

By-law 17-067 Licensed Rental Premises Frequently Asked Questions (FAQ's)

1. What is each of a Small Rental Dwelling Unit, a Large Rental Dwelling Unit a Small Lodging House and a Large Small Lodging House?

A Small Rental Dwelling Unit is type of dwelling unit that has 4 bedrooms rented individually by room or as a single house-keeping unit.

A Large Rental Dwelling Unit is a type of dwelling unit that has 5 or more bedroom that is rented as a single house-keeping unit.

A Small or Large Rental Dwelling Unit may operate in any of an R1, R2, R3 or an R4 zone. An owner of a Small or Large Rental Dwelling Unit will not need to provide a zoning compliance letter to obtain a business licence, but will need to complete the City's Annual Self-Attestation Form.

A Small Lodging House ("SLH") is a type of dwelling unit that contains between 5 and 10 bedrooms and does not function as a single house-keeping unit. An owner of an SLH will need to prove zoning compliance in order to obtain a business licence and the SLH must pass an inspection in accordance with the City's Rental Dwelling Unit Licensing By-law.

A Large Lodging House ("LLH") is a type of dwelling unit that contains between 11 and 30 bedrooms and does not function as a single house-keeping unit. An owner of an LLH will need to prove zoning compliance in order to obtain a business licence and the LLH must pass an inspection in accordance with the City's Rental Dwelling Unit Licensing By-law.

2. What is a single house-keeping unit?

A single house-keeping unit is a dwelling unit that satisfies enough of the criteria set out in **Neighbourhoods of Windfields Limited Partnership v. Death**, 2008 CanLII 424228 (ONSC) & **Good v. Waterloo City** (2003), 67 OR 89 and **Good v. Waterloo (City)**, (2004), 72 OR (3d) 719 (C.A.), **2161907 Ontario Inc. v. St Catharines (City)** 2010 ONSC 4548, **Ottawa (City) v. Bentolila** 2006 ONCJ 542, and **Balmoral Developments Hilda Inc. v. Corporation of the City of Orillia**, 2012 ONSC 6040, that a reasonable person would conclude that the dwelling unit is not a Lodging House because the occupants live together for a common purpose which is broader than the purpose of sharing short-term accommodation for economic reasons.

3. What is the difference between a Rental Dwelling Unit and a Lodging House?

A Lodging House, whether it is an LLH or a SLH, is a type of dwelling unit in which the occupants are typically strangers to each other and they may or may not have individual leases or rental agreements. A Lodging House does not function as a single house-keeping unit.

A Large Rental Dwelling Unit typically has multiple persons who know each other, and who are signed to one lease and it functions as a single house-keeping unit.

A Small Rental Dwelling Unit has 4 bedrooms and houses people under an individual lease or not. It is not necessary that these people know each other.

4. What is the difference between “function” and “use”?

“Use” is a term used in the City’s zoning by-law and it refers to how a property may legally be used. For example, no person could operate a Lodging House on a property that is zoned R1 or R2.

The word “function”, when used in relation to Business Licensing for Lodging Houses and Rental Dwelling Units, refers to how the occupants of the dwelling unit relate to each other. For example, 6 un-related people living together may function as a single house-keeping unit (See FAQ “What is a single house-keeping unit?”).

5. How do I satisfy the City Clerk that the zoning permits a Large Lodging House or a Small Lodging House?

You will need to obtain a zoning clearance letter from the City’s Building Services Division.

6. What about zoning compliance for a Rental Dwelling Unit?

Prior to issuing a business licence for a Rental Dwelling Unit, the City Clerk will confirm with the Building Services Division that, as the case may be, the Small Rental Dwelling Unit or a Large Rental Dwelling Unit is a permitted use under the City’s Comprehensive Zoning By-law.

7. What is and where do I get a Certificate of Status?

A Certificate of Status is a report issued by the provincial government that will state whether the corporation is active or in-active. Only active corporations may obtain a business licence. This requirement only applies if the Rental Dwelling Unit or Lodging House is owned by a corporation, in which case you can contact your own corporate lawyer for direction.

- 8. I own a Lodging House, do either of the site plan drawings required by Sections 4.1(i) and 4.1(o) or does the floor plan required by Section 4.1(j) of the City's Rental Dwelling Unit Licensing By-law need to be prepared by a professional?**

No, each of those scale drawings, showing the required dimensions, can be prepared by the Owner using graph paper. Upon receipt of these drawings, the Clerk's Office will confer with the Building Services Division. If you think your property has legal non-complying status, the City's Planning Division can assist you in determining whether your property meets the parking requirements of the City's Comprehensive Zoning By-law.

- 9. I own a Rental Dwelling Unit, does the site plan drawing required by Section 4.1(i) or the floor plan required by Section 4.1(j) of the City's Rental Dwelling Unit Licensing By-law need to be prepared by a professional?**

No, each of those scale drawings, showing the required dimensions, can be prepared by the Owner using graph paper. Upon receipt of these drawings, the Clerk's Office will confer with the Building Services Division.

- 10. How do I satisfy the City Clerk that the Licensed Rental Premises passed the applicable inspection?**

Each Authorized Official will report to the City Clerk upon completion of his/her inspection report. These reports will reside in a file in the Clerk's Office.

- 11. Where can I obtain the Annual Self-Attestation Form?**

The Annual Self-Attestation Form can be obtained from the Clerk's Office.

- 12. Can 5 or more people live together in a Rental Dwelling Unit on a property that is not zoned to permit a lodging house?**

Yes, provided that the Rental Dwelling Unit functions as a single house-keeping unit and provided the owner has obtained a business license.

- 13. What if my house only contains 3 bedrooms and I rent out the whole house?**

If your house only contains 3 bedrooms and you rent out the whole house, whether under one lease or under separate leases, then this by-law does not apply to you.

14. What is a multi-suite residence?

A multi-suite residence is a type of building containing 4 or more residential rooms in which, occupants typically receive support in the form of common dining amenities and other related services. E.g. a residence for senior citizens or a retirement home.

15. If I own a Lodging House or a Rental Dwelling Unit, is there a standard insurance requirement I need to meet to obtain a business licence?

No, because there is no standard property insurance policy in Ontario. Each owner of a Lodging House or a Rental Dwelling Unit is encouraged to discuss his/her insurance needs with his/her insurance provider to make sure that the Lodging House and/or Dwelling Unit is appropriately insured. Having the right insurance in place will help ensure that, in the event of a loss-event, you will have insurance coverage.

Rental Dwelling Unit and Lodging House Types Requiring Business License:

Lodging House or Dwelling Unit	Zoning Compliance Required	Rental Type	Number of Bedrooms	Number of Bedrooms Rented	Business Licence Required
Small Rental Dwelling Unit	Zoning which permits a dwelling unit	Rental by Bedroom or Entire Dwelling	4 plus	1-4	Yes – Small Rental Dwelling
Large Rental Dwelling Unit	Zoning which permits a dwelling unit	Rental of Entire Dwelling (single housekeeping unit)	5 plus	Entire Dwelling	Yes – Large Rental Dwelling
Small Lodging House	Yes	Rental by Bedroom	5 plus	5-10	Yes – Small Lodging House
Large Lodging House	Yes	Rental by Bedroom	11 plus	11-30	Yes – Large Lodging House