



Municipality of Northern Bruce Peninsula

Council Report

Report Number: DC 25-07

Subject: Bed and Breakfast Licensing Program Survey Data Review

From: Lindsay Forbes, Deputy Clerk

Date: November 10, 2025

Recommendation:

That Council receives Report No. DC 25-07 Re: Bed and Breakfast Licensing Program Survey Data Review; and

Option A - That Council directs staff to proceed with the development, implementation, and promotion of a Bed and Breakfast Licensing Program, including the waiver of the licensing and inspection fees for 2026.

OR

Option B – That Council directs staff to proceed with the development, implementation, and promotion of a Bed and Breakfast Licensing Program.

Summary:

This report presents an overview of the public feedback collected through the Business Licensing for Bed and Breakfast (B&B) Establishments Survey, which was posted on *Let's Talk NBP* from October 3 to November 2, 2025, along with an analysis of the data in relation to the development and implementation of a licensing program.

Background:

At the Council Meeting held on September 22, 2025, Council received a report from CAO, Peggy Van Mierlo-West regarding the licensing of B&B establishments. Following a review of the report, Council directed staff to undertake a public engagement process, as outlined in the report, to gather input from residents, business owners, and tourism

stakeholders on the development of a Business Licensing Policy for B&B establishments. To support this process, a public survey was posted on the *Let's Talk NBP* platform for a period of 30 days to collect feedback.

Analysis:

During the public comment period, a total of 92 survey responses were received, with the results provided in Appendix 1. Additionally, 53 responses were submitted for the open-ended question at the end of the survey, and these responses are presented in Appendix 2.

Of the survey responses received, 69.57% expressed support for establishing a Business Licensing Policy for B&B establishments, while 18.48% opposed the policy and 10.87% were unsure. Supporters cited fairness and consistency with other tourism operators, as well as maintaining health and safety standards, as the primary reasons for their position. Participants also highlighted the importance of stronger enforcement tools to address problem properties within the community.

Responses to the open-ended question highlighted a wide range of perspectives on the proposed policy's implementation. Many respondents raised concerns about the potential financial impact on business owners, noting that additional costs or administrative requirements could create challenges. Others emphasized the risk of overregulation, stressing the importance of balancing oversight with operational flexibility. At the same time, respondents noted the significance of renter safety and consistency with the existing Short-term Accommodation (STA) Licensing Program. Participants also offered recommendations to ensure the policy is both effective and manageable for all stakeholders.

An analysis of the data collected during the comment period indicates that while concerns regarding the financial and administrative impacts on business owners were evident, many respondents emphasized the importance of upholding standards, such as compliance with building and fire codes and maintaining adequate insurance coverage, to ensure renter safety. Several respondents also noted the need for consistency in licensing requirements across the Municipality, highlighting the importance of all operators adhering to established guidelines and remaining in full compliance with applicable by-laws.

Conclusion:

The proposed implementation of a B&B Licensing Policy within the Municipality will not only help ensure that rentals operate in compliance with safety guidelines, but it will also promote consistency and fairness across the local accommodation sector. By establishing clear standards for safety, insurance, and operational requirements, the program provides guidance and support to operators and community members alike. A draft by-law related to the Bed and Breakfast Licensing Policy will be presented to Council for consideration on December 8, 2025.

Attachments:

- 1. Appendix 1:** Let's Talk NBP Form Results Summary
- 2. Appendix 2:** Survey Question Responses

Municipal Strategic Commitment:

1. Creating a strong & resilient economy
2. Maintaining a transparent & responsible government.
3. Supporting the sustainability of environment and infrastructure.
4. Building a safe & vibrant community

Respectfully submitted:

Lindsay Forbes

Lindsay Forbes
Deputy Clerk

Approved by:

Peggy Van Mierlo-West

Peggy Van Mierlo-West
Chief Administrative Officer

Appendix 1: Let's Talk NBP

Form Results Summary

Oct 01, 2025 - Nov 03, 2025

Project: Business Licensing For Bed and Breakfast Establishments

Form: Public Survey: Business Licensing for Bed & Breakfast Establishments

Tool Type: Form

Activity ID: 42

Exported: Nov 03, 2025, 08:42 AM

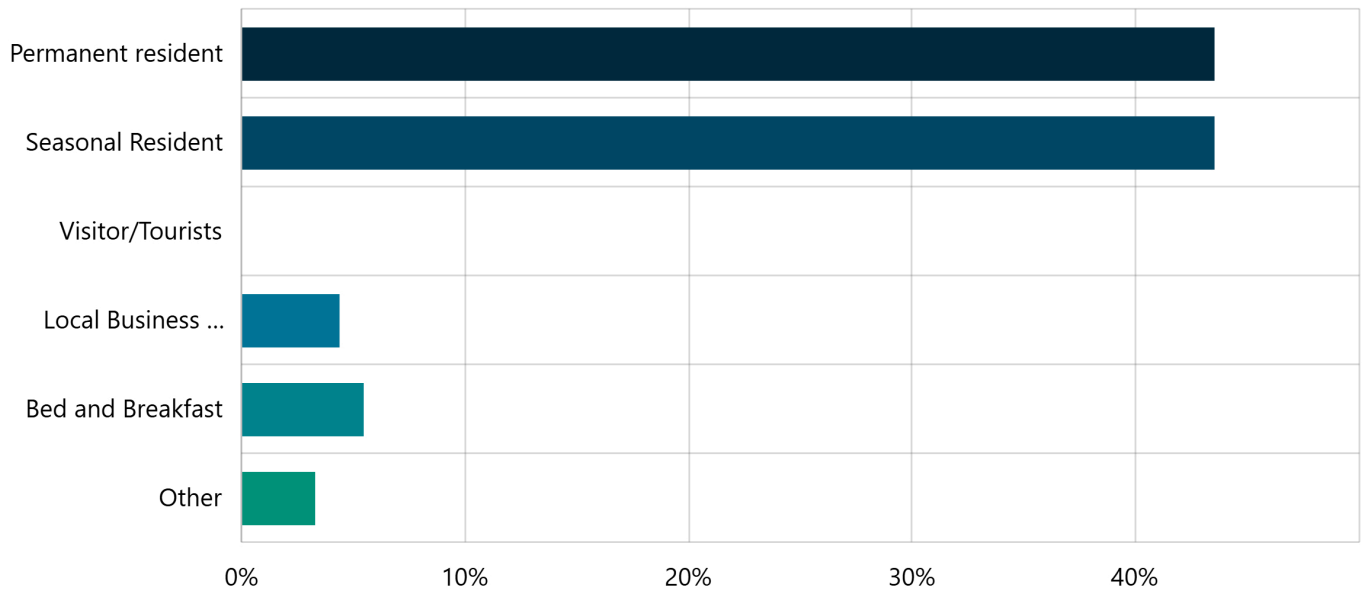
Exported By: Peggy Van Mierlo

Filter By: No filters applied.

Contribution Summary

1. What is your connection to the Municipality?

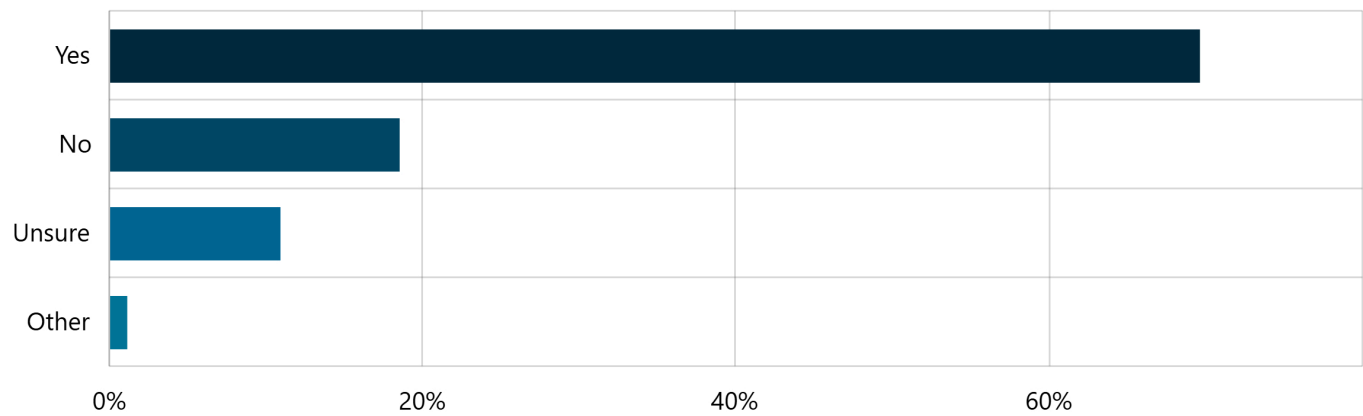
Multi Choice | Skipped: 0 | Answered: 92 (100%)



Answer choices	Percent	Count
Permanent resident	43.48%	40
Seasonal Resident	43.48%	40
Visitor/Tourists	0%	0
Local Business owner (non B&B)	4.35%	4
Bed and Breakfast	5.43%	5
Other	3.26%	3
Total	100.00%	92

2. Do you support the Municipality creating a Business Licensing Policy for Bed & Breakfast establishments?

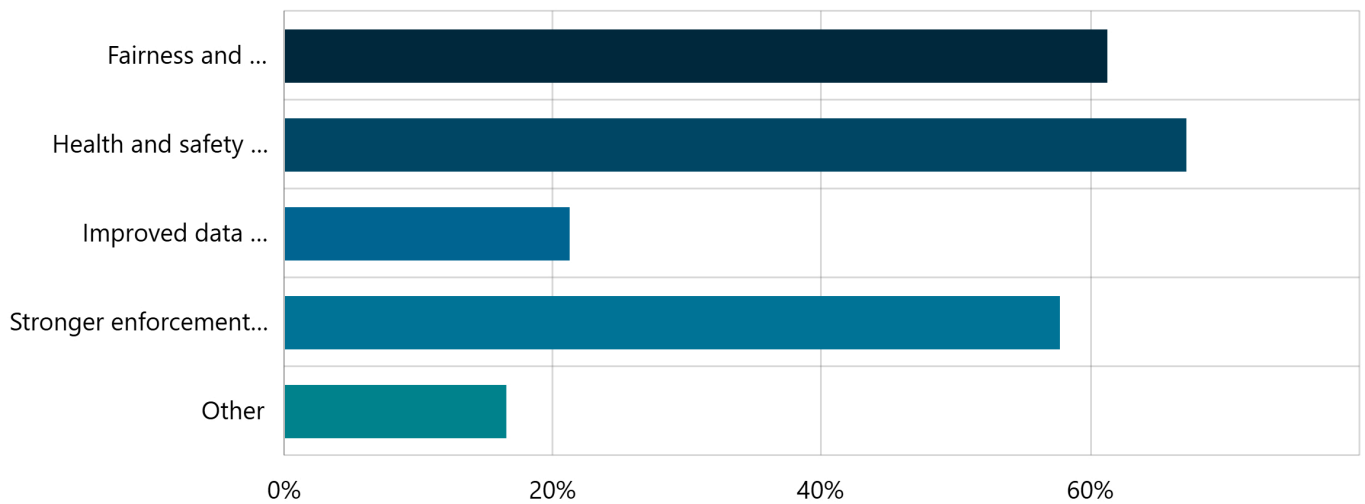
Multi Choice | Skipped: 0 | Answered: 92 (100%)



Answer choices	Percent	Count
Yes	69.57%	64
No	18.48%	17
Unsure	10.87%	10
Other	1.09%	1
Total	100.00%	92

3. In your opinion, what are the most important reasons to license B&Bs? (Select up to 3)

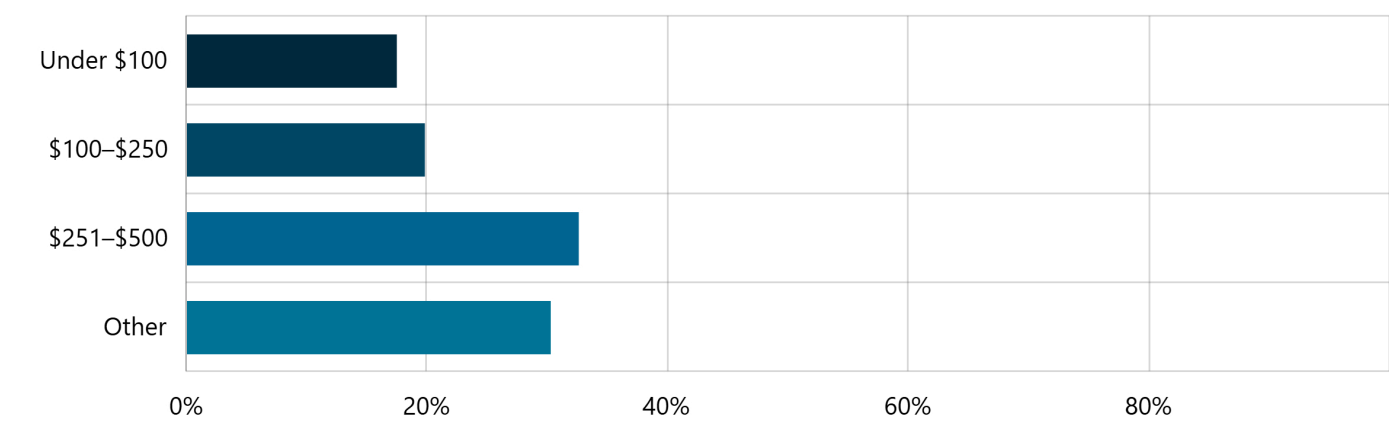
Multi Choice | Skipped: 7 | Answered: 85 (92.4%)



Answer choices	Percent	Count
Fairness and consistency with other tourism operators	61.18%	52
Health and safety standards (fire code, building compliance, etc.)	67.06%	57
Improved data collection (registry of operators)	21.18%	18
Stronger enforcement tools for problem properties	57.65%	49
Other	16.47%	14

4. What do you think would be a reasonable annual licensing fee for B&B establishments?

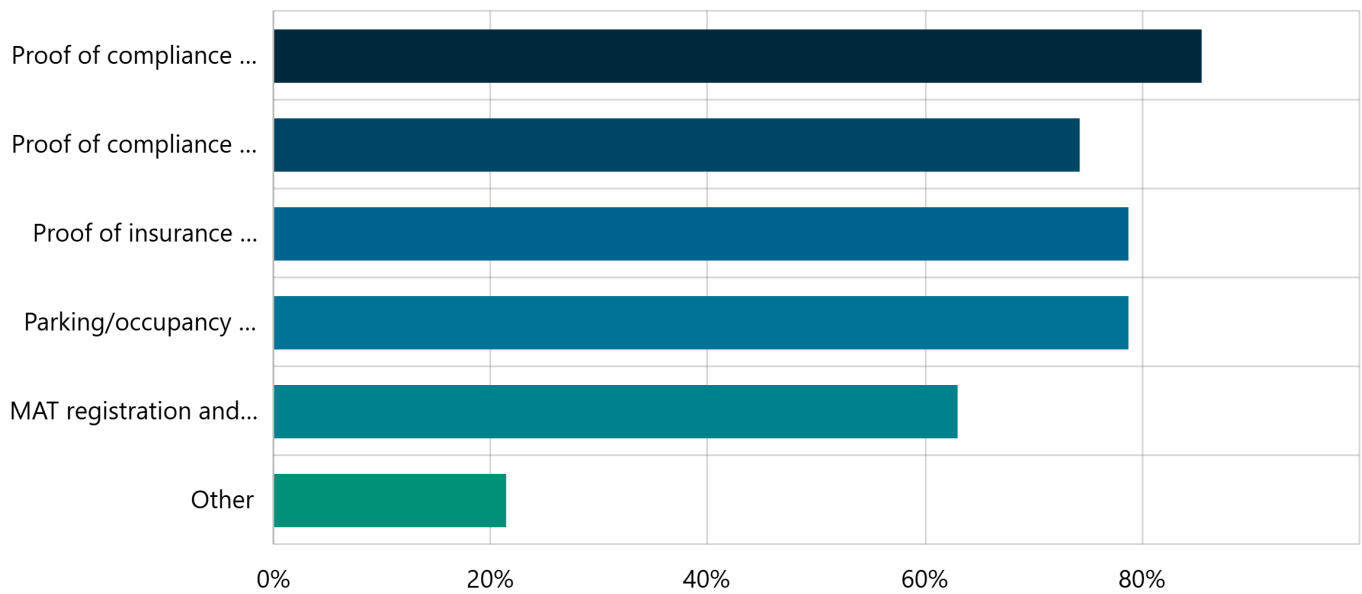
Select Box | Skipped: 6 | Answered: 86 (93.5%)



Answer choices	Percent	Count
Under \$100	17.44%	15
\$100-\$250	19.77%	17
\$251-\$500	32.56%	28
Other	30.23%	26
Total	100.00%	86

5. What standards or requirements should be included in a B&B licence? (Select all that apply)

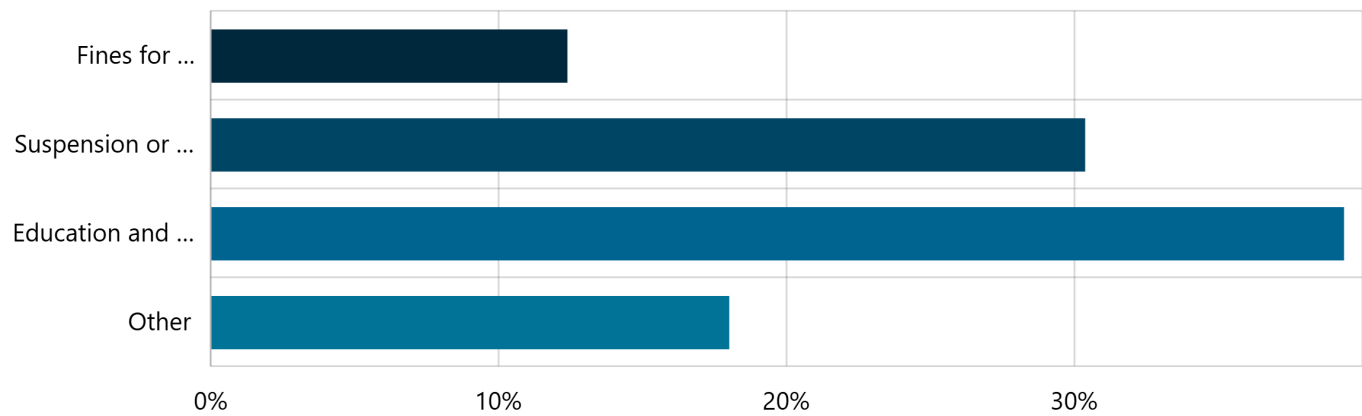
Multi Choice | Skipped: 3 | Answered: 89 (96.7%)



Answer choices	Percent	Count
Proof of compliance with Fire Code	85.39%	76
Proof of compliance with Building Code	74.16%	66
Proof of insurance coverage	78.65%	70
Parking/occupancy requirements	78.65%	70
MAT registration and remittance	62.92%	56
Other	21.35%	19

6. How should the Municipality enforce the licensing program?

Multi Choice | Skipped: 3 | Answered: 89 (96.7%)



Answer choices	Percent	Count
Fines for non-compliance	12.36%	11
Suspension or revocation of licence	30.34%	27
Education and compliance assistance first, penalties only if unresolved	39.33%	35
Other	17.98%	16
Total	100.00%	89

7. Do you have any additional comments, suggestions, or concerns regarding the licensing of B&B establishments?

Long Text | Skipped: 38 | Answered: 54 (58.7%)

Sentiment

No sentiment data

Tags

No tag data

Featured Contributions

No featured contributions

Appendix 2: Survey Question Responses

At the end of the survey, participants were asked the following question:

“Do you have any additional comments, suggestions, or concerns about the licensing of Bed and Breakfast (B&B) establishments?”

A total of 53 responses were received and are shown below.

1. Licensing should only apply to actual B&B businesses not residences since owner lives in the same property.
2. B&B should be licensed ONLY if it is operating as a separate business and it is not a residence of the owner.
3. Rules should mirror those for short term accommodation (STA). There are a much fewer licensed STA's than the number of advertised STAs on media. Without staff actively monitoring this gap and the inherent disregard for bylaws by operators, any further rules/regulations are moot and laughable. If you make a law, enforce it for the sake of the whole community
4. Area is getting rather expensive to visit. B&B's do not benefit from being licensed by the municipality. Let guests figure out if they want to visit a run-down location vs a pampered stay. Continue to give the owners responsibility. It is an over-reach and a money-grab only.
5. I am not aware of any existing problems other than the number of regulations and licensing makes it harder for year-round residents to make a living
6. Too much government oversight
7. Distance to neighbors
8. What does Stratford do? They have a large number of B&B operations.
9. We have rescued a number of people without life jackets, no flotation, can't swim and have no idea about water. Fire regulations need to be strictly enforced. The fire brigade should not be making a decision whether to charge or not. The complaint system needs to be centralized to track problem residences. A dispersed system of complaints just allows the offending property to hide the problem. The neighbours should not have to keep track of where to call for a noise complaint or fireworks.

- 10.** There shall be no B&B licensing required
- 11.** Fire and Building Safety and Building Code compliance are essential. Unlike the STA Bylaw, should not be cash grab. Safety and compliance should be paramount.
- 12.** Implementing a new municipal business license for B&B operators is unnecessary, duplicative, and potentially harmful to a sector that is already regulated and financially strained.

1. Duplication of existing regulation

B&B operators in Ontario are already required to obtain and maintain a provincial license, which ensures compliance with the local health unit, including regular water testing at the B&B owner's expense. Adding a municipal business license does not enhance public safety or accountability, it simply duplicates oversight that already exists at the provincial level.

2. Administrative and financial burden

Most B&Bs are small, owner-operated businesses with modest revenues and thin profit margins. Introducing another layer of licensing means additional fees, paperwork, and administrative time. This is not a nominal cost, it represents a real financial and operational burden, particularly in a sector still recovering from post-pandemic declines in tourism and increased operating costs, (utilities, insurance, food, advertising and maintenance).

3. Impact on local tourism and economic recovery

B&B's play a vital role in local tourism economies, especially in small towns and rural communities like ours. B&B operators contribute to the local tax base, support local restaurants, shops, and tour operators. The B&B experience offers visitors a distinctive, community-based experience unlike any other. Burdening them with new municipal fees risks will discourage operators, which runs the risk of reducing accommodation options, and ultimately undermining local tourism competitiveness.

4. Additional administrative strain

Many operators already handle the MAT (tax), a process that requires detailed reporting, remittance, and compliance tracking, which B&B operators were asked to comply with, with little support and appreciation of the added administration burden. Adding a separate business license requirement increases administrative workload without clear added value.

5. Declining business trends warrant support, not added cost

The accommodation industry, particularly small-scale B&Bs, has been experiencing a decline in bookings due to changing travel patterns, short-term rental competition and ongoing economic pressure on consumers. Rather than imposing new fees and regulations, municipalities should be focusing on measures that support these local family-run businesses, such as marketing partnerships, streamlined processes, or flexible regulations that encourage continued operation.

This new 'proposed' municipal business license for B&Bs represents an unnecessary and counterproductive layer of regulation. It duplicates existing provincial oversight, adds costs to already low-margin businesses, and risks weakening a sector that contributes meaningfully to local tourism and community culture.

Municipalities should instead prioritize collaboration and support, not additional barriers for these small but vital local enterprises.

13. A bnb should be required to have their water tested. That their property is in safe living conditions, like no mold, in good condition, septic working etc. That the owner is residing on the property.

14. First, we have to consider and understand the current situation. STA have a place here now and active licensees. They pay fees, they are administered. There is a complaint process, and the council is actively maturing this recently emerged property use with its conflicts. This is an active management problem all over. Over tourism and STA taken together are a matter of push back by residents in Canada and abroad. The Council in taking this step and this survey is addressing a second group operating under the radar, without licensing, without fulfilling the bylaw requirements, and without oversight. B&B are operating illegally without exception today.

From the Bylaw: "Bed & Breakfast Establishment" means a detached dwelling, licensed by the corporation containing not more than three rooms available for sleeping accommodation of the vacationing or travelling public for not more than eight (8) persons in which breakfast shall be offered.

A bed and breakfast establishment shall not include a restaurant, and the owner/operator must occupy said dwelling"

Comprehensive Zoning Bylaw:

8. Licensing: All bed and breakfast establishments must be licensed by the municipality.

- The B&B Bylaw REQUIRES LICENSING. This is unambiguous.
- The owner/operator must occupy the property This is unambiguous.
- The owner must be the operator. (owner/operator) This is unambiguous.
- The term “/” is CONJUNCTIVE in law as written. Form of language has meaning.
- That means the operator must be the owner. It does not say "or". This (“/”) means “and”.
- This is clearly in keeping with the general interpretation of this clause widely used in municipalities since the 1940's and that history can be traced and interpreted.

THIS IS THE REASON THE SURVEY EXISTS. THIS IS FACT.

ALL B&B currently operating in the municipality are illegal STA. This is NOT legal non-conforming use.

- The zoning permission is inoperative in practice because the “condition precedent” (a licence) cannot be fulfilled.
- In planning case law, that usually means the use is not legally established until the licensing scheme exists and is complied with. Courts and the OLT (formerly OMB) have treated this kind of situation as:
- The use is a “conditional conforming use” — permitted in principle but not legally exercised until the condition is met.
- If the condition is impossible (no licence exists), then the operator is effectively in breach; the municipality could call it an unlicensed operation (an “illegal conforming use”)
- The owner cannot claim legal non-conforming protection, because they were never “lawfully established.”
- The municipality could enforce on the basis of failure to obtain a licence (even if the licence by-law is missing, the zoning clause points to it, so the intent is clear).

Summary: So, to recap. All B&B are illegal in current state. There is no municipal oversight. They pay no fees. They have no license to operate. They also have no right to conversion/grandfathering.

15. The B&B needs to be responsible for the occupant's behaviour in terms of noise, trespassing onto neighbouring property and fire ban restrictions...
16. Please don't make any rules that staff will not enforce. I have made complaints about STA s in my neighborhood being in noncompliance and I have not seen anything done about it. In fact, it seems that I was in an adversarial position with staff, I was not the one in the wrong. My complaint regarding a BNB not being in compliance with the existing zoning bylaw was completely ignored.
17. Preferred accommodation facilities to STA's as the property owners tends to be present when frequented by tourists.

18. Stop searching for more fees and regulations! Collect a fee from the commercial Campgrounds and the boat operators they are the once that create the most tourist traffic on the Bruce Peninsula and need to start paying their fare share of tourist infrastructure. Start collecting a head fee per overnight stay. And a per person tourist tax for tour and boat operator. Stop the grab of collecting a percentage amount of our sales! And finally start to enforce that septic systems are up to standard for ALL properties and have a clearly posted occupancy maximum posted outside for the public to view. That will stop the overload of privately used and STAS

19. I don't agree with licensing a home business. The zoning doesn't change and unless you're going to license, the businesses of other home businesses like daycare 's or hair salon I think that it's separate from a hotel or Airbnb, where the owner isn't present

20. B&B generally where and when allowed should be:

- Subject to annual renewal
- Have Potential for nonconforming license removal, fines and penalties.
- Charged at similar rate basis as STA.
- Limited to owner/operator explicitly residing full time in subject property.
- Not be allowed at all where multi home ownership exists within the Municipality
- Subject in all cases to fire, septic and change of use review.
- Subject to public notice for said change of use.
- Refused grandfathering as no legitimate B&B exists today
- Required to provide privacy and security via plantings, setbacks, privacy fencing at their expense to provide necessary separation of use and avoidance of nuisance.
- Be limited to non-R1 residential zones.

21. All bed and breakfast places should make sure it is safe and healthy for all visitors.

22. Usually the owner/operator is on site which definitely should be required before a licence is granted. The number of licenses needs to be capped.

23. Make it same as for STA

24. The properties that are local to our residence have absentee owners and rely on property managers to oversee the property. Most property management companies will oversee many properties and, in my opinion, do not do enough to keep a closer eye on renters, and their activities at rental properties. Also, it would be good to have a waiting period before a property is allowed to book renters. In our situation, a neighbour built a cottage and then started renting it out when completed. I think local homeowners should be advised and there be a grace period so homeowners in the area can get adjusted to there being different

people with different habits renting next door. We are now in a situation here where we have fallen out with the owners of the property next door, who rents out their cottage. Because we showed concern and were keeping any eye on the goings on at this rental and then taking photos of suspicious activity on their property, the owner lashed back and forbid us from taking photos of their guests. It was in the interest of providing the owner with any proof needed in case of property damage or misuse. In any case, we do not communicate with them anymore. With this property next door, we would have appreciated a heads up that it was to become a rental.

- 25.** We don't need more paperwork and red tape. The economy is already tough and about to get tougher.
- 26.** What's next a license to take a walk
- 27.** B&B establishments should have the same standards and regulations as STAs, with additional requirements regarding presence of the property owner on the sit.
- 28.** Cost should be comparable to other businesses and should be fair. Any system should be straight forward and as simple as possible to avoid unnecessary management of the regulations.
- 29.** Reduce all tourism in our area.
- 30.** I feel that any person renting accommodations should be paying the same licensing fee (\$500.), STA'S, B&B's and Hotel's/Motel's. It is only fair to all. A contact procedure with the municipality to report or questioning neighbouring rentals as to how licensed and whether legal/ registered.
- 31.** B&B should be treated the same as STA.
- 32.** B&B operators and guests need to comply to rules of conduct and not disturb neighbours or leave garbage unattended
- 33.** We live next to B&B and they fill the house and live in a trailer so they can add more revenue. Just wrong on so many levels.
- 34.** If a B&B is operating unsafely and is a safety concern as far as current regulations go, municipality can deal with it. Guests want choice, and soon the area is going to be priced too high for anyone to come for anything. Guests don't care if there is a license in place - it's only the municipality who will win with money, but it will actually cost them more by the time paperwork and checks are in place.

35. Properties that are heavily rented need to be safe and occupied only to within the capability of sewage/septic systems. We should only make rules that we are capable of enforcing.

36. I am a one room B&B owner. And I think most are. Or a max of three rooms. I live in my home. Zoned for a business. Look after noise control. Not had any problems. Not like Airbnb do. And people need to know the difference between an Airbnb and a B&B. After paying taxes and commissions 35% plus the cost of food \$\$ pay 4% to municipalities ..Now you want more. If you're trying to close small one room properties B&B s down that already pay tax and bring in clients for the town .. and try to make a living out of that .. you will be doing a good job . I take pride in my home and being a good host to my guests.
It's hard enough to make a living. And a new money grab won't help. Please support the one room B&B does not stab them with an extra license fee. Thank you

37. owner living onsite

38. B and b's should be under the same requirements and pay the same fees as an STA. There should be an inspection before the license is given. Owner must live on site if an air b and b. For both there should be a limit to how many should be allowed in a residential area

39. They need to license in order to ensure that the MAT tax is being remitted. Also, I'm aware of some B&B's currently operating as STAs. They prefer B&B status because they are not licensed, do not have to follow the rules, and don't have to submit tax.

40. I think paying the extra taxes are enough.! B&Bs have enough. Extra expenses regarding the cost of food to feed their guests. They live in their home, where it is being rented so regarding loud sounds, it is regulated by them. Not like Airbnb. If the home is Properly zoned to run a business, they should not have to pay for extra licensing on top of all the taxes.

41. I feel as though the approach off this survey is leading. Without knowing the reason why a B&B is needing a license or what is expected to achieve, in this process it's difficult to obtain valuable feedback.

42. Regardless of how it is ultimately implemented, it is important to license B&Bs. Do not remove the requirement from the By-law.

43. Not at this time.

44. A kitchen inspection should be mandatory if they are providing a cooked breakfast or other meals

45. B and B's are already paying for more items such as the required PHU water testing that other STAs don't have to follow (makes absolutely no sense at all), so the fee for this license should be very low (under \$100)

46. We are already over regulated.

47. Keep it consistent with the STA bylaws.

48. It is unfair to require an STA to meet basic rules and regulations but have no rules and regulations for a BNB.

49. There should be also a limit on B & B.'s in the community. The owner of the property needs to reside there and maintain the operation. They should not be vacant houses. that are self serviced

50. the last question mentioned education before fines/ license suspension. I feel education should be part of requiring a license in the first place. Im all for creating business opportunities for everyone but there needs to be checks and balances to go along with them

51. First it was parking fees, taxing vacant lots now regulated small businesses.

52. Stop making it more difficult for residents to make a living. Stop increasing the cost of living with your cash grabs

53. Bed and breakfast should not be allowed to be advertised/licensed as a bed and breakfast unless they are actually serving breakfast. Many do not.