighbourhoods, and generates new revenue.

Without adequate enforcement measures to compel all booking platforms or facilitators to abide by the same compliance obligations there will be limited integrity in the enforcement of night

Confidentiality



thresholds and it would be an extremely costly exercise for the Council to either investigate and enforce against individual STRA operators or establish its own enforcement mechanisms.

Airbnb is supportive of establishing an industry-wide, mandatory national data sharing framework to drive compliance with STRA regulations.³ However, a framework which is voluntary or does not apply to all booking platforms would allow STRA operators to avoid detection by moving their listings to booking platforms not subject to the same compliance measures.⁴

Such a framework would unfairly impact booking platforms doing the right thing whilst the problem which enforcement seeks to solve will continue — in this instance, STRA listings could foreseeably be driven to booking platforms who choose not to comply with compliance measures and the nights threshold regulation would be of limited value for the Council to achieve its policy goals.

Conclusion

We look forward to working with the Christchurch City Council in relation to these issues, and would be pleased to engage in discussions and provide additional information which would be helpful for the Council's deliberations.

Sincerely,

Derek Nolan
Head of Public Policy, Australia and New Zealand
Airbnb

Handwritten note:
~~only~~ under
enforced

³ <https://news.airbnb.com/en-au/nzregulatoryprinciples/>.

⁴ For example, in London Airbnb was the lone booking platform to voluntarily enforce against the 90 day limit on STRA hosting by removing listings which had reached that limit whilst other booking platforms did not.

<https://news.airbnb.com/en-uk/airbnb-remains-the-lone-champion-for-responsible-home-sharing-in-london/>.