

Ref: IRF23/2324 / PP-2021-3351

Mr Michael Lyon
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Dear Mr ~~Lyon~~ *Michael*

I refer to planning proposal PP-2021-3351 which seeks to change the number of days that non-hosted short-term rental accommodation (STRA) is exempt development in the Byron Shire local government area (LGA).

I recognise STRA is a complex matter in the Byron Shire and that the housing market and housing pressures are different to other places. As you're aware, the Independent Planning Commission (IPC) acknowledged the impacts of STRA was only one part of addressing Byron Shire's housing supply and rental affordability issues. As such, it was important for me to understand Council's commitment to increasing its housing supply through mechanisms aside from the non-hosted STRA day cap.

I thank you for providing further information to the Department of Planning and Environment on 16 August 2023 to assist with my decision. I have reviewed Council's letter and I am satisfied that it demonstrates Council's commitment to enabling the delivery of the LGA's forecast housing demand to 2041. I expect Council will deliver to the 3, 6 and 12 month milestones it has nominated (refer Attachment 1). I will also require further milestones to be met after the first 12 months and those milestones will depend on progress to date.

I have asked the Department to work closely with Council, and to monitor Council's performance to meet its commitments that were outlined. If necessary, I will take appropriate steps if those milestones are not delivered, which may include the appointment of a Planning Administrator.

In the current housing crisis, it is important that every available mechanism is utilised to increase housing stock and I accept that part of the response in the Byron Shire is to

encourage a shift from non-hosted STRA to long-term rental. As such, I have decided to make the plan under section 3.36(2)(a) of the *Environmental Planning and Assessment Act 1979* with a 60 day cap as recommended by the IPC across the LGA, except in the mapped precincts identified by Council post exhibition that are suitable for year round non-hosted STRA.

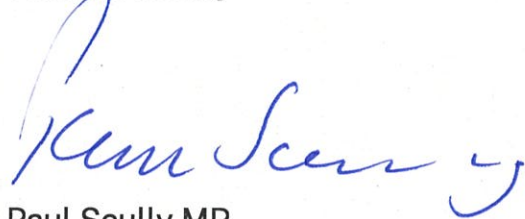
The amendment to the day caps will have a 12 month deferred commencement and take effect on 23 September 2024 to allow time for the community and industry to prepare.

I have asked the Department to undertake a review of the state-wide STRA policy which will respond to the remaining IPC recommendations and whether they may be applied to Byron Shire. A key consideration for the review will be the development application pathway for non-hosted STRA in excess of the exempt development day cap. The review will provide evidence based, objective and prioritised recommendations for future approaches to STRA. I anticipate the review will commence before the end of the year.

I also thank Council and the community for its patience while I have carefully considered and determined an appropriate response to Byron Shire's housing pressures.

Should you have any questions, Malcolm McDonald, Executive Director, Local & Regional Planning, at the Department of Planning and Environment can be contacted on 9274 6267 or malcolm.mcdonald@planning.nsw.gov.au

Yours sincerely



Paul Scully MP

Minister for Planning and Public Spaces

21/9/23