

From: [REDACTED]
To: [Representation](#)
Subject: Submission — Proposed Whole-Home Visitor Accommodation Amendment (Little City Group)
Date: Thursday, 16 July 2026 6:46:29 PM
Attachments: [HCCSubmissionVisitorAccommodation-LittleCityGroup.pdf](#)

Dear Councillors,

Please find attached my submission on the proposed planning scheme amendment restricting whole-home visitor accommodation in residential zones.

I am a Hobart ratepayer, employer, and operator of Little City Group. In the attached letter, I have set out the practical experience and data we can offer from managing both long-term rental and short-stay accommodation locally. Given this, I'd welcome the opportunity to meet with Council officers or councillors to discuss the proposed changes directly, at whatever time suits your schedule over the coming weeks.

I look forward to your response to both the submission and this request.

Warm regards,

Tom Gibson OLY
Managing Director

+61 [REDACTED]
TAS: Lvl 2, 153 Macquarie Street, Hobart



16th July 2026

Hobart City Council Attn:

Planning Authority Committee

GPO Box 503

Hobart TAS 7001

Re: Submission on the proposed planning scheme amendment restricting new whole-home visitor accommodation in residential zones

Dear Councillors,

I write as the operator of Little City Group, Hobart's largest and longest-running short-stay accommodation management business. We manage properties on behalf of local homeowners across central Hobart, the East Coast and Northern Tasmania. We directly employ 6 full-time staff, and sustain dozens of local trades and cleaning contractors whose work is generated directly by our portfolio — cleaners, linen services, maintenance and trade contractors who rely on the consistent turnover that short-stay accommodation requires. Any reduction in the pipeline of managed properties has a direct flow-on effect to these local small businesses and sole traders, not just to us.

We understand the amendment endorsed by the Planning Authority on 10 June targets new whole-home conversions in the Inner Residential, General Residential and Low Density Residential zones, and that existing lawful operators would continue under current arrangements. We support Council's objective of protecting long-term rental stock in a market with a vacancy rate around 0.5 to 0.7 per cent — that is a genuine crisis and we don't dispute it needs proper and broad policy consideration.

Where we think the picture is incomplete

Council's modelling suggests roughly half of current short-stay properties were previously long-term rentals, and appears to treat the number of active permits as a

reliable proxy for the number of homes actually being withheld from the rental market. In our experience that overstates the case: a meaningful proportion of issued permits sit unused or are used only intermittently, either because the owner's circumstances have changed after approval or because they never intended full-time letting in the first place. Permit counts measure what has been approved, not what is actually operating as visitor accommodation year-round, and we'd encourage Council to test its modelling against actual occupancy and booking data rather than permit numbers alone.

We note Council has been explicit that this concern relates to Hobart's own rental market specifically, citing a figure of around 8.8 per cent of the City's private rental stock made up of short-term rentals — roughly four times Sydney's rate and close to double Melbourne's. We accept this is a small and tightly constrained market. It's precisely because the market is small, though, that we think the distinction between our portfolio and an investor-conversion property matters more here than it might elsewhere: in a market this size, the accuracy of the underlying assumptions has an outsized effect on whether this amendment actually delivers the rental relief it's designed for.

We also have direct evidence on the conversion question, rather than an assumption. During COVID, when international and domestic tourism was effectively cut off and short-stay income disappeared overnight, we proactively offered every owner in our portfolio the option to convert their property to a long-term tenancy. Fewer than 2 per cent took up that offer, at the point of maximum financial incentive to do so. That is a strong real-world signal that the assumption underpinning this amendment — that restricting short-stay supply converts those homes into long-term rentals — does not hold for the majority of owners in a professionally managed portfolio like ours.

We're also in a relatively unusual position to speak to this. Up until three years ago, Little City Group managed both long-term rental and short-stay accommodation side by side. That gives us direct, lived insight into the overlap between the two markets, and in our experience there is very little crossover. The properties, the owners, and the guest or tenant profile are all quite different, and it is a different service offering entirely. Homes that work well as short-stay accommodation are frequently not the homes their owners would put on the long-term market, regardless of what regulation does to short-stay viability.

The compounding effect of recent changes

This amendment follows Council's decision in April to raise the discretionary change-of-use application fee from \$435 to \$5,000. Taken together with the zoning amendment, the cumulative effect on small operators and the homeowners we

represent is significant, and it happened with very limited industry consultation. We would ask that any further changes in this space include direct engagement with local operators before they are finalised, given the practical impact on business already under new cost pressure.

The community role this sector plays

Beyond tourism, our guests regularly include healthcare workers on placement, families needing accommodation during medical treatment, and tradespeople on major infrastructure projects — we housed a significant number of workers during the Bridgewater Bridge construction and expect similar demand during the Macquarie Point stadium build. This is flexible, short-notice accommodation that the long-term rental market isn't set up to provide. Tourism Tasmania's own figures put the sector's contribution at roughly \$3-4.5 billion in Gross State Product and around 1 in 8 Tasmanian jobs; Airbnb's commissioned research (Oxford Economics, 2024) separately estimates around \$500 million and 3,300 jobs from its platform activity in Tasmania specifically. Given the recent collapse of a major Hobart hospitality operator, we don't think the sector's contribution or its fragility should be taken for granted.

What we're asking Council to do

1. Confirm clearly, in writing or via public guidance, how existing operators will be treated over time under the new zoning rules (property sales, permit renewals), so businesses and our owners can plan with confidence.
2. Commit to direct consultation with local short-stay operators and property owners before any further fee, permit, or zoning changes are considered, given the process concerns already raised over the April fee increase.
3. Consider, as an alternative, a compliance-based framework — registration, a code of conduct, or standards specific to professionally managed properties — that targets the investor-conversion problem Council has identified without capturing owners using their own homes part-time.

We are happy to meet with Council officers or provide further data to support this submission.

Yours sincerely,

Tom Gibson OLY

Managing Director