

SHORT TERM RENTAL ACCOMMODATION REGULATIONS



REG-17

WHEREAS numerous residential property owners have sought permits to convert existing residential properties into short-term rental accommodations;

AND WHEREAS such short-term rental accommodations are not residential rentals which are subject to the provisions of the provincial *Residential Tenancies Act*, S.N.L. 2018, c. R-10.01, and do not create a landlord-tenant relationship;

AND WHEREAS such uses are defined as business activities by the Town of Bonavista, and subject to business permits;

AND WHEREAS public concern has been raised to Council regarding housing shortages caused by the conversion of existing residential properties to short-term rental accommodations;

AND WHEREAS the Town Council of the Town of Bonavista has sought to control such commercial activities occurring in residential zones;

NOW THEREFORE the Town Council of the Town of Bonavista enacts the following Guidelines for the issuance of Business Permits for short-term rental accommodations:

1. These Guidelines shall apply “short-term rental accommodations,” which are defined as non-owner-occupied residential properties which are rented out for periods of less than thirty days, and which are not subject to a landlord-tenant lease agreement and/or the provisions of the Residential Tenancies Act of Newfoundland and Labrador.
 - a. This is to be distinguished from “bed and breakfasts,” which are owner-occupied residences with rooms rented out, and from “single dwelling” residential units, which are residential unit, either owner-occupied or rented as a leased residences pursuant to the provincial Residential Tenancies Act.
2. “Short-term rental accommodations” are categorized in the Bonavista Development Regulations under the class of “Boarding House Residential” as “Lodging Houses” and/or “Boarding Houses” and are a discretionary use in areas zoned residential. Discretionary

uses require a permit from Council pursuant to Regulation 86 of the Bonavista Development Regulations.

- a. “Discretionary uses” may be permitted by the Town if the Town is satisfied that “the development would not be contrary to the general intent and purpose of these Regulations, the Municipal Plan, or any other scheme or plan or regulation pursuant thereto, and to the public interest, and if the Authority has given notice of the application in accordance with Regulation 28 [of the Bonavista Development Regulations] and has considered any objections or representations which may have been received on the matter”.
 - b. A change in use of a property constitutes a “Development” within the Bonavista Development Regulations (see Schedule “A”, definition of “Development”). Conversion of a “Single Dwelling” to “Boarding House Residential” requires a permit.
 - c. All permit applications under this part must comply with advertising requirements under Regulation 28, to ensure neighbouring property owners are aware of the application and have an opportunity to make submissions.
3. Short-term rental accommodations are considered to be a “business” within the definition of the Municipalities Act and are subject to taxation as a business under section 120 of the Municipalities Act. A business tax rate of 12 MLS. shall apply to any property granted a permit for use as a short-term rental accommodation.
 4. A permit issued by Council under these Guidelines shall constitute both a business permit and a development permit, authorizing the property to be operated as a short-term rental accommodation and varying the use from “Single Dwelling” to “Boarding House Residential”.
 5. Permits for short-term rental accommodations are discretionary and shall comply with the following provisions, being public concerns raised to the Council generally regarding such short-term rental accommodations:
 - a. Applications for “short-term rental accommodations” shall only be considered for areas where “Boarding House Residential” is a discretionary use within the Bonavista Town Plan and Development Regulations.
 - i. Applications made for “Commercial Residential” accommodations, such as “Hotels & Motels” and “Hostels” require compliance with provincial

regulations under the Tourist Establishments Act, R.S.N.L. 1990, c. T-6 as a precondition to obtaining a business permit.

- ii. “Short-term rental accommodations” under these Guidelines are not defined as “Commercial Residential” in the Bonavista Town Plan and Development Regulations, and areas so zoned are not eligible for permits under this part.
- b. No permits shall be approved for “short-term rental accommodations” on any street with fewer than ten (10) residential dwelling houses thereon, out of concern for traffic and parking on small or sparsely populated streets.
- c. No more than ten percent (10%) of the dwelling units on any street shall be approved for “short term rental accommodations”, out of concern for traffic, parking, noise and vacant premises concerns.
- d. No permits shall be issued for the conversion of any existing apartment building to “short term rental accommodation”. For greater clarity, an apartment building is any structure with three (3) or more self-contained dwelling units.
- e. No more than ten percent (10%) of existing residential dwelling units in Bonavista shall be permitted to be converted to “short term rental accommodations”. This provision shall not apply to new builds which are purpose-built as “short term rental accommodations” at the time of construction and thus are not conversions of existing residential stock.
 - i. New build short-term rental accommodations must still comply with guidelines (a), (b) and (c).
 - ii. A new build intended for short-term rental accommodations shall apply for a business permit at the time of the building permit and identify the property as a business build at the time of construction. Failure to obtain a business permit at the time of construction shall render the property a conversion from its initial permit and shall be subject to this part.
 - iii. For greater clarity, the 2021 Census identifies 1,475 residential dwelling units in Bonavista.
- f. Permits will not be issued for properties which are in arrears of property tax, or subject to any municipal work orders. Applications for such properties will be rejected.

- g. No permit application shall be considered without payment of a permit application fee of fifty dollars (\$50.00). The fee may be refundable if the Applicant withdraws his or her application from consideration. No application shall be considered “filed” until both the fee and the permit application are filed at Town Hall.
- 6. All permits issued up to January 30th, 2023 remain valid, notwithstanding any noncompliance with Guideline No. 5.
- 7. Issuance of a permit by the Town Council does not supprecede, negate or avoid compliance with any other provisions of provincial law, and permit holders are required to ensure compliance with provincial laws in operating short-term residential rentals and may be subject to inspection by provincial authorities. Issuance of a permit by the Town Council is not an assurance that the property complies with provincial laws surrounding short-term rental accommodations.
- 8. Business permits issued for “short-term rental accommodations” may be cancelled by the Town Council in the event of repeated complaints of noise, parking, trespass, littering, garbage, unsightly premises, property condition, or any other activities constituting a nuisance to the public or other property owners in the general area. It is the obligation of the property owner to ensure that the premises and any occupiers of the premises comply with all municipal bylaws, rules and regulations. Failure to do so may result in fines and the termination of a business permit. Cancellation of a business permit is wholly within the discretion of the Town Council.
- 9. Permits for short-term rental accommodations are attached to the property for which the permit is issued, rather than to the owner personally. Permits are transmissible on the sale of the property and follow the ownership of the property.
 - a. Whether or not the property continues to be used as a “short term rental accommodation”, the property shall continue to be taxed a business tax rate of 12 MLS. until the business permit is surrendered by the property owner.
 - b. Short-term rental accommodation business permits are not transferrable by permit holders to other properties.
- 10. Business permits do not expire or require renewal. Once issued, a business permit remains valid unless cancelled by the Town Council or surrendered by the property owner.

11. Permits will be issued on a first-come-first-served basis.

- a. Property owners may apply to the Town Council for a business permit even if no new permits are available to be issued. Any applicant who pays the application fee will have their application kept on file, and may be issued a permit if an existing permit is relinquished.
- b. Permit application fees are non-refundable if an application is kept on file.
- c. While applications for permits will be considered on a “first come first served” basis, permits will only be issued to the first filed application in queue for a property which is compliant with these Guidelines. For greater certainty, if a property is ineligible for a permit under these Guidelines (for instance due to the number of houses on the street or as a conversion of existing residential stock), it shall not be considered and the next application in queue shall be considered.

EFFECTIVE DATE

This policy shall become effective upon the date of enactment and may be known and cited as the “Town of Bonavista Short Term Rental Accommodation Regulations”.

ADOPTION & AMENDMENTS

Date:	Description:
March 27, 2023	New Policy Adopted