

Authority: Planning and Housing Committee Item PH11.9,
adopted as amended by City of Toronto Council on April 17
and 18, 2024

CITY OF TORONTO

Bill 486

BY-LAW -2024

To amend City of Toronto Municipal Code, Chapter 547, Licensing and Registration of Short-Term Rentals.

Whereas authority is given to Council by the City of Toronto Act, 2006 to pass by-laws respecting business licensing; the economic, social, and environmental well-being of the City; the health, safety, and well-being of persons; and consumer protection;

Whereas pursuant to this authority, Council adopted Toronto Municipal Code, Chapter 547, Licensing and Registration of Short-Term Rentals;

Whereas Council wishes to adopt further amendments to Chapter 547 to, among other things, prevent the conversion of existing or potential long-term rental accommodation to short-term rentals through measures to further restrict an operator's principal residence to a single dwelling unit on a property; clarify the requirements for short-term rental advertisements and their verification and removal by short-term rental companies; and limit operator registrations to either partial-unit or entire-unit rentals;

The Council of the City of Toronto enacts:

1. Toronto Municipal Code, Chapter 547, Licensing and Registration of Short-Term Rentals is amended by:

A. Adding a new definition of "dwelling unit" to § 547-1.1 as follows:

DWELLING UNIT – Separate or self-contained living accommodation for a person or persons living together as a single housekeeping unit in which both food preparation and sanitary facilities are provided for the exclusive use of the occupants of the unit and includes, for the purposes of this Chapter, a secondary suite, laneway suite, garden suite, or similar accommodation.

B. Amending the following definitions in § 547-1.1 such that they read as follows:

ENTIRE-UNIT RENTAL – A short-term rental in which renters occupy the entire dwelling unit or all the bed-sitting rooms within a dwelling unit.

PRINCIPAL RESIDENCE – The dwelling unit where an operator ordinarily resides. For clarity, an operator's principal residence shall not include more than one dwelling unit.

SHORT-TERM RENTAL –

- A. All or part of a dwelling unit, including a bed and breakfast, used to provide living accommodation for a rental period of less than 28 consecutive days in exchange for payment.
- B. This definition does not include a hotel, a motel, or a dwelling unit normally used as a student residence that is owned or operated by a publicly funded or not-for-profit educational institution.
- C. Deleting § 547-1.3 and replace it with the following:

§ 547-1.3. Advertising requirements and operator verification.
 - A. No person shall advertise, facilitate the advertising or rental of, or broker a short-term rental unless:
 - (1) Its operator is registered under this chapter;
 - (2) Its operator has provided and maintains an account with the person using the full name, address, and registration number listed on their registration under this chapter; and
 - (3) The main page of any advertisement related to the short-term rental prominently displays the registration number listed on the operator's registration under this chapter.
 - B. Without limiting Subsection A, every person who advertises, facilitates the advertising or rental of, or brokers a short-term rental shall verify, at each instance when such services are provided, that the operator meets the requirements listed in Subsection A, which verification shall be completed in a manner prescribed by the Executive Director and by reference to a register of short-term rental operators maintained by Municipal Licensing and Standards.
 - C. No short-term rental company shall advertise, facilitate the advertising or rental of, or broker the rental of a hotel or motel property on its platform unless the hotel or motel is listed in a register maintained by Municipal Licensing and Standards.
 - D. Without limiting Subsections A, B, and C, a person shall remove an advertisement that does not comply with this section within 24 hours of being requested to do so by Municipal Licensing and Standards.
 - E. Where a person removes an advertisement for non-compliance with this section or under Subsection D, the person shall immediately cancel all future reservations made with respect to that short-term rental.

- D.** Adding a new § 547-2.1E as follows:
- E.** A registration issued under this chapter is valid only for the address or dwelling unit to which it pertains and no person registered under this chapter shall advertise, promote, or carry on business at any address or dwelling unit other than that endorsed on their registration.
- E.** Deleting § 547-2.2D.
- F.** Deleting § 547-2.9C, D, and E and replacing them with the following:
- C.** Where Municipal Licensing and Standards receives a response in accordance with Subsection B, the Executive Director or their designate shall review the response and send the operator written notice of their decision, which decision shall be final and subject to no further appeal or review.
- D.** If an operator has applied for the renewal of a registration and has remitted all applicable fees, their registration shall be deemed to continue:
- (1) Until the renewal is granted; or
- (2) Until the time for delivering a response under this section has expired or, where a response has been delivered, until the Executive Director has disposed of the matter.
- G.** Deleting § 547-2.12D and replacing it with the following:
- D.** In addition to the grounds set out in Subsection A, a person shall not be entitled to apply for or hold a registration, and Municipal Licensing and Standards shall refuse to issue or renew a registration where, in the year prior to the date of the application:
- (1) The person has applied for and been finally refused a registration;
- (2) The person has had their registration finally revoked; or
- (3) A registration related to the dwelling unit for which the person seeks a registration was cancelled or revoked, unless the person can demonstrate to the satisfaction of Municipal Licensing and Standards that the dwelling unit has since been sold.
- H.** Amending § 547-3.3A(1) to read “The full name, address, and registration number of the operator, as listed on the corresponding operator’s registration issued under this Chapter”.

I. Adding a new § 547-4 as follows:

§ 547-4. Registration eligibility criteria.

A person shall not be entitled to apply for or hold a registration and Municipal Licensing and Standards shall refuse to issue or renew a registration where:

- A. They are not an individual person of at least 18 years of age;
- B. They hold another registration under this chapter;
- C. They are a multi-tenant house operator, as defined in Chapter 575, applying for a registration related to the multi-tenant house they operate;
- D. They are applying for a registration related to a dwelling unit in respect of which another operator holds a registration, unless the applicant has held a registration related to the dwelling unit for the longest continuous period.

J. Amending § 547-4.1 to replace all references to the “Executive Director” with “Municipal Licensing and Standards”.

K. Adding a new § 547-4.1B(6.1) that reads as follows:

Upon request by Municipal Licensing and Standards, at least two additional documents that are satisfactory to Municipal Licensing and Standards to demonstrate that the short-term rental is the operator’s principal residence.

L. Deleting § 547-4.1D and replace it with the following:

Upon request by Municipal Licensing and Standards, the applicant for an operator’s registration or its renewal shall attend an in-person interview, at a time and place designated by Municipal Licensing and Standards, and provide such information or documents as Municipal Licensing and Standards may require to evaluate the applicant’s eligibility for an operator’s registration.

M. Adding a new section § 547-4.1.1 as follows:

§ 547-4.1.1. Entire-unit and partial-unit rentals.

- A. On an application for a registration or its renewal, the applicant shall indicate if they intend to operate an entire-unit or partial-unit rental.
- B. Where Municipal Licensing and Standards issues or renews a registration, the registration shall be restricted to either entire-unit or partial-unit rentals for its entire term.

- C. No operator who holds a registration to operate a partial-unit rental shall advertise or rent a property as an entire-unit rental.
 - D. No operator who holds a registration to operate an entire-unit rental shall rent a property for more than 180 nights per calendar year, regardless of whether the property is rented as an entire-unit or partial-unit rental.
 - N. Deleting § 547-4.2C and renumber the remaining subsection.
 - O. Amending § 547-4.4B by adding the following to the end of the subsection: “and shall post a physical copy of such information in a conspicuous place within the short-term rental property for the duration of the guest’s rental period.”
 - P. Deleting § 547-5.2 and replace it with the following:

§ 547-5.2. Municipal Licensing and Standards’ authority to inspect.

 - A. Municipal Licensing and Standards or any person authorized by the Executive Director may, at all reasonable times and in accordance with any applicable requirements in the City of Toronto Act, 2006, inspect any premises used for the carrying on of a business in respect of which a person is required to be licensed or registered under this chapter.
 - B. During an inspection under Subsection A, Municipal Licensing and Standards or any person authorized by the Executive Director may:
 - (1) Where the inspection is of a short-term rental, require its operator to attend the inspection and provide documents or things that may be relevant to the inspection;
 - (2) Where the inspection is of a short-term rental company, require a representative of the company to attend the inspection and provide documents or things that may be relevant to the inspection;
 - (2) Inspect and remove documents or things relevant to the inspection for the purpose of making copies or extracts; and
 - (3) Make examinations or take such tests, samples, or photographs as may be necessary for the purposes of the inspection.
 - C. During an inspection under Subsection A, the operator or representative of the short-term rental company shall comply with all directions given by Municipal Licensing and Standards or any person authorized by the Executive Director and no person shall obstruct the making of such inspection.
2. Toronto Municipal Code, Chapter 441, Fees and Charges, Appendix C – Schedule 12, Municipal Licensing and Standards, is amended by:

A. Amending the fees found at reference numbers 465 and 466 to read as follows:

Ref No.	Service Fee	Description	Category	Fee Basis	Fee	Annual Adjustment
465	Short-Term Rental Licensing	Short-Term Rental Company: Application and Renewal Fee	Full Cost Recovery	Per application or renewal	\$10,000.00	Yes
466	Short-Term Rental Licensing	Short-Term Rental Company: Nightly Fee	Full Cost Recovery	Per night booked	\$1.50	Yes

B. Amending the fee found at reference number 467 to read as follows:

Ref No.	Service Fee	Description	Category	Fee Basis	Fee	Annual Adjustment
467	Short-Term Rental Licensing	Short-Term Rental Operator: Application and Renewal Fee	Full Cost Recovery	Per application or renewal	\$375.00	Yes

3. Sections 1E and 1J shall come into force on the date this by-law is adopted.
4. Sections 1A, 1B, 1C, 1F, 1H, 1I, 1O, and 2A shall come into force on June 30, 2024.
5. Sections 1D, 1G, 1K, 1L, and 1P shall come into force on September 30, 2024.
6. Sections 1M, 1N, and 2B shall come into force on January 1, 2025.

Enacted and passed on May , 2024.

Frances Nunziata,
Speaker

John D. Elvidge
City Clerk

(Seal of the City)