



Kia ora Local Board members, and Councillor Mike Lee

Submission to the Waiheke Local Board, to advocate to Auckland Council for a rates increase on entire homes rented for short-stay

On 19 June 2023, the [Hobart City Council voted 8:3 in favour of doubling the land rates](#) on whole homes (not part of a home) that are rented out for short-stay rental. In doing so, they followed recent similar decisions and considerations by city councils in [Brisbane](#) and [Melbourne](#), which have determined this intervention to be the most effective in freeing up long-term rental accommodation.

Why this move will be effective in addressing rental accommodation crises

Hobart City Council did this specifically as a solution to a chronic impact of overtourism, which is now identified as the main factor in the serious lack of long-term rental accommodation, and to reflect local government's responsibility to residents. The measure is intended to increase the availability of long-term rental, in a city where tourism rental has rendered permanent rental accommodation for Hobart residents into a chronic shortage, contributing to homelessness and unaffordable rental prices. Their rationale, and the formula that they are using for calculating what properties those rates will apply to, are set out in [this article](#).

Here is an excerpt:

Ms Reynolds said about 700 properties would be affected.

"We have one of the highest concentrations of short-stay properties of any city in Australia – 9 per cent of the rental market has now been converted to short stays," she said.

"These properties are used for a handful of weekends and school holidays. We need to tackle this with all the levers we can."

Other cities internationally have implemented similar measures to address the problem of tourism accommodation depriving residents of essential and affordable homes – for examples, see the article by [Stanchev \(2018\)](#), also attached to this submission, pp 21 ff).

Why increasing the rates on dedicated 'short-stay' homes is essential for Waiheke Island

This same situation, of a large proportion of homes being available only for short-stay, exists on Waiheke Island as a chronic and urgent problem, and much worse than in Hobart. [Project Forever Waiheke's research report in 2021](#) – 'Waiheke is a community, not a commodity' - (see pp 30-31), and [repeated media and other investigations in the last two years](#), have demonstrated that the rental housing crisis on Waiheke continues to worsen, in the absence of effective intervention by either local or central government.

Feasibility

There is a systems precedent in Auckland Council's dual rating system for other types of property in Auckland; for example, car parks in Auckland CBD are rated as residential if they are attached to the owner's apartment, for private use, but attract commercial commercial property rates if they are not attached to a residence, on the grounds that they are being used for commercial, investment or the user's employment purposes.

Refuting the counter-argument that this move will adversely affect bona fide tourism 'business'

It is already evident from data gathered by Auckland Unlimited that tourism to Waiheke, and Auckland, has in fact already recovered post-COVID, and tourism business as such is unlikely to be negatively affected by such a move.

Other benefits

Auckland Council is looking to address Council's outstanding debt, so the Hobart Council decision is an obvious solution for Waiheke and Auckland.

Submission

Project Forever Waiheke and the Waiheke Community Housing Trust jointly request that the Waiheke Local Board and Councillor Lee propose to Auckland Council that it urgently implement the doubling of rates for Auckland ratepayers where an entire house or other residential accommodation is available only for short-stay rental.

We are requesting that the Waiheke Local Board:

- (i) advocate strenuously with Auckland Council to implement such a rating system, and
- (ii) (ii) include that intention explicitly within the forthcoming Waiheke Local Board Plan 2023.

With thanks for your work in support of Waiheke communities.

Project Forever Waiheke – Dr Pam Oliver, Associate Professor Peter Wills, Professor Robin Kearns, Denise Wiremu, Ivan Kitson

Waiheke Community Housing Trust – Teresa Quinn, Paul Carew, Nora West, Mike David, Mark Inglis