

THE CORPORATION OF THE TOWN OF CALEDON

BY-LAW NO. XXXX

A By-law to provide for a system of licensing, regulating and governing the business of rental accommodation within the Town of Caledon and to repeal By-law No. 98-86.

WHEREAS sections 8 through 11 of the Municipal Act, 2001, S.O. 2001, c. 25 (Municipal Act, 2001), as amended, authorize a municipality to pass By-laws in respect of the economic, social and environmental well-being of the municipality, and protection of persons and property, including consumer protection;

AND WHEREAS sections 23.1, 23.2, 23.3 and 23.5 of the Municipal Act, 2001, as amended, authorize a municipality to delegate certain powers to an officer, employee or agent of a municipality;

AND WHEREAS section 151(1) of the Municipal Act, 2001, as amended, states that a municipality may provide for a system of licences with respect to a business and may:

- a) prohibit the carrying on or engaging in the business without a licence;
- b) refuse to grant a licence or to revoke or suspend a licence;
- c) impose conditions as a requirement of obtaining, continuing to hold or renewing a licence;
- d) impose special conditions on a business in a class that have not been imposed on all of the businesses in that class in order to obtain, continue to hold or renew a licence;
- e) impose conditions, including special conditions, as a requirement of continuing to hold a licence at any time during the term of the licence; and
- f) license, regulate or govern real and personal property used for the business and the persons carrying it on or engaged in it.

AND WHEREAS subsection 391(1) of the Municipal Act, 2001 provides that a municipality may impose fees and charges on persons,

- a) for services or activities provided or done by or on behalf of it;
- b) for costs payable by it for services or activities provided or done by or on behalf of any other municipality or any local board; and
- c) for the use of its property including property under its control.

AND WHEREAS section 425 of the Municipal Act, 2001 authorizes the Town of Caledon to pass By-laws providing that a person who contravenes a By-law of Town of Caledon passed under that Act is guilty of an offence;

AND WHEREAS section 426 of the Municipal Act 2001 provides that any person who hinders or obstructs, or attempts to hinder or obstruct, any person who is exercising a power or performing a duty under this By-law is guilty of an offence;

AND WHEREAS section 434.1 of the Municipal Act, 2001 authorizes the Town of Caledon to require a person, subject to such conditions as the municipality considers appropriate, to pay an administrative penalty if the municipality is satisfied that the person has failed to comply with a By-law of the municipality passed under the Municipal Act, 2001;

AND WHEREAS subsection 434.2(1) of the Municipal Act, 2001 provides that an administrative penalty imposed by a municipality on a person constitutes a debt of the person to the municipality;

AND WHEREAS section 436 of the Municipal Act, 2001 authorizes a municipality to pass By-laws providing that the municipality may enter on land for the purpose of carrying out an inspection to determine compliance with, among other things, a By-law of the municipality passed under the Municipal Act, 2001, a direction or order of the municipality made under a By-law of the municipality passed under the Municipal Act, 2001, or a condition of a licence issued under a By-law of the municipality passed under the Municipal Act, 2001;

AND WHEREAS section 444 of the Municipal Act, 2001 authorizes the Town of Caledon to issue an order requiring a person to discontinue a contravening activity if the Town is satisfied that a contravention of a By-law passed under the Municipal Act, 2001 has occurred, and that such an order may apply to the person who contravened the By-law, or who caused or permitted the contravention, or the owner or occupier of the land where the contravention occurred;

AND WHEREAS section 445(1) of the Municipal Act, 2001 authorizes the Town of Caledon to issue an order requiring a person to do work to correct a contravention of a By-law passed under the Municipal Act, 2001 if the Town is satisfied that a contravention has occurred, and that such an order may apply to the person who contravened the By-law, caused or permitted the contravention, or the owner or occupier of the land where the contravention occurred;

AND WHEREAS section 446 (1) of the Municipal Act, 2001, authorizes the Town of Caledon, where it has the authority under the Municipal Act, 2001 or a By-law under the Municipal Act, 2001 to direct or require a person to do a matter or thing, to also provide that, in default of it being done by the person directed or required to do it, the matter or thing shall be done at the person's expense;

AND WHEREAS the Council for The Corporation of the Town of Caledon considers it necessary and desirable to regulate residential rental units in order to:

- a) protect the health and safety and well-being of the persons residing in rental units;
- b) ensure that certain essentials are provided in residential rental units such as plumbing, heating and water; and,
- c) protect the residential amenity, character and stability of residential areas.

NOW THEREFORE the Council of The Corporation of the Town of Caledon ENACTS AS FOLLOWS:

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Part 1 Definitions and Interpretation

Short Title

1.1 This By-law shall be cited as the “Residential Rental Licensing By-law”.

Definitions

1.2 In this By-law:

Additional Residential Unit means a self-contained separate Dwelling Unit with full kitchen and bath facilities and separate entrance, as part of an existing detached, semi-detached or row house, or in a structure ancillary to a detached, semi-detached or row house (also referred to as second units or secondary suites). (Region of Peel Official Plan);

Administrative Penalty means a monetary penalty issued by means of a Penalty Notice as set out in this By-law and the Town’s Administrative Monetary Penalty System By-law 2024-086, as amended;

Agent means a person or entity authorized in writing by the owner of a property to act on their behalf in matters related to the operation, management, or licensing of a Rental Accommodation under this by-law, including submitting applications, providing required documentation, or addressing compliance issues;

Applicant means a Person who submits an application for a licence under this by-law to operate a Rental Accommodation;

Calendar Year means the period beginning on January 1 and ending on December 31 of the same year, inclusive;

Criminal Record Check means a Canadian Criminal Record Check issued by an accredited Canadian Police Service in the location where the applicant for the Criminal Record Check resides, no more than 30 days old at the time of the licence application;

Director means the Director of Municipal Law Enforcement services appointed by Town Council, and shall include any person authorized by the Director to carry out any of the powers or duties of the Director pursuant to this By-law;

Dwelling, Main (or Main Dwelling) means the primary Dwelling Unit on a lot.

Dwelling Multiplex (or Multiplex Dwelling) means a building with multiple Dwelling Units. In order to qualify as a Multiplex Dwelling, at least one

Dwelling Unit must be entirely or partially above another. A Dwelling Unit within a Multiplex Dwelling is not a Main Dwelling that can contain an Additional Residential Unit.

Dwelling Unit means a room or rooms which function as a housekeeping unit used or intended to be used as a domicile by one or more persons, in which a kitchen, living quarters and sanitary facilities are provided for the exclusive use of the residents and with a private entrance from outside the building or from a common hallway or stairway.

Emergency Exit means that part of a means of egress, including doorways, that leads from the floor area it serves to a separate building, an open public thoroughfare or an exterior open space protected from fire exposure from the building and having access to an open public thoroughfare.

Emergency Procedures means written instructions that set out the actions to be taken by occupants and landlords in the event of an emergency, including but not limited to the location of exits, evacuation procedures, the designation of an assembly point, instructions not to use elevators where applicable, and provisions for assisting persons requiring help.

Fire Chief shall have the same meaning as in the *Fire Protection and Prevention Act, 1997*, S.O. 1997, c. 4, as amended;

Guest means any individual who occupies or uses a Short-Term Rental Accommodation from a licensed Operator for a period of less than 28 days.

Licence means a Rental Accommodation Licence issued in accordance with this By-law;

Licensee means any Person licensed under this By-law;

Market means to advertise or engage in activities intended to attract potential renters or guests to a Rental Accommodation, including but not limited to distributing promotional materials, hosting open houses or virtual tours, creating online or physical listings, or employing any strategy designed to encourage interest or inquiries about the availability of the property for rent or lease;

Multi-Tenant House means a Rental Accommodation that is intended to house multiple individuals who are not considered a single household, and where such individuals share interior common areas, including but not limited to kitchens, washrooms, or living spaces. Multi-Tenant Housing includes Rooming Houses, Lodging Units, and any similar arrangement where distinct individuals or groups occupy private or shared rooms while sharing common facilities and the Rental Accommodation is rented in excess of 28 days.

Municipal Address means the official civic address assigned by a municipality to identify a specific property or location, typically including a street number, street name, municipality name, and postal code, used for purposes of identification, navigation, and communication; **Officer** means a Municipal Law Enforcement Officer appointed by the Town of Caledon.

Operate, or Operating means to manage, control, maintain, or conduct the activities associated with the functioning of a Rental Accommodation, including offering it for rent, collecting rent, or providing services or facilities to tenants or guests, whether directly or through an agent, representative, or third party;

Operator means any Person, or entity that manages, controls, maintains, or conducts activities associated with Operating a Rental Accommodation, including offering it for rent, collecting rent, or providing services or facilities to tenants or guests, whether directly or through an agent, representative, or third party;

Owner means the Person holding title to the lands on which the Rental Accommodation is located;

Parking Plan means a plan prepared in accordance with this By-law that identifies how parking will be provided and managed for the property on which the Rental Accommodation is located, and shall include:

- a) the location of designated parking areas shown on a Site Plan;
- b) the total number of parking spaces available on the property;
- c) confirmation that all parking complies with applicable Town by-laws;
- d) details demonstrating that guest parking does not interfere with or adversely affect neighbouring properties; and
- e) any alternative parking arrangements where on-site parking is insufficient.

Penalty Notice means a notice detailing an Administrative Penalty given to a Person pursuant to this By-law;

Person means an individual, a corporation, or a partnership recognized by law as having the capacity to own, operate, or manage a Rental Accommodation. This includes:

- **Individuals:** Natural persons who own, operate, or manage a Rental Accommodation.
- **Partnerships:** Legal entities formed by two or more individuals or corporations, including general and limited partnerships.
- **Agents and Representatives:** Individuals or entities acting on behalf of another person, including property managers and leasing agents.

Primary Residence means the Dwelling Unit where an individual ordinarily resides, makes their home, and conducts their daily living activities, including sleeping, eating, and socializing, and which they have designated for legal, tax, and insurance purposes. An individual may have only one Primary Residence at any given time;

Property Maintenance Plan means a plan that identifies those measures the Owner will implement so as to ensure compliance with the Town's Property Standards By-law and any other by-law related to property maintenance and/or management;

Rental Accommodation means a property, Dwelling Unit, or Multi-Tenant House rented or offered for rent for residential purposes, including both short-term and long-term rental arrangements. This includes all types of licensed accommodations under this By-law;

Rent means any form of payment, consideration, or benefit, monetary or otherwise, given or received in exchange for the right to occupy or use a Rental Accommodation, regardless of the duration of the occupancy. This includes but is not limited to fees, charges, or other financial arrangements for short-term or long-term rental purposes;

Responsible Person means an individual designated by the Operator who is available to attend the Rental Accommodation within 1 hour of being contacted by the Town or relevant authority. The Responsible Person must be authorized to act on behalf of the Operator and is responsible for ensuring compliance with the provisions of this By-law and addressing any issues that arise during the operation of the Rental Accommodation;;

Short Term Rental Accommodation means a Dwelling Unit, or any part thereof, that is rented or offered for rent for a period of 28 consecutive days or less, and includes accommodations facilitated through online platforms, advertisements, or other means. This does not include hotels, motels, bed and breakfasts, or other accommodations explicitly exempted under this By-law;

Site Plan means a scaled and detailed diagram of the property on which the Rental Accommodation is located, illustrating the layout and key features of the site, and identifies those measures the Owner will implement to ensure compliance with the Town's Property Standards By-law, Clean Yards By-law and any other By-law.

Tenant means a person who occupies a Rental Accommodation in exchange for payment or compensation, whether under a lease, rental agreement, or license to occupy, including both short-term and long-term arrangements.

Part 2 – Application and Administration

- 2.1 This By-law applies to the business or occupation of providing Rental Accommodation within the geographical boundaries of the Town of Caledon.
- 2.2 Every Person who owns, operates, or offers a Rental Accommodation must, as of the effective date of this By-law, submit an application for a License in accordance with the provisions of this By-law, unless otherwise exempted.
- 2.3 This By-law applies to all Owners and Operators of a Rental Accommodation, and Applicants where applicable, each of whom shall be responsible for complying with the standards and requirements set out herein.
 - a) Where a property is occupied by a person other than the Owner, both the Owner and the Operator shall be jointly and severally responsible for compliance with this By-law.
 - b) The Owner and Operator are responsible for ensuring that a designated Responsible Person shall be available for responding to and addressing any issues that arise during the operation of the Rental Accommodation, including being available to attend the Rental Accommodation within one (1) hour of being contacted by the Town or relevant authority.
- 2.4 The Town of Caledon's Municipal Law Enforcement Department shall be responsible for the administration and enforcement of this By-law.
- 2.5 Nothing in this By-law shall constitute an exemption from the requirements of any other By-law in effect, applicable Federal or Provincial legislation or regulations.

Exemptions

- 2.6 Notwithstanding any other provisions in this By-law, a Rental Accommodation Licence is not required for:
 - a) Hotel in accordance with the Town's zoning By-law;
 - b) Motel in accordance with the Town's zoning By-law;
 - c) Inn in accordance with the Town's zoning By-law;
 - d) Group Home, as defined in Section 163 of the Municipal Act, 2001;
 - e) Apartment building;
 - f) Student residence operated by a University or College in accordance with the Town's zoning By-law;
 - g) A rental unit for which the following statutes and regulations apply:
 - i. the Homes for Special Care Act, R.S.O. 1990, c. H.12, as amended;

- ii. the Inkeepers Act, R.S.O. 1990, c. 17, as amended;
- iii. the Long-Term Care Homes Act, 2007, S.O. 2007, c. 8, as amended;
- iv. the Retirement Homes Act, 2010, S.O. 2010, c. 11, as amended;
- v. the Social Housing Reform Act, 2000, S.O. 2000, c. 27, as amended; and
- vi. Housing Services Act, 2011, S.O. 2011, c. 6, Sched 1.

Part 3 – General Prohibitions

- 3.1 No Person shall Operate or permit the Operation of a Rental Accommodation without that Person being licensed under the provisions of this By-law in respect of the particular Rental Accommodation.
- 3.2 No Person shall Operate or permit the Operation of a Rental Accommodation or be eligible to hold a Rental Accommodation Licence if such use of the land, building or structure is not permitted by the Town's zoning by-law that applies to the property, unless such use is legally permitted as a legal non-conforming use.
- 3.4 Unless otherwise specified in this By-law, no Person shall be eligible to hold more than one class of Licence per Municipal Address.
- 3.5 No Person shall Operate or permit the Operation of a Rental Accommodation requiring a Licence under this By-law if the Licence has expired, been revoked or been suspended.
- 3.6 No Person shall Operate or permit the Operation of a Rental Accommodation in an unlawful Dwelling Unit, or in a structure not intended or approved for human habitation, including a vehicle, tent, shed, or garage.
- 3.7 No Person shall Market, or permit the Marketing of, a Rental Accommodation unless the property is licensed in accordance with the provisions of this By-law.
- 3.8 No Person shall collect Rent, or permit the collection of Rent for a Rental Accommodation which is not licensed in accordance with the provisions of this By-law.
- 3.9 No Person shall transfer, sell, or reassign a Rental Accommodation licence issued under the provisions of this By-law.
- 3.10 No Person shall be entitled to receive a Licence, or to renew a Licence, if within 12 months prior the Person applied for and was refused a Licence or had a Licence revoked by the Director. This restriction shall apply in all cases to an application for a Licence or renewal in respect of same property for which a Licence was revoked; this restriction will also apply to an application for a

Licence or renewal in respect of a different property, unless the Director is satisfied that the grounds for refusal or revocation would not be relevant to consideration of a Licence for the different property..

Part 4 – General Regulations

- 4.1 Every Person Operating a Rental Accommodation of a type referred to in Section 5.1 shall ensure compliance with all Provincial and Federal laws and Town By-laws.
- 4.2 Every Person submitting a Rental Licence application shall comply with all Building Code Act, 1992, S.O. 1992, c. 23, as amended requirements and obtain any necessary permits, with the responsibility to provide proof resting on the Applicant.
- 4.3 Every Person Operating a Rental Accommodation shall comply with the approved Site Plan submitted with the application for the Licence.
- 4.4 Every Person Operating a Rental Accommodation shall ensure a copy of the Licence issued by the Town pursuant to this By-law shall be posted, visible in a conspicuous place near the main entrance of the Rental Accommodation.
- 4.5 Every Person Operating a Rental Accommodation shall provide to the Director the contact information of a Responsible Person.

Fire Safety and Emergency Preparedness

- 4.7 Every Person submitting a Rental Licence application shall comply with all requirements of the *Fire Protection and Prevention Act, 1997, S.O. 1997, c. 4*, as amended, and:
 - a) obtain any required fire safety approvals or inspections. With the responsibility to provide proof resting on the Applicant; and
 - b) Shall contact the Caledon fire department for inspections and approvals.
- 4.8 Every Person Operating a Rental Accommodation shall prepare and maintain Emergency Procedures, and:
 - a) Emergency Procedures shall be:
 - I. kept on the premises at all times;
 - II. made available to all tenants; and
 - III. produced to the Town upon request.

- b) Emergency Procedures shall include:
- I. Instructions to Tenants, including direction to sound the fire alarm or alert other Tenants. Leave the building using the nearest safe exit and call 9-1-1 once safely outside;
 - II. Location of Exits, clearly identifying all available exit routes, and including a floor plan or diagram where possible;
 - III. Assembly Point, designating a safe outdoor meeting place for all occupants;
 - IV. Elevator Use, where applicable, reminding occupants that elevators are not to be used in the event of fire;
 - V. Assistance for Persons Requiring Help, providing instructions on what to do if an occupant requires assistance to evacuate.
- c) Emergency Procedures shall be posted:
- I. at or adjacent to all exits;
 - II. in a conspicuous location within the common areas of the property, including the front entrance; and in each sleeping room, where the property is operated as a boarding, rooming, or lodging home.

4.9 Every Person Operating a Rental Accommodation shall ensure that the following fire safety equipment is provided within the Rental Accommodation and is maintained in good working order at all times and in compliance with applicable codes and standards:

- a) Fire extinguishers appropriate for the dwelling type and location;
- b) **Smoke alarms** installed and maintained in accordance with the *Ontario Regulation 213/07*, as amended;
- c) Carbon monoxide alarms installed and maintained in accordance with the *Ontario Regulation 213/07*.

4.10 Every Person Operating a Rental Accommodation shall ensure that Emergency Exits are:

- a) Clearly marked and unobstructed at all times; and
- b) Identified with appropriate signage and lighting, where required by applicable codes and standards.

Occupancy Standards

4.11 Every Owner and Operator shall ensure that no room or area is used for sleeping purposes in a Rental Accommodation, unless:

- a) it has been constructed with a building permit and reviewed for sleeping purposes;
- b) is in conformance with the Ontario Building Code requirements for the construction of a bedroom;
- c) there is a minimum floor area of 7 square metres (6 square metres if the room contains built-in closets);
- d) there is a minimum floor area of 14 square metres where the room is provided to three occupants;
- e) there is a minimum floor area of 7 square metres per person where the room is provided to four or more occupants;
- f) for the purpose of subsections (d) and (e), an occupant shall mean any person eighteen years of age or over;
- g) where an occupant is under eighteen years of age, the room provided for sleeping purposes must still comply with all other standards established in this By-law and all applicable legislation, including but not limited to the *Ontario Building Code*, as amended and *Ontario Fire Code*, as amended.

Part 5 – Licensing

5.1 The Town of Caledon is currently licensing the following Rental Accommodations:

- a) **Class C1 – Multi Tenant:** As provided in this By-law, a Licence is required for any Rental Accommodation and Multi-Tenant House, meaning a Rental Accommodation intended to house multiple individuals who are not considered a single household, and where such individuals share common areas within the dwelling, including but not limited to kitchens, washrooms, or living spaces. Multi-Tenant Housing includes Rooming Houses, Lodging Units, and any other similar arrangement where distinct individuals or groups occupy private or shared rooms within a dwelling while sharing common facilities and the Rental Accommodation is rented in excess of 28 days.

- b) **Class C2 – Additional Residential Unit:** As provided in this By-law, a Licence is required for any Rental Accommodation that is an Additional Residential Unit, meaning a self-contained separate dwelling unit with full kitchen and bath facilities and separate entrance, as part of an existing detached, semi-detached or row house, or in a structure ancillary to a detached, semi-detached or row house. used as a Long-Term Rental Accommodation.
- c) **Class C3 – Short Term Rental Accommodation:** As provided in this By-law, a Licence is required for any permitted Short Term Rental Accommodation, meaning a dwelling unit, or any part thereof, that is rented or offered for rent for a period of 28 consecutive days or less.

Licensing Requirements

5.2 The Director may require any information or documentation deemed necessary as part of an application for the issuance or renewal of any class of licence, including but not limited to the following:

- a) An application in the form prescribed by the Director;
- b) Payment of applicable fees in accordance with the Town's Fees By-law, as amended;
- c) Insurance as detailed in this By-law;
- d) the Municipal Address and legal description of the property on which the Rental Accommodation is situated;
- e) the Applicant's name and contact information, including their address, telephone number, and e-mail address;
- f) if the Owner is different from the Applicant, the Owner's name and contact information, including their address, telephone number, and e-mail address;
- g) if the Applicant is an Agent representing the Owner, a signed statement authorizing the Agent to act on behalf of the Owner;

- h) if the Applicant is a Partnership, the names, addresses, telephone number and e-mail address of each member of the Partnership as well as the name under which the Partnership intends to Operate the Rental Accommodation business;
- i) if applicable, proof to the satisfaction of the Director that the condominium corporation or strata permits the proposed type of Rental Accommodation;
- j) the name and contact information of a Responsible Person, including their address, telephone number, and e-mail address who is responsible for ensuring that all necessary property maintenance is undertaken and who can attend the Rental Accommodation within an hour;
- k) proof of ownership of the property on which the Rental Accommodation is situated;
- l) a completed Criminal Record Check for the Owner and the Operator, including:
 - i. if the Owner or Operator is a corporation, a completed Criminal Record Check for the directors and officers, and if the Owner or Operator is a Partnership, a completed Criminal Record Check for each partner.
- m) If the Owner or Operator, within the previous five years from the date of application or renewal have been convicted of any of the following under the Criminal Code of Canada:
 - i. Homicide or manslaughter;
 - ii. Sexual offences;
 - iii. Assault offences;
 - iv. Confinement offences;
 - v. Robbery or extortion offences;
 - vi. Break and enter offences;
 - vii. Fraud and forgery offences;

- viii. a statutory or regulatory offence in any way related to the ownership or management of residential rental properties.
- n) a Site Plan of the property on which the Rental Accommodation shall be situated, detailing the following:
- i. Lot lines and boundaries;
 - ii. All structures and buildings;
 - iii. Location of all parking spaces, including dimensions, which comply with the Town's Zoning By-Law and Traffic By-law;
 - iv. Landscaping features;
 - v. Outdoor common areas;
 - vi. Refuse and recycling storage areas;
 - vii. Snow storage areas;
 - viii. Property Maintenance Plan; and
 - ix. Parking Plan.
- o) a floor plan of the Rental Accommodation, including identifying:
- i. all rooms, spaces or common areas;
 - ii. The intended use of each room, space, or common area, specifically indicating the location of all Bedrooms;
 - iii. the dimensions (in square meters) of all rooms, spaces or common areas;
 - iv. The location of all windows and doors;
 - v. The location of fire safety features, such as smoke alarms, carbon monoxide alarms, fire extinguishers, and Emergency Exits; and

- vi. The location of any heating, ventilation, and air conditioning (HVAC) systems or units.
- p) a signed written statement by the Owner, Operator and Applicant, if different than the Owner/Operator, that:
- i. the Applicant, Operator or Owner will comply with the Property Maintenance Plan;
 - ii. the Applicant, Operator or Owner will comply with the parking plan;
 - iii. the Applicant, Operator or Owner shall comply with all relevant Federal, Provincial legislation, Municipal By-laws, including the *Human Rights Code*, R.S.O. 1990, c. H.19, as amended;
 - iv. the Rental Accommodation is in compliance with the *Building Code Act, 1992*, S.O. 1992, c. 23, as amended, or any regulations made under it, including the Building Code;
 - v. the Rental Accommodation is in compliance with the *Fire Protection and Prevention Act, 1997*, S.O. 1997, c. 4, as amended, or any regulations made under it, including the Fire Code; and
- q) an inspection certificate from a certified HVAC technician that confirms that the HVAC system is in proper working order which results from an inspection that was conducted within the six (6) months preceding the submission of the application;
- r) an inspection certificate from a certified Electrical Safety Authority technician confirming the electrical system is in proper working order, which results from an inspection that was conducted within the six (6) months preceding the submission of the application;
- s) a signed Landlord Code of Conduct acknowledging the Owner, the Operator, and the Responsible Person of the Rental Accommodation each understands their responsibilities under this By-law;
- t) the Owner or Applicant certifies the accuracy, truthfulness and completeness of the information submitted;

- u) any other information the Director deems necessary or required to determine whether a Licence should be issued to the Owner or Applicant.

Insurance

- 5.3 Every Person shall, before the issuance of a Licence to the Applicant, provide proof of Commercial General Liability insurance against all claims for personal injury including bodily injury resulting in death, and property damage with an inclusive limit of not less than Two Million Dollars (\$2,000,000.00) per occurrence insuring the Applicant against liability imposed by law for any loss or damage resulting from the carrying on of the business to which the Licence relates.
- 5.4 Every Person who obtains a Licence shall ensure that the insurance policy in Section 5.3 is maintained in good standing while the Licence is valid and the Rental Accommodation business to which the Licence applies is in operation.
- 5.5 Every Person shall provide the Town with at least ten days' notice in writing, by regular mail, personal delivery, or e-mail delivery, of cancellation, expiration or variation in the amount or conditions of the policy required by Section 5.3.
- 5.6 Every Person shall provide the Town a certificate of insurance issued in respect of the insurance policy in Section 5.3, before the issuance of the Licence that it applies to.

Licence Issuance

- 5.7 Every Licence issued under this By-law shall be in the form and manner as provided by the Director and without limitation shall include on its face the following information:
 - a) the Licence number;

- b) the municipal address of the Rental Accommodation to which the Licence applies;;
- c) the date which the Licence was issued, and the date the Licence expires;
- d) Owner's name and contact information;
- e) Agent's name and contact information;
- f) Responsible Person's name and contact information; and

5.8 A Licence issued pursuant to this By-law shall be valid to the date of expiry indicated on the Licence;

5.9 A Licence is only valid to the Persons to whom it is issued and to the Municipal Address for which the Rental Accommodation is situated;

5.10 Only one Licence shall be issued per Municipal Address, unless otherwise specified in this By-law;

5.11 To obtain, maintain, or renew a license, the following conditions must be met:

- a) a completed application is submitted to the satisfaction of the Director;
- b) payment of all fees and inspection fees related to this By-law in accordance with the applicable fees and charges by-law, as amended;
- c) payment of all outstanding fines, fees, or charges, and resolution of any violations or non-compliance with any of the Town's By-laws;
- d) allow, at any reasonable time and when permitted by law, the Town to inspect the Rental Accommodation;
- e) the Owner, as well as any partner, officer, director, employee, or agent associated with the Owner, must demonstrate conduct that does not raise reasonable grounds to dispute their ability to Operate the Rental Accommodation in compliance with all Federal, Provincial, Town By-law's, and with honesty and integrity;
- f) the Rental Accommodation shall be in accordance with the *Building Code Act, 1992*, S.O. 1992, c. 23, as amended;

- g) the Rental Accommodation shall be in accordance with the *Fire Protection and Prevention Act, 1997*, S.O. 1997, c. 4, as amended;
- h) the Rental Accommodation shall be in compliance with the all of the Town's By-laws, including but not limited to:
 - i. Zoning By-law;
 - ii. Property Standards By-law;
 - iii. Clean Yards By-law;
 - iv. Site Alteration By-law.
- i) The Rental Accommodation conforms with the uses permitted under the Town's Zoning By-law or is legal non-conforming;
- j) If the Owner is a partnership or a corporation, any change in the composition of the partnership or of the officers and/or directors of the corporation shall be reported to the Director with ten (10) days;
- k) No Licence issued under this By-law may be sold, purchased, leased, mortgaged, charged, assigned, pledged, transferred, seized, distrained or otherwise dealt with;
- l) The Owner shall notify the Director of any change in ownership or the Rental Accommodation and shall surrender their Licence to the Director within seventy-two (72) hours of the completion of such change.

Grounds for Refusal

- 5.12 The authority to issue, renew, refuse, cancel, revoke, suspend, or impose conditions on a Licence is delegated to the Director.
- 5.13 The Director may refuse to issue or renew a Licence, may revoke or suspend a Licence, or may impose terms or conditions on a Licence where there are reasonable grounds to believe that:
 - a) The Applicant or Licensee is under 18 years of age;

- b) the Owner or Licensee does not meet the requirements of this By-law, or that the Rental Accommodation does not comply with the provisions of this By-law;
- c) the conduct of the Owner or Licensee, or any partner, employee, or agent thereof, provides reasonable grounds to believe that the Person will not Operate the Rental Accommodation in compliance with Federal, Provincial, or Town by-laws, or in a manner that demonstrates honesty or integrity.
- d) if the Director has reasonable grounds to believe that false or misleading information, documents, or statements were submitted as part of a Licence application under this By-law;
- e) the Director has reasonable grounds to believe that the issuing of a Licence would negatively impact the health, safety and well-being of the community, including but not limited to, negative impacts to neighbouring properties;
- f) the Owner, Applicant or Licensee's conduct provides reasonable grounds to believe that operating the Rental Accommodation has violated or could violate the rights of others, including but not limited to human rights laws;
- g) the Director has reasonable grounds to believe that the Operation of the Rental Accommodation has resulted, or will result, in a contravention of this By-law, or any other Town By-law;
- h) the property on which the Rental Accommodation is situated is subject to an order or orders, pursuant to Town By-laws, or legislation including the *Municipal Act, 2001*, *Building Code Act, 1992*, S.O. 1992, c. 23, as amended, *Fire Protection and Prevention Act, 1997*, S.O. 1997, c. 4, as amended, and the *Electricity Act, 1998*, S.O. 1998, c. 15, Sched. A, as amended;
- i) the Applicant, Licensee or property which the Rental Accommodation is situated does not comply with applicable condominium declarations, by-laws, or rules;
- j) the Owner or the Property on which the Rental Accommodation is situated is indebted to the Town by way of fines, penalties, judgements or outstanding (past due) property taxes, or any other amounts owing; or
- k) the Licensee has accrued the prescribed number of demerit points within a Calendar Year.

5.14 Notwithstanding any other provisions of this By-law, the Director may impose terms and conditions on a Licence at the time of issuance, renewal, or at any

point during its term, including special conditions, if deemed necessary by the Director to ensure compliance with and the effective implementation of this By-law.

5.15 Where the Director determines that any of the following actions are necessary to ensure compliance with this By-law, including the imposition of terms or conditions as outlined in Section 5.8, the Director shall make the decision to:

- a) refuse an application for a Licence or its renewal;
- b) deny a reinstatement request;
- c) revoke a Licence;
- d) suspend a Licence; or
- e) impose or modify terms or conditions on a Licence.

5.16 Where the Director has made a decision under section 5.9 of this By-law, the Director shall provide notice to the Applicant pursuant to Section 7.1 of this By-law.

5.17 Written notice under 5.10 of this By-law shall:

- a) set out the grounds for the decision;
- b) give reasonable particulars of the grounds; and
- c) be signed by the Director.

Appeal of Licence Refusal and Revocation

5.18 A Person who has been refused a Licence, or a Person whose Licence has been revoked or suspended may appeal the refusal, revocation or suspension through a hearing by the Town's Appeal Board and the Appeal Board may:

- a) confirm the refusal or revocation;
- b) reverse the refusal and require the Director to grant the Licence;
- c) reverse the revocation and require the Director to reinstate the Licence.; or

d) reverse the suspension and require the Director to reinstate the Licence.

- 5.19 Unless otherwise specified within the notification letter required by Section 5.10, the final date to request an appeal hearing in respect of a Licence refusal or revocation shall be 20 days after the date that service of such letter was deemed effective in accordance with Section 5.16 exclusive of any statutory holidays and any day where the Town Hall is closed.
- 5.20 A decision that is not appealed within the time referred to in section 5.13 shall be final.
- 5.21 Where the Appeal Board requires that a Licence be granted or reinstated, this shall not preclude a person from being required to fulfill all applicable outstanding application criteria for such Licence prior to issuance.
- 5.22 The refusal to grant or revoke a Licence shall be deemed final, with no further right of appeal to the Appeal Board, if a request for an appeal hearing has not been appropriately submitted within the time indicated in the applicable notification letter provided by the Director.

Part 6 – Enforcement

Offence and Penalty

- 6.1 Every Person who contravenes any provision of this By-law is liable to pay to the Town an Administrative Penalty and any Administrative Fees, where applicable, pursuant to the Administrative Monetary Penalty System By-law 2024-086, as amended, and Schedule C of this By-law.
- 6.2 Each day that a contravention of this By-law continues constitutes a new and separate offence and may be subject to an Administrative Monetary Penalty for each such offence.
- 6.3 If an order to discontinue or a work order has been issued in respect of a contravention of this By-law, and the order has not been complied with, the contravention of the order shall be deemed to be a continuing offence for each day or part of a day that the order is not complied with.
- 6.4 No person shall make a false, misleading, or fraudulent statement in relation to this By-law, or on any form submitted as part of an application for a Licence under this By-law;

- 6.5 The amount due for Penalty Notice issued pursuant to Schedule XXX to this By-law:
- a) On a First Offence, the Set Penalty amount as set out in Schedule XXX for the related contraventions, if payment is received within thirty (30) days from the date of the Penalty Notice being deemed served in accordance with Section 8.1;
 - b) On a Second Offence, the Second Offence Penalty amount as set out in Schedule D, if payment is received within thirty (30) days from the date of the Penalty Notice being deemed served for the related contravention if the same violation is repeated by the same Person within three-hundred and sixty-five (365) days of the previous Penalty Notice being deemed served in accordance with Section 4.4; or
 - c) On a Third Offence, the Set Penalty amount as set out in Schedule D, if payment is received within thirty (30) days from the date of the Penalty Notice being deemed served for the related Contravention if the same violation is repeated by the same Person three (3) or more times, within three-hundred and sixty-five (365) days of the previous Penalty Notice being deemed served in accordance with Section 4.4; or
- 6.6 The Set Penalty Amount as set out in Schedule D to this By-law, whether on a first, second or third offence plus the late payment Fee for the related contravention as set out in Schedule D if payment is received by the Town on and following thirty-one (31) calendar days from the date of the Penalty Notice being deemed served in accordance with Part 9 of this By-law.
- 6.7 A Penalty imposed on a Person for a contravention of this By-law shall be a debt to the Town if the Penalty is not paid within the prescribed timeframe pursuant to the Administrative Monetary Penalty By-law 2024-086, as amended. This debt may be added to the municipal tax roll and collected in the same manner as municipal taxes.
- 6.8 Every Person who contravenes any provision of this By-law is guilty of an offence and upon conviction is liable to a fine as provided for by the Provincial Offences Act, R.S.O. 1990, Chapter P.33, as amended.
- 6.9 Any Person who is charged with an offence under this By-law by the laying of an information under Part III of the Provincial Offences Act, 1990, as amended and is found guilty of the offence is liable, pursuant to the Municipal Act, 2001, to the following fines:
- a) a minimum fine of \$500 and a maximum fine not exceeding \$100,000; and

- b) in the case of a continuing offence, for each day or part of a day that the offence continues, a minimum fine of \$500, and a maximum fine not exceeding \$10,000, and the total of all daily fines for the offence is not limited to \$100,000.
- 6.10 Every Person who is convicted of an offence under this By-law may be liable, in addition to the fines established under section 6.3, to a special fine, which may exceed \$100,000, designed to eliminate or reduce any economic advantage or gain from contravening this By-law.

Power of Entry

- 6.11 Any Officer on behalf of the Town may enter on land at any reasonable time for the purpose of carrying out an inspection to determine whether or not the following are being complied with:
- a) to ascertain whether the provisions of this By-law are complied with;
 - b) to ascertain whether any direction or order issued pursuant to this By-law have been complied with;
 - c) to ascertain whether any condition of a Licence issued under this By-law has been complied with; and
 - d) For greater certainty, no Officer shall enter an **occupied Dwelling Unit** except with the consent of the occupier or under the authority of a warrant issued by a court of competent jurisdiction.

Inspection Powers

- 6.12 For the purposes of an inspection, an Officer on behalf of the Town may:
- a) require the production for inspection of documents or things relevant to the inspection;
 - b) inspect and remove documents or things relevant to the inspection for the purpose of making copies or extracts;
 - c) require information from any person concerning a matter related to the inspection; and

- d) alone or in conjunction with a person possessing special or expert knowledge, make examinations or take tests, samples or photographs necessary for the purposes of the inspection.

6.13 Every Person requested by an Officer to provide identification pursuant to this By-law shall provide such identification upon request. Failure to provide sufficient, accurate, or correct identification when required by an Officer shall constitute an offence.

Obstruction

6.14 No Person shall hinder or obstruct, or attempt to hinder or obstruct, any Officer who is exercising a power or performing a duty under this By-law.

6.15 Without limiting the foregoing, any Person who is alleged to have contravened any of the provisions of this By-law shall identify themselves to the Officer upon request, failure to do so shall be deemed to have obstructed or hindered the Officer in the execution of his duties.

Order

6.16 If an Officer has reasonable grounds to believe that a provision of this By-law has not been complied with, the Officer may issue an Order requiring the Person who contravened this By-law to:

- a) discontinue the contravening activity;
- b) do the work or take the required action to rectify the contravention.

6.17 An Order shall set out the following:

- a) the address of the property on which the contravention occurred;
- b) the date of the contravention;
- c) reasonable particulars of the contravention, and the section of the By-law contravened; and
- d) the date and time by which there must be compliance with the Order to Discontinue.

6.18 Every Person who fails to comply with an Order made under this By-law is guilty of an offence.

Part 7 – Service of Documents

7.1 Service of any document or order, including a Penalty Notice, respecting this By-law may be given in any of the following ways and is effective:

- a) by personal delivery to the Person to whom it is addressed;
- b) by posting an Order on the property where the contravention occurred;
- c) where service is deemed effective on the seventh day after a copy is sent by courier, registered mail, or regular mail to the Person's last known address;
- d) upon sending a copy by e-mail transmission to the Person's last known e-mail address, which is effective on the day of delivery, unless a notice is received that the email could not be delivered;
- e) by delivery to an occupant at the last known address of the Person named, provided that the occupant appears to be at least 16 years of age;
- f) For the purposes of subsections (b), (c), and (d), the Person's last known address or e-mail address may include any address or e-mail address provided to the Town through an application, form, or communication established under this By-law.

Part 8 – Severability

- 8.1 Should any provision, or any part of a provision, of this By-law, be declared invalid, or to be of no force and effect, by a court of competent jurisdiction, it is the intent of Council that such a provision, or part of a provision, be severed from this by-law and every other provision of this by-law shall be applied and enforced in accordance with its terms to the extent possible according to law.

Part 9 – Schedules and Effective Date

- 9.1 The following Schedules form part of this By-law:
- a) Schedule A – Short Term Rental Accommodation
 - b) Schedule B – Demerit Point System
 - c) Schedule C – Threshold Policy
 - d) Schedule D – Administrative Monetary Penalties

- 9.2 This By-law shall come into force and effect on _____.

Enacted by the Town of Caledon Council this __ day of _____.

Schedule A – Class C3: Short-Term Rental Accommodations

By-law Number 2025-XXXX

Licence Cap – Short Term Rental Accommodation

1. The total number of Licences issued for Class C3 – Short-Term Rental Accommodations shall not exceed 300 at any given time.
2. Where the maximum number of Licence has been reached, the Town shall maintain a waiting list of eligible Applicants, in the order in which complete applications were received.
3. A Licence may only be issued when the total number of active Licences falls below the maximum cap.
4. The Licence cap may be reviewed annually by the Director or at the direction of Council. Any proposed increase or decrease to the maximum number of Licences shall be based on:
 - a) an evaluation of community impacts,
 - b) housing availability,
 - c) enforcement capacity, and
 - d) other relevant policy considerations.

Operator Requirements

5. No Corporation shall be granted a Class C3 licence under this By-law as an Owner of an Rental Accomodation.
6. No Person shall operate a Short-Term Rental Accommodation or be granted a Class C3 Licence in accordance with this By-law unless the Short-Term Rental Accommodation being provided is the Primary Residence of that Person.
7. No Owner may hold more than one Class C3 Licence as a Short Term Rental Accommodation Business.
8. No Owner or Operator shall rent a Short-Term Rental Accommodation for a total of more than 180 nights per Calendar Year.

9. No Owner or Operator shall book or reserve separate Guests in a Short-Term Rental Accommodation for the same days, whereby two (2) or more unrelated or unassociated guests are accommodated in the same Dwelling Unit at the same time.

Record Retention

10. Every Short-Term Rental Accommodation Operator shall maintain a record of each concluded transaction related to their Short-Term Rental Accommodation for at least three (3) years following the date of the transaction. A transaction is concluded on the last day of the rental period. The records retained shall include the following:
 - a) the number of nights the Short-Term Rental Accommodation was rented in a Calendar Year;
 - b) the nightly and total price charged for each rental including the municipal accommodation tax charged on the transaction;
 - c) whether the rental was an entire-unit rental or partial-unit rental;
 - d) confirmation the Visitor's Code of Conduct was provided to the Renter and
 - e) any other information required by the Director.
11. Every Short-Term Rental Accommodation Operator shall provide the information specified in section 10 of Schedule A of this By-law within 30 days of a request, or sooner if required by the Director.

Schedule B – Demerit Point System

A demerit point system is hereby established, complementing other enforcement mechanisms available under this By-law, municipal by-laws, or applicable provincial and federal legislation. These include, but are not limited to, Administrative Penalties outlined in this by-law, as well as actions under the *Municipal Act, 2001*, *Building Code Act, 1992*, the *Fire Protection and Prevention Act, 1997*, and the *Provincial Offences Act*.

1. The demerit points listed in Column 3 of Table 1 will be applied to a Rental Accommodation for the violation described in Column 1 when any of the following occurs:
 - a) An Administrative Penalty is confirmed;
 - b) An Order or Notice is confirmed;
 - c) The expiry of the period for appealing a fine imposed pursuant to Part I, Part II or Part III of the Provincial Offences Act or an Administrative Monetary Penalty;
 - d) The deadline to appeal a conviction in the Ontario Court of Justice passes without an appeal.
2. Demerit points shall remain in place until the two year anniversary of the date on which the demerit points were imposed.

Mandatory Meeting

3. Every Owner, Operator, or Agent shall attend a meeting with the Town, if:
 - a) If the total of all demerits points in effect respecting a Rental Accommodation is at least ten, the Director will require the Owner to attend a meeting with Town representatives.
 - b) Notice of this meeting shall be delivered by e-mail or regular mail to the address provided in accordance with this By-law a minimum of two weeks in advance of the meeting date.
 - c) The provision of notice as set out in paragraph (b) shall be deemed to be sufficient notice with, or without, confirmation of receipt of the notice.

- d) The fee payable by the owner for the meeting shall be as prescribed in the Town's fees By-law, as amended.
- e) The purpose of the meeting is for the Owner, Operator, or Agent, as applicable, to inform Town representatives of the steps and measures they plan to implement to prevent further instances that could result in the levying of demerit points.
- f) If the Owner, Operator, or Agent fails to attend the meeting, the Director shall require the Owner, Operator, or Agent to attend a hearing with the Town's Appeal Board.

Hearing Before Appeal Board

4. Appeal Board Hearing:

- a) If the total of all demerits points in effect respecting a Rental Accommodation is at least fifteen (15), the Director will require the Owner, Operator, or Agent (as applicable) to attend a meeting with the Town's Appeal Board.
- b) Notice of this meeting shall be delivered by e-mail or regular mail to the address provided in accordance with this By-law a minimum of two weeks in advance of the meeting date.
- c) The provision of notice as set out in paragraph (b) shall be deemed to be sufficient notice with, or without, confirmation of receipt of the notice.
- d) The fee payable by the owner for the meeting shall be as prescribed in the Town's fees By-law, as amended.
- e) If the owner fails to attend the hearing, the Committee may proceed in absentia.
- f) After the hearing, the appeal board may impose conditions as they deem appropriate for the continued holding of the Licence, suspend the Licence or revoke the Licence.

Table 1		
Column 1 Infraction	Column 2 Reference	Column 3 Demerit Points
Fire Protection and Prevention Act, 1997/Fire Code	FPA Confirmed Order	15
Building Code Act, 1992, build or construct without a permit	BCA Confirmed Order	15
Operate, permit to Operate without a licence	Part 3 Section 3.1	10
Advertise, permit the advertisement or market rental accommodation without licence	Part 3 Section 3.2	10
Operate, permit to operate under name other than licenced name	Part 3 Section 3.3	10
Transfer or reassign licence	Part 3 Section 3.5	5
Operate or permit to operate with an expired, revoked or suspended licence	Part 3 Section 3.6	10
Fail to display licence in rental accommodation	Part 4 Section 4.8	5
Fail to clearly make visible emergency exits	Part 4 Section	5
Fail to provide lease agreements to long-term renters	Part 4 Section 4.10	5
Fail to operate rental accommodation according to occupancy limits	Schedule B Part 1 Schedule C Part 1 Schedule D Part 1	5
Operate rental accommodation not in accordance to submitted site plan	Part 4.7	5
Responsible person, not available	Part 4.9	5

Contravention of Town By-law	Part 4.7	5
Not abiding by property maintenance plan	Part 5.2 (p)	5
Obtain licence by providing false or incorrect information	Part 6.4	10
Operate rental accommodation in an unlawful dwelling unit, vehicle, tent, shed or garage	Part 3.7	5
Operate Short-Term Rental Accommodation more than 182 days per year	Schedule A Part 5	5
Fail to appear to mandatory meeting	Schedule B Part 3	10
Fail to appear to appeal hearing	Schedule B Part 4	10
Hinder or obstruct Officer	Part 7.3	10
Fail to comply with an order	Part 7.7	10

Schedule C – Administrative Monetary Penalties

Item	Designated Provision	Short Form Wording	1st Offence	2nd Offence	3rd Offence
1.	3.1	Operate rental without a licence	\$1,000.00	\$2,000.00	\$3,000.00
2.	3.2	Operate contrary to zoning by-law	\$1,000.00	\$2,000.00	\$3,000.00
3.	3.5	Operate with expired, revoked, suspend licence	\$1,000.00	\$2,000.00	\$3,000.00
4.	3.6	Operate rental accommodation in unlawful dwelling or structure	\$1,000.00	\$2,000.00	\$3,000.00
5.	3.7	Market without licence	\$1,000.00	\$2,000.00	\$3,000.00
6.	3.8	Collect rent without licence	\$500.00	\$750.00	\$1,000.00
7.	3.9	Sell, transfer, reassign licence	\$1,000.00	\$2,000.00	\$3,000.00
8.	4.1	Fail to comply with Provincial, Federal laws, and Town By-law	\$500.00	\$750.00	\$1,000.00
9.	4.2	Fail to comply with Building Code	\$1,000.00	\$2,000.00	\$3,000.00
10.	4.3	Fail to comply with site plan	\$500.00	\$750.00	\$1,000.00
11.	4.4	Fail to post licence	\$500.00	\$750.00	\$1,000.00
12.	4.5	Fail to provide responsible person	\$300.00	\$500.00	\$700.00
13.	4.7	Fail to comply with Fire Protection and Prevention Act	\$1,000.00	\$2,000.00	\$3,000.00
14.	4.8	Fail to maintain fire safety plan	\$1,000.00	\$2,000.00	\$3,000.00
15.	4.9	Fail to maintain fire safety equipment	\$1,000.00	\$2,000.00	\$3,000.00
16.	4.1	Fail to clearly mark emergency exits	\$500.00	\$750.00	\$1,000.00
17.	4.11	Fail to comply with occupancy standards	\$1,000.00	\$2,000.00	\$3,000.00
18.	Schedule A, S 5	Corporation operating STR	\$2,000.00	\$3,000.00	\$4,000.00
19.	Schedule A, S 6	Operate STR not primary residence	\$1,000.00	\$2,000.00	\$3,000.00
20.	Schedule A, S 8	Rent STR more than 180 days	\$500.00	\$750.00	\$1,000.00

21.	Schedule A, S 9	Accommodated unrelated guests in same short-term rental	\$500.00	\$750.00	\$1,000.00
22.	Schedule A, S 10	Fail to keep and maintain records	\$500.00	\$750.00	\$1,000.00
23.	Schedule A, S 3	Fail to attend meeting	\$500.00	\$750.00	\$1,000.00