

# Business Licence and Permit Applications Action Plan: Chapter 545, Licensing (2025 to 2029)

**Date:** June 24, 2025

**To:** Economic and Community Development Committee

**From:** Executive Director, Municipal Licensing and Standards

**Wards:** All

## SUMMARY

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Municipal Licensing and Standards is continuously optimizing the administration of the Division's business licence and permit services to reduce regulatory burden for business operators and trade practitioners while upholding the City's mandates to mitigate potential community nuisances, protect consumers, and support public health and public safety objectives.

Examples of business licences issued by Municipal Licensing and Standards include but are not limited to those for eating or drinking establishment operators, building renovators, and motorized refreshment vehicle operators. In addition to business licences, the Division administers business-related permits, including but not limited to permits to display marketing signs and permits to use public-rights-of-way.

To meet Council directive [2024.EC14.14](#), staff have developed the Business Licence and Permit Applications Action Plan: Chapter 545, Licensing (2025 to 2029) ("Action Plan"), which is presented in this report and is Municipal Licensing and Standards' roadmap for completing the remaining work aimed at improving the business licensing and permitting experience for applicants and licence holders.

This staff report supports and is in alignment with [2025.EX22.9](#), which affirmed the City's commitment to enhancing Toronto's business environment to drive new investment, employment growth, and economic resilience. Additionally, the report and Action Plan address multiple outstanding Council directives, including reducing burden for local business owners; supporting public health and safety; addressing problematic establishments; reviewing in full Chapter 545, Licensing; and assessing the feasibility of enabling broader community input to Toronto Licensing Tribunal hearings.

To reduce regulatory burden for businesses and trades, Municipal Licensing and Standards is implementing the following five actions in partnership with other Divisions: 1) simplify Municipal Licensing and Standards' business licence and permit application and renewal requirements; 2) transform the technology that enables Municipal Licensing and Standards' business licence and permit administration and enforcement;

3) optimize interdivisional reviews, issuance, and enforcement of business licences and permits 4) modernize the City of Toronto's business licensing regulations; and 5) broaden access to and streamline direct supports and information on Municipal Licensing and Standards' business licence and permit services.

This report was prepared in consultation with Technology Services, Toronto Building, Transportation Services, Economic Development and Culture, Toronto Public Health, Customer Experience (311 Toronto), and City Planning.

## **RECOMMENDATIONS**

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The Executive Director, Municipal Licensing and Standards recommends that:

### **Delete four licence application requirements from the Licensing Bylaw**

1. City Council amend Toronto Municipal Code Chapter 545, Licensing as follows:

- a. Delete all provisions that require or might require an applicant or licensee to file a list of services and fees they will offer at their business with Municipal Licensing and Standards and any other provisions that depend on such information.
- b. Delete all provisions that require or might require an applicant or licensee to file a list of employees with Municipal Licensing and Standards and any other provisions that depend on such information.
- c. Delete all provisions that limit or might limit an applicant, licensee, or employee to only one employer and any other provisions that depend on such information.
- d. Delete all provisions that require or might require an applicant, licensee, or employee to undergo a medical examination and any other provisions that depend on such information.

### **Delegate authority to Executive Director, Municipal Licensing and Standards to impose conditions**

2. City Council amend Toronto Municipal Code Chapter 545, Licensing as follows:

- a. Reorganize and make all necessary changes to Article I - General Licensing Provisions to grant Municipal Licensing and Standards, in addition to the Toronto Licensing Tribunal, the authority to place conditions on a business licence before issuing or renewing a licence or at any time during the term of a licence, subject to the following procedure:
  1. Municipal Licensing and Standards shall notify the applicant or licensee in writing of the proposed conditions, including the applicant's or licensee's right not to agree to the proposed conditions;
  2. If the applicant or licensee agrees to the proposed conditions, in a form and manner prescribed by Municipal Licensing and Standards, Municipal

Licensing and Standards may place the conditions on the business licence; and

3. If the applicant or licensee does not agree to the proposed conditions, Municipal Licensing and Standards may deny the application (subject to the applicant's right to request a hearing before the Toronto Licensing Tribunal) or refer the licence to the Toronto Licensing Tribunal for a hearing, as appropriate, at which time Municipal Licensing and Standards may request that the Toronto Licensing Tribunal add the proposed conditions to the licence.

b. Add a provision to Article I - General Licensing Provisions to permit the Toronto Licensing Tribunal to consider a licensee's contravention of such conditions as part of any future hearing related to the licensee and to impose such penalty or further conditions as the Tribunal considers just.

### **Require email contact information as part of the licence application process**

3. City Council amend Toronto Municipal Code Chapter 545, Licensing as follows:

a. Amend Article I – General licensing provisions to require persons or entities wishing to apply for or renew a licence to provide the name, phone number, and email address of a person responsible for responding to all communications from Municipal Licensing and Standards and to require a licensee to immediately update Municipal Licensing and Standards on any changes to such contact information.

b. Amend Article I – General licensing provisions to specify that all communications relating to this chapter between Municipal Licensing and Standards and an applicant or licensee shall be sent via email to the email address most recently provided to Municipal Licensing and Standards as part of the licensing and renewal process under this chapter, except where another method is authorized by the Executive Director; and that any email sent in accordance shall be deemed for the purpose of this chapter to have been received by the addressee on the day it is sent.

### **Remove municipal licensing requirements for certain businesses/trades**

4. City Council amend Toronto Municipal Code Chapter 545, Licensing as follows:

a. Amend Article I – General licensing provisions to delete definitions and licence requirements for or related to the following:

1. Boats for hire
2. School bus driver
3. Transient trader
4. Building cleaner
5. Chimney repairman
6. Builder of radiation fall-out shelters
7. Collector for second hand goods

- b. Delete Article XIV – Operators of boats for hire.
- c. Amend Article XV – Drive-self vehicles for hire; school bus drivers to delete provisions pertaining to school bus drivers.
- d. Amend Article XVII – Hawkers and Pedlars to delete provisions pertaining to transient traders.
- e. Amend Article XXIII – Salvage yards; second hand goods to delete provisions pertaining to collector for second hand goods.
- f. Delete Article XXX – Building cleaners.
- g. Amend Article XXXVI – Chimney repairman; persons renovating buildings; construction of radiation fall-out shelters to delete provisions pertaining to chimney repairman and construction of radiation fall-out shelters.

**Remove associated fees for certain business/trade licences**

5. City Council amend Toronto Municipal Code Chapter 441, Fees and Charges, Appendix C – Schedule 12, Municipal Licensing and Standards to delete the fees in the following table:

Ref No.	Service Fee	Description	Category	Fee Basis	Fee	Annual Adjustment
185	Licence & permit issuance	Application fee: Boats for hire licence	Full cost recovery	Per application	\$433.57	Yes
186	Licence & permit issuance	Renewal fee: Boats for hire licence	Full cost recovery	Per application	\$285.05	Yes
247	Licence & permit issuance	Application fee: School bus driver licence	Full cost recovery	Per application	\$474.52	Yes
248	Licence & permit issuance	Renewal fee: School bus driver licence	Full cost recovery	Per application	\$351.16	Yes
341	Licence & permit issuance	Application fee: Transient trader licence	Full cost recovery	Per application	\$758.01	Yes

Ref No.	Service Fee	Description	Category	Fee Basis	Fee	Annual Adjustment
342	Licence & permit issuance	Renewal fee: Transient trader licence	Full cost recovery	Per application	\$370.08	Yes
351	Licence & permit issuance	Application fee: Building cleaner licence	Full cost recovery	Per application	\$476.08	Yes
352	Licence & permit issuance	Renewal fee: Building cleaner licence	Full cost recovery	Per application	\$281.87	Yes
361	Licence & permit issuance	Application fee: Chimney repairman licence	Full cost recovery	Per application	\$476.08	Yes
362	Licence & permit issuance	Renewal fee: Chimney repairman licence	Full cost recovery	Per application	\$281.87	Yes
399	Licence & permit issuance	Application fee: Collector for second hand goods licence	Full cost recovery	Per application	\$738.52	Yes
400	Licence & permit issuance	Renewal fee: Collector for second hand goods licence	Full cost recovery	Per application	\$370.08	Yes

## **Update commercial parking lot provisions in the Licensing Bylaw**

6. City Council amend Toronto Municipal Code Chapter 545, Licensing as follows:

a. Amend Article I – General licensing provisions to add to the definition of Commercial Parking Lot "including visitor parking spots for residential buildings," so that it reads:

"Any location, including visitor parking spots for residential buildings, that demands compensation in relation to the use of a parking space, but does not include:

A. Any parking location operated by or under the authority of the Toronto Parking Authority, regulated under Chapter 179, Parking Authority;

B. Any City agency, board, commission, corporation or division;

C. Any parking space rented on a weekly, monthly or yearly basis for one person's exclusive use;

D. Any space located upon the driveway of a residential building that is used for parking on a temporary basis; and

E. Any parking location operated by a registered charitable organization, as defined in subsection 248(1) of the Income Tax Act, R.S.C. 1985, c. 1 (5th Supp.), or successor legislation, that has a registration number issued by the Canada Revenue Agency, or successor agency."

b. Amend Article XLV, 545-530 to specify that despite its provisions, commercial parking lots that consist only of residential visitor parking shall not make any advertisement or display any signage that might indicate the location is used for paid parking or is available to members of the general public, except the signage that must be displayed at each pay station.

## **Update provisions for owners and operators of laundries in the Licensing Bylaw**

7. City Council amend Toronto Municipal Code Chapter 545, Licensing as follows:

a. Amend 545-2(20) to require every operator of a laundry premises to obtain a licence.

b. Delete 545-2(21), which contains a duplicative licence requirement for laundretérias.

c. Add the following definition of "Laundry Premises"

"LAUNDRY PREMISES – Any premises at which laundry services, including wet washing, dry cleaning, laundry collection or return, and self-serve washing machines or dryers are offered or provided to the public, but does not include a premises used solely for laundry collection or return that is operated by a licensed operator of a laundry premises.

d. Amend 545-228, by deleting the existing requirements for a separate licence for each premises owned or occupied by the operator and instead requiring every applicant for a laundry premises operator licence or its renewal to provide a list of premises owned or operated by the applicant that are used solely for laundry collection or return and to immediately notify Municipal Licensing and Standards of changes to this list.

e. Delete 545-229, Maintenance of premises and related equipment and vehicles.

f. Delete 545-230, Hours of operation restricted for certain machinery.

g. Amend 545-231 to require every operator to post their licence in a conspicuous place within the laundry premises.

h. Amend 545-232 to require every operator to post a sign in a conspicuous place at each premises they use solely for laundry collection or return that states the operator's name, email address, mailing address, and telephone number.

i. Delete 545-233, Identification for premises with coin operated machines.

j. Delete 545-234, Premises to be kept clean and tidy.

#### **Amend provisions for driving school operators**

8. City Council amend Toronto Municipal Code Chapter 545, Licensing as follows:

a. Amend 545-15(B) so that it reads “No driving school operator shall cause or permit driving instruction to be given in or upon the streets, highways and areas described in Subsection A of this section.”

#### **Introduce a zoning review user fee for Municipal Licensing and Standards**

9. City Council amend Toronto Municipal Code Chapter 441, Fees and Charges, Appendix C – Schedule 12, Municipal Licensing and Standards by adding the associated fee in the following table:

Ref No.	Service Fee	Description	Category	Fee Basis	Fee	Annual Adjustment
NEW MS517	Licence & permit issuance	NEW Zoning review fee: Business licence application	Full cost recovery	Per application	NEW \$239.11	Yes

## **Bills and authorization**

10. City Council direct that recommendations 1 to 9 come into effect on January 1, 2026.

11. City Council authorize and direct the Executive Director, Municipal Licensing and Standards to extend the term of licences held as of October 1, 2025, for boats for hire; school bus drivers; transient traders; building cleaners; chimney repairmen; collectors of second-hand goods to December 31, 2025, without the need to pay associated licence renewal fees.

12. City Council authorize the City Solicitor, in consultation with the Executive Director, Municipal Licensing and Standards, to make such clarifications, refinements, minor modifications, technical amendments, or other amendments to Chapter 545 as may be necessary to give effect to these recommendations.

## **FINANCIAL IMPACT**

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This staff report proposes to modernize the City's licensing regulations by deleting obsolete, outdated, and/or redundant licence requirements, specifically by removing licensing requirements for boats for hire, school bus driver, transient trader, building cleaner, chimney repairman, builder of radiation fall-out shelters, and collector of second-hand goods from Chapter 545, Licensing and the associated fees in Chapter 441, Fees and Charges.

If adopted, the removal of municipal licensing requirements for the six licence types would result in annual lost revenue of \$5,573.68, beginning in 2026. In 2024, a total of 13 licences were issued or reissued for all six licence types combined.

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the financial implications as identified in the Financial Impact section.

## **EQUITY IMPACT**

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As of June 17, 2025, Municipal Licensing and Standards has issued 32,994 active licences regulated by Chapter 545, Licensing. Out of this combined total, the Division issued 8,830 licences to individuals, 23,744 to corporations (e.g., companies Federally or Provincially incorporated), and 420 to partnerships (e.g., two or more individuals).

Out of these active licence holders, 3,997 identified as female, 4,829 identified as male, and four did not provide such information. Additional demographic data of active licence holders, including Ward distribution, is presented in Attachment 1 of this report.

Municipal Licensing and Standards is committed to advancing the City's priorities of reconciliation, confronting anti-Black racism, and equity. As such, the Division is simplifying or removing several licence application requirements to reduce barriers to obtaining a licence or permit.

As recommended through this report, Municipal Licensing and Standards proposes to remove certain licence application/renewal provisions from the Licensing Bylaw. For example, staff recommend deleting from Chapter 545, Licensing the requirement for all relevant licence types to provide a list of products/services sold; a list of employees; a letter of employment; and/or a physician's certificate of medical fitness indicating that the applicant/licensee is free from communicable diseases. Requiring such documents upon application or renewal does not help the City meet consumer protection, public safety, or public health objectives. It may also create barriers for certain members of equity-deserving groups who may seek to apply for a City of Toronto business licence.

Additionally, later in 2025, the Division will conduct user experience research regarding the licence and permit application experiences of (potential) applicants and licensees, especially those from Indigenous, Black, and equity-deserving communities. Through this research, staff will determine and identify solutions for any barriers that may impede a person's ability to obtain a business licence or permit from Municipal Licensing and Standards. The Action Plan will be adapted accordingly.

## **DECISION HISTORY**

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On May 22, 2025, City Council adopted [2025.MM30.24](#) Piloting a Red Tape Hotline for Businesses, which directed the General Manager, Economic Development and Culture, to establish and promote a “Red Tape Hotline” pilot program, for a period of four months, to allow Toronto businesses and entrepreneurs to report unnecessary or burdensome municipal rules, regulations, and permitting requirements.

On April 23 and 24, 2025 City Council directed the City Manager and the General Manager, Economic Development and Culture through [2025.EX22.9](#) Mayor's Economic Action Plan in Response to United States Tariffs - Update to Council to continue efforts to advance the Mayor's Economic Action Plan in Response to United States Tariffs, including identifying policy options for administrative fees and licensing requirements.

On November 13 and 14, 2024, City Council adopted [2024.EC16.2](#) Sidewalks to Skylines: An Action Plan for Toronto's Economy (2025-2035), which is Economic Development and Culture's ten-year action plan for Toronto's economy and includes actions for helping small business operators navigate essential City requirements, such as business licensing.

On July 24 and 25, 2024, City Council directed the Executive Director Municipal Licensing and Standards and the Chief Technology Officer through [2024.EC14.14](#) Making Business Licence and Permit Applications Easier to report back with a Business Licence and Permit Applications Action Plan and to consider simplifying the licence application requirements and review well known licence application portals.

On April 17 and 18, 2024, City Council directed the Executive Director, Municipal Licensing and Standards, in consultation with the City Solicitor through [2024.MM17.16](#) Businesses Operating without a Licence to identify actions the City can take, including any necessary bylaw amendments; and to review the screening criteria for business licences to determine whether any changes are required to address unsafe or dangerous activity in businesses in Toronto.

On April 17 and 18, 2024, City Council adopted [2024.PH11.8](#) RentSafeTO Program Update Report, which requested the Executive Director, Municipal Licensing and Standards to report to the appropriate Committee on a framework to introduce Administrative Penalties for bylaws enforced by Municipal Licensing and Standards.

On December 13, 14, and 15, 2023, City Council adopted [2023.EC8.13](#) Recommended Amendments to Chapter 545, Licensing for Bars, Restaurants, and Entertainment Venues as part of the Night Economy Review, which requested the Executive Director, Municipal Licensing and Standards to consider the feasibility of establishing a system of escalating fines for second and subsequent convictions, as part of its review of Chapter 545, Licensing. City Council also adopted the activity-based licensing model for bars, restaurants, and entertainment venues.

On March 29, 2021, via [2021.GL21.15](#) Response to GL20.6 - Licensing and Enforcement of Eating Establishments, General Government and Licensing Committee requested the Executive Director, Municipal Licensing and Standards to report back on mechanisms to increase penalties and enforcement, particularly in cases where public health or safety may be at risk.

On May 3, 4, and 5, 2016, City Council adopted [2016.MM18.6](#) Openness and Transparency: Public Input at the Toronto Licensing Tribunal, which directed the Executive Director, Municipal Licensing and Standards, in consultation with the City Manager and the City Solicitor, to review and report back on the Toronto Licensing Tribunal Relationship Framework and any other relevant bylaws, policies, and processes to provide opportunities for broader direct community input to Toronto Licensing Tribunal matters.

On May 25, 2015, Licensing and Standards Committee adopted [2015.LS.41](#) Framework for the Comprehensive Review and Modernization of Chapter 545, Licensing, which proposed the framework for the comprehensive review of Chapter 545, Licensing. The framework set the goal of reviewing the Licensing Bylaw to align it with the current business environment, streamline processes, and encourage the use of technology.

## COMMENTS

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Municipal Licensing and Standards issues and enforces 111 types of business licences and permits. Approximately 55 per cent (i.e., 61 out of 111) of these are regulated by Toronto Municipal Code, Chapter 545, Licensing, otherwise known as the Licensing Bylaw. In 2024, Municipal Licensing and Standards issued and renewed a total of 32,702 business licences regulated by Chapter 545, Licensing. The City of Toronto received 7,012 business licensing service requests (complaints).

Chapter 545, Licensing exists under the authority of the City of Toronto Act, 2006, which grants the City the ability to adopt and enforce licensing and permitting regulations for businesses and trades if regulations support various municipal purposes, including enhancing the economic, social, and environmental well-being of the city; supporting public health and safety; protecting consumers; and/or mitigating potential community nuisance. Typically, municipalities license and regulate businesses or trades where

there is a clear municipal purpose to do so and where they are not otherwise licensed or regulated by other levels of government or regulatory bodies.

## **1. Purpose of the Business Licence and Permit Applications Action Plan: Chapter 545, Licensing (2025 to 2029)**

For more than a decade, Municipal Licensing and Standards has implemented multiple improvements to its business licence and permit services, including but not limited to launching an online business licence application portal and an online renewal portal; initiating a multi-year and multi-phased licensing technology modernization project to make the in-person and online business licensing processes smoother for business owners and trade practitioners; and removing obsolete licence types from the City's primary licensing bylaw, Toronto Municipal Code, Chapter 545, Licensing.

As part of the Division's ongoing work to enhance the administration of business licences and permits, and to meet Council directive [2024.EC14.14](#), the Division has developed this Action Plan, which outlines for City Council key actions that Municipal Licensing and Standards and partners will implement to reduce regulatory burden for business operators and trade practitioners who apply for business licences and/or permits with the Division.

In addition to presenting the Action Plan, this report recommends amendments to Chapter 545, Licensing to support the implementation of the Action Plan. This report also highlights operational changes that will provide immediate solutions to several pain points experienced by applicants and licensees.

## **2. Developing the Action Plan**

The Action Plan and recommendations described in this report are scoped to businesses and trades regulated by Chapter 545, Licensing. Nevertheless, lessons learned, and improvements made may be applied to the City's administration of other licences and permits, which are regulated through other City bylaws. Content within this report is informed by internal and external consultations, jurisdictional scans, an online survey, and insights from interdivisional staff.

To continue to understand the business licensing experience directly from current or potential applicants and licensees, Municipal Licensing and Standards is procuring an external vendor to design, implement, and report on an engagement process that centres on the user experience of applicants and licence holders, especially those who are Indigenous, Black, and/or part of an equity-deserving group. The Action Plan described in this report remains agile to new insights from underrepresented groups, as they become available.

## **3. Five Actions to Reduce Regulatory Burden For Businesses and Trades**

This section outlines five actions that Municipal Licensing and Standards and partner Divisions will take to improve the current state of Municipal Licensing and Standards' business licence and permit services, and thereby reduce regulatory burden for businesses and trades.

## **Action 1: Simplify Municipal Licensing and Standards' business licence and permit application and renewal requirements**

The City's Licensing Bylaw, which is administered by Municipal Licensing and Standards, regulates several types of business establishments, trades, and drivers/vehicle owners, except for vehicles-for-hire. Examples of business establishments regulated by Chapter 545, Licensing include but are not limited to driving school operators, personal services settings, eating or drinking establishments, and adult entertainment clubs. Examples of trades include plumbers and transient traders; while examples of drivers/vehicle owners, include motorized refreshment vehicle owners and driving instructors.

Municipal Licensing and Standards accepts business licence and permit applications and renewals either online or in person at East York Civic Centre. Corporations (e.g., companies incorporated either Federally or Provincially), individuals, and partnerships (e.g., two or more individuals) may apply for a business licence, which must be renewed on an annual basis.

Municipal Licensing and Standards' service standard is to issue a business licence within 20 business days. In 2024, it took an average of ten business days for the Division to issue a new business licence, and an average of eight business days to renew one. As of June 17, 2025, the Division has issued/renewed 23,744 business licences to corporations; 8,830 to individuals; and 420 to partnerships through Chapter 545, Licensing.

To obtain or renew a business licence or permit, applicants or licensees may be required to submit to Municipal Licensing and Standards up to 20 documents, depending on the licence type. For every licence application and/or renewal, applicants must pay associated user fees, which are modelled according to the City's User Fees Policy. As part of the application process, Municipal Licensing and Standards also asks for contact information, primarily the mailing address of the applicant.

After Municipal Licensing and Standards receives a complete application with all required documents, staff screen the licence/renewal application against screening criteria set by the Division. In general, Municipal Licensing and Standards has discretionary authority to deny a licence application or renewal if there are reasonable grounds to believe that an applicant or licensee will not operate their business in accordance with the City's mandates to mitigate potential community nuisance, protect consumers, and meet public health and public safety objectives. In practice, Municipal Licensing and Standards uses specific screening criteria, which include but are not limited to denying a licence application if a person has been convicted of certain criminal offences, such as homicide or sexual assault; and/or if a person has accrued five bylaw convictions.

To simplify application and renewal requirements for businesses and trades in the immediate term, Municipal Licensing and Standards is making several operational changes while also proposing through this staff report that certain application requirements be removed from the Licensing Bylaw. Therefore, to complete Action 1, Municipal Licensing and Standards will take the following four steps: 1) reduce the

number of business licence application requirements; 2) review and update the licence screening criteria; 3) capitalize on virtual forms of communication with applicants; and 4) explore new approaches to licensing.

**Action 1 - Step 1: Reduce the number of business licence application requirements (i.e., documents that applicants must provide to the City) (2025)**

*Current state*

To obtain a business licence, applicants must provide to Municipal Licensing and Standards numerous documents, some of which are standardized across all business licence applications, such as government ID with photo, government ID with proof of work status, criminal record and judicial matters check (level 2), and a passport-sized photo. Depending on the type of business licence, however, applicants may be required to provide additional documents such as zoning clearance, proof of liability insurance, patron management plan, noise control plan, list of employees, letter from an employer, list of products and services sold, and/or a physician's certificate of medical fitness indicating that the applicant or licensee is free from communicable diseases.

*Improvements to current state*

To simplify the application process, Municipal Licensing and Standards is updating certain application requirements to be self-declared upon application while continuing to require certain standardized application items. For example, in 2026, Municipal Licensing and Standards will begin asking applicants of certain licence types to only self-declare rather than show proof of their business name registered with the Province and/or their Worker Safety and Insurance Board insurance. Furthermore, in 2025, Municipal Licensing and Standards will continue to collaborate with Legal Services to identify how to align provisions in Chapter 545, Licensing with the City's AccessTO policy so that immigration status/proof of work status is only collected where necessary. Staff will report back in a future report with any changes.

*Recommended changes - Deleting certain application requirements*

Complementary to the operational changes being made to reduce the quantity of licence application requirements, this report recommends that City Council delete certain provisions from Chapter 545, Licensing. For example, staff recommend that City Council remove from the Licensing Bylaw all provisions that require an applicant, licensee, or employee to provide a list of services and fees; provide a list of employees; work for only one employer; and undergo medical examinations. Overall, staff have identified that such licensing requirements do not add value to upholding the City's mandates of mitigating potential community nuisance, protecting consumers, and/or upholding public health and public safety.

First, staff recommend deleting all provisions in the Licensing Bylaw that require an applicant or licensee to file with Municipal Licensing and Standards a list of services and fees that they will offer at their business. Even though Chapter, 545 Licensing mandates the Division to collect such information, the document is not used by the Division to screen and/or enforce against a licence applicant or licence holder.

Second, staff propose to delete all provisions in the Licensing Bylaw that require an applicant or licensee to file a list of employees with Municipal Licensing and Standards.

Like the list of services and fees, the list of employees document is not used by the Division to screen and/or enforce against a licence applicant or licence holder.

Third, staff recommend deleting all provisions in the Licensing Bylaw that limit applicants, licensees, or employees to only one employer. Current provisions may risk forcing workers into precarious situations with their one employer. This recommended amendment supports people's freedom of movement and their right to work for however many employers they like.

Fourth, staff recommend that City Council delete all provisions in the Licensing Bylaw that require or might require an applicant, licensee, or employee to undergo a medical examination. Currently, documented proof of having undergone any medical examination is not used by the City to screen and/or enforce a licence applicant or licence holder. Furthermore, such provisions in the Licensing Bylaw are outdated and have not added value to Toronto Public Health's work in terms of promoting sexual health and preventing and controlling infection. Toronto Public Health has been consulted and supports this proposed amendment.

Overall, the described operational changes and recommended amendments to business licence application requirements build on previous Council decision, [2023.EC8.13](#), which updated Chapter 545, Licensing to streamline corporate reporting requirements and reduce the quantity of documents required from corporations. Attachment 2 of this report outlines the (proposed) amended list of business licence application requirements.

## **Action 1 - Step 2: Review and update the licence screening criteria (2025)**

### *Current state*

Through the Licensing Bylaw, Municipal Licensing and Standards has discretionary authority to deny any application should there be reasonable grounds to believe that the applicant/licensee will not conduct their business or trade in compliance with City bylaws and/or any other laws. Complementary to this authority, Municipal Licensing and Standards may specify and amend at any time the screening criteria for denying a licence application or renewal.

In 2021, Municipal Licensing and Standards set such screening criteria. As outlined in Attachment 3, the Division shall deny a licence application or renewal from anyone who has been convicted of certain criminal offences, including but not limited to homicide, human trafficking, sexual trafficking, sexual assaults; has five or more bylaw convictions in the last three years; and/or has outstanding bylaw fines.

### *Improvements to current state*

In 2024, City Council directed Municipal Licensing and Standards to review the screening criteria for business licences to determine whether any changes are required to address unsafe or dangerous activity inside business establishments in Toronto ([2024.MM17.16](#)). To meet this direction, the Division will review in 2025 the screening criteria through the Division's upcoming user experience research and in consultation with Legal Services.

In the immediate term, staff will align the screening criteria with the current Criminal Code by removing from the list, 'sections 249, 252, or 253 of the Criminal Code' (see Attachment 3). Such sections of the Criminal Code have been incorporated into Sections 320.13 to 320.18, which are already part of Municipal Licensing and Standards' licence screening criteria.

### **Action 1 - Step 3: Capitalize on virtual forms of communication with applicants (2025)**

#### *Current state*

Staff typically communicate with applicants and licensees regarding licensing-related matters either in-person, over the phone (via 311 referrals), by email, or through mail. Business licences are also currently issued through mail. To date, providing an email address upon licence application or renewal and communicating through this method is not mandatory. In other words, giving an email address to Municipal Licensing and Standards is not an explicit requirement in the Licensing Bylaw.

As a result, if ever the Division wishes to notify licence holders of a specific business type regarding changes in regulation or policy that impacts only them, the Division must mail letters to licensees through Canada Post at a cost of approximately \$1.00 plus postage per letter. Out of the 32,994 active licence holders regulated by the Licensing Bylaw, approximately 68%, which is an estimated 22,435 licensees, have voluntarily provided an email address to Municipal Licensing and Standards.

#### *Improvements to current state*

To modernize and make more efficient the City's communication with applicants and licence holders, Municipal Licensing and Standards is identifying ways to use virtual forms of communication, including but not limited to upgrading the licence application portal to enable direct messaging between the applicant and City staff (as described in Action 2); as well as proposing to make email the primary channel for licensing-related communication. Nevertheless, business licences will continue to be issued through mail.

#### *Recommended changes - Improving email communications*

Brampton, Kitchener, Oakville, Brantford, Richmond Hill, London, Winnipeg, and Surrey, all use email as the primary mode of communication with their licensees/applicants. However, when necessary, staff of such municipalities follow up with licensees/applicants by mail and/or telephone. Notably, Kitchener is the only municipality out of the eight reviewed that has stipulated email communications in their licensing bylaw.

To mirror the practices of such jurisdictions, Municipal Licensing and Standards proposes to move towards email-based communication with applicants and licensees. Staff recommend that City Council amend the general licensing provisions of the Licensing Bylaw to require individuals, partnerships, and corporations applying for or renewing a licence to provide an email address of a person responsible for responding to all licence-related communications with Municipal Licensing and Standards.

Despite this proposed new requirement, Municipal Licensing and Standards will accommodate any requests from licensees/applicants to opt-out of email communications should they so choose. The Division recognizes that email

communications may create barriers for some people. Overall, making email communications explicit in the Licensing Bylaw will enable Municipal Licensing and Standards to streamline licensing-related communications with applicants and licensees, which responds to Council direction for the Division to consider actions for communications improvements ([2024.EC14.14](#)).

## **Action 1 - Step 4: Explore new approaches to licensing**

### *Current state*

Over the years, Municipal Licensing and Standards has modernized several aspects of its business licence application and renewal processes to create efficiencies for applicants and licence holders. In 2022, for example, the Division implemented an audit-based licence renewal process to simplify the annual renewal requirement for licensees, while still meeting consumer protection and public health and safety objectives.

In lieu of collecting all required renewal documents during each renewal period, staff waive certain renewal requirements (e.g., criminal background check, proof of work status, two pieces of government ID, etc.) yet maintain the authority to ask for any of it at any time during the renewed licence period. Each year, staff aim to audit for compliance ten percent of licensees. If selected for a compliance audit, licensees are asked to review and/or update their information where necessary and submit any required documents to continue their business licence.

Separately, in 2025, Municipal Licensing and Standards began issuing activity-based licences, a model which was adopted by City Council for bars, restaurants and entertainment venues, through Item [2023.EC8.13](#). This new licensing model focuses on the complexity or extent of business activities, wherein licensees/applicants with businesses that may potentially have higher impact on community nuisance and/or public safety, as determined by their business activity, may require more oversight. At the same time, businesses with potentially lower impact may benefit from reduced licence application/renewal requirements and licensing regulations.

Currently, activity-based licensing is applied by Municipal Licensing and Standards only to food and entertainment-related establishments. For example, if a restaurant owner wishes to serve liquor, host live entertainment events, and operate their establishment past 11 p.m., they would be required to obtain an expanded activity eating or drinking establishment licence.

### *Improvements to current state*

To reduce regulatory burden for businesses and trades and to complement Municipal Licensing and Standards' audit-based approach to licence renewals, the Division is exploring new approaches to business licensing. For example, in 2027, Municipal Licensing and Standards will pilot multi-year licences for drivers/vehicle owners (e.g., refreshment vehicle owners). Currently, Municipal Licensing and Standards requires that all business licences be renewed annually on the anniversary of the date that the licence was first issued. A notice is sent to a licensee's mailing address stating the documents and payment required to renew their specific business licence(s).

Furthermore, as part of the ongoing review of the various licences regulated by Chapter 545, Licensing, which is further described in Action 4, Municipal Licensing and

Standards will identify additional opportunities to incorporate activity-based licensing and audit-based approaches to licensing and enforcement to ensure the Division's licensing regime meets the needs of today's businesses and trades.

## **Action 2: Transform the technology that enables Municipal Licensing and Standards' business licence and permit administration and enforcement**

To apply for a business licence or permit, many residents across Toronto and beyond rely on the City of Toronto's respective application and renewal portals. Complementary to the public-facing technology, staff rely on multiple back-office systems to receive and review applications and issue and enforce business licences and permits. In recognizing the important role that technology plays in Municipal Licensing and Standards' ability to efficiently process and enforce business licences and permits, the Division will continue to streamline and modernize its suite of licensing and permitting systems in partnership with Technology Services.

### **Action 2 - Step 1: Streamline and modernize Municipal Licensing and Standards' suite of licensing and permitting systems**

#### *Current state*

To review, issue, and enforce business licences and permits across various City bylaws, Municipal Licensing and Standards relies on multiple back-office technologies, which are not yet all seamlessly integrated. As a result, business licence and permit applicants continue to experience certain process inefficiencies. Municipal Licensing and Standards and Technology Services are, therefore, dedicated to fully transforming Municipal Licensing and Standards' public-facing and back-office technologies to address the outstanding pain points experienced by applicants and licensees.

In recent years, Municipal Licensing and Standards and Technology Services have partnered to complete several technological upgrades to the benefit of the applicant and licence holder. For example, in 2020 and 2021, Municipal Licensing and Standards launched an online public-facing application portal and a separate online renewal portal, respectively, primarily to support business continuity during the height of the COVID-19 pandemic. To date, such portals continue to allow applicants to virtually submit required documents and pay corresponding fees without having to go to Municipal Licensing and Standards' office at East York Civic Centre.

Furthermore, in 2024, Municipal Licensing and Standards and Technology Services successfully integrated the public-facing renewal portal with the back-office licensing system to make more efficient the administration of licence renewals. Thanks to this upgrade, licensees may now access information on renewal requirements specific to their scenario, as opposed to the previous approach wherein licence holders typically re-submitted the entire list of documents that were compulsory upon application.

#### *Improvements to current state*

Although Municipal Licensing and Standards has taken important steps to improve the online experience for applicants and licensees, several pain points remain. For example, the current online application portal does not yet distinguish between required fields and documents according to the specific licence type nor does it allow for an applicant to regularly access their own application/licence information online. Furthermore, because the public-facing licence application portal is not yet fully

integrated with the back-office technology, staff must still download application documents manually and conduct extensive data entry, which contributes to prolonged processing times experienced by applicants.

Going forward, Municipal Licensing and Standards and Technology Services will continue to implement several significant technological transformations, which are already funded and underway. Specifically, the two Divisions will complete by Q1 2026 upgrades to the public-facing licence portal to make the layout and functions more intuitive and user-friendly (Portal 2.0).

Through the revamped online portal (Portal 2.0), applicants will be able to save, review, edit their own application(s), and directly message staff. Such upgrades will reduce the back-and-forth currently and often required to correctly complete a licence application. Additionally, applicants will be able to check the status of their application(s), receive notifications for renewal, pay their licence/permit invoice, and/or renew their licence(s) and/or permit(s) through the portal.

The updated portal will also provide individual profiles so that account holders may change their settings and update their licence application information without having to contact or visit the licence and permit issuing office. The personalized accounts will also provide each applicant/licensee with a dashboard listing all information of each of their licence(s) and/or permit(s) administered by Municipal Licensing and Standards.

While account holders will soon be able to update their settings and applications as needed, staff will also soon be able to see any edits made by account holders. For example, and after such upgrades, should staff recognize any errors in an account holder's edits, staff may directly message the account holder to problem-solve any issues as soon as possible.

Complementary to this work, Municipal Licensing and Standards and Technology Services will continue to align changes made to Municipal Licensing and Standards' online application portal with Public Digital Access, which is a City-wide initiative that will enable online account holders to access all their City services and logins (e.g., permits obtained from multiple Divisions) under one synthesized user login account.

Additionally, Municipal Licensing and Standards and Technology Services will continue to replace Municipal Licensing and Standards' back-office licensing and permitting systems with one modern solution, while ensuring that such technological revisions are fully integrated with upgrades to Municipal Licensing and Standards' front-end technology and with 311. Overall, to properly manage the extensive scope of Municipal Licensing and Standards' back-office technology modernization, the Division and Technology Services have initiated a multi-year and phased initiative to migrate all case management, inspection, and enforcement functions from the Division's current licensing systems into one new modernized platform.

### **Action 3: Optimize interdivisional reviews, issuance, and enforcement of business licences and permits**

To fully operate a business or practice a trade in Toronto and abide by City bylaws, business owners/trade practitioners must first obtain a business licence from Municipal

Licensing and Standards. Afterwards, licence holders may also be required to acquire permits, undergo additional inspections, and/or complete other registrations, depending on the nature of the business/trade.

To review, issue, and enforce business licences and permits, Municipal Licensing and Standards collaborates with several City Divisions/bodies, including but not limited to Toronto Public Health, Toronto Building, Transportation Services, and the Toronto Licensing Tribunal. In developing this Action Plan, staff have identified areas where certain interdivisional communications are working and where further improvements can be made to enhance an applicant's overall experience with obtaining a business licence or permit from Municipal Licensing and Standards.

To date, Municipal Licensing and Standards has well-working circulation processes with Toronto Public Health, the City Clerk's Office, Urban Forestry, and Toronto Fire Services. For example, communications between Municipal Licensing and Standards and Toronto Public Health are streamlined regarding BodySafe, DineSafe, and tobacconist registrations. Each week, Municipal Licensing and Standards sends automated emails to Toronto Public Health's respective BodySafe and DineSafe teams regarding any new licensees who require such public health inspections. Using information received from Municipal Licensing and Standards, Toronto Public Health then follows up directly with a licence holder to process the required public health inspection(s).

The two Divisions also regularly communicate regarding business owners/operators who must register as a tobacconist with Toronto Public Health (e.g., those who sell tobacco products) and/or businesses that no longer require a tobacconist endorsement (e.g., those that no longer sell tobacco products). For example, if ever Toronto Public Health learns that an establishment is not licensed or may not require an ongoing tobacconist endorsement, Toronto Public Health notifies Municipal Licensing and Standards to remedy the situation. After such notifications, Municipal Licensing and Standards may conduct a bylaw investigation and/or remove a tobacconist endorsement from an active business licence.

In addition to Toronto Public Health, Municipal Licensing and Standards has streamlined communications with the City Clerk's Office. In 2025, the two Divisions collaborated to improve efficiencies within their respective business licence application process and liquor licence clearance application process to the benefit of the applicant. According to the updated procedures, for any business operator who plans to serve alcohol in their establishment, Municipal Licensing and Standards no longer requires proof of liquor licence upon business licence application. The Division has since amended the process to make proof of liquor licence a requirement for a licensee's first renewal. Thanks to this change, the City Clerk's Office may now efficiently sign off on any required municipal approvals that will enable business operators to apply for liquor licences from the Alcohol Gaming Commission of Ontario.

In addition to collaborating with Toronto Public Health and the City Clerk's Office, Municipal Licensing and Standards circulates inspections to Urban Forestry and Toronto Fire Services, as needed. For example, some licensed business operators, including those who wish to participate in the City's CaféTO program, may be required

to obtain clearances from Urban Forestry (e.g., for any outdoor structures that may intersect with urban trees) and/or from Toronto Fire Services (e.g., if a fire escape is within the café area).

To build on these communications successes across Divisions, and to continue to enhance a business licence or permit applicant's experience, Municipal Licensing and Standards will work with additional City Divisions/bodies to optimize interdivisional reviews, issuance, and enforcement of business licences and permits. To do so, Municipal Licensing and Standards will take four steps: 1) review Municipal Licensing and Standards' pre-clearance process required for certain business licences; 2) make more efficient the decision-making processes between Municipal Licensing and Standards and the Toronto Licensing Tribunal; 3) improve the integration of zoning reviews within Municipal Licensing and Standards' business licence application process; and 4) continue to enhance the issuance and enforcement of public rights-of-way permits for licensed businesses.

### **Action 3 - Step 1: Review Municipal Licensing and Standards' pre-clearance process required for certain business licences (2025)**

#### *Current state*

Prior to licence issuance, applicants for certain business licences must first pass a pre-clearance inspection conducted by Municipal Licensing and Standards' bylaw enforcement officers. The Division has implemented this process to frontload bylaw education and compliance with licence applicants of certain business types.

#### *Improvements to current state*

In 2025, Municipal Licensing and Standards will review its operational pre-clearance processes for certain business licences to identify opportunities to reduce regulatory burden for applicants while still meeting the City's mandates to uphold public health and safety objectives, mitigate potential community nuisance, and protect consumers.

### **Action 3 - Step 2: Make more efficient the decision-making processes between Municipal Licensing and Standards and the Toronto Licensing Tribunal (2025)**

#### *Current state*

The Toronto Licensing Tribunal is a quasi-judicial body that operates independently of Municipal Licensing and Standards. Applicants or licensees who have been denied a new or renewed business licence by Municipal Licensing and Standards may request a hearing before the Tribunal to appeal decisions made by the Division. Additionally, the Tribunal may hear cases brought forth by Municipal Licensing and Standards related to applicants or licensees who have contravened the Licensing Bylaw.

Overall, the Tribunal has delegated authority to act as the final decision-maker on approving or refusing business licence applications or renewals, placing conditions on licences, and/or suspending or revoking licences. In making any decision, Tribunal members must balance protecting the public interest with a licensee/applicant's need to earn a living. For example, even though Municipal Licensing and Standards may have reasonable grounds to believe that a licence applicant will not operate their business in accordance with City bylaws or other laws and thereby chooses to refuse licence issuance to said applicant, the Tribunal may still overturn Municipal Licensing and

Standards' decision should the Tribunal believe that such applicant will operate their business legally, with honesty and integrity, and in a way that will not harm the public.

Legal Services and Municipal Licensing and Standards staff attend each Tribunal hearing. The City of Toronto often calls bylaw enforcement officers, police officers, or complainants to give evidence before the Tribunal, if it is practical and important to the City's case. Public complaints, criminal/bylaw charges and convictions, and ongoing investigations are often put before the Tribunal as evidence to consider as they make their decisions.

If witnesses are called, they are permitted to appear and speak directly to the matter. However, members of the public who are not a direct party to the proceedings are not permitted to speak at Tribunal hearings, since the Tribunal is a quasi-judicial body, which must consider only admissible evidence in all cases. Therefore, Tribunal members must be able to reach decisions without political or business interference.

Normally, procedural rules for hearings are left to the Tribunal to develop, as this ensures a level of judicial independence. This enables the Toronto Licensing Tribunal to adopt procedures that fulfil its mandate, which includes having the flexibility to ensure procedural fairness, especially when dealing with self-represented individuals.

As directed by City Council through item [2016.MM18.6](#), Municipal Licensing and Standards, in consultation with Legal Services, reviewed the Toronto Licensing Tribunal Relationship Framework and relevant bylaws, policies, and processes to explore the feasibility of providing opportunities for broader direct community input in Toronto Licensing Tribunal matters. Upon completing this review, Municipal Licensing and Standards does not recommend any changes to the Tribunal's procedures to retain the Toronto Licensing Tribunal as an independent, quasi-judicial body.

Public depositions, for example, which may include direct City Councillor involvement, may be suitable to political issues. However, they are not part of quasi-judicial, administrative hearings, which should be based solely on the evidence to maintain fairness in proceedings for business owners and operators.

#### *Recommended changes - Imposing conditions on a licence*

Prior to the pandemic, Toronto Licensing Tribunal hearings were held in person. In response to the pandemic, Municipal Licensing and Standards and the Toronto Licensing Tribunal implemented virtual hearing processes in 2020. Virtual hearings have since been maintained to promote flexibility and cost-savings for the applicant or licence holder.

To make further strides in making the Tribunal process more efficient for applicants and licensees while still meeting consumer protection and public health and safety objectives, Municipal Licensing and Standards seeks to streamline the process for imposing conditions on a licence. Specifically, this report recommends that City Council delegate authority to Municipal Licensing and Standards to impose conditions on a licence without having to go to the Toronto Licensing Tribunal, should the applicant or licensee agree to the conditions in writing.

Many of the conditions that the Division may seek to impose are administrative, such as requiring the licensee to undergo additional criminal background checks; and/or report charges and convictions. Delegating such authority to the Executive Director, Municipal Licensing and Standards will increase administrative efficiency and better enable Municipal Licensing and Standards to address unsafe or dangerous activity in businesses as directed by Council through item [2024.MM17.16](#).

Currently, Municipal Licensing and Standards does not have the authority to apply any type of condition to a licence, whether at application or during its term, as this authority is reserved to the Toronto Licensing Tribunal. The Tribunal process, however, requires a substantial amount of staff resources and can take a significant amount of time.

For example, last year, Municipal Licensing and Standards sent 50 reports to the Tribunal for hearing. On average, it took 176 business days from when a report was sent by Municipal Licensing and Standards to the Tribunal to when a decision was reached. Such hearing reports have contained, for example, requests from Municipal Licensing and Standards to refuse, suspend, or revoke a licence and impose conditions on a licence or applicant. Often at times, applicants/licensees, have generally agreed to conditions that Municipal Licensing and Standards wished to impose, however, such conditions still had to be reviewed and approved by the Tribunal.

### **Action 3 - Step 3: Improve the integration of zoning reviews within Municipal Licensing and Standards' business licence application process (2026)**

#### *Current state*

Zoning clearance is required by Municipal Licensing and Standards as part of a complete business licence application package for several licences regulated under Chapter 545, Licensing. For example, the Division may require zoning clearance from licence applicants for take-out or retail food establishments, personal services settings, laundries, public garages, entertainment places of assembly, eating or drinking establishments, and more.

The purpose of zoning clearance is to confirm that a business establishment is compliant with the City's zoning bylaws. Zoning reviews for business licence applicants are currently provided by Toronto Building. In general, Municipal Licensing and Standards may either waive zoning clearance for an applicant or require it.

Zoning clearance is waived if/when a business location has had the exact same licence in the previous three years or if a new business owner is taking over the current establishment and permitted use. On the other hand, zoning clearance is required for non-continuous uses, if, for example, an operator of an establishment wishes to set up a new business use to override the previous one.

When zoning clearance is required, the business licence applicant may be asked to complete a use-only zoning review or a licensing preliminary zoning review. A use-only zoning review is required when a business operator will not make significant alterations to the building or site. For such cases, Municipal Licensing and Standards sends Toronto Building the use-only zoning review application on behalf of the applicant. No additional use-only zoning review fee is charged to the applicant. Examples of business

licences that may require use-only zoning reviews include but are not limited to take-out or retail food establishments, personal services settings, and laundries.

For licensing preliminary zoning reviews, wherein a business operator wishes to make significant changes to the building and/or site, Municipal Licensing and Standards directs licence applicants to Toronto Building so they may receive accurate guidance on licensing preliminary zoning review requirements specific to their scenario. Where a business licence applicant is required to apply directly to Toronto Building for a licensing preliminary zoning review application, an associated user fee of \$239.11 is charged to the applicant.

Examples of when business licence applicants may need a licensing preliminary zoning review directly from Toronto Building include business licence applications for public garages, entertainment places of assembly, eating or drinking establishments, commercial parking lots, holistic centres, adult entertainment clubs, amusement establishments, body rub parlours, personal services settings (if an at-home business), expanded activity entertainment places of assembly, expanded activity eating or drinking establishments, and, entertainment establishments/nightclubs.

In many cases, further information may be required from a business licence applicant that requires a licensing preliminary zoning review, which may result in prolonged back-and-forth communications between Municipal Licensing and Standards, Toronto Building, and the applicant. Examples of this include if/when a licensing preliminary zoning review application is unclear to an examiner; or, an application form states one use, but the site plan appears to show something else. Due to such cases, the average time used to complete a licensing preliminary zoning review for a business licence applicant's zoning clearance takes longer than the actual desk work required to review the application against the City's zoning bylaws.

In 2024, Municipal Licensing and Standards sent 1,293 use-only zoning reviews directly to Toronto Building on behalf of business licence applicants. The average real time for Toronto Building to complete such use-only zoning reviews for business licence applicants was 18 business days (i.e., approximately three to four weeks). Toronto Building's service standard to clear a zoning review is 20 business days. During this same year, Municipal Licensing and Standards directed 795 business licence applicants to go to Toronto Building to apply for a licensing preliminary zoning review. The average real time for Toronto Building to complete a licensing preliminary zoning review for these business licence applicants was 24 business days (i.e., approximately five weeks).

#### *Improvements to current state*

To expedite the zoning review and clearance processes for business licence applicants, Municipal Licensing and Standards will work with Toronto Building to better integrate zoning reviews within Municipal Licensing and Standards' business licence application process, including through the potential addition of staff who will be dedicated to zoning reviews for business licence applications and whose salary and benefits will be fully offset by user fees.

Adding dedicated staff to complete zoning reviews for Municipal Licensing and Standards' business licence applicants is expected to improve customer experience, streamline licensing, and improve service standards. New business processes and performance standards will be established as part of this change and will be closely monitored and evaluated to ensure such goals are met.

*Recommended change - Introducing a zoning review user fee for Municipal Licensing and Standards in Chapter 441, Fees and Charges*

Municipal Licensing and Standards and Toronto Building will continue to collaborate in 2025 to identify opportunities for enhancement, including assessing the quantity of additional and/or dedicated staff required to improve the integration of zoning reviews within Municipal Licensing and Standards' business licence application processes.

As an initial step, staff recommend the introduction of a zoning review fee as of January 1, 2026, for Municipal Licensing and Standards at a rate of \$239.11, which matches the current fee charged by Toronto Building for licensing preliminary zoning reviews. This fee, along with any additional amendments to Chapter 441, Fees and Charges will maintain full cost recovery for any new staff to be identified and will be presented through the 2026 budget process.

**Action 3 - Step 4: Continue to enhance the issuance and enforcement of public rights-of-way permits for licensed businesses**

*Current state*

If a licensed business operator wishes to use space on public rights-of-way, permits from Municipal Licensing and Standards, which are reviewed by Transportation Services, may be required. For instance, if a business owner seeks to sell merchandise on a City sidewalk, the business owner may be required to obtain a sidewalk-related permit. Or, if a business owner intends to place marketing displays on public rights-of-way, the owner may be required to obtain one or more marketing-related permits.

Currently, business licence holders must apply for a sidewalk-related and marketing-related permit through Municipal Licensing and Standards. After receiving applications for such permits, Municipal Licensing and Standards sends the required site plan(s) to Transportation Services for a technical review. After Municipal Licensing and Standards receives the results of the technical review from Transportation Services, Municipal Licensing and Standards notifies the applicant of the outcome, including letting them know if any amendments are necessary prior to permit issuance by Municipal Licensing and Standards. After a sidewalk-related or marketing-related permit is issued, Municipal Licensing and Standards maintains the responsibility of enforcing such permits according to the specific plans cleared by Transportation Services.

In 2024, Municipal Licensing and Standards issued 147 permits for usage of public-rights-of-way for licensed businesses. During this same year, 612 permits were renewed. Specifically, in 2024, the Division issued and renewed a total of 49 sidewalk vending permits; 15 curb lane vending permits; 557 sidewalk café permits; and 118 marketing display permits.

### *Improvements to current state*

Municipal Licensing and Standards will continue to collaborate with Transportation Services in 2025 to review and identify opportunities to improve the permit issuance and enforcement processes of sidewalk-related permits and marketing-related permits. As an immediate measure to improve collaboration and streamline communications and review processes between the two Divisions, Municipal Licensing and Standards may grant access to Transportation Services to use the MLS Licensing System and portals for sidewalk-related permits and marketing-related permits.

### **Action 4: Modernize the City of Toronto's business licensing regulations**

Over the years, the City has made several amendments to Chapter 545, Licensing, including but not limited to addressing certain licensing requirement redundancies with other regulatory bodies; removing certain outdated regulations; aligning parts of Chapter 545 with other City bylaws and policies; and amending certain licensing regulations to reflect today's business models. To date, however, certain sections of the Bylaw remain unclear, are difficult to follow/enforce, do not complement other City bylaws, may apply discriminatory language, and/or may position the City as an inflexible rather than agile regulatory body.

For example, although the City has the authority to create a system of escalating fines under its bylaws through the City of Toronto Act, 2006, Chapter 545 does not yet provide for escalating fines, which thereby limits the City's available tools for bringing certain business operators into bylaw compliance. The City of Toronto Act, 2006 states that under any bylaw, the City may establish escalating fines for second and subsequent convictions for the same offence.

To modernize the City's business licensing regulations, Municipal Licensing and Standards will take the following three steps: 1) begin developing a system of escalating fines through a City of Toronto Administrative Penalty System; 2) propose a regulatory sandbox framework for new business models; and 3) complete the comprehensive review of Chapter 545, Licensing and align associated fees in Chapter 441, User Fees and Charges with the Licensing Bylaw.

### **Action 4 - Step 1: Begin developing a system of escalating fines through a City of Toronto Administrative Penalty System (2026)**

#### *Current state*

In general, potential non-compliance with Chapter 545, Licensing and/or other City bylaws is brought to Municipal Licensing and Standards' attention through service requests (complaints) via 311, City staff, and other enforcement agencies. The Division's bylaw enforcement officers respond to incoming service requests using a data-driven priority response model, which means that bylaw enforcement officers are deployed to business establishments based on the persistence of issues and/or the level of risk.

In addition to responding to incoming service requests, bylaw enforcement officers conduct proactive investigations to assess business owners' and trade practitioners' compliance with Chapter 545, Licensing and/or other City bylaws. Overall, bylaw enforcement officers take an education-first approach to achieve voluntary compliance.

Service requests are addressed on a case-by-case basis to ensure a reasonable, fair, and balanced approach to enforcement.

For bylaw investigations that intersect with the jurisdiction of other regulatory bodies, including but not limited to Toronto Public Health, Toronto Police Service, Toronto Fire Services, and Alcohol Gaming Commission of Ontario, Municipal Licensing and Standards collaborates with these bodies to enhance business owners' awareness about intersecting regulations that apply to their business.

Furthermore, to improve the quality of bylaw investigations and to support customer service excellence, bylaw enforcement officers are regularly trained on human rights, reconciliation, confronting anti-Black racism, equity, and case management. Business licensing bylaw enforcement officers are also cross trained on City bylaws that may be relevant to businesses or trades, including but not limited to Chapter 740, Street Vending and Chapter 608, Parks.

If non-compliance with a City bylaw persists, Municipal Licensing and Standards has several enforcement actions within its toolbox to help achieve bylaw compliance. For example, bylaw enforcement officers may issue a notice of violation, a Part 1 set fine ticket, and/or a Part 3 summons to court. A notice of violation, for example, would describe how a City bylaw has been violated and would, therefore, request that the recipient of the notice come into bylaw compliance to avoid any further enforcement action.

Complementary to a notice of violation, bylaw enforcement officers may issue a set fine ticket amount under Part 1 of the Provincial Offences Act. The amount of the set fine depends on the nature of the offence and the amount that has been set by the Province. In general, set fines for Part 1 fines range from \$100 to \$1,000. The recipient of a set fine ticket may choose to pay it or dispute it through the Provincial Court, which then determines the final fine amount, if any.

Along with notice of violations and Part 1 fines, and depending on the nature of the bylaw infraction, bylaw enforcement officers may issue a Part 3 court summons under the Provincial Offences Act. A summons to court includes the date that the recipient must appear in court before a Justice of the Peace. If convicted by the Justice of the Peace, the person may be required to pay a fine of up to \$100,000. Notably, Justices of the Peace rarely impose this maximum fine.

In 2023, via [2023.EC8.13](#), City Council expressed support for higher Part 1 set fines and adopted changes to the Offences Section of the Licensing Bylaw to stipulate that the maximum fine is \$100,000 for any offence under Chapter 545, Licensing, which is the maximum level permitted by the City of Toronto Act. Through this same item, City Council directed Municipal Licensing and Standards to consider the feasibility of establishing a system of escalating fines for second and subsequent convictions as part of the Division's review of Chapter 545, Licensing.

#### *Improvements to current state*

In addition to Council direction [2023.EC8.13](#) for Municipal Licensing and Standards to consider establishing a system of escalating fines, the Division was directed to

introduce a framework for an Administrative Penalties System for bylaws enforced by Municipal Licensing and Standards through item [2024.PH11.8](#). Furthermore, through item [2024.MM17.16](#), the Division was directed to identify ways to address business owners who continue to operate without a licence and/or conduct unsafe or dangerous activities within their establishments.

In general, the City of Toronto may establish a system of administrative penalties for any bylaw passed under the authority of the City of Toronto Act, 2006, including Chapter 545, Licensing. An administrative penalty system is a dispute resolution structure that diverts Part 1 set fines matters from the current Provincial Offences Act courts system into a City-run administrative process.

This would mean that instead of a ticket appeal appearing before a Justice of the Peace, an appeal of an administrative penalty would be heard by a Screening Officer. The Screening Officer's decision may be further appealed to be heard before a City Council-appointed Hearing Officer, whose decision would then be final.

To date, the City of Toronto has implemented an administrative penalty system for parking infractions and automated enforcement, such as red-light cameras and automated speed enforcement. Significant resource impacts are associated with any future projects that need careful consideration and multi-year phasing and planning.

Onboarding bylaws administered by Municipal Licensing and Standards to an administrative penalty system would have several potential benefits, including but not limited to:

- City Council obtaining direct authority to determine the level of fines, as opposed to the Regional Senior Justice of Ontario, who currently approves the level of Part 1 set fines through a process established under the Provincial Offences Act.
- City Council gaining the authority to establish and more easily seek escalating fines for penalties in addition to determining the level of the fines, which would address directive [2023.EC8.13](#).
- Quicker resolutions of appeals, as disputes within administrative penalty systems are typically resolved faster than disputes processed within the Provincial Offences Act court system.
- More efficient use Municipal Licensing and Standards' enforcement staff resources; meaning the Division's bylaw enforcement officers would no longer be required to attend hearings, thereby allowing them to spend more time responding to bylaw service requests and/or conducting proactive investigations.

Municipal Licensing and Standards is working with lead divisions, Court Services and Legal Services, to explore the feasibility of transitioning other City bylaws, including Chapter 545, Licensing, to an administrative penalty system. A report seeking Council direction on the approach will be shared in 2025. If an administrative penalty system is implemented for Chapter 545, Licensing, it is important to note that the City's authority to issue a Part 3 summons to court through the Provincial Offences Act would remain as an available tool for bylaw enforcement officers, particularly when dealing with serious bylaw offences.

## **Action 4 - Step 2: Propose a regulatory sandbox framework for new business models (2027)**

### *Current state*

In the early 2020s, quadricycle pedicabs, which are four-wheeled pedalled tour vehicles that seat 12 or more people, emerged as a new business model in several cities across North America, including Toronto. Public inquiries for the City's regulation of such vehicles soon followed, specifically to meet the municipal purposes of mitigating potential community nuisance issues and supporting public health and safety. At the time, however, quadricycle pedicabs were not regulated by the City because such mobile businesses did not fit into any specific licence type and/or business regulations administered by the City of Toronto.

To respond to this issue, the City took a reactive approach and developed a series of reports recommending that City Council amend the Licensing Bylaw to specifically regulate quadricycles. By 2022, City Council was able to pilot the licensing of such vehicles while restricting the number of licences to no more than eight in Toronto, and no more than four licences per operator. In 2024, City Council opted to extend the pilot into 2032.

Despite the City's ability to take measured steps to regulate new business models, such as quadricycles, the challenge remains in the City's limited capacity to proactively and efficiently regulate any new or unforeseen business model for the municipal purposes of protecting consumers, mitigating potential community nuisances, and/or supporting public health and public safety.

### *Improvements to current state*

Businesses may face regulatory barriers to bring new products or services to market efficiently in Toronto when City regulations are outdated or do not account for innovation. To help the City address this regulatory gap, while still enabling an environment that welcomes business innovation, Municipal Licensing and Standards plans to propose to City Council in 2027 a regulatory sandbox framework, which will be a licensing and permitting framework for new or emerging business models not yet regulated by the City of Toronto.

A regulatory sandbox is a tool that can help the City keep pace with changing business models and/or technologies, and reflect current business realities, challenges, and opportunities. Regulatory sandboxes can also support industries demonstrate the real-life impacts of new products or services in the marketplace under a temporary set of rules and controlled by regulatory supervision, which safely decide whether to make any permanent changes to how that product or service should be regulated.

Drawing from lessons learned through the process of regulating quadricycles and through examples of other municipalities, Municipal Licensing and Standards seeks to position the City as proactive and agile regulatory body by creating a way to temporarily licence and permit new and emerging business types. For example, while most municipalities, including the City of Toronto, currently amend their respective licensing bylaws as needed to regulate new or emerging business models, San Francisco and Chicago have each decided to proactively implement a regulatory sandbox, which

temporarily allows emerging businesses that do not fit into each municipality's respective licence categories, especially those that operate in public spaces.

In 2024, the Government of Canada committed to increasing the use of regulatory sandboxes across government. Additionally, in 2019, the Ontario Energy Board launched a regulatory sandbox to support pilot projects testing new activities, services, and business models in Ontario's electricity and natural gas sectors. Similarly, the Law Society of Ontario launched in 2021 the Access to Innovation program, which is a regulatory sandbox that allows providers of innovative technological legal services to serve users while complying with Ontario regulations regarding the provision of legal services.

As part of the proposed regulatory sandbox framework, Municipal Licensing and Standards will recommend any necessary bylaw changes to provide licences or permits on a temporary basis and to test and evaluate new business models. The Division will also propose a set of principles, guidelines, and tests, which will help the City of Toronto determine whether a municipal purpose exists for regulating permanently any new business model in question. Overall, the regulatory sandbox framework may serve as a transparent starting point for the City to develop new business licensing and permitting regulations.

#### **Action 4 - Step 3: Complete the comprehensive review of Chapter 545, Licensing and align associated fees in Chapter 441, User Fees and Charges with the Licensing Bylaw**

##### *Current state*

In 2015, City Council adopted [2015.LS.41](#), which was Municipal Licensing and Standards' framework for the comprehensive review of Chapter 545, Licensing. This framework set the principles under which each Article of the Licensing Bylaw would be reviewed, including but not limited to aligning the City's regulatory regime with the current business environment; streamlining processes; and encouraging the use of technology.

Since then, many significant changes have been made to the Bylaw, including but not limited to reducing regulations for eating and drinking establishments; transferring regulatory oversight of tow trucks and tow truck drivers to the Province; and clarifying the cap on licensed payday loan establishments to reflect the City's 25-ward model.

That said, a comprehensive review of the 61 licence types regulated by Chapter 545, Licensing remains to be completed. Staff are currently reviewing the remaining licence types through a phased approach due to the unique nature of each of the various industries regulated by the Licensing Bylaw, and the need to tailor project plans and engagement plans according to the target industry members. Attachment 4 provides the complete list of 61 licence types and licensing and enforcement data from 2024.

##### *Improvements to current state*

In 2024, staff identified 21 licence types issued through Chapter 545, Licensing to consider for potential deletion using certain criteria, including but not limited to licence application and renewal trends, service request and charges trends, and regulations in other jurisdictions. The short-list of 21 licences included driving school operator (two

types), driving instructor (two types), boats for hire, school bus driver, transient trader, collector for second-hand goods, building cleaner, master plumber, plumbing and heating contractor, plumbing contractor, drain contractor, drain layer, heating contractor, master heating installer, insulation installer, chimney repairman, temporary sign provider, driveway paving contractor, and building renovator.

From January to February 2025, staff hosted an online survey to assess support for the potential deletion of the above-mentioned licence types from the Licensing Bylaw. The survey was circulated to all licence holders of the 21 licence types, Business Improvement Areas, Residents Associations, and Councillors' offices. The survey was completed by 386 people, who in total completed 593 surveys per licence type. Respondents had the option to reply to questions according to all or each licence.

Survey results indicated mixed support for municipal deregulation of the identified trades even though most are already regulated by the Province, such as plumbers and heating installers. Therefore, in 2025, staff will continue to review such licence types to identify ways to reduce regulatory burden for these trades while still meeting the municipal purposes of mitigating potential community nuisance issues, supporting public health and public safety, and protecting consumers. In 2026, staff may propose amendments to and/or possible deletion from the Licensing Bylaw regulations for temporary sign providers and certain trade licences, such as street vending trades, home renovation trades, adult industry trades, and holistic trades; and certain driver/vehicle owner licences, such as driving school operators and driving instructors.

Overall, Municipal Licensing and Standards aims to complete the comprehensive review of Chapter 545, Licensing in phases. Through each review and respective staff report, Municipal Licensing and Standards will explore and propose any necessary bylaw amendments to further reduce burden for applicants and licensees; ensure readability and inclusive language; align licensing regulations with other City bylaws; and enable activity-based licensing for more business types in addition to what is already in place for bars, restaurants, and entertainment venues.

From 2025 to 2029, Municipal Licensing and Standards plans to review Chapter 545, Licensing as follows:

- Current report: Proposed removal of certain licence requirements; proposed amendments to regulations for commercial parking lot regulations, laundries, and driving school operators
- Other reports in 2025: Pet establishments; street vendor licence regulations in Chapter 545, Licensing and Chapter 740, Street Vending
- 2026: Recommendations resulting from community engagement/user experience research; temporary sign provider; certain trade licences such as home renovation trades, adult services trades, and holistic trades; and certain driver/vehicle owner licences
- 2027: Regulatory sandbox framework for new business models; holistic centres; adult services establishments
- 2028: Clothing drop box operators; tobacco and vapour products retailers; and second-hand goods-related businesses
- 2029: Automobile-related businesses; parking-related businesses; loans and goods exchanges-related businesses; and precious metal shops

Moreover, through pending staff reports and regular budget processes, Municipal Licensing and Standards will propose any required updates to fees in Chapter 441, Fees and Charges to align them with any proposed changes to the Licensing Bylaw and to bring the City's business licensing fees to cost recovery, as stipulated in the City's User Fees policy.

Complementary to the ongoing Bylaw review, in 2025, Municipal Licensing and Standards completed a comprehensive user fee review, which included assessing licensing and renewal fees, to determine whether the Division was fully recovering the costs borne by the City in providing the Division's services. For business licensing, this meant calculating the full cost of administration and enforcement, which included indirect corporate costs within each user fee for application and renewal.

The 2025 user fee review identified where Municipal Licensing and Standards' user fees are below the rate of cost recovery. Therefore, staff will use findings from this study to inform recommended updates to licensing and renewal fees to bring the City's licensing and renewal fees to full cost recovery.

*Recommended changes - Removing licence requirements and associated fees for certain businesses, trades, and drivers/vehicle owners*

Although survey results for trades and other licence types were mixed, survey results indicated general support for the proposed deletion from the Licensing Bylaw regulations for boats for hire, school bus driver, transient trader, collector for second hand goods, building cleaner, and chimney repairman.

For example, there was 100% support for proposed removal from the one person who responded to school bus driver; 67% support for proposed removal out of the three people who responded to chimney repairman; and 100% support for proposed removal from the one person who responded to building cleaner. Temporary sign provider, boats for hire, transient trader, and collector of second-hand goods did not receive any survey responses.

Using rationale informed by survey results, application and renewal trends, service request and charges trends, and regulations in other jurisdictions, this report proposes that City Council remove licence requirements from Chapter 545, Licensing and their associated fees from Chapter 441, Fees and Charges, specifically those for school bus drivers, chimney repairmen, builders of fall-out shelters, building cleaners, boats for hire, transient traders/traveling salespersons (non-resident), and collectors of second-hand goods.

First, this staff report recommends that City Council delete licensing requirements for school bus drivers from the Licensing Bylaw and associated fees from the Fees and Charges Bylaw. Chapter 545, Licensing defines a school bus driver as 'a driver of a motor vehicle designed for carrying not more than nine passengers, used for hire for the transportation of children to or from school, other than a vehicle owned and operated by a board of education or school board, or a taxicab as defined in the Public Vehicles Act in respect of which a licence has been issued by Municipal Licensing and Standards.'

School bus drivers are currently regulated by the Province. Requiring a City of Toronto licence is, therefore, redundant. In 2024, the City did not issue any school bus driver licences and between 2018 to 2024 the City did not receive any service requests about this profession. One charge was issued in 2018. Should the City no longer regulate school bus drivers, the decision would align with eight out of eight jurisdictions scanned, such as Ottawa, Mississauga, Hamilton, London, Vaughan, Brampton, Oshawa, Markham.

Second, this staff report proposes that City Council delete licensing requirements for chimney repairmen from Chapter 545, Licensing, Article XXXVI. The Licensing Bylaw defines a chimney repairman as 'a person engaged in the trade or occupation of repairing chimneys.' Staff also recommend that Council remove associated fees from Chapter 441, Fees and Charges. In the same Article and complementary to chimney repairmen, this report recommends an administrative clean-up of the Licensing Bylaw to remove all provisions for builders of radiation fall-out shelters. The City no longer issues such licences and does not charge any fees for such business licence application.

Like school bus drivers, chimney repairmen are regulated by the Province as brick and stone masons. In 2024, the City issued two licences for this trade and earned \$563 in revenue. From 2018 to 2024, the City did not receive any service requests, and no charges were issued. Six out of eight jurisdictions scanned do not regulate chimney repairmen (Ottawa, Hamilton, London, Vaughan, Oshawa, Markham) while Mississauga and Brampton regulate chimney repairmen under their respective building renovator licence regulations.

In addition, staff propose to Council that the City of Toronto no longer regulate building cleaners and thereby delete associated provisions and fees from Chapter 545, Licensing and Chapter 441, Fees and Charges, respectively. The Licensing Bylaw defines a building cleaner as 'every building cleaner who is employed by a building cleaning contractor.'

Building cleaners are partially regulated or certified by the Province as window cleaners. In 2024, the City issued four building cleaner licences, earning \$564 in revenue. From 2018 to 2024, the City received one service request. No charges were issued during this time frame. Ottawa, Mississauga, Hamilton, London, Vaughan, Brampton, Oshawa, and Markham do not regulate building cleaners.

The fourth licence type and associated fees for proposed deletion from Chapter 545 and Chapter 441, respectively is boats for hire. The Licensing Bylaw defines this business as 'every person who keeps boats for hire.' Notably, boats for hire do not include water taxis, which are primarily regulated by Transport Canada. Ports Toronto also issues permits for operating powered vessels within the Port of Toronto.

In 2024, the City did not issue any boats for hire licences. Only two service requests were received by the City between 2018 and 2024, and one charge was issued in 2018. Ottawa, Mississauga, Hamilton, London, Vaughan, Brampton, Oshawa, Markham do not license boats for hire.

In addition to the above-mentioned licence types, staff propose that the City no longer regulate and collect licensing fees for transient traders/travelling salespersons (non-residents). The Licensing Bylaw defines this trade as 'any person commencing business who has not resided continuously in the City of Toronto for at least three months next preceding the time of his or her commencing such business there.'

Staff propose this amendment due to the outdated nature of the transient trader profession. In 2024, the City issued two licences and earned \$356 in revenue. Between 2018 and 2024, the City received one service request in 2019. No charges were issued during this time. Ottawa, Mississauga, London, Vaughan, Brampton, Oshawa, and Markham do not regulate transient traders. Hamilton currently regulates this profession.

Furthermore, staff recommend that City Council delete regulations and associated fees from the Licensing Bylaw and Fees and Charges Bylaw, respectively, regarding collectors of second-hand goods. Chapter 545, Licensing defines collectors of second-hand goods as 'every person who goes from house to house or along any street, whether public or private, for the purpose of collecting, purchasing, or obtaining second-hand goods.'

In 2024, the City issued four licences and earned \$1,068 in revenue. Between 2018 and 2024, the City did not receive any service requests and did not issue any charges. Ottawa, Hamilton, London, Vaughan, and Brampton do not regulate this trade. Both Oshawa and Markham regulate second-hand dealers.

The proposed deletions of school bus driver, chimney repairman, builder of fall-out shelter, building cleaner, boats for hire, transient trader/traveling salesperson (non-resident), and collector of second-hand goods from the Licensing Bylaw build on past Council decisions to remove licensing requirements for other business/trade types from the Licensing Bylaw. Examples of licence types previously deleted include but are not limited to electrical contractors and master electricians in 2009; swimming pools and public bath premises operated for profit in 2015; and acupuncture and traditional Chinese medicine in 2019.

#### *Recommended changes - Amending provisions for commercial parking lots*

In 2024, Municipal Licensing and Standards issued and renewed a total of 812 commercial parking lot licences. In addition to the proposed deletion of the above-mentioned licence types and as part of Municipal Licensing and Standards' comprehensive review of the Licensing Bylaw, staff propose amending the definition of commercial parking lot in Chapter 545, Licensing to include 'visitor parking lots for residential buildings', which will align the Licensing Bylaw with an Ontario Municipal Board ruling. Specifically, in 2019, the Ontario Municipal Board decided that commercial parking lots can operate in relation to visitor parking spaces in residential buildings. Due to this decision, Municipal Licensing and Standards has already begun issuing business licences for paid visitor parking in residential buildings. The proposed amendments will codify this practice.

In addition to recommending that Council align the Licensing Bylaw with the Ontario Municipal Board decision, staff also recommend that the Licensing Bylaw stipulate that signage for a commercial parking lot must be posted at each payment station within the

building instead of outside of it to comply with the City's residential zoning requirements, which state that commercial parking lot operators cannot advertise the lot to the public by posting signage.

#### *Recommended changes - Amending provisions for laundries*

In 2024, Municipal Licensing and Standards issued and renewed a total of 542 laundry licences. Through this report, staff propose to update provisions for owners and operators of laundries in the Licensing Bylaw to modernize licensing requirements and have them better reflect how such businesses operate today.

In 2020, Municipal Licensing and Standards reviewed the licensing regulations for laundries. Staff developed a report for City Council, which was paused due to the pandemic. The Division recognizes this current staff report as an opportunity to bring forth recommendations for modernizing licensing regulations for laundry operators.

Through this report, staff propose adding a definition of laundry premises to clarify the business activities encompassed by the business licence, including dry cleaning, laundry collection services, or self-serve washing machines or dryers offered or provided to the public.

Furthermore, it is recommended that provisions in the Bylaw are updated to make them easier to understand and enforce. For example, staff propose to remove requirements duplicated elsewhere in the Licensing Bylaw; delete prescriptive restrictions, which currently limit the hours of operation of certain machines to 11am to 8pm; remove outdated references to "wagons, carts, and sleeping rooms"; and delete subjective requirements pertaining to cleanliness.

#### *Recommended changes - Amending provisions for driving schools*

In 2024, Municipal Licensing and Standards issued and renewed a total of 200 driving school operator licences. Currently, Chapter 545, Licensing has unclear wording regarding the ability to enforce against driving school operators where their instructors operate in prohibited areas. Staff propose to improve the enforceability of the City's regulations for driving school operators by amending the Licensing Bylaw to clarify that driving schools are responsible for ensuring their instructors do not operate in a prohibited area and that enforcement action may be taken against a school if an instructor is found not to be in compliance with this requirement.

### **Action 5: Broaden access to and streamline direct supports and information on Municipal Licensing and Standards' business licence and permit services**

Most residents in Toronto and beyond rely on the business licensing and permit webpages on the City's website, 311, and the in-person licence and permit issuance office to find answers to questions they may have about Municipal Licensing and Standards' business licence and permit processes, policies, and regulations.

To reduce regulatory burden for businesses and trades, Municipal Licensing and Standards aims to broaden access to and streamline direct supports and information on the Division's business licence and permit services by taking the following three steps:

- 1) enhance the user-friendliness and search function capabilities of the business licence

and permit webpages; 2) support the piloting of a red tape hotline for businesses; and 3) support the City's action plan for Toronto's Economy to create strong main streets and quality jobs.

### **Action 5 - Step 1: Enhance the user-friendliness and search function capabilities of the business licence and permit webpages (2025)**

#### *Current state*

Over the years, staff have heard from applicants that information on business licences and permits specific to their scenario is difficult to find on the City's webpages and/or is unclear. As a significant step to improving information access for applicants, Municipal Licensing and Standards, in partnership with Technology Services and Strategic Public and Employee Communications, launched a licence finder tool in 2025 specific to bars, restaurants, and entertainment establishments.

The tool has since helped owners/operators of such establishments in Toronto determine the appropriate business licence type(s) and regulations, which were amended by City Council in late 2023 ([2023.EC8.13](#)). Although the licence finder tool for bars, restaurants, and entertainment venues has been well received, staff recognize that more work must be done to enhance the user experience of the entirety of the City's business licensing and permitting webpages, including but not limited to providing online information that is clear and easy to find.

#### *Improvements to current state*

In 2021, Municipal Licensing and Standards participated in the City of Toronto's Customer Experience Transformation Program, alongside Technology Services and Customer Experience (311 Toronto). Through this program, Municipal Licensing and Standards conducted a jurisdictional scan of 21 municipalities' permits and licence webpages, including but not limited to Edmonton, Calgary, Chicago, and New York.

More recently, staff revisited New York City's application portal, "Business Wizard", to draw inspiration for additional enhancements that can be made to the City's business licence and permit webpages and to fulfill City Council's directive ([2024.EC14.14](#)) to Municipal Licensing and Standards to review well known application portals in other municipal jurisdictions during the development of the Business Licence and Permit Applications Action Plan.

Through this research, Municipal Licensing and Standards will apply in 2025 several best practices from the webpages of other jurisdictions to the City's webpages, including but not limited to re-organizing the information on the webpages to have a more intuitive flow, editing for readability, highlighting the search bar to be more prominent, and developing an improved word search filter.

### **Action 5 - Step 2: Support the piloting of a red tape hotline for businesses (2025)**

#### *Current state*

As described in [2025.MM30.24](#), Toronto businesses and entrepreneurs may experience unnecessary or burdensome municipal regulations and permitting requirements. City Council has recognized that addressing such burdens by modernizing regulations and streamlining services are essential to making Toronto a more business-friendly city as

described in Economic Development and Culture's ten-year action plan for Toronto's economy, which was adopted by City Council in 2024 ([2024.EC16.2](#)).

#### *Improvements to current state*

On May 22, 2025, City Council directed Economic Development and Culture to launch a four-month 'red tape hotline' pilot program to allow Toronto businesses and entrepreneurs to report unnecessary or burdensome municipal rules, regulations, and permitting requirements ([2025.MM30.24](#)). Municipal Licensing and Standards will support Economic Development and Culture in this endeavour.

For example, parallel to the implementation of the hotline in 2025, Municipal Licensing and Standards will conduct user experience research. The Division's initiative will focus on applicants and licensees from Indigenous, Black, and equity-deserving groups, in part to determine barriers experienced by communities when trying to obtain a business licence or permit from Municipal Licensing and Standards. The Division will, therefore, work closely with Economic Development and Culture to ensure that each Division's efforts are complementary.

### **Action 5 - Step 3: Support the City's action plan for Toronto's Economy to create strong main streets and quality jobs**

#### *Current state*

In November 2024, City Council adopted the City's ten-year action plan for Toronto's Economy ([2024.EC16.2](#)), which identified strong main streets and quality jobs as two key priorities. The City aims to support Toronto's business community when accessing City services, such as licensing.

#### *Improvements to current state*

Municipal Licensing and Standard will support Economic Development and Culture in implementing the ten-year action plan for Toronto's Economy. For example, the outcomes of Municipal Licensing and Standards' comprehensive review of Chapter 545, Licensing alongside improvements to the Division's business licensing and permitting services will help to advance the City's priorities of strong main streets and quality jobs.

## **4. Implementation**

Staff propose that recommended bylaw changes come into effect on January 1, 2026, to allow sufficient time for staff to notify licensees and make the necessary operational updates. The following describes how staff report recommendations will be implemented.

#### *Removal of four licence application requirements from the Licensing Bylaw*

To remove certain licence application requirements specific to certain licences only, such as the requirement to provide a list of services and fees and/or a list of employees, and the requirement to work for only one employer and/or the requirement to undergo medical examinations, Municipal Licensing and Standards will amend licence application forms for the impacted licence types and amend information on the City's relevant webpages. Furthermore, the proposed bylaw amendments will be implemented alongside operational changes made by the Division to reduce the overall quantity of application documents required. As part of this implementation, staff will notify licensees

and train all Municipal Licensing and Standards staff that such requirements are no longer necessary upon licence application.

*Changes to general licensing provisions in the Licensing Bylaw*

If approved, staff will notify licensees in 2025 about updated requirements regarding email communication and delegated authority for the Executive Director, Municipal Licensing and Standards to impose administrative conditions on a licensee or applicant without having to go to the Toronto Licensing Tribunal. Staff will also update information on the City's licensing and permitting webpages. For example, staff will amend application forms to explicitly ask for an email address as the primary mode of communication, while providing a disclaimer that people may opt-out of email communications at any time.

*Deletion of licence requirements for certain businesses/trades*

To implement the City's deregulation of boats for hire, school bus drivers, transient traders, building cleaners, chimney repairmen, builders of fall-out shelters, and collectors of second-hand goods, staff will amend information on the City's webpages and applications forms in 2025. Staff will also notify licensees, applicants, Customer Experience (311 Toronto), and all Municipal Licensing and Standards staff that as of 2026, the City will no longer be licensing and collecting user fees for these categories. Furthermore, staff will implement a process for extending the term of licences of these businesses/trades that are held as of October 1, 2025, to December 31, 2025, so that licensees do not have to pay any associated renewal fees.

*Updates to licensing provisions for commercial parking lots, laundries, and driving school operators/instructors*

To implement changes to the Licensing Bylaw regarding owners/operators of commercial parking lots, laundries, and driving school operators/instructors, Municipal Licensing and Standards will notify licensees and update Municipal Licensing and Standards staff. Specific to operational processes for commercial parking lots, the Division's bylaw enforcement unit will update internal inspection templates to make clear the distinction between visitor lots and public lots.

## **5. Next Steps**

In addition to implementing the recommendations, Municipal Licensing and Standards will continue to collaborate with other Divisions to make operational improvements to Municipal Licensing and Standards' business licence and permit services. The Division will also regularly report to City Council regarding the implementation of the Action Plan and the comprehensive review of Chapter 545, Licensing.

## CONTACT

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## SIGNATURE

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Carleton Grant  
Executive Director, Municipal Licensing and Standards

## ATTACHMENTS

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Attachment 1: Demographic data of active licence holders, Chapter 545, Licensing

Attachment 2: Amended business licence application requirements

Attachment 3: Municipal Licensing and Standards' screening criteria for business licence applications and renewals

Attachment 4: Licensing and enforcement data (2024)