SHORT TERM LETTING REGULATIONS

PLANNING SPC 19TH NOVEMBER 2019

- **LEGISLATION:** New planning legislation introduced 1 July 2019.
- AIM: To address impact on the private rental market by use of homes for short-term tourism type letting
- DESIGNATED AREAS: New provisions only apply in areas designated as Rent Pressure Zones.
- IMPACT IN GALWAY CITY: Galway City Council's entire functional area
 was designated as a Rent Pressure Zone (RPZ) in January 2017. Therefore all
 short term lettings in Galway City, East and West will be subject to the new
 Regulations until at least 2021 (RPZs)

SHORT TERM LETTING IS DEFINED AS THE LETTING OF A HOUSE OR APARTMENT, OR PART OF A HOUSE OR APARTMENT, FOR ANY PERIOD NOT EXCEEDING 14 DAYS.

- ► The use of any house or apartment for short-term letting use in a Rent Pressure Zone is a 'material change in the use' of the structure, unless in a category deemed exempt under the Planning Regulations.
- ▶ In other words, any short-term letting use in a house or apartment, other than those exempt, will be deemed to be development requiring planning permission.
- Change of Use will be treated as Domestic for the purposes of Commercial Rates, as advised by Dept. of Housing, Planning & Local Government.

EXEMPTIONS

Principal Private Residence (P.P.R.)

- ► An exemption is provided in relation to a Principal Private Residence (PPR), where a person lets:
 - A) Part of their own PPR on an unlimited basis (max of 4 rooms) or
 - B) All of their own PPR on a limited basis (cumulative 90 days). Where an owner of a PPR is absent more than 90 days, planning permission is required.
- ▶ REGISTRATION If a person wishes to avail of this exemption, it is a requirement to register with the Local Authority and fulfil specified reporting obligations. Forms are available on Galway City Council web-site or at reception in both English and Irish

NOT EXEMPT Non Principle Private Residence (N.P.P.R.)

- ▶ There is no exemption for a person to undertake short-term letting in a property that is not their P.P.R. Therefore, where a person owns a Non Principle Private Residence (NPPR) / Second property in a Rent Pressure Zone and intends to let it as a short-term let, planning permission will be required for a formal change of use.
- ► Homes or apartments which already have a specific grant of planning permission for use as holiday accommodation/short-term tourism type letting are not impacted by these regulations.

STUDENT / CORPORATE ACCOMMODATION:

- ▶ Purpose Built Student Accommodation with appropriate planning where short term lettings apply outside of academic year are UNAFFECTED.
- ▶ Individual N.P.P.R: Used for student accommodation during academic year, but for short term lettings outside of academic year REQUIRE PLANNING PERMISSION FOR THE SHORT TERM LETTING ELEMENT.

▶ Executive / Corporate: These are not deemed short-term stays in the transient tourism sense and can be classified as extended stays with the duration varying from say 2 weeks to many months – UNAFFECTED.

STAFF RESOURCES:

- Note: Dublin City Council were approved 12 staff (technical and admin) for c. 5,000 STL properties (equating to 1 staff per c. 420 units)
- ▶ Non-verified figures suggest in the region of 1,200 STLs in Galway City (Data gathered by Housing Bodies for Task Force and reports on Homelessness)
- Staff requested by GCC to proactively manage New Regulations, including profiling & targeting properties on the short term lettings platform websites, as well as to investigate, enforce and prosecute
- ▶ Dept. have applied Data Analysis profiling from Dublin City Council to Galway Estimated STLs – 1,200 with 40% Inactive - Therefore 720 Active
- ▶ 2/3 Exempt 480 properties & 1/3 Requiring Enforcement 240 properties

COMPLIANCE & ENFORCEMENT:

- ▶ **Registration as Exempt:** Galway City Council have received 20 Form 15 Registrations and 1 Form 17 to date since July 1st 2019.
- ▶ **Planning Permissions:** 4 1 construction of extension for use for STL purposes, and 3 for change of use.
- ▶ **Planning Decisions:** 1 Decision to refuse. 1 on Further information. 2 awaiting decision.
- ▶ Complaints: 2019 26 complaints (1 of which relates to an apartment block of multiple units)
- ▶ **Enforcement:** Galway City Council have issued 7 Warning Letters since 1st July 2019. 4 Warning letters to issue this week.
 - (4 Warning Letters have subsequently been withdrawn as owners were not /or/ are no longer operating STL).

LEGAL INTERPRETATION / ADVICES:

- ► Galway City Council have sought clarification from the Department and our Legal Advisors in relation to a number of issues including:
- Wording/Templates for Warning Letters and Enforcement Letters for Short Term Lettings
- ▶ Difficulties encountered establishing Legal Owners and their contact details
- To date, Galway City Council have requested Owner information from Legal Advisors / Search Agents for Folio / Registry of Deeds Search on 23 properties
- ▶ Results: 6 Owner unknown
 - 17 Owner details (no addresses)
 - 10 Registered Folios / 7 Unregistered Registry of Deeds Search

POTENTIAL DIFFICULTIES:

- Some Short Term Letting Platforms do not disclose full property addresses until after booking confirmation
- Difficult to Prove Stays of less than 14 days / 90 days or more if absent from PPR
- Corporate Owners of multi-unit blocks leasing on Long Leases stating unaware of Short Term Lettings
- Management Companies carrying out Short Term Lettings in Blocks will not provide Owner's Details under GDPR
- Establishing Ownership and Contact information. Some company owners registered abroad
- Summer Short Term Lettings with no Planning Permission By the time proof gathered, students in-situ for academic terms

CONCLUSION:

- Department have indicated that correspondence will issue to Galway City Council this week in relation to staffing resources
- Recruitment can commence once formal notification of resources – included for in Staffing numbers 2020
- Department advised they will run Workshops for dedicated STL enforcement staff
- Apply Best Practice / Lessons Learned Approach regarding proof required for court proceedings / prosecutions
- Raise awareness of obligations on owners in regard to operating Short Term Lettings and non-compliance