Before an Independent Hearings Panel at Christchurch

under:	the Resource Management Act 1991
in the matter of:	Proposed Plan Change 4 to the Christchurch District Plan
and:	Airbnb Australia Pty Limited Submitter 112 / Further Submitter 4

Statement of Evidence of Derek Nolan

Dated: 7 May 2021

REFERENCE: Jo Appleyard (jo.appleyard@chapmantripp.com) Amy Hill (amy.hill@chapmantripp.com)



STATEMENT OF EVIDENCE OF DEREK NOLAN

INTRODUCTION

- 1 My full name is Derek Matthew Nolan.
- I am the Head of Public Policy, Australia and New Zealand at Airbnb Australia Pty Limited (*Airbnb*). I have held this position since October 2019. Prior to this, I was National Political Director for the United Workers Union, one of Australia's largest trade unions - and prior to that an elected member of the Irish parliament
- 3 My qualifications include two honours degrees in law, a masters degree in international human rights law and admittance to the Roll of Solicitors in Ireland.
- I have been authorised by Airbnb to provide evidence in relation to Airbnb's submission (number 112) and further submission (number 4) on proposed Plan Change 4 to the Christchurch District Plan. I am familiar with the content of Airbnb's submission and further submission.

SCOPE OF EVIDENCE

- 5 My evidence will deal with the following:
 - 5.1 an overview of Airbnb;
 - 5.2 Airbnb in Christchurch;
 - 5.3 Housing supply and affordability; and
 - 5.4 Airbnb's reasons for opposing the proposed plan change in its current form.

ABOUT AIRBNB

- 6 Airbnb was born in 2007 when two Hosts welcomed three guests to their San Francisco home, and has since grown to 4 million Hosts who have welcomed over 800 million guest arrivals in almost every country across the globe. Every day, Hosts offer one-of-a-kind stays and unique experiences that make it possible for guests to experience the world in a more authentic, connected way.
- 7 Airbnb engages constructively with local and national governments around the world regarding the regulation of short term accommodation.

- 8 In 2020 we began discussions with the Ministry of Business, Innovation and Employment (MBIE) on a possible national approach to Short Term Rental Accommodation (STRA) in New Zealand. As part of those discussions we proposed a framework based on:
 - 8.1 a national approach to planning laws;
 - 8.2 a nationwide code of conduct for guests and Hosts enforceable through penalties such as fines and/or bans; and
 - 8.3 a nationwide data-sharing system.
- 9 By way of another example, we are in the implementation phase of a new STRA framework in NSW, Australia. We expect this framework will be fully operational by the end of 2021. That framework consists of:
 - 9.1 Planning reform that defines STRA as accepted ancillary use of residential dwellings;
 - 9.2 Exempted development status for STRA activity up to:
 - (a) 180 nights in Greater Sydney
 - (b) 365 nights in the rest of NSW (with options for individual Councils to apply the 180 nights limit); and
 - 9.3 A state wide code of conduct defining rights and obligations of Hosts, guests, property managers and online platforms alongside a complaints mechanism with penalties ranging from warnings to exclusion from the industry:
 - (a) Strata reform that allows a strata development to prohibit STRA on non-owner occupied properties where a vote of 75% of them members so vote
 - (b) A simple online registration system.

Airbnb contributions to civil defence and emergency shelter

- 10 Airbnb's Open Homes program signed an MOU with the Ministry of Civil Defence & Emergency Management in 2018 and the Fire and Emergency New Zealand in 2019. Since then hundreds of Hosts across New Zealand have volunteered their homes on 4 separate occasions to support those displaced by wildfires, flooding and severe weather events.
- 11 In December Airbnb.org was launched as an independent 501(c)(3) non-profit organization dedicated to facilitating temporary stays for

people in times of crisis. Going forward, Airbnb's Open Homes and Frontline stays programs will now be called Airbnb.org.

AIRBNB IN CHRISTCHURCH DISTRICT

- 12 Airbnb's Host community supports the growth of the visitor economy in Christchurch, providing more choice of accommodation to consumers in more locations across a variety of price points. Airbnb's community is an important contributor to the local economy by bringing valuable tourism spending to Christchurch, which in turn creates more jobs in brick-and-mortar businesses such as local cafes, restaurants, and shops. The latest research shows that in one year alone, Airbnb guests who stayed in Christchurch spent over \$50 million, which supported 360 jobs and contributed over \$35 million to Gross Regional Product.¹ Close to a quarter of a million Airbnb guests are estimated to have visited Christchurch in 2019.²
- 13 A 2020 Oxford Economics report explores the total economic impact of Airbnb in Aotearoa. Commissioned by Airbnb, the report found Airbnb was now a valuable pillar of New Zealand's tourism industry, contributing approximately \$2.7 billion to Gross Domestic Product and supporting 26,300 Kiwi jobs in just 2019. The total jobs supported by Airbnb in 2019 represents some \$1.1 billion in wages paid last year. The report also highlighted the powerful multiplier effect Airbnb guest spending has within local communities. In 2019, Airbnb guests spent a total of \$2.5 billion in New Zealand, representing 5.7% of the country's total tourism spending that year.³
- 14 I note that the Council has used data from a third party website to inform this plan change. There are some major caveats to such data. That is because in some cases third party websites purport to have information that even Airbnb does not have. For example, Hosts on Airbnb must classify their listing either as a shared room, a private room, or an entire home listing. As described above, an entire home listing could include:
 - (a) one's principal private residence listed on Airbnb for certain periods of the year - be it peak holiday season or to support local major events coming to the city;
 - (b) a granny flat on one's premises;

¹ Deloitte Access Economics 2018, Economic effects of Airbnb in Christchurch, p.1.

² <u>https://news.airbnb.com/en-au/quarter-of-a-million-airbnb-guests-explore-christchurch/</u>.

³ Oxford Economics 2020, The Economic Impact of Airbnb in New Zealand: An Independent Report by Oxford Economics

- (c) a sectioned-off part of a principal private residence such as a converted garage, a ground floor with rear entrance or other similar space;
- (d) A chalet on the grounds of a hotel resort, golf club or other tourism/recreational facility;
- (e) a family holiday home; or
- (f) a 'full time' short term rental.
- 14.1 Incorrect interpretation of information from third party websites can lead to the conclusion that all 'entire home listings' are category (f) above, which would be a gross misrepresentation. Most of the listing categories on Airbnb would not be available for long term rentals.
- 15 Airbnb has continued to grow into a significant component of Christchurch's visitor economy. The Airbnb platform is used by a broad spectrum of Hosts, ranging from people who make extra income from sharing space in their own home, to the long-established bach, crib and holiday home tradition, and even to boutique hotels and motels who increasingly list on our platform. Hosts on Airbnb are spread throughout Christchurch City, and all across Banks Peninsula.
- Hosts on Airbnb in Christchurch are a key part of the district's social fabric, and view themselves as ambassadors for their community helping to provide an exceptionally welcoming and authentic experience for visitors. According to Airbnb survey data, approximately 58 percent of Airbnb Hosts in Christchurch choose to host "to get to know other cultures and share my own" and "to meet new people".⁴ Additionally, approximately 98 percent of Hosts on Airbnb across New Zealand reported recommending at least one business or landmark to their guests.⁵
- 17 Airbnb and our community are deeply committed to supporting the growth of the visitor economy in Christchurch into the future and we want to work collaboratively with Christchurch City Council on policy solutions that deliver positive outcomes for local jobs, the broader economy and a diverse group of stakeholders. Simple, clear and reasonable rules in the District Plan will enable Hosts on Airbnb to responsibly and respectfully continue to contribute to the district and the wider regional economy. Already, as proud ambassadors of the city, the Canterbury Host Club in Christchurch proactively

 $^{^4}$ Airbnb survey data. Survey conducted from Feb 1, 2021 to Mar 3, 2021of 70 Hosts in Christchurch who hosted a trip during 2020.

⁵ Airbnb survey data. Survey conducted in January 2020 of 1,383 Hosts who had a listing on Airbnb in New Zealand.

collaborates with local stakeholders to bring value to the broader community. Last year for example, the Canterbury Host Club designed a bespoke Christchurch Local Guide which highlights small local businesses recommended by our Host community (this is accessible at airbnb.com/guidetochristchurch). The Canterbury Host Club also organised a Host meetup with ChristchurchNZ to learn about how they could support the city's vision and work together to promote Christchurch and enhance the visitor experience.

- 18 Not only does home sharing offer a wider variety of accommodation options to complement traditional visitor accommodation such as hotels and motels, it attracts and facilitates a broader range of visitors to the district. The Property Economics Report commissioned by Christchurch City Council in January 2020 found that home sharing accommodation guests accounted for over 19 percent of the estimated \$1,120 million annual visitor spending in Christchurch. Further to this, the report found that 25% of respondents suggested they stayed longer than they otherwise would because of the ability to book a listing on Airbnb.⁶ An Airbnb guest survey shows that approximately 55 percent of guests have saved money by staying at an Airbnb listing with approximately 36 percent of guests telling us that this allowed them to spend more money on goods and services in the city.⁷ This is another vital contribution to the visitor economy and a key driver of growth and prosperity. A thriving home share community will strengthen Christchurch's local economy and maximise tourism opportunities.
- 19 Airbnb's proven track record in providing accommodation for major events supports the ability to attract the drivers of economic activity in the visitor economy to the city. Without the investment cost or time delay that comes with building new accommodation, Airbnb supports the visitor economy in Christchurch to better manage significant surges in demand for accommodation. As such, Hosts on Airbnb support the accommodation demand during major construction or infrastructure projects and during major events such as the annual Kathmandu Coast2Coast NZ, regional sporting competitions and sporting events at the Metro Sports Facility and concerts at the Christchurch Arena. Given the right travel environment, Hosts on Airbnb anticipate providing substantial accommodation support to the SailGP event in January 2022 and to the rugby and cricket conventions to be held at the soon to be completed Te Pae Convention Centre.

⁶ Property Economics 2020, Economic Advice on the Impacts of Home Share Accommodation at 43 <u>https://www.ccc.govt.nz/assets/Documents/The-Council/Plans-</u> <u>Strategies-Policies-Bylaws/Plans/district-plan/Proposed-changes/2020/Home-share-</u> <u>accommodation/Property-Economics-Report.pdf</u>

⁷ Airbnb survey data. Survey conducted from Feb 1, 2021 to Mar 3, 2021 of 423 guests in New Zealand who took a trip during 2020.

Impacts of Covid-19 pandemic and future projections

- 20 In 2021, more than 30% of Hosts on Airbnb in New Zealand are not employed or employed part time, ⁸ and approximately 36% of Hosts on Airbnb in New Zealand have had themselves or a member of their household suffer a paycut, reduced hours, a job loss, layoff or furlough as a result of the Covid-19 pandemic.⁹ This highlights the important contributions that Airbnb can make enabling those in difficult economic situations to manage the effects of the Covid-19 pandemic, which results in improved community resilience. Airbnb is now able to look at a full year of data since the onset of the pandemic and report that between March 2020 and March 2021 new Hosts with only one listing have earned more than \$1.2 billion globally on Airbnb.¹⁰ People are turning to hosting to turn their laziest - and often most expensive - asset into an income generator.
- 21 Christchurch has ranked top globally in its representation of women Hosts, with 70% of all Hosts in Christchurch being women.¹¹ Not only are women who host on Airbnb bringing in valuable tourism dollars to businesses in their communities, they're also earning income to combat rising living costs, pay down mortgages and secure their financial future. This is all the more significant given the disproportionate fall in employed women as a result of the Covid-19 pandemic.¹²
- 22 James Lambert, Oxford Economics' Director of Economic Consulting in Asia, has said the following on how Airbnb can play a role in post-COVID-19 recovery in New Zealand: ¹³

"Airbnb is well placed to play an important role in bringing tourists, and their spending, back to destination economies.

Airbnb could play an important role in supporting the earlier recovery of domestic travel by helping households, particularly

⁸ Airbnb survey data. Survey conducted from Feb 1, 2021 to Mar 3, 2021 of 528 Hosts in New Zealand who hosted a trip during 2020.

⁹ Airbnb survey data. Survey conducted from Feb 1, 2021 to Mar 3, 2021 of 628 Hosts in New Zealand who hosted a trip during 2020.

¹⁰ <u>https://news.airbnb.com/update-new-hosts-have-earned-1-2-billion-on-airbnb-in-the-last-year/</u>

¹¹ <u>https://news.airbnb.com/en-au/aussie-and-kiwi-women-leading-the-way-globally-as-hosts-on-airbnb/</u>

¹² <u>https://www.stats.govt.nz/news/covid-19s-impact-on-women-and-work</u>

¹³ <u>https://news.airbnb.com/en-au/airbnb-poised-to-help-drive-new-zealand-tourism-recovery-oxford-</u>

Feconomics/#:~:text=Oxford%20Economics'%20new%20report%20explores,Kiwi% 20jobs%20in%20just%202019.

those who seek to substitute an international trip with a domestic one, discover new areas in their own country to visit.

Specifically, Airbnb can inspire domestic travel in areas outside tourist hotspot locations by offering unique listings and experiences across regional markets."

23 Mr Lambert said Airbnb's characteristics of "resilience, flexibility and affordability" meant that it is "well positioned to help accelerate the recovery of the tourism sector".

Earthquake recovery

24 Christchurch is still in the process of recovery and regeneration after the 2010 and 2011 Canterbury Earthquakes. A key part of long term recovery is promotion of a vibrant, prosperous city centre and economic recovery in the district. Home sharing, through platforms such as Airbnb, has a key role to play in this recovery. Many of Airbnb's Hosts in Christchurch have told us that the platform has contributed to their economic recovery after the Earthquakes. At a district-level, Airbnb's strong multiplier effects and contributions to the visitor economy will continue to support post-earthquake regeneration.

Efficient use of existing housing stock

- 25 Home sharing maximises use of existing housing stock, allowing homeowners to host guests in their space while they are away, or to make optimal use of a vacant room. Harnessing under-utilised space in homes can help build resilient cities that are more responsive to change, can quickly seize new opportunities, and which promote sustainable tourism.
- 26 There is a large community of people in Christchurch for whom sharing their home or space is a vital source of income. The sharing economy helps to build resilient communities where locals can create supplemental income, and robust economies that are supported by increased visitation and spending by Airbnb guests — often in areas that have not traditionally benefited from the tourism dollar. The supplemental income earned helps Hosts meet the cost of living and pay their mortgage and bills. In 2019, more than 47 percent of Hosts on Airbnb in New Zealand reported that hosting helps to afford staying in their home, approximately 33 percent said they relied on their Airbnb earnings to make ends meet, and approximately 8 percent stated that hosting on Airbnb allowed them to avoid foreclosure or eviction.¹⁴

 $^{^{\}rm 14}$ Airbnb survey data. Survey conducted in January 2020 of 1,383 Hosts who had a listing on Airbnb in New Zealand.

27 The vast majority of each dollar spent on Airbnb flows directly to Hosts, who keep up to 97 percent of every dollar they charge to rent their space. Hosts then spend and reinvest their earnings in a number of ways including household expenses, rent or mortgage payments, cleaners, home improvement, healthcare and education. ¹⁵

Residential amenity and character

- 28 Listings on Airbnb make use of residential units and are constrained by the same things that constrain long-term residential activity. That is – the size of the house and number of beds available. The character and amenity resulting from a house used for a listing on Airbnb is the same as if the dwelling was occupied by the owner, a long-term tenant, or if the occupant has friends or family visiting.
- 29 Despite this, Airbnb also requires its Hosts and guests to adhere to a range of policies which set standards of behaviour for the community. I discuss these policies below.
- 30 Hosts and guests on Airbnb are required to adhere to strict policies and standards of behaviour, including with regard to things such as nuisance, large parties, or events. Guests who violate Airbnb's standards may be removed from the platform and listings may also be removed when a Host violates our policies.
- 31 Airbnb's Community Standards prohibit members of the Airbnb Community from creating a nuisance that disturbs the surrounding neighbourhood.¹⁶ Hosts and guests can meet this standard by making sure they clearly align with our standards relating to security, safety, accurate representation of the space and identity of Hosts and guests, responsiveness, and provision of habitable spaces.
- 32 While we believe most guests are respectful, we've also announced a new <u>Party and Events Policy</u> to provide clear guidance on what we expect from everyone.¹⁷ Until further notice, the policy prohibits gatherings of more than 16 people and all disruptive parties and events. Guests who are reported for throwing a disruptive party or violating our rules on gatherings of more than 16 people are subject to suspension or removal from Airbnb's platform. We may also remove listings if we determine that a Host has authorised a party that violates this policy. If we receive reports that a listing is disrupting the surrounding community, we may request that the Host update their rules or suspend the listing.

¹⁵ <u>https://news.airbnb.com/airbnb-helps-fight-mass-tourism-promotes-sustainable-travel/</u>

¹⁶ <u>https://www.airbnb.co.nz/trust/standards</u>

¹⁷ <u>https://www.airbnb.co.nz/help/article/2704/party-and-events-policy</u>.

- 33 Members of the community are actively encouraged to flag any issue or concern at any time for our team to investigate via our <u>Neighbourhood Support Line</u>,¹⁸ which also allows them to request a call from our team who will aim to give them a call back in 10 minutes or less. This additional urgent communication channel aims to address both immediate disturbances – such as an unauthorised party in progress – as well as possible long-term or recurring issues within the community.
- 34 The overwhelming majority of our community are respectful travellers and considerate neighbours who genuinely care about the neighbourhoods in which they're staying and living. Nonetheless, our message to everyone using our platform remains clear; bad behaviour has no place on Airbnb and those who wilfully fail to adhere to our policies face removal from our platform.
- 35 As part of our ongoing efforts to enforce our global <u>ban on parties</u>, we continue to proactively and collaboratively work with police, take action against guests and Hosts who breach our policies, and invest in measures such as our Neighbour Support Line. Our <u>Host Guarantee</u> and <u>Host Protection Insurance</u> programs also aim to provide Hosts with added peace of mind.¹⁹
- 36 Safety incidents are extremely rare on Airbnb. Globally, between July 1, 2019 and June 30, 2020, only 0.086% of trips included a safety issue reported by a Host or guest. We remain focused on continually improving our systems and exploring new ways to keep people safe and help ensure each stay is a positive experience for Hosts, guests and the wider community.
- 37 A recent Official Information Act Request made by a Host to Christchurch City Council shows that between June 2018 - May 2020 there were 49 complaints received that were categorised as relating to short term guest accommodation, of which a total of 9 breaches of current district plan rules were identified. A further Official Information Act Request was made by another local Host which shows that in 2020 a total of 14,424 complaints were made in relation to general noise (excluding road works, concerts and dog barking). In other words, in the two year period of June 2018 - May 2020 the number of complaints in relation to short term guest accommodation was 0.34% of the total number of general noise complaints in a one year period in 2020. I understand that the Hosts who made these

¹⁸ <u>https://news.airbnb.com/en-au/airbnb-launches-new-neighbour-support-line/</u>.

¹⁹https://www.airbnb.co.nz/d/guarantee? set bev on new domain=1619497073 Zj JjN2NIM2VkMzky; https://www.airbnb.co.nz/d/host-protectioninsurance? set bev on new domain=1619497073 ZjJjN2NIM2VkMzky.

requests will be presenting at the hearing and are available to discuss this further.

Housing supply and affordability

- 38 Housing policy is a complex multifaceted issue and short term rental accommodation must be seen in proper context. Airbnb listings represent a tiny fraction of housing markets in New Zealand.
- 39 In fact, for many Hosts, the income earned from sharing their spaces is a vital contributor to their economic wellbeing and their ability to afford their home. In 2019 more than 47 percent of Hosts on Airbnb in New Zealand reported that hosting helps them to afford staying in their home, approximately 33 percent said they relied on their Airbnb earnings to make ends meet, and approximately 8 percent stated that hosting on Airbnb allowed them to avoid foreclosure or eviction.²⁰ Importantly, the supplemental income earned by home sharing particularly empowers older or retired persons to remain in their homes and communities, as well as creating economic opportunities for women. In Christchurch, approximately 21 percent of Hosts on Airbnb are 60 years or older and approximately 70 percent of Hosts are women.²¹
- 40 I note that the Property Economics report which accompanied the documents supporting the proposed Plan Change cited USA research on this topic, ultimately concluded that it would be difficult to directly apply that research to Christchurch in order to get a useful understanding of Airbnb's impact on the housing market.
- 41 A number of organisations in Australia have considered Airbnb's impact on the housing market in Australia. This data is also from overseas rather than being directly applicable to Christchurch. However, it further demonstrates that adverse effects and trends which may appear in some locations do not arise everywhere, showing that it is important to look at the local context. The research reports summarised below are attached in the appendix to this submission.

The Grattan Institute, Peer-to-peer pressure: Policy for the sharing economy

42 The Grattan Institute considered the impact of short-term rentals on the housing market and found that "any rent increases caused by the rise of short-stay rentals are likely to be localised or small. Short-

 $^{^{\}rm 20}$ Airbnb survey data. Survey conducted in January 2020 of 1,383 Hosts who had a listing on Airbnb in New Zealand.

²¹ Airbnb internal data as of 14 February 2021, based on self-reported data from Hosts. See also <u>https://news.airbnb.com/en-au/aussie-and-kiwi-women-leading-the-way-globally-as-hosts-on-airbnb/</u>

term use of housing is a small fraction of the city-wide housing stock." $^{\prime\prime 22}$

Tenants' Union of NSW, Belonging Anywhere: Airbnb and renting in Sydney

- 43 The Tenants' Union of NSW conducted an in-depth analysis on the relationship between Airbnb listing activity (utilising scraped data) and the rental market in Sydney. There were two main findings from this report:
 - 43.1 "We found no link between particularly high numbers of Airbnb listings and rises in rent."²³
 - 43.2 "For all of Sydney there was no discernible effect on the vacancy rate."²⁴
- 44 The report concluded that "even if Australia is the most penetrated market there is actually not yet so much activity on Airbnb that would impact the private rental market."²⁵

SGS Economics and Planning, What Impact Does Airbnb have on the Sydney and Melbourne Housing Markets?

- In 2018 Airbnb commissioned SGS Economics and Planning, a trusted, respected, and independent research and analytics firm, to examine the impact of Airbnb on the housing markets in Australia's two largest cities, Melbourne and Sydney. Prior to the release of this report, no detailed analysis had been completed in Australia utilising Airbnb's own data sets to better understand how Airbnb's community is placed in the context of housing markets, specifically housing affordability. The report found that: "Broadly, in Sydney and Melbourne, it is not financially beneficial to host a property on Airbnb instead of renting to a long term tenant". The report concluded that: "The impact of Airbnb on the housing markets in Sydney and Melbourne appears to be minimal."²⁶
- 46 The issue of housing affordability has also recently come up in relation to short term visitor accommodation in <u>Queenstown</u>.

 $^{^{\}rm 22}$ The Grattan Institute 2016, Peer-to-peer pressure: Policy for the sharing economy, p.26.

 $^{^{\}rm 23}$ Tenants' Union of NSW 2017, Belonging Anywhere: Airbnb and renting in Sydney, p.14.

 $^{^{\}rm 24}$ Tenants' Union of NSW 2017, Belonging Anywhere: Airbnb and renting in Sydney, p.13.

 $^{^{\}rm 25}$ Tenants' Union of NSW 2017, Belonging Anywhere: Airbnb and renting in Sydney, p.16.

²⁶ SGS Economics and Planning 2018, What Impact Does Airbnb have on the Sydney and Melbourne Housing Markets p.5.

47 In considering the impacts of short stay accommodation for the Queenstown District Plan, the independent commissioners came to the following conclusion:

"...although we accept that the use of residential units for RVA may have an effect on the availability of long term rental housing, at least in the short term, we consider this effect would be small and a marginal influence on the District's overall problem of long term rental housing availability and affordability. We consider this problem is driven by a much wider combination of factors specific to this District, which require more targeted focus and initiatives. We do not consider that restricting RVA through the PDP (and, thereby, restricting its benefits) would be an effective or efficient way to address this issue."²⁷

Why Airbnb opposes plan change 4

- 48 The proposal as drafted will result in unreasonable outcomes for Hosts that will impact how they share their homes. For example:
 - 48.1 A Christchurch family who wishes to share their home for 4 weeks while they are away over Christmas and New Year, or for a major event, will need a costly resource consent. In all likelihood, this will cost more than the income they would make during that period. If they envisage hosting for greater than 60 nights a year (an average of two nights per week) and the Council considered one of their neighbours should be notified they could be required to go through a limited notified consenting process, which would cost upwards of \$10,000 in Council processing costs alone.
 - 48.2 A group of 10 students would be able to rent a six-bedroom house near the University campus to live in (a house with this number of bedrooms can be constructed as of right in the District Plan) but a family who owns a six bedroom house in the same location would not be able to host eight guests in their home for one weekend while they were out of town without obtaining a discretionary resource consent from the Council.
 - 48.3 A Host will need to get a resource consent in order to receive guests arriving from overseas – for example, many flights from Australia and other international destinations land after 10pm. In order to host those guests and allow them to check in

²⁷ Queenstown Lake District Council, Hearing of Submissions on Proposed District Plan - Stream 15 Report, p22 <u>https://www.gldc.govt.nz/media/fwchltol/report-19-2-visitor-accommodation.pdf</u>

between 10pm and 6am, a Host would need to pay thousands of dollars to obtain a resource consent.

- 48.4 A full time holiday home in Akaroa, a staple of the visitor economy, would need to get a discretionary activity resource consent to be able to operate full time. A full time holiday home in Akaroa would be limited to an arbitrary 180 night cap (which equates to an average of less than 3.5 nights per week), otherwise the owner will have to seek a resource consent. This will make many holiday homes uneconomic and put operators out of business. While I understand that the Council no longer seeks a non-complying activity resource consent for "unhosted visitor accommodation in a residential unit" in Akaroa, Duvachelle and Wainui, requiring a discretionary consent for holiday homes listed in those locations over 180 nights per year with a maximum of 12 people is still costly and may not be granted. ²⁸ Airbnb remains concerned that this would make holiday homes uneconomic and have a significant impact on the visitor economy in Banks Peninsula.
- 48.5 A full time holiday home in Banks Peninsula outside of Akaroa, Duvachelle, and Wainui would require a non-complying resource consent to operate, which I understand is very difficult and costly to obtain. There are many listings in Banks Peninsula outside of those townships that would be detrimentally impacted by this requirement, which would also have significant flow-on effects on the visitor economy in Banks Peninsula.
- 49 The s42A Report now proposes to change the definition of "hosted visitor accommodation in a residential unit" to include a residential unit on the same site.²⁹ Notwithstanding Airbnb's primary position that the proposed plan change provisions are still, in the round, not the most appropriate way to manage short term visitor accommodation in Christchurch, Airbnb considers that the proposed change is an improvement on the notified definition. However, the Council's updated definition requires the Host to be "engaged in a supervisory capacity" by the visitor accommodation. It is not clear what this would involve the Council officer seems to suggest something more than the Hosts living on the main residence on the property.

²⁸ PC4 s42A Report, at 7.19.1 to 7.19.15, pp98-100.

²⁹ PC4 s42A Report, at 7.4.11, p41.

CONCLUSIONS

- 50 The new hosting provisions will have a significant impact on the ability of Airbnb Hosts to operate. Applying for resource consent is a time consuming and expensive exercise requiring the engagement of professional assistance. Airbnb does not consider the proposed provisions are required, particularly when there is no clear evidence that the provisions are required, or will actually have the outcome that the Council seeks in terms of controlling any residential amenity and character effects of short term accommodation.
- 51 Airbnb remains committed to working with Council to ensure that the regulations imposed on residential visitor accommodation are fair, proportionate to the effects they generate and are readily implementable and enforceable.

Dated: 7 May 2021

Derek Matthew Nolan