



REFERRAL OF ITEM BY CITY COUNCIL

Creating a Small Business Friendly Approach to Licensing and Permitting

Date: October 14, 2025

To: Economic and Community Development Committee

From: City Council

Wards: All

CITY COUNCIL DECISION

City Council on October 8 and 9, 2025, referred Item [EC23.10](#) to the Economic and Community Development Committee for consideration.

COMMITTEE RECOMMENDATIONS

The Economic and Community Development Committee recommends that:

1. City Council request the Deputy City Manager, Infrastructure Services and the Deputy City Manager, Community and Emergency Services to report to the October 28th, 2025, meeting of the Economic and Community Development Committee on:
 - a. a more business- friendly approach and protocols for small business licenses and permits with a focus on compliance rather than enforcement and issuing a summons for these simple matters;
 - b. an outline for a cross divisional training plan by Municipal Licensing and Standards and Economic Development and Culture for small businesses; and
 - c. options to increase the role of Economic Development in facilitating small business administrative licensing and compliance, including the feasibility of shifting or sharing the responsibility between Municipal Licensing and Standards and Economic Development and Culture, in line with the one-stop-shop business licensing approach contemplated in the Economic Action Plan.

SUMMARY

Small business is the backbone of our main streets and neighbourhoods and an important part of our local economy. Mayor Chow's Love Local Campaign is one way the city is working to help small businesses be successful in these challenging and uncertain economic times.

It's not easy running a small business in today's economy. The vast majority of small businesses operate in compliance with the city's bylaws and without complaints, except for them meeting Municipal Licensing and Standards administrative paperwork requirements for licencing, permits, encroachments and other bylaw matters. I am writing to share concerns raised by several local business owners regarding the recent enforcement approach taken by Municipal Licensing and Standards in relation to the new small business licensing categories as well as existing permits such as marketing display permits and encroachment agreements.

An enforcement style that may risk being perceived as punitive may unintentionally discourage the very entrepreneurs who contribute so much to our local economy. Toronto has prided itself on being a business-friendly city, and our regulatory practices should reflect our commitment.

A more coordinated approach is needed that will help protect small business and foster a thriving local economy.

Background Information (Committee)

(September 15, 2025) Letter from Councillor Paula Fletcher on Creating a Small Business Friendly Approach to Licensing and Permitting
<https://www.toronto.ca/legdocs/mmis/2025/ec/bgrd/backgroundfile-258466.pdf>

Communications (Committee)

(September 16, 2025) E-mail from Nicole Corrado (EC.New)