

A guide to using your property for **VISITOR ACCOMMODATION** in the Queenstown Lakes District

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WHY DOES THE COUNCIL REGULATE ACCOMMODATION?

There are a number of reasons why the Council regulates accommodation. It is required to by the Local Government Act, the Resource Management Act and the Building Act. Secondly, the Council needs to make sure that public health and safety standards are achieved so that visitors are kept safe and well. This means that the Council needs to know when properties are being used for accommodation purposes so that any positive or negative effects can be managed in the right way.

Delivering a high quality of visitor experience is very important. While the Council does not specifically regulate the quality of service provided, other industry/professional bodies do. All operators are strongly encouraged to check with their relevant industry association for further guidance.

WHAT IS VISITOR ACCOMMODATION?

Simply put, Visitor Accommodation is the use of property for short-term living accommodation where the guests pay fees to stay there. Making your home available to family and/or friends at no charge is NOT Visitor Accommodation.

The definition of Visitor Accommodation under the District Plan is:

The use of land or buildings for short-term, fee paying, living accommodation where the length of stay for any visitor/guest is less than 3 months; and

- (i) Includes such accommodation as camping grounds, motor parks, hotels, motels, boarding houses, guest houses, backpackers' accommodation, bunkhouses, tourist houses, lodges, homestays, and the commercial letting of a residential unit; and
- (ii) May include some centralised services or facilities, such as food preparation, dining and sanitary facilities, conference, bar and recreational facilities if such facilities are associated with the visitor accommodation activity.

Letting your residential unit commercially means you are advertising the property for Visitor Accommodation purposes and charging a fee. There are three exclusions:

- a. A single annual let for one or two nights;
- b. Homestay accommodation for up to five guests in a Registered homestay;
- c. Holiday Home accommodation for one household of visitors, (for example a family or group that functions as one household) for a minimum stay of three consecutive nights up to a maximum (single or cumulative multiple lets) of 90 nights per calendar year as a Registered Holiday Home.

Renting your property on a long-term basis (each let of more than 3 months) is considered a residential activity under the District Plan, and is not Visitor Accommodation. Please consult the Residential Tenancies Act through the Department of Building and Housing or visit www.dbh.govt.nz.

WHAT ARE THE OPTIONS FOR USING MY RESIDENTIAL PROPERTY FOR VISITOR ACCOMMODATION (PAYING VISITORS/GUESTS)?

You have four options:

- 1) Let it out for only one or two nights per year.
- 2) Register as a Homestay: you host paying guests in your home while you live there.
- 3) Register as a Holiday Home: you let the house to paying visitors while you are away.
- 4) Obtain Resource Consent for Visitor Accommodation – any scale of activity.

The registration form is on page 7 of this brochure or online at www.qldc.govt.nz.

HOW DO THE RULES AFFECT ME?

In the past, all Visitor Accommodation (except for Homestays with four guests or less) throughout the District was required to have resource consent, usually as a controlled, restricted discretionary, or discretionary activity. The community wanted some changes to this requirement, which have been provided through a change to the District Plan (Plan Change 22: Definition of Visitor Accommodation).

The effect of the Plan Change 22 definitions and rules enable you to register a Homestay or Holiday Home without needing a resource consent, provided your use meets the following requirements:

Registered Homestay

Means a Homestay (a residential activity where an occupied residential unit is also used by paying guests) used by up to 5 paying guests which has been registered as a Registered Homestay.

Note: Homestays for more than five guests are more complicated and will require resource consent, be subject to commercial/accommodation rating and development contribution requirements, and would be advised to review requirements under the Building Act.

There is no limit on the number of nights at a Homestay, as the operator lives on-site and it is presumed the property can have guests anytime the operator/owner is resident.

Registered Holiday Home

Means a stand-alone or duplex residential unit which has been registered by the Council as a Registered Holiday Home (minimum stay of 3 nights; for up to 90 nights per year).

For the purpose of this definition:

- a) A stand-alone residential unit means a residential unit contained wholly within a site and not connected to any other building;
- b) A duplex residential unit means a residential unit which is attached to another by way of a common or party wall, provided the total number of buildings attached in the group of residential units does not exceed two.
- c) Where the residential unit contains a residential flat, the registration as a Registered Holiday Home shall apply to either the letting of the residential unit or the residential flat, but not to both.

Note: a multi-unit building is expected to have been built to meet the building code requirements for Visitor Accommodation and cannot be considered a Registered Holiday Home.

The table below shows how your residential property could be used as a holiday home:

Holiday Home use	Registration Required?	VA Resource Consent Required?	Rates Category	Development Contributions Category	Building Act
A. One let of one or two nights.	No	No	Residential	Residential Household Unit	Single Household Unit
B. One let, up to 28 nights.	Yes	No	Residential	Residential	Single Household Unit
C. Multiple lets, with each let of no fewer than 3 nights but not more than 90 cumulative nights per calendar year.	Yes	No	Mixed Use Apportioned based on 25% Commercial / Accommodation	Residential	Single Household Unit
D. Multiple lets of 1 to 90 nights, repeated any number of times in a calendar year, to any number of guests.	Not Available	Yes	Commercial / Accommodation	Mixed-use Accommodation	To be determined

If the scale of use you wish to pursue exceeds that for registration, then resource consent is required.

WHAT ARE THE BENEFITS OF REGISTERING MY PROPERTY?

- Certainty - you know how often your property can be used for guests/visitors.
- One-stop summary of requirements - no need to liaise separately with Council departments.
- No-cost alternative to a resource consent
- Ability to rent your property while you're away on holiday, or rent your holiday home.
- Public verification that the property is registered with the Council.

HOW DO I REGISTER?

Fill in the registration form or you can apply online at www.qldc.govt.nz

For you: A landowner (or their agent*) must complete the registration form and agree to comply with the Standards detailed below.

For Council: Provided the application (including Statutory Declaration) is properly completed, and the relevant Definitions and Standards have been complied with, the Council will register the property as a Registered Holiday Home or Registered Homestay.

Registration of a Registered Holiday Home or a Registered Homestay will lapse when:

- a) The landowner notifies the Council in writing that they wish to surrender the registration; or
- b) The property has a change in ownership; or
- c) There has been a failure to comply with the Standards.

Any registration which lapses may only be reinstated by submitting a new application.

**Another person or body may apply on a landowner's behalf for registration in which case that person or body is responsible for ensuring compliance with all requirements. However the landowner also remains responsible at all times for ensuring compliance by the agent.*

WHAT ARE THE REQUIREMENTS IF I AM REGISTERED?

Standards: The owner and management entity must:

- (a) Maintain records of all letting.
- (b) Ensure compliance with all relevant laws and regulations.
- (c) Install and maintain smoke alarms in accordance with the following:
 - (i) Type I Domestic Smoke alarms. This system is to be based around one or more domestic/residential type smoke alarms with integral alerting devices. Coverage shall be limited to selected parts of a single firecell subject to the following: (1) Smoke alarms shall be listed or approved by a recognised national authority as complying with at least one of UL 217, CAN/ULC S531, AS 7386, BS 5446: Part 1. (2) The smoke alarms may be battery powered and are not required to be interconnected. In addition, they shall provide a hush facility having a minimum duration of 60 seconds. (3) Smoke alarms shall have an alarm test facility readily accessible by the building occupants. This facility may be located on the smoke alarms.
 - (ii) Location of smoke alarms - Smoke alarms shall be located within the escape routes on all levels within the household unit. On levels containing sleeping spaces, the smoke alarm shall be located either: (a) in every sleeping space; or (b) Within 3.0 metres of every sleeping space door. In this case, the smoke alarm must be audible to sleeping occupants on the other side of the closed doors. Smoke alarms shall be installed on or near the ceiling in accordance with AS 1670.6 and the manufacturers instructions.
 - (ii) Maintenance of Smoke Alarms - maintenance procedures are (a) in-situ annual cleaning with a vacuum cleaner (no disassembly of the smoke alarm); and (b) Monthly testing of the use of the smoke alarms "test" facility.
- (d) Ensure any wood burners or fire places comply with relevant Building Act requirements.
- (e) The maximum number of adults per residential unit shall not exceed two adults per bedroom. An adult is defined as any person over 16 years of age.
- (f) That at least one on-site car park is available for guest use at all times (unless District Plan requirements indicate that a greater number of car parks are required).

WHAT DRIVES THE RULES ABOUT VISITOR ACCOMMODATION?

There are four tools used by the Council to drive the rules about Visitor Accommodation. They are the District Plan, the Council's Rating and Development Contributions policies, and the Building Act. Specifically:

The District Plan regulates Visitor Accommodation through Definitions (see also Homestay, Registered Homestay, and Registered Holiday Home), and Section 2.1.13 – Information and Interpretation, and Appendix 12 – Standards.

The Rating Policy is used to determine the amount of rates due annually on the property, which is affected by the physical portion or the amount of time the property is used for paying guests. The Rating policy also makes use of the District Plan definitions. The Mixed Use Apportioned rates category may be applied, based on level of guest use, to all Registered Holiday Homes and Registered Homestays, which includes a 25% commercial / accommodation rating apportionment. Most of this funds tourism promotion through Destination Queenstown, Arrowtown Tourism and Lake Wanaka Tourism, benefiting the accommodation providers in the district.

The Development Contributions Policy determines the property's contribution to infrastructure for water, wastewater, roading and reserves, based on the use of the property.

The Building Act governs the fire code and construction requirements of buildings. Requirements for purpose-built Visitor Accommodation differ from residential structures. The purpose of the Registered Homestay and Registered Holiday Home definitions under the District Plan were designed to be consistent with the residential Building Act requirements, but if the use is for more than a single household unit, commercial Building Act requirements would apply.

ARE THERE PROPERTIES THAT CANNOT APPLY FOR REGISTRATION?

Multi-unit (3 or more unit) apartment-type properties are not eligible for registration. If owners wish to use these type of properties for visitor accommodation, then an application for Resource Consent should be considered. It may be worthwhile to consult with all owners of the building to indicate if some or all units would be included in the visitor accommodation resource consent application.

Overview of Visitor Accommodation

There are four options around letting your property out to short term visitors and what you are required to do and what you are required to pay depends on your circumstances. They are detailed below:

- 1 **One let of only one or two nights per year**
- 2 **Register as a Homestay**
- 3 **Register as a Holiday Home**
- 4 **Apply for Resource Consent**

Four Alternatives for your VA property:	Requirements	Pro's	Con's	Any Fee's to Pay for Application	Your Rates Prices
1) One let of only one or two nights per year	This requires no action; you are free to do this without applying to Council.	No Action	Limited income source	No	Stay the same
2) Register as a Homestay	You must live or be present at the time of letting at the residence (or on the same land as the residence) Your guests must be 5 or less at any one time	No fee's to register Easy form to fill in and send to Council There are no restraints around the number of days you let for Free advertising on the local tourism websites You will be monitored on your standards to ensure they meet the legal requirements	Your rates will increase by up to 25%	No	Approx 25% Increase
Register as Homestay but you limit your letting to one let of no more than 28 days	Same as above	Same as above	You will be monitored on your standards to ensure they meet the legal requirements	No	Stay the same
3) Register as a Holiday Home	You must NOT be present at the residence (or on the same land as the residence) Your house must be a <u>stand-alone or duplex house only</u> (multi unit houses must apply for resource consent under item 4) Each let must have a minimum stay of 3 consecutive nights Your individual lets added together can't be over 90 days You can register only one unit - i.e. if you have a self contained flat on your property as well you must register this separately You cannot exceed more than two people per room You can have one let per year for up to 28 days without your rates going up	No fee's to register Easy form to fill in and send to Council Free advertising on the local tourism websites You will be monitored on your standards to ensure they meet the legal requirements	Your rates will increase by up to 25% (with the exclusion of one let for up to 28 days)	No	Approx 25% Increase
Register as Holiday Home but you limit your letting to one let of no more than 28 days	Same as above	Same as above	You will be monitored on your standards	No	Stay the same
4) Apply for a VA Resource Consent	A resource consent covers all other types of visitor accommodation - and size, any number of people, any number of stays.	You can specify your own terms and do not need to keep within the boundaries mentioned above Free advertising on the local tourism websites	Depending on your level of VA your rates will go up and you may be entitled to pay Development Contributions (larger facilities only) There is an administrative charge around gaining resource consent The process is more complicated	Yes - an administrative charge to process the resource consent and a Development Contribution Charge	Depending on your size there could be a 25% to 50% Increase

Registration for Holiday Home

In accordance with the provisions of the Operative District Plan, I/We hereby make application for registration of a residential unit as a Holiday Home:

Valuation Number: _____

Owner's Details

Name of Owner: _____

Address for Service: _____

Contact Phone Numbers: _____ Email: _____

Management Entity Details (if different to Owner's Details)

Name of Management Entity: _____

Address for Service: _____

Contact Phone Numbers: _____ Email: _____

Website: _____

Property Details

Property Address: _____

Tradename (if applicable): _____

Website (if applicable): _____

Number of Bedrooms:

Number of people accommodated:

Number of carparks on site for visitor use:

Length of Use: _____ Single let of up to 28 days per year

OR

_____ Multiple lets of at least 3 nights each, totalling no more than 90 nights per year



Registration for Homestay

In accordance with the provisions of the Operative District Plan, I/We hereby make application for registration of a residential unit as a Homestay as chosen above:

Valuation Number: _____

Owner's Details

Name of Owner: _____

Address for Service: _____

Contact Phone Numbers: _____ Email: _____

Property Details

Property Address: _____

Tradename (if applicable): _____

Website (if applicable): _____

Number of Bedrooms:

Number of people accommodated:

Number of carparks on site for visitor use:

Statutory Declaration

In making this application I confirm and certify that in the commercial letting of my property I agree to meet all the standards listed below (as per Appendix 12 of the District Plan).

(1) This Section MUST be completed by the Owner:

I, _____ [full name] of _____ [Location],
_____ [Occupation] solemnly and sincerely declare that the information contained in this application is true and that I confirm and certify that in the commercial letting of my property I agree to comply with all matters explained in this document. I have read the standards carefully. I understand that failure to comply with these standards may put lives at risk and may result in enforcement actions by the Council. I am making this solemn declaration conscientiously believing the same to be true and by virtue of the Oaths and Declarations Act 1957.

Signed: _____

Declared this _____ [day] of the _____ [month] _____ [year].

BEFORE ME: _____ JS,
Justice of the Peace, or other person authorised to take a statutory declaration

(2) This section MUST ALSO be completed by the Management Entity if different to the Owner:

Note: A Management Entity is a commercial property management company or the like.

I, _____ [full name] of _____ [Management Entity], solemnly and sincerely declare that the information contained in this application is true and that I confirm and certify that in the commercial letting of the property I agree to comply with all matters explained in this document. I understand that failure to comply with these standards may put lives at risk and may result in enforcement actions by the Council. I am making this solemn declaration conscientiously believing the same to be true and by virtue of the Oaths and Declarations Act 1957.

Signed: _____

Declared this _____ [day] of the _____ [month] _____ [year].

BEFORE ME: _____ JS,
Justice of the Peace, or other person authorised to take a statutory declaration

**SEND TO: Queenstown Lakes District Council, 10 Gorge Road, Private Bag 50072, Queenstown 9348
OR, send by Fax to 03-450-2223, OR scan with signatures and email to services@qldc.govt.nz**

FOR COUNCIL USE ONLY:

APPLICATION REVIEW Customer Services:

Consistent with Definitions? Yes No (If no, Registration cannot be accepted)

Application details confirmed with Council records: Yes No (if no, resolve with applicant)

Confirmed by:

Rates: Residential Mixed Use

Confirmed by:

Have there been any complaints lodged that might indicate definitions or standards have been violated? Yes No

Planning: no review required review for complaints Confirmed by:

Building: no review required review for complaints Confirmed by:

Refer for Resource Consent? Yes No