

Special Council Meeting

AGENDA

FOR THE MEETING TO BE HELD
WEDNESDAY 17 MARCH 2021
IN COUNCIL CHAMBERS,
WALLCLIFFE ROAD, MARGARET RIVER
COMMENCING AT 1.30PM

Meeting Notice

Dear Councillor

I advise that a Special Council Meeting of the Shire of Augusta Margaret River will be held in Council Chambers, Wallcliffe Road, Margaret River on Wednesday 17 March 2021, commencing at 1.30pm for the purpose of establishing actions in relation to the Shire's response to the current shortage of rental accommodation in the Shire of Augusta Margaret River.

Yours faithfully



STEPHANIE ADDISON-BROWN
CHIEF EXECUTIVE OFFICER

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Special Council Meeting

1.0 DECLARATION OF OPENING

2.0 ATTENDANCE

2.1 Apologies

2.2 Approved Leave of Absence

3.0 DISCLOSURES OF INTEREST

4.0 PUBLIC QUESTIONS

4.1 Public Question Time

5.0 DEPUTATIONS

6.0 SPECIAL BUSINESS

6.1

Special Business

6.1.1 SHORT TERM SUPPORT FOR DISPLACED TENANTS WITHIN THE SHIRE

LOCATION/ADDRESS	Shire of Augusta Margaret River
APPLICANT/LANDOWNER	Shire of Augusta Margaret River
FILE REFERENCE	CSV/104
REPORT AUTHOR	James Shepherd, Director Corporate and Community Services
AUTHORISING OFFICER	Stephanie Addison-Brown, Chief Executive Officer

IN BRIEF

- The State Government's moratorium on rent increases and other provisions of the Residential Tenancy Act ends on 28 March 2021.
- Tenants who were safeguarded by the moratorium face potential eviction or increases in rental costs after 28 March 2021.
- There are a number of factors that are increasing demand for rental housing in the short term, including an uptake in regional migration and an anecdotal increase in owner occupier purchases.
- Current Federal and State Government stimulus packages to support the construction of new homes will see an increase in available properties for both owner occupation and rental from the second half of 2021 which is forecast to ease the current short term challenges faced by some seeking residential tenancies.

RECOMMENDATION

That Council:

1. Notes the potential for some of the existing tenants within the Shire to experience short term difficulties in finding alternative accommodation.
 2. Adopts a flexible approach to allow current short stay property owners to provide rental accommodation to local residents for up to 6 months.
 3. In accordance with the Deemed Provisions of Local Planning Scheme No 1, advertise modifications to 'Local Planning Policy 7 – Short Stay Accommodation' as set out at Attachment 1.
 4. Authorises the CEO to undertake a media campaign calling for owners of properties which are or can be made to be suitable for residential occupation to consider short term leases for current tenants within the Shire who may be displaced as a result of the end of the State Government's moratorium on rent increases and evictions.
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LOCATION PLAN

Nil

TABLED ITEMS

Nil

BACKGROUND

In March 2020 the State Government implemented a moratorium on the termination of residential tenancies to help those in private and public rental homes stay in their property during the COVID-19 pandemic; this moratorium is due to end on 28 March 2021.

There is a significant demand for housing in many parts of Australia at the moment, generated by regional migration, comparatively low residential investment levels in regional areas and anecdotally, an increase in owner occupier house purchase. The current buoyant residential property sales market and an increase in the levels of residential construction mean that there is a short term supply shortage of properties available for rent that will be alleviated to a degree by new house construction. The situation is anticipated to ease in the second half of 2021 as a result of new property completions, allowing those currently in rental properties to transfer into their own new homes (and therefore freeing up rental property availability) as well as a new influx of investment properties under construction to be used as long stay rental properties. In February 2021 alone, the Shire approved 47 new dwellings to be constructed, a significant increase when compared with previous years.

The shortage of rental housing is recognised as a State-wide challenge, with similar reports across multiple other regional areas of WA as well as within the Perth metropolitan area. The issue has also been reported nationally, with similar issues occurring throughout Australia.

As a result, some long-term residents of the Shire living in rented accommodation have reported concerns about being able to secure alternative accommodation, although there is little hard data to evidence the exact number of people living within the Shire who are in immediate threat of eviction without another home to move to. It is also recognised that the cost of rent may also increase soon, which may result in some people needing to move to less expensive accommodation. Although the quantum of the challenge is largely unknown and subject to much media scrutiny and public debate, it is acknowledged as a short term challenge for some. A flexible approach is being suggested to support existing long term residents of the Shire who continue to contribute socially and economically to the region.

CONSULTATION AND ADVICE

External Consultation

- Margaret River Busselton Tourism Association (MRBTA)

Internal Consultation

- Councillors
- CEO
- Director Corporate and Community Services
- Director Sustainable Infrastructure and Development
- Manager Planning and Development Services

DISCUSSION / OFFICER COMMENTS

Anecdotally through local social media channels and community contacts there is evidence that some longer-term residents within the Shire who have lived in rental accommodation for extended periods are finding it difficult to secure alternative accommodation when required to vacate their existing rented property. The combined effect of the end of the moratorium on evictions, potential increases in cost of renting for some, the increase in property sales within the Shire, the expected housing supply increase during the second half of 2021 and the understanding that a number of normally non-resident property owners have relocated to the region as a result of the pandemic means that, for a short period of time, there may be insufficient rental property availability to meet demand.

The number of advertised available rental properties through local real estate agents suggests that the issue is acute. However, it is known that many tenants have secured alternative rental accommodation through other means including local social media, word of mouth and unadvertised rental properties through local real estate agents, all of whom hold waiting lists of prospective tenants and seek to match them as soon as possible.

To support long term Shire residents who are required to leave their properties either as a result of the end of the moratorium on evictions or the sale of their rented property, the Shire is seeking to unlock the potential for additional rental properties to be brought onto the market immediately. In this regard, there is an opportunity to:

- Undertake a media campaign calling for owners of properties which are or can be made to be suitable for residential occupation to come forward. This would logically include owners and operators of (otherwise) short stay accommodation such as chalets as caravans.
- Provide support to interested providers to change or waive planning controls which might otherwise act to prevent longer term rental of tourism accommodation product.

These actions would be completely separate from and not interfere with the activities of real estate agents and rental managers given that any available accommodation would be 'new'.

As a complementary measure, and to avoid loss of affordable and well located 'grouped dwelling' accommodation to the short stay market in Margaret River, it is proposed that a revision to planning policy LPP 7- -Short Stay Accommodation be advertised. The modification will remove the opportunity for grouped dwellings to be approved as holiday homes within the designated Margaret River town centre area, where short stay use of dwellings would normally be permitted. (see attachment 1). This is intended to be a short term measure and is will not affect current holiday houses, only restricting homes from being converted to short stay use.

STATUTORY ENVIRONMENT / LEGAL IMPLICATIONS

Nil

STRATEGIC PLAN / POLICY IMPLICATIONS

Community Strategic Plan 2036 (CSP)

Key Result Area 3 – Ensuring Sustainable Development

Key result Area 4 – Vibrant and Diverse Economy

PLANNING FRAMEWORK

Local Planning Policy

FINANCIAL IMPLICATIONS

Any funding required to support these initiatives will be drawn from the existing Community Care Package fund.

Long Term Financial Plan

Nil

Whole of Lifecycle considerations

Nil

SUSTAINABILITY IMPLICATIONS

Environmental

Nil

Social

Housing is recognised as one of the key pillars to enable people to actively engage within the community socially and economically.

Economic

Housing is recognised as one of the key pillars to enable people to actively engage within the community socially and economically.

ADVOCACY

Nil

IMPLICATIONS OF ALTERNATIVE RESOLUTION

Nil

VOTING REQUIREMENTS

Simple Majority

RECOMMENDATION

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3. In accordance with the Deemed Provisions of Local Planning Scheme No 1, advertise modifications to 'Local Planning Policy 7 – Short Stay Accommodation' as set out at Attachment 1.
4. Authorises the CEO to undertake a media campaign calling for owners of properties which are or can be made to be suitable for residential occupation to consider short term leases for current tenants within the Shire who may be displaced as a result of the end of the State Government's moratorium on rent increases and evictions.

ADVICE TO APPLICANT / PROPONENT

Nil

ATTACHMENTS

1. Revised Local Planning Policy 7 – Short Stay Accommodation

7.0 CLOSURE OF MEETING