

Authority: Licensing and Standards Committee Item LS24.3, adopted as amended, by City of Toronto Council on April 24, 25, 26 and 27, 2018

## **CITY OF TORONTO**

### **BY-LAW 526-2018**

#### **To amend City of Toronto Municipal Code Chapter 545, Licensing and Chapter 441, Fees and Charges, to adopt interim licensing measures and controls with respect to payday loan establishments.**

Whereas under sections 7 and 8 of the City of Toronto Act, 2006, the City may pass by-laws in respect of the health, safety and well-being of persons and the economic, social and environmental well-being of the City; and

Whereas the City of Toronto Act, 2006 grants the City of Toronto the authority to enact by-laws for the licensing, regulating and governing of businesses wholly or partly carried on in the City of Toronto, including the ability to require the payment of fees; and

Whereas section 92.1 of the City of Toronto Act, 2006 authorizes the City in accordance with the requirements of section 92.1 to define the area of the City in which a payday loan establishment may or may not operate and limit the number of payday loan establishments in any defined area in which they are permitted; and

Whereas section 259 of the City of Toronto Act, 2006 provides that the City may pass by-laws imposing fees or charges on persons for services or activities provided or done by or on behalf of it;

The Council of the City of Toronto enacts:

1. City of Toronto Municipal Code Chapter 545, Licensing, is amended as follows:
  - A. by adding the following to the list in § 545-2A:

Every person or entity who is required to hold a licence as a lender or a loan broker under the Payday Loans Act, 2008.
  - B. by adding as a new article to Chapter 545, Licensing, entitled "Payday Loan Establishments" and inserting the provisions set out in Schedule A to this By-law, with necessary modification to the section numbering used as required by the City Clerk's Office for the purpose of codification:

2. Schedule 12, Municipal Licensing and Standards, of Appendix C of Chapter 441, Fees and Charges, of The City of Toronto Municipal Code is amended by adding the following items:

Ref.	Service	Fee description	Category	Fee basis	Fee	Annual Adjustment
468	Business Licensing & Permitting	Application Fee: Payday Loan licence	Full cost recovery	Application	\$632.87	Yes
469	Business Licensing & Permitting	Renewal Fee: Payday Loan licence	Full cost recovery	Application	\$308.99	Yes

Enacted and passed on April 27, 2018.

Frances Nunziata,  
Speaker

Ulli S. Watkiss,  
City Clerk

(Seal of the City)

SCHEDULE A

ARTICLE XLVI  
**Payday Loan Establishments**

**§ 545-537. Definitions.**

As used in this article, the following terms have the meanings indicated:

OPERATOR - The operator of a payday loan establishment.

**§ 545-538. Licence under this article required.**

- A. No person shall act as a lender or loan broker as defined in the Payday Loans Act, 2008 unless they hold a valid licence as a lender or a loan broker under the Payday Loans Act, 2008 and a valid licence under this chapter.
- B. No person shall operate a payday loan establishment unless they hold a valid licence as a lender or a loan broker under the Payday Loans Act, 2008 and a valid licence under this chapter.
- B. No person, except a person who holds a valid licence as a lender or a loan broker under the Payday Loans Act, 2008 as of May 1, 2018, may be licensed under this chapter.
- C. Every person who holds a valid licence as a lender or a loan broker under the Payday Loans Act, 2008 as of May 1, 2018 shall obtain a licence under this chapter.

**§ 545-539. Application requirements.**

A person or entity who wishes to apply for a licence shall:

- A. provide the following information to the City:
  - (1) the name of the applicant;
  - (2) all business addresses;
  - (3) the address for the main office, if different from the address in subsection A(2) or where multiple business locations are in operation;
  - (4) proof of a valid licence issued under the Payday Loans Act, 2008, including the applicable licence number;
  - (5) the name, telephone number, e-mail address and mailing address of the primary contact person; and
  - (6) a criminal background check; and

B. pay the applicable fees in Chapter 441, Fees and Charges.

**§ 545-540. Operator requirements; suspension; revocation.**

A. An operator shall:

- (1) inform the Executive Director immediately if the licensee's licence under the Payday Loans Act, 2008 is suspended, ceases to be valid, is revoked or expires;
- (2) operate only at the location(s) authorized by the licence issued under the Payday Loans Act, 2008.

B. If an operator's licence under the Payday Loans Act, 2008 is suspended, ceases to be valid, is revoked or expires the licence under this article is suspended for the entirety of the period that the licence under the Payday Loans Act, 2008 is suspended, ceases to be valid, is revoked or expires.

**§ 545-541. Number of licences and locations restricted.**

A. The number of licences which may be granted by the City under this article shall be limited to the total number of licences issued under the Payday Loans Act, 2008 to persons or entities operating within the City on May 1, 2018.

B. The number of locations where an operator is permitted to operate a payday lending establishment:

- (1) is limited to the total number of locations operating within the City on May 1, 2018 which have been permitted by a licence under the Payday Loans Act, 2008; and
- (2) in each ward, as each ward exists on the date of enactment of this by-law, is limited to the total number of locations operating within the ward on May 1, 2018 which have been permitted by a licence under the Payday Loans Act, 2008.

**§ 545-542. Change of location.**

A. Subject to this section, an operator may change locations within the City.

B. The operator shall inform the Executive Director within five business days of any changes to a business address or location address.

C. If an operator changes a location:

- (1) the operator shall make a new application to the City for an update to the licence indicating the new location; and
- (2) pay the applicable fees in Chapter 441, Fees and Charges on a pro-rated basis.

- D. Despite subsection A, no operator may relocate on or within 500 metres of the municipally known address 555 Rexdale Boulevard as of April, 2018, known as the Woodbine Racetrack, measured along the most direct roadway route from the nearest point of 555 Rexdale Boulevard property to the nearest point of the proposed payday loan establishment property.

**§ 545-543. Compliance with other provisions.**

Notwithstanding any provision in this article, nothing herein permits the contravention of any provision in this chapter or in any other by-law of City Council.