

Shire of Mundaring Local Planning Scheme No. 4

Amendment No. 19

Summary of Amendment Details

Update scheme text to introduce new and revised land use classes and general definitions to facilitate State Government reforms for short-term rental accommodation.

FORM 2A

Planning and Development Act 2005 RESOLUTION TO ADOPT AMENDMENT TO LOCAL PLANNING SCHEME

Shire of Mundaring Local Planning Scheme No.4 Amendment No.19

Resolved that the Local Government pursuant to section 75 of the *Planning and Development Act* 2005, amend the above Local Planning Scheme by:

- 1. In Schedule 1(2), 'Land Use Definitions':
 - A. Delete the land use definitions for:
 - (a) Bed and Breakfast
 - (b) Holiday Accommodation
 - (c) Motel
 - B. Insert the definition for *tourist and visitor accommodation* as per Schedule 1 Model Provisions
 - C. In the definition for *Hotel* replace reference to *Motel* with *tourist and visitor accommodation*.
- 2. In Table 1 'Zoning Table' insert in alphabetical order the following land uses and permissibility:
 - A. Hosted-short term rental accommodation; designate as a 'P' use in the zones Residential, Town Centre, Local Centre, Rural Residential, Rural Small Holdings and General Agriculture, and 'X' use in Service Commercial and Light Industry.
 - B. Unhosted short term rental accommodation; designate as a 'D' use in the zones Residential, Town Centre, Local Centre, Rural Residential, Rural Small Holdings and General Agriculture, and 'X' use in Service Commercial and Light Industry.
 - C. Tourist and visitor accommodation and designate as a 'D' use in General Agriculture, a 'A' use in Residential, Town Centre, Local Centre, Rural Residential, Rural Small Holdings and General Agriculture, and 'X' use in Service Commercial and Light Industry.
- 3. In Table 1 'Zoning Table', delete all references to:
 - (a) Bed and Breakfast
 - (b) Holiday Accommodation
- 4. In Table 1 'Zoning Table', change the use class Hotel/Motel to Hotel.
- 5. In Part 5 (General Development Requirements) clause 5.7.19 'Bed and Breakfast', replace all reference to the land use *Bed and Breakfast* with *hosted-short term rental accommodation*.

- 6. In Table 2 'Car Parking Requirements for Various Uses':
 - A. Replace the land use *Bed and Breakfast* with *hosted-short term rental accommodation*. The car parking requirements remaining unchanged.
 - B. Add car parking requirements for the land use *unhosted-short term rental accommodation*, these being the same as those for *hosted-short term rental accommodation*.
 - C. Delete the car parking requirements for the land use Holiday Accommodation.
 - D. Replace the land use *Motel* with *tourist and visitor accommodation*. The car parking requirements remaining unchanged.
- 7. In Schedule 2 'Additional Uses' replace *Holiday Accommodation* with *tourist and visitor accommodation* for the following sites:
 - (a) No.9 Lot 13 Leschenaultia Place, Chidlow
 - (b) No.11 Lot 100 Great Eastern Highway, Mundaring
- 8. In Schedule 4 'Special Use Zones' number 32 (Lots 513 and 514 Great Eastern Highway, The Lakes) replace *Motel* with *tourist and visitor accommodation*.
- 9. In Schedule 4 'Special Use Zones' replace *Holiday Accommodation* with *tourist and visitor accommodation* for the following sites:
 - (a) No.14 Lot 87 Falls Road, Hovea
 - (b) No.15 Lot 80 Richardson Road, Hovea
 - (c) No.18 Portion of Lot 1 Great Eastern Highway, Mahogany Creek
 - (d) No.28 Lot 1037 Hall Road, Mundaring
 - (e) No.31 Lots 41, 42, 45, 46, 307, 17966 and 26063 Coothallie Road, Chidlow

The amendment is **standard** under the provisions of Regulation 35(2) of the *Planning and Development (Local Planning Schemes) Regulations 2015* for the following reasons:

- 1. the amendment does not result in any significant environmental, social, economic or governance impacts on land in the scheme area;
- 2. the amendment is not considered a complex or basic amendment.

Dated this 11th day of December 2024

.....

CHIEF EXECUTIVE OFFICER

Scheme Amendment Report

1. Introduction

The purpose of this amendment is to amend the Shire's local planning scheme to implement the State Government's planning reforms for short-term rental accommodation.

This amendment is required to ensure alignment with new 'deemed' and 'model' land use classes and general definitions introduced into the state planning framework. Most significantly, it includes amendments to reflect the 'deemed' land use classes for 'hosted short-term rental accommodation' and 'unhosted short-term rental accommodation', along with removal of superseded land uses. The following report provides further detail and background information on these changes, including specific implications for the Shire.

2. Background

Short-Term Rental Accommodation (STRA) refers to the practice of renting out a property (or part of a property) for a relatively short period of time, usually on a nightly or weekly basis. This type of accommodation is usually booked through online platforms and is popular among travellers and visitors seeking temporary lodging for holidays, business trips or other short stays. The State Government has committed to various initiatives to deliver better regulation of the short-term rental accommodation sector.

In November 2023, the Western Australian Planning Commission released its *Position Statement: Planning for Tourism and Short-Term Rental Accommodation* (Position Statement) and associated Guidelines. The release of the Position Statement complemented other whole-of-government reforms relating to STRA, responding to recommendations made in the 2019 parliamentary enquiry Levelling the Playing Field: Managing the impact of the rapid increase of short-term rentals in Western Australia. This included development of a state-wide registration scheme for STRA, as well as an incentive scheme to encourage transition of properties from the short to long term rental market.

Alongside the registration scheme, which sits separately to the planning system and is mandatory for all STRA, amendments to planning regulations were flagged as a key part of the State Government's goal to ensure a fairer and more consistent treatment of STRA from both a legal and practical standpoint. The planning changes, which have triggered the need for the Shire to amend its scheme, aim to provide greater consistency across the state in relation to what approvals are needed for STRA proposals as well as how these uses are defined in local planning schemes.

The Shire of Mundaring's tourism sector is an emerging area of economic activity with the potential to diversify and grow the local economy.

The Shire is committed to providing the foundations for sustainable economic development and tourism by working within its remit as a local government authority to strike a balance between lifestyle, natural environmental sustainability and economic opportunity for the shire's residents.

3. State Planning Framework

The State Government's planning reforms for short-term rental accommodation are being implemented predominantly through the *Planning & Development (Local Planning Schemes) Regulations 2015* (LPS Regulations), which in turn have been informed by policy direction provided through the Position Statement.

Position Statement

The Position Statement foreshadowed a series of amendments to the LPS Regulations with the overall aim of providing more certainty and consistency across jurisdictions in respect to the treatment of STRA. Key changes flagged in this document included dedicated land use classes for STRA to ensure a clear delineation between this use and traditional accommodation types, as well as a state-wide exemption for hosted STRA and a 90-night exemption for unhosted STRA within the Perth Metropolitan Area. The Position Statement also includes guidance on strategic and statutory planning matters for both tourism and STRA, as well as local planning policy development.

LPS Regulations

The LPS Regulations are a key component of Western Australia's planning system comprising of three major parts:

- Regulations proper, which set out the process for preparing or amending a local planning scheme;
- 'Model' provisions, set out in Schedule 1, which are to be used by local governments in preparing or amending a local planning scheme; and
- 'Deemed' provisions, set out in Schedule 2, read automatically into all local planning schemes, and override any existing scheme provision to the extent of any inconsistencies. Where there is a conflict between these provisions and the scheme, the deemed provisions prevail.

Amendments to both Schedules 1 and 2 of these regulations have been made to facilitate the necessary planning changes of the State Government's short-term rental accommodation (STRA) reform initiatives, as envisaged by the Position Statement. These changes, most notably, include:

i. new 'deemed' land use classes of 'hosted short-term rental accommodation' and 'unhosted short-term rental accommodation' to ensure these accommodation types are classified as dedicated land use classes in planning schemes. The definitions of which are the following:

- (a) short-term rental accommodation where the owner or occupier, or an agent of the owner or occupier who ordinarily resides at the dwelling, resides at the same dwelling during the short-term rental arrangement;
- (b) short-term rental accommodation that is an ancillary dwelling where the owner or occupier, or an agent of the owner or occupier who ordinarily resides at the other dwelling on the same lot, resides at that other dwelling during the shortterm rental arrangement;
- (c) short-term rental accommodation that is a dwelling on the same lot as an ancillary dwelling where the owner or occupier, or an agent of the owner or occupier who ordinarily resides at the dwelling, resides at the ancillary dwelling during the short-term rental arrangement;"

"Unhosted short-term rental accommodation means short-term rental accommodation that —

- (a) is not hosted short-term rental accommodation; and
- (b) accommodates a maximum of 12 people per night;"
- ii. new 'deemed' general terms to define 'short-term rental accommodation' and link to the overarching *Short-Term Rental Accommodation Act 2024*, which provides the legal framework for the STRA Register. The new general term being defined to be the following:

"Short-term rental accommodation —

- (a) means a dwelling provided, on a commercial basis, for occupation under a short-term rental arrangement; but
- (b) does not include a dwelling that is, or is part of, any of the following —
- (i) an aged care facility as defined in the Land Tax Assessment Act 2002 section 38A(1);
- (ii) a caravan park;
- (iii) a lodging-house as defined in the Health (Miscellaneous Provisions) Act 1911 section 3(1);
- (iv) a park home park;
- (v) a retirement village as defined in the Retirement Villages Act 1992 section 3(1);
- (vi) workforce accommodation;"
- iii. a new 'model' land use class of 'tourist and visitor accommodation' to differentiate these use types from STRA, and consolidate a number of existing land use terms for tourist and visitor accommodation (aside from 'hotel'), as well as other changes to general definitions;
- iv. a state-wide development approval exemption for 'hosted short-term rental accommodation' (this includes ancillary dwellings); and
- v. a 90-night (cumulative) exemption within a 12-month period for 'unhosted' short-term rental accommodation in the Perth metropolitan area.

The implications for these changes to the Shire are detailed further in the following sections of this report.

4. Local Planning Context

Local Planning Strategy

The Shire's current Local Planning Strategy identifies tourism within the Shire as a significant contributor to the local economy.

Major tourist attractions in the Shire include:

- John Forrest National Park;
- Mundaring Weir;
- Lake Leschenaultia; and
- walking and cycling trails the Railway Reserves Heritage Trail, Bibbulmun Track and Munda Bidddi Trail.

In general, the natural environment is the primary reason for most visits to the Shire. This highlights the need to protect the environmental values that attract visitors; such protection is a strong focus of this Strategy. In addition, fine food and wine and local arts and crafts are significant tourism drawcards for the Shire.

Given the proximity of the Shire and the Perth Hills region generally to the rapidly growing urban population of Perth on the coastal plain, there is great potential for tourism in the Shire to increase over time.

There is a range of tourist accommodation available within the Shire of Mundaring, ranging from hotels and chalets to bed and breakfasts and camping areas. However, accommodation shortages in each category of accommodation can be experienced at peak times, particularly weekends during special events.

This Strategy supports the development of a range of accommodation to better cater to existing and future tourist accommodation demand.

It recommends encouraging and supporting the development of various forms of holiday type accommodation in appropriate locations in close proximity to major tourist attractions and concentrations of tourism activity.

Economic Development and Tourism Strategy

The main purpose of the Shire's Economic Development and Tourism Strategy_is to encourage economic activity that capitalises on the special character and attractions of the shire, including its distinctive art, food, culture and natural environment. It also aligns with the community's vision for the Shire as a place for sustainable living.

According to this Strategy Tourism Research Australia data reveals that domestic day trippers overwhelmingly account for the largest share of visitors to the Shire of Mundaring (90% of the total). Domestic overnight visitors account for 9% of all visitors while 1% of visitors come from overseas. Visitor accommodation options, while of a high quality, are limited in breadth and depth, presenting an opportunity to encourage a greater diversity of accommodation to help grow the overnight visitor market.

Whilst not specifically stated in this Strategy, the lack of deep sewerage, and the bushfire and environmental legislation are all likely factors for the limited number of sites where a greater number of new visitor accommodation could be located.

5. Proposed Amendment

With the introduction of the new deemed land use classes into planning schemes associated with short-term rental accommodation, this scheme amendment relates to the introduction, modification and deletion of various land use and general definitions to the Shire's planning scheme. The new exemptions are also 'deemed' and as such are already operative, however this amendment does include changes to the zoning table to reflect the hosted STRA exemption as a permitted use.

Deemed Short-Term Rental Accommodation Land Use Classes

Whilst the new 'deemed' land use classes are automatically read into the Shire's scheme through the LPS Regulations, along with the previously mentioned exemptions, these uses are being incorporated into scheme zoning tables to ensure absolute clarity from an interpretation perspective, particularly given these uses replace long-standing 'model' land use classes within the Shire's planning framework.

To implement the required changes, this amendment requires deletion of all references to the land use classes of *bed and breakfast, holiday accommodation* and *motel*, replaced with the new 'deemed' definitions of *hosted short-term rental accommodation* and *unhosted short-term rental accommodation*. This includes amending Table 1 (Zoning Table), Table 2 (Car Parking Requirements for Various Uses), Part 5 (General Development Requirements), and schedules of the scheme text accordingly.

In addition to the LPS Regulations, the Position Statement and Planning Bulletin 115 provide further direction for how STRA should be dealt with in local planning schemes from a permissibility standpoint. To reflect these requirements, this amendment proposes the following designations for these new land use classes:

- Hosted-short term rental accommodation; designate as a 'P' use in the zones Residential, Town Centre, Local Centre, Rural Residential, Rural Small Holdings and General Agriculture, and 'X' use in Service Commercial and Light Industry.
- Unhosted short term rental accommodation; designate as a 'D' use in the zones Residential, Town Centre, Local Centre, Rural Residential, Rural Small Holdings and General Agriculture, and 'X' use in Service Commercial and Light Industry.
- Tourist and visitor accommodation and designate as a 'D' use in General Agriculture, a 'A' use in Residential, Town Centre, Local Centre, Rural Residential, Rural Small Holdings and General Agriculture, and 'X' use in Service Commercial and Light Industry.

The proposed permissibility of *hosted-short term rental accommodation* and *unhosted-short term rental accommodation* best reflects where a dwelling is capable of approval.

Whereas the proposed permissibility of *tourist and visitor accommodation* best reflects the current designations for the land use *holiday accommodation*.

Model 'Tourist and Visitor Accommodation' Land Use

A new model land use class of 'Tourist and Visitor Accommodation' has been introduced to supersede various traditional accommodation land use types (excluding 'hotel') and provide a clearer delineation between these uses and 'short-term rental accommodation'. In the context of the Shire's scheme, uses to be deleted through this change include:

- (a) "holiday accommodation" means premises used for accommodation and recreation for holiday purposes but does not include a hotel, motel, bed and breakfast or caravan park."
- (b) "motel" means premises used to accommodate patrons in a manner similar to a hotel but in which specific provision is made for the accommodation of patrons with motor vehicles and may comprise premises licensed under the Liquor Control Act 1988."

The following definition for *tourist and visitor accommodation* is to be included in the Shire's scheme through this change (the wording being as per Schedule 1 of the Model Provisions):

"Tourist and visitor accommodation —

- (a) means a building, or a group of buildings forming a complex, that —
- (i) is wholly managed by a single person or body; and
- (ii) is used to provide accommodation for guests, on a commercial basis, with no individual guest accommodated for a period or periods exceeding a total of 3 months in any 12-month period; and
- (iii) may include on-site services and facilities for use by guests; and

- (iv) in the case of a single building contains more than 1 separate accommodation unit or is capable of accommodating more than 12 people per night; and
- (b) includes a building, or complex of buildings, meeting the criteria in paragraph
 (a) that is used for self-contained serviced apartments that are regularly
 serviced or cleaned during the period of a guest's stay by the owner or
 manager of the apartment or an agent of the owner or manager; but
- (c) does not include any of the following —
- (i) an aged care facility as defined in the Land Tax Assessment Act 2002 section 38A(1);
- (ii) a caravan park;
- (iii) hosted short-term rental accommodation;
- (iv) a lodging-house as defined in the Health (Miscellaneous Provisions) Act 1911 section 3(1);
- (v) a park home park;
- (vi) a retirement village as defined in the Retirement Villages Act 1992 section 3(1);
- (vii) a road house;
- (viii) workforce accommodation."

Planning and Development Act 2005 RESOLUTION TO AMEND LOCAL PLANNING SCHEME

Shire of Mundaring Local Planning Scheme No.4 Amendment No.19

Resolved that the Local Government pursuant to section 75 of the *Planning and Development Act* 2005, amend the above Local Planning Scheme by:

- 1. In Schedule 1(2), 'Land Use Definitions':
 - A. Delete the land use definitions for:
 - (a) Bed and Breakfast
 - (b) Holiday Accommodation
 - (c) Motel
 - B. Insert the definition for *tourist and visitor accommodation* as per Schedule 1 Model Provisions
 - C. In the definition for *Hotel* replace reference to *Motel* with *tourist and visitor accommodation*.
- 2. In Table 1 'Zoning Table' insert in alphabetical order the following land uses and permissibility:
 - A. Hosted-short term rental accommodation; designate as a 'P' use in the zones Residential, Town Centre, Local Centre, Rural Residential, Rural Small Holdings and General Agriculture, and 'X' use in Service Commercial and Light Industry.
 - B. Unhosted short term rental accommodation; designate as a 'D' use in the zones Residential, Town Centre, Local Centre, Rural Residential, Rural Small Holdings and General Agriculture, and 'X' use in Service Commercial and Light Industry.
 - C. Tourist and visitor accommodation and designate as a 'D' use in General Agriculture, 'A' use in Residential, Town Centre, Local Centre, Rural Residential, Rural Small Holdings and General Agriculture, and 'X' use in Service Commercial and Light Industry.
- 3. In Table 1 'Zoning Table', delete all references to:
 - (a) Bed and Breakfast
 - (b) Holiday Accommodation
- 4. In Table 1 'Zoning Table', change the use class *Hotel/Motel* to *Hotel*.
- 5. In Part 5 (General Development Requirements) clause 5.7.19 'Bed and Breakfast', replace all reference to the land use *Bed and Breakfast* with *hosted-short term rental accommodation*.

- 6. In Table 2 'Car Parking Requirements for Various Uses':
 - A. Replace the land use *Bed and Breakfast* with *hosted-short term rental accommodation*. The car parking requirements remaining unchanged.
 - B. Add car parking requirements for the land use *unhosted-short term rental accommodation*, these being the same as those for *hosted-short term rental accommodation*.
 - C. Delete the car parking requirements for the land use Holiday Accommodation.
 - D. Replace the land use *Motel* with *tourist and visitor accommodation*. The car parking requirements remaining unchanged.
- 7. In Schedule 2 'Additional Uses' replace *Holiday Accommodation* with *tourist and visitor accommodation* for the following sites:
 - (a) No.9 Lot 13 Leschenaultia Place, Chidlow
 - (b) No.11 Lot 100 Great Eastern Highway, Mundaring
- 8. In Schedule 4 'Special Use Zones' number 32 (Lots 513 and 514 Great Eastern Highway, The Lakes) replace *Motel* with *tourist and visitor accommodation*.
- 9. In Schedule 4 'Special Use Zones' replace *Holiday Accommodation* with *tourist and visitor accommodation* for the following sites:
 - (a) No.14 Lot 87 Falls Road, Hovea
 - (b) No.15 Lot 80 Richardson Road, Hovea
 - (c) No.18 Portion of Lot 1 Great Eastern Highway, Mahogany Creek
 - (d) No.28 Lot 1037 Hall Road, Mundaring
 - (e) No.31 Lots 41, 42, 45, 46, 307, 17966 and 26063 Coothallie Road, Chidlow

COUNCIL ADOPTION

This Standard Amendment was adopted by resolution of the Council of the Shire of Mundaring at the Ordinary Meeting of the Council held on the 10th day of December 2024.

ul

.....

SHIRE PRESIDENT

.....

CHIEF EXECUTIVE OFFICER

COUNCIL RESOLUTION TO ADVERTISE

by resolution of the Council of the Shire of Mundaring at the Ordinary Meeting of the Council held on the 10th day of December 2024 proceed to advertise this Amendment.

ul

SHIRE PRESIDENT

.....

CHIEF EXECUTIVE OFFICER

FORM 6A - CONTINUED

COUNCIL RECOMMENDATION

This Amendment is recommended [for support/ not to be supported] by resolution of the Shire of Mundaring at the Ordinary Meeting of the Council held on the <u>number</u>] day of <u>month</u>], 20[year] and the Common Seal of the Shire of Mundaring was hereunto affixed by the authority of a resolution of the Council in the presence of:

.....

SHIRE PRESIDENT

CHIEF EXECUTIVE OFFICER

WAPC ENDORSEMENT (r.63)

.....

DELEGATED UNDER S.16 OF THE P&D ACT 2005

DATE.....

APPROVAL GRANTED

.....

MINISTER FOR PLANNING

DATE.....