

## **Attachment 2: Terms of Reference – Short-term Accommodation Working Party**

### **Terms of Reference**

## **Short Term Rental Accommodation (STRA) working party**

### **Background**

The short-term accommodation sector provides a valuable alternative to other accommodation types, such as motels and hotels.

The Rotorua Lakes Council consulted with the community during the LTP process on changing the Council's rating policy for Short Term Rental Accommodation (STRA) properties, that are advertised as available for more than 60 days per year, from residential rates to full commercial rates.

Council had proposed that properties used for short-term accommodation should contribute the full commercial share towards the district's marketing and tourism promotion.

Council, in its Long-Term Plan (LTP) decision, reduced the level of rates charged from those initially consulted to be applied to STRA. Council decided to apply the Business and Economic Development targeted rate (BEDTR) only to STRA properties:

- Advertised as available for more than 60 days per financial year.
- Where the entire house/property is advertised.

STRA properties on farms or where a secondary dwelling is on the property have been excluded from the current rating approach.

It was agreed that a working party would be established as part of the Council decision. Excerpts from the decision are as follows:

*"That this policy be reviewed by Council after being in effect for at least 2 years but not later than 3 years since the implementation date.*

*That the CE be directed to set up a working party which includes representative of the short-term accommodation sector and broader tourism sector to review the policy and propose any improvements."*

### **Working party role and purpose**

The purpose for the working party will be to develop an understanding and report back on:

1. The implementation process and effects of the policy.
2. Any fairness and equity issues in the funding of destination marketing and the Rotorua tourism sector and propose any improvements to the Council.
3. The business implications for STRA operators and service providers.
4. Any information or changes nationally (eg. bed levy) that may impact on the need or focus of the policy.
5. Any improvements to the rating policy for consideration.

### **Arriving at recommendations to Council**

The working party will seek to make recommendations on the above that are based on:

- Consideration and respect for each others' experiences and perspectives.
- A willingness to find agreement and consensus.

It is important to note that any decision on amendments to the rating policy are solely within the domain of Council and Council is not obligated to accept either wholly or in part any recommendations made by the working party.

### **Membership and chair**

The working party will comprise up to 9 members – 8 community members plus the Chair of the Community and District Development Committee (or equivalent if changed).

The role of the Chair will be to:

- Prepare the agenda for meetings (with Council administrative support).
- Chair meetings.
- Be the main contact for Council and other relevant parties.

The community members will be made up of individuals who:

- Reflect the diversity of the STRA accommodation sector in Rotorua and can share the perspectives of their communities (up to 4).
- Have experience in and a sound understanding of the commercial accommodation sector (Hotel, Motel accommodation) (up to 2).
- Represent organisations that have interests in the Rotorua tourism sector (up to 2).

An expression of interest / recruitment process will be undertaken for the community members. Following this process the Community & District Development Committee will short-list and recommend the up to 8 community members to C&DD for approval.

### **Conflict of interest**

It is understood that working party members will have a number of roles and associations and will be representing interests in the STRA and tourism sectors.

In the interests of transparency working party members will declare their interests, which will be documented in an Interests Register. Any disputes or concerns should be directed to the Chair.

### **Commitment**

The working party will generally meet bi-monthly, or as/when required for a 6/8 month period.

Meetings will be in person in Rotorua (Rotorua Lakes Council) and/or by video (eg. Zoom or Teams) for members unable to attend physically.

Working party members will not be remunerated for the contribution of their time, skills and experience.

If members are unable to attend or participate they can be replaced through a subsequent open expressions of interest process with the Chair and Deputy Chairs of the Council's Community and District Development Committee determining appointments. The Chair may choose not to replace members.

The Working party will report back to the Community & District Development Committee but no later than July 2025.