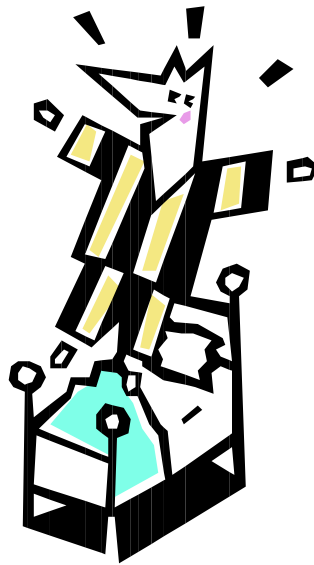


# Operating a Bed & Breakfast In Burlington



Date: June 2008

# Operating a Bed and Breakfast in Burlington

- Introduction .....3
- Things to Consider .....3
- Licenses, Permits ..... 3
- Regulations .....4
  - Fire Safety - City of Burlington
  - Zoning By-law - City of Burlington
  - Parking By-law- City of Burlington
  - Sign Bylaw - City of Burlington
  - Health Regulations - Region of Halton
  - Retail Sales Tax
  - Protection of Personal Information
- Managing your Operation .....6
  - Insurance
  - Marketing
  - Destination Marketing Fee
  - Canada Select Rating Program
  - Guide to Market Research and Analysis
  - Basic Booking
  - Selecting Professional Services
  - Furnishings, Supplies and Equipment
- Resources .....9
- Bibliography .....10
- Appendices ..... 11

## INTRODUCTION

The Canadian industry of bed and breakfast is made up of establishments primarily that provide short-term stays. These establishments provide guest rooms in private homes or in small buildings converted for this use, and they often have a unique or historic character. Bed and breakfast homes are characterized by a highly personalized service, and the inclusion, in the room rate, of a full breakfast served by the owner or owner-supervised staff.<sup>1</sup>

### THINGS TO CONSIDER BEFORE STARTING A BED AND BREAKFAST:

- Is your home located in a desirable setting?
- What makes your home unique or attractive to prospective guests?
- Will the structure of your home have to be altered to function well for you, your family and your guests?
- Will additional furnishings be needed?
- Will you have the time, money, and skills to accomplish what is needed?
- Are you and your family emotionally prepared to have strangers stay in your house?
- Have you consulted professionals with expertise related to the bed and breakfast industry?
- Do you like being with people? Do you have good hosting, conversational and listening skills?
- Do you enjoy maintaining a neat and clean home?
- Are you a well-organized person who is able to multi-task?
- Do you understand the basics of managing, accounting and bookkeeping?
- Have you done your research (demand, competition, advertising)?
- Do you have realistic expectations? (Do not expect big profits? These are not get-rich-quick operations.)

### LICENSES, PERMITS AND REGULATIONS

One area of rules and regulations that all businesses must comply with is that of licenses, permits and regulations. These can be issued at three levels of government: municipal government (local and regional municipality); provincial government and federal government. When creating a company, the entrepreneur must contact each level of government.

**BizPaL** - Business Permits & Licences provides Canadian businesses with one-stop access to permit and licence information from all levels of government. This online service is offered by Industry Canada in partnership with provincial, territorial, and municipal governments. Visit Burlington BizPal at [www.burlington.ca/bizpal/](http://www.burlington.ca/bizpal/)

Examples of licenses, permits and regulations that could apply to you when starting your bed and breakfast may include, but are not limited to:

**Licenses** - Business license is not required for B&B's in Burlington

**Permits** - A Building permit is required if making renovations to your B&B to change the use of your home from a single family home to a bed and breakfast. Please contact the Building Department for information to find out what you have to do before starting your bed and breakfast. The provincial government also plays a role in the land use of the City. Large areas of land located in North Aldershot and along parts of Dundas Street are regulated by the Parkway Belt. In north Burlington, the majority of this area is under the land of control of the [Niagara Escarpment Commission](#). If your property is located in these areas you should contact these regulating bodies for further information.

## Regulations

**Fire safety standards or regulations** - Contact the City of Burlington Fire Department - <http://cms.burlington.ca/PageFactory.aspx?PageID=135>

**Zoning By-law -Part 1 - General Conditions and Provisions2.0 General Provisions (excerpts from City of Burlington Zoning By-law)**

### **2.21 USES PERMITTED IN ALL ZONES**

The following uses are permitted in all zones, subject to Part 1, Subsection 2.25 "Off Street Parking and Loading Requirements", Part 1, Subsection 2.26 "General Parking Provisions", and any other regulations specified for the use and required elsewhere in the by-law;" except as follows:

Except where specifically prohibited or limited within the zone and including any exception number associated with the zoneExcept on lands zoned O2, O3, RA, EP, RG, RNA1, RNA2, RNA3 and S, and any exception numbers associated with these zones, unless specifically permitted:Except on lands Regulated by Conservation Halton, unless authorized by the Authority, Except where the zones are preceded by an H (Holding) zone prefix, notwithstanding that Agricultural and Farming, Miscellaneous Uses and Public Authorities are exempt from this provision.

(l)

#### **Bed and Breakfast Home**

- Also permitted in an [RA </zoning/Part8.htm>](#) zone, and any exception numbers associated with these zone(s), except where amended in the exception number.
- Permitted in a detached dwelling only
- Lot Width: 18 m
- A maximum of three guest rooms or suites
- No exterior alteration shall be allowed which would indicate that any part of the premises is being used for any purpose other than that of a dwelling unit.
- No one other than a resident of the dwelling may be employed or have their services retained in the operation of the Bed and Breakfast Home.

**Parking bylaw** - For specific details on parking in your area of Burlington refer to the parking bylaw on the city website at [www.burlington.ca/clerks/by-laws/html/87-2007.htm](http://www.burlington.ca/clerks/by-laws/html/87-2007.htm) and Parking Website <http://cms.burlington.ca/Page17.aspx> for direct parking and on-street parking exemption information.

### **2.25 OFF STREET PARKING AND LOADING REQUIREMENTS**

2.25.1 Whenever new development occurs or whenever an existing development is enlarged, extended or increased in capacity, in accordance with this By-Law, off street vehicle parking spaces shall be provided and maintained on the property and within the zone designation for all uses, except, within the "Downtown Parking Exemption Area" shown on [Diagram 1A </zoning/Part1/part\\_1\\_2\\_general\\_provisions.htm>](#), Subsection 2.25 shall only apply to residential uses.

2.25.2 Off-Street parking shall be in accordance with [Subsection 2.26, "General Parking Provisions" </zoning/Part1/part\\_1\\_2\\_general\\_provisions.htm>](#)

2.25.3 At least one off-street loading space shall be provided in conjunction with every principal building, including mixed use buildings, but excluding residential buildings less than 4 storeys high.

2.25.4 The number of parking spaces required for permitted uses in all zones shall be in accordance with Table 1.2.6, unless otherwise specified in the respective zones; Bed & Breakfast Home Boarding House 1 space per guest room in addition to the parking requirement for a detached dwelling

Site Plan Approval will be required from the Planning Department. Refer to the City of Burlington website at <http://cms.burlington.ca/PageFactory.aspx?PageID=792>

**Sign By-law** - Tourism Burlington working with the B&B Operators in Burlington have developed signs for B&B's to erect to promote their establishment.

Refer to Appendix to view sign design. Contact Tourism Burlington for pricing at 905 634-5594.

The following is an excerpt from the City of Burlington Sign bylaw regarding B&B signage.

#### **Signs not requiring permits**

The following signs do not require a sign permit from the Director but shall comply with the requirements of this By-law regarding setback from a street, setback from abutting properties and requirements related to pedestrian and vehicular safety.

A sign for an office use, boarding house or Bed and Breakfast Home in a residential zone where such use of a property complies with the zoning by-laws of the City. Such a sign shall not be illuminated, have a maximum height no more than 1.25 m above grade and a maximum sign area of 0.56 m<sup>2</sup> per office use, be setback 1.5 m from a property line. No sign or advertising device shall be displayed inside the dwelling so as to be visible outside the dwelling.

**Health Regulations** - Before starting a Bed and Breakfast you should contact the Halton Region Health Department at 905 825-6000 to obtain information about the requirements for food safety, drinking water(wells), swimming pools, spas and smoking.

#### **Why should you become a certified food handler?**

- To reduce [food-borne illness](#) (e.g., food poisoning)
- To increase your knowledge and understanding of safe food handling practices
- To increase the quality of your business

This course is located at Halton Regional Administration Building, 1151 Bronte Road, Oakville, Ontario. **If you would like to register, contact the Halton Region Health Department at 905-825-6000.**

**Retail sales tax** -Retail Sales Tax (RST) is a consumption tax. This means that the person who consumes or uses the taxable goods or taxable services pays the RST. RST is applied to: taxable goods taxable services admission prices insurance premiums that people buy or use in Ontario. The general RST rate in Ontario is 8%

- Who collects this tax? -Vendors who are registered with the Ministry of Revenue collect the tax when they sell these items or offer these services. By law, they must have a Vendor Permit and are responsible for collecting and remitting the tax.
- Did you know? The Retail Sales Tax (RST) is also often referred to as the: Provincial Sales Tax (PST) Ontario Sales Tax (OST) Ontario Retail Sales Tax (ORST)

Learn more about Retail Sales Tax Find out about specific tax situations and how the legislation is applied to them by reviewing [RST Interpretation Letters](#) [PST/GST/HST Seminars](#) - Join free tax seminars! [Tax Information Forums \(TIFs\)](#) provide small and medium-sized businesses with a one-stop opportunity to get information and ask questions on a variety of business-related programs administered in Ontario.

**Protection of Personal Information** - The *Personal Information Protection and Electronic Documents Act* (PIPEDA) sets out ground rules for how private sector organizations may collect, use or disclose personal information in the course of commercial activities. Visit the website for further information

[http://www.canadabusiness.ca/servlet/ContentServer?cid=1081945203948&lang=en&pagenam e=CBSC\\_FE%2Fdisplay&c=Regs](http://www.canadabusiness.ca/servlet/ContentServer?cid=1081945203948&lang=en&pagenam e=CBSC_FE%2Fdisplay&c=Regs)

## MANAGING YOUR OPERATION

**Insurance** - Insurance needs for businesses vary greatly. It is best to choose an insurance agent or broker familiar with your size of business and, in particular, an agent familiar with your type of operation. If you don't have an insurance agent, it could be a wise decision to ask other business owners in your area to recommend one. The following is intended to remind you not to overlook the complex areas of business insurance. It is best, however, to discuss your specific requirements with an insurance agent. Adequate insurance coverage, particularly in the area of liability is a must.

Basic insurance:

- fire insurance (extended coverage on buildings and contents)
- liability insurance (depending on type of business)
- burglary protection (theft coverage)
- dishonesty insurance (covers thefts by employees)

Important: It is your responsibility to contact your insurer and advise them of your intention to provide bed and breakfast for paying guests. Failure to do so could result in the voidance of your homeowners' policy. Request written confirmation that you have proper coverage.

**Marketing/Advertising** - Word-of-mouth advertising and good public relations are often the best ways of promoting a bed and breakfast. A satisfied customer is good advertising. Networking, including an open-house day for the various tourism operators of your area is also a good way to promote your establishment. Remember that local businesses may be asked for accommodation referrals by tourists. Brochures are often distributed in local businesses and at the Tourism Burlington Visitor Information Centre. Tourism Burlington also provides a number of marketing, training and networking opportunities for tourism partners including:

- Burlington Visitor Guide advertising and listings
- Burlington Accommodations Map listing

- Burlington B&B Brochure listing
- Tourism Burlington Website advertising and listing
- Tourism Ambassador Training & Customer Service training
- B&B Operators meetings - coordinated through Tourism Burlington
- B&B Signage

Check the tourism website for more details at [www.tourismburlington.com](http://www.tourismburlington.com) or call 905.634.5594.

Advertising on the Internet is also highly recommended. If you cannot afford your own Web site, there are businesses, who may host a Web page for you. Shop around to make sure you find one which attracts a lot of traffic in order to maximize your exposure. Refer to appendix for websites.

To determine your future advertising strategies, it might be wise to track how your guests found or heard of your establishment.

The *Competition Act*, administered by Industry Canada, governs misleading advertising and deceptive marketing practices for all businesses in Canada. The Act defines which marketing practices are illegal and the process of complaint investigation.

For more information, visit the [Competition Bureau](http://www.competitionbureau.com) Web site or consult the [Competition Act - Misleading Advertising and Deceptive Marketing Practices](#).

**Destination Marketing Fee** - Most major cities in Canada and the United States collect a destination marketing fee to generate funding for promoting, selling and marketing their city. In Burlington a 3% fee is applied to the room only portion of the guest bill and is voluntarily collected by participating Burlington Hotels. The funds raised through this fee are allocated to Tourism Burlington to assist in the marketing of Burlington as a tourist destination. Currently no Bed & Breakfasts collect a destination marketing fee to contribute to this fund.

**Canada Select - Rating Program** - An Accommodations Rating Program is defined as "the rating of like accommodations based on the basics of cleanliness, comfort and safety, as well as the extent and quality of facilities and amenities."<sup>4</sup> Participating properties are inspected and rated to ensure they meet consumer expectations. Ratings are based on extent and quality of facilities, services and amenities. The higher the star rating, the more extensive are the facilities, guest services and amenities. (Note: The majority of lodging properties are in the 2 to 3 star range; there are only a handful of 5-star properties in all of Canada.) If you wish to have your establishment rated, contact Canada Select at [www.canadaselect.com](http://www.canadaselect.com)

**Guide to Market Research and Analysis** - Successful businesses have extensive knowledge about their customers and their competitors. Acquiring accurate and specific information about your customers and competitors is a critical first step in market investigation and development of a marketing plan. The success of companies, new or existing, depends on the precise evaluation of the market and on the development of an effective business plan. The market influences and directs all the aspects of the activities of the company and will contribute to the success or to the bankruptcy of this one. In developing a marketing plan, your primary functions are to understand the needs and desires of your customer, select or develop a product or service that will meet customer needs, develop promotional material that will make the customer aware, and ensure product or service delivery.

**Basic Bookkeeping** - A good record keeping system should be simple to use, easy to understand, reliable, accurate, consistent and designed to provide information on a timely basis.

Note: All staff working with cash should be trained to recognize counterfeit currency. (See the document [Security Features for Canadian Bank Notes](#))

The legal requirement concerning financial records specify only that they be a permanent, accurate and complete record of your daily income and expenses. There are many types of record books and bookkeeping systems available; for example:

- double entry bookkeeping;

- commercial bookkeeping systems;
- one-write systems;
- computerized systems; and
- single entry bookkeeping.

### Selecting Professional Services

The use of professional services is essential to the success of a small business. Professionals can provide knowledge and expertise in the areas where you may have little. They can round out your management team to ensure your business is operating efficiently.

As an entrepreneur, there are four main areas of professional services with which you may consult:

- lawyer;
- insurance broker;
- accountant; and
- banker (for tips and pointers on dealing with your bank, see the document [Dealing With Your Banker & Other Lenders](#))

### **Furnishings, Supplies and Equipment**

When furnishing a bed and breakfast, here are just a few items to consider:

#### **Bedrooms**

- guest room should have a double, queen or twin bed(s), bedside tables, dresser or writing table or combination, mirror, easy chair(s), desk chair, bedside rug, window screens and coverings, closet, smoke detector, wastebasket, locking door and a posted rate card
- invest in a good quality mattresses; and
- consider extras such as a clock radio, full-length mirror, luggage racks or local newspaper.

#### **Linen**

- have one bedspread, a throw blanket and two each of: blankets, sheets, pillow cases and allergy-free pillows for each bedroom; and
- if you send laundry out, have at least three times the amount of linen in use.

#### **Bathrooms**

- consider if you will have shared, private or ensuite bathrooms
  - Ensuite - bathroom in room
  - Private - not in room but for exclusive use of guest
  - Shared - bathroom shared between guests and/or owner
- provide a bath towel, hand towel, face cloth, wrapped soaps and drinking glass (paper cups in shared bathrooms) for each person
- install towel racks and good lighting near bathroom mirror
- remove or lock away all personal belongings, medicines, cleaning solutions, toxic or hazardous substances, and
- put a name plate on the outside of a locked door.
- Electrical outlet near sink/vanity

#### **Lighting**

- Install wall outlets and lights near beds, mirrors, desks and chairs.

## Flooring

- ensure floors can withstand heavy traffic
- use penetrating seals on wood floors and opt for inlaid instead of printed vinyl
- use rug underlays to prevent skidding

Consider buying used equipment as a cost-saving measure. Sources of used equipment could be a bed and breakfast that is closing or dealers in second-hand equipment. The drawback to this approach is that, often, there are no guarantees with the purchase. Another alternative is to lease equipment to help keep start-up costs down.

## RESOURCES

**Associations** - There are many [Bed and Breakfast Associations](#) in Canada - several of which are at the local or regional level. Although it is not necessary to join a bed and breakfast association, there can be advantages in becoming a member in these industry associations. In general, bed and breakfast associations will:

- promote bed and breakfasts as an accommodation choice;
- promote and exchange marketing and promotional ideas among members;
- promote and encourage cooperation on vacancy referrals among members;
- establish and encourage high standards of quality and professionalism;
- represent and advocate on behalf of members.

## Publications

You may find books, magazines and other relevant print material at any Canada Business service centre and/or business service organizations in your community that provide Canada Business information. Contact the [Canada Business](#) centre for the location nearest you.

## Statistics

- Canadian Tourism Commission - Research and Statistics  
[http://www.corporate.canada.travel/en/ca/index.html?sa\\_campaign=domains/un/www.canadatourism.com/home](http://www.corporate.canada.travel/en/ca/index.html?sa_campaign=domains/un/www.canadatourism.com/home)
- [Statistics Canada](#)

## Related Tourism Web Sites

### [Canadian Tourism Human Resource Council](#)

The Canadian Tourism Human Resource Council (CTHRC) is a national non-profit organization that promotes and enhances professionalism in the Canadian tourism industry.

### Industry Canada - [E-commerce Overview Series: Tourism Accommodation Sector in Canada](#)

This site will inform you about how firms in Canada's tourism accommodation sector are using the Internet and e-commerce to improve their business processes.

**Canadian Tourism Commission (CTC)** - The CTC provides Canada's tourism industry with the tools and strategic information it needs to succeed. The Commission coordinates the trade relations and marketing activities of all the key players in Canada's tourism industry to help them capitalize on this country's potential as a high-demand travel destination.

[Tourism Burlington](#) - See organization profile and contact information in Appendix C. For a current list of operating B&B's in Burlington contact us or visit website [tourismburlington.com](http://tourismburlington.com).

#### **BIBLIOGRAPHY**

1. Statistics Canada; [North American Industry Classification - Bed and Breakfast](#) (1997) No. 721191
2. Running your own bed and breakfast guide; Elizabeth Gundry; 1989 Tourism Educational Materials, Michigan State University
3. Government of Canada - Canada Business Services for Entrepreneurs - Starting a Bed and Breakfast -  
[http://www.canadabusiness.ca/servlet/ContentServer?pagename=CBSC\\_FE/display&lang=en&c id=1099483437684&c=GuideHowto](http://www.canadabusiness.ca/servlet/ContentServer?pagename=CBSC_FE/display&lang=en&c id=1099483437684&c=GuideHowto)

#### **DISCLAIMER**

Information contained in this document is of a general nature only and is not intended to constitute advice for any specific fact situation. Users concerned about the reliability of the information should consult directly with the source, or seek legal counsel.

**Appendix A  
Websites for B&B Operators**

**Free Listings**

<http://www.rentalproperties.ca/browse/ontario/burlington/>  
[http://www.realestate-center.ca/modules.php?name=Your\\_Account&op=new\\_user](http://www.realestate-center.ca/modules.php?name=Your_Account&op=new_user)  
<http://www.accommodationincanada.com/province/ontario/list6.php>  
[http://www.agreatvacationrental.com/register\\_owner.cfm](http://www.agreatvacationrental.com/register_owner.cfm)  
<http://www.tiptopvillas.com/register-personal-details.php>  
<http://www.pillowsandpancakes.com/webform.htm>  
<http://www.vacationpads.com/vp/celebrate.jsp>  
<http://www.holidayrentals.org/register/>  
<http://www.vacationrentaldirect.com/>

**Paid Listings**

[http://www.northamericaninns.com/nai\\_about\\_nai.cfm](http://www.northamericaninns.com/nai_about_nai.cfm)  
[http://www.bbscout.com/bb\\_welcome.php](http://www.bbscout.com/bb_welcome.php)  
<http://www.ontarioaccommodation.com/>  
<http://www.bedandbreakfast.com/ontario.html>  
<http://www.bbcanada.com/>  
<http://www.wheretostayandplay.com/>

**Appendix B  
Burlington Bed and Breakfast Signage**



Appendix C



## Tourism Burlington Profile

**Vision:** Elevating Burlington tourism experiences for visitors and the community.

**Mission:** Tourism Burlington Inc. is a strategic partnership dedicated to increasing the community’s tourism potential by:

- Attracting increased numbers of visitors throughout the year.
- Optimizing community and industry economic benefits.
- Increasing our tourism industry’s capacities.

### Structure

- Originated as a Visitor Information Centre managed by the Burlington Chamber of Commerce in the mid 80’s
- Not-for-profit incorporated business governed by a 15 member volunteer Board of Directors elected each year at an Annual General Meeting.
- Currently has 3 full time and 3 weekend and 3 seasonal travel counsellors
- Visitor Centre is supported by several part time volunteer travel counsellors

### Funding

Budget for 2008 is approx. \$4,000 with \$315,000 of core funding from The City of Burlington. Other sources of funding are Destination Marketing Fee, partner co-op marketing, profits from souvenir sales, and grants.

**Main Service Areas:** Marketing  
 Visitor Services  
 Partner Services

**Key markets:** Leisure Travel - Events/Visiting Friends & Relatives  
 Meetings and Conventions  
 Sports Tourism  
 Public Relations

### Partial Listing of Services

<b>Collateral</b>	<b>Events</b>	<b>Services</b>
Visitors Guide	Ambassador Training	Visitor Information Centre
Tear Map	Exhibits at Shows/Events	Site Inspection Tours
Tourism website	Media Receptions	Cooperative Bid Packages
MeetingPromotion	Tourism Awards	Co-op Programs
Co-op Advertising	Partner Meetings	Partner Bimonthly ENews
Sport Organizers Resources	Training Sessions	Customer Service Resources
Burlington Posters	Tourism Week	Pickle Awards

414 Locust Street Burlington, ON L7S 1T7 905.634.5594 Fax: 905.634.7220 1.877.499.9989  
[info@tourismburlington.com](mailto:info@tourismburlington.com) [www.tourismburlington.com](http://www.tourismburlington.com)