

Attachment 1

The Corporation of the City of Guelph

By-law Number (2026) - 21270

A by-law to establish a Rental Replacement Permitting system in the City of Guelph

Whereas subsection 8(1) of the Municipal Act, 2001, S.O. 2001, c.25 as amended ("Municipal Act") provides that the powers of a municipality shall be interpreted broadly to confer broad authority on a municipality to enable it to govern its affairs as it considers appropriate;

And whereas, subsection 10(2) of the Municipal Act, 2001 provides that a local municipality may adopt by-laws for the economic, social and environmental well-being of the municipality and for the health, safety and well-being of persons;

And whereas, under sections 20 to 24 of the Municipal Act, 2001, the City may delegate its powers and duties under the Act to an officer or employee of the City;

And whereas, in accordance with subsection 23.2(4) of the Municipal Act, 2001, Council for the City of Guelph is of the opinion that the delegation of the legislative powers under this by-law to the General Manager including, without limitation, the power to issue and impose conditions on a permit are powers of a minor nature having regard to the number of people, the size of the geographic area, and the time period affected by the exercise of the power;

And whereas, without limiting the broad municipal powers, section 99.1 of the Municipal Act, 2001 provides municipalities with the authority to prohibit, and regulate the demolition of residential rental properties and the conversion of residential rental properties to a purpose other than the purpose of a residential rental property;

And whereas, the City wishes to exercise its powers under section 99.1 of the Municipal Act, 2001 to protect residential rental housing in order to meet the needs of current and future residents;

And whereas, under sections 425 and 429 of the Municipal Act, 2001, the City may pass by-laws to create offences and a system of fines for offences that are designed to eliminate or reduce any economic advantage or gain from contravening the by-law;

And whereas, section 436 of the Municipal Act, 2001 provides that a municipality may pass by-laws to authorize inspections to determine compliance with a by-law;

And whereas, subsection 391(1) (a) of the Municipal Act, 2001 provides that a municipality may pass by-laws imposing fees or charges on **Persons** for services or activities provided or done by it or on behalf of it.

The Council of the Corporation of the City of Guelph enacts as follows:

PART I – TITLE AND SCOPE

1 Title

- 1.1 This By-law shall be known and cited as the Rental Replacement By-law.

2 Scope

- 2.1 This By-law shall apply to all Residential Rental Properties in the City containing six or more Dwelling Units and all Related Planning Applications.
- 2.2 Notwithstanding section 2.1, this By-law does not apply to a Residential Rental Property that is:
- (a) A licensed hotel, motel, bed and breakfast, or short-term rental and
 - (b) Any building to which any of the following statutes, or their regulations, apply:
 - (i) the Homes for Special Care Act, R.S.O. 1990, c. H.12;
 - (ii) the Long-Term Care Homes Act, 2007, S.O. 2007, c. 8;
 - (iii) the Retirement Homes Act, 2010, S.O. 2010, c. 11; and

- (iv) the Housing Services Act, 2011, S.O. 2011, c. 6, Sched. 1.
- (c) Described in section 5 (Exemptions from Act) of the Residential Tenancies Act, 2006 other than section 5(c), a member unit of a Non-Profit Housing Co-operative; or
- (d) Rental Units operated by non-profit organizations.

PART II – DEFINITIONS

3 Definitions

3.1 For the purposes of this By-law, the following definitions and interpretations shall govern:

“Applicant” means the registered owner of the property or properties subject to the **Rental Replacement Permit** application, or **Person** or **Persons** designated by the owner to act on their behalf.

“Average Market Rent”, or **“AMR”** means, in respect of a **Rental Unit**, rent that is at or below the average market rent by type of unit in the City of Guelph as established annually by the **“CMHC”**.

“Building Code Act, 1992” means the Building Code Act, 1992, S.O. 1992 c. 23 as may be amended.

“City” means the Corporation of the City of Guelph.

“City Solicitor” means the General Manager, Legal and Court Services/City Solicitor, their designate, or any successor hereto.

“CMHC” means the Canada Mortgage and Housing Corporation.

“Comparable Rental Unit” means a **Rental Unit** with a quantity of bedrooms generally equal to the unit from which the **Tenant** is displaced, offered to the **Tenant** at their existing rent, and shall include, at minimum, access to reasonably comparable amenities to those included with their existing **Rental Unit**.

“Conversion” or **“Convert”** means converting a **Residential Rental Property** to a purpose other than a **Residential Rental Property** and includes:

1. Conversion as a result of a consent to sever land under section 53 of the Planning Act.
2. Conversion to:
 - (a) A non-residential use.
 - (b) Living accommodation other than Dwelling Units.
 - (c) A Co-ownership, a condominium, or a building organized as a Life Lease Project.

“Co-ownership” means an equity co-operative or other co-ownership form of housing, where the residential property is ultimately owned, or leased, or otherwise held, directly or indirectly by more than one **Person**, where any such **Person**, or a **Person** claiming under such **Person**, has the right to present or future exclusive possession of a **Dwelling Unit** in the residential property. **Co-ownership** does not include a condominium, a residential building that is organized as a **Life Lease Project** or a non-profit housing **Co-operative** under the Co-operative Corporations Act, R.S.O. 1990, c. C. 35.

“Council” means the Council of the Corporation of the City of Guelph.

“Demolition” or **“Demolish”** means to do anything in the removal of a building or any material part thereof and includes (but is not limited to) interior renovations and alterations that will result in a change to the number of:

1. **Dwelling Units**;
2. **Dwelling Units** by bedroom type.

“Dwelling Unit” means a room or group of rooms occupied or designed to be occupied as an independent, separate, self-contained housekeeping unit and does not include a mobile home.

“Existing Rent” means the rent a **Tenant** is paying for the **Rental Unit** at a building subject to a **Rental Replacement Permit Process** on the date that an application is made to the **City** pursuant to this By-law.

“General Manager” means the **General Manager**, Strategic Initiatives and Intergovernmental Services or the **General Manager**, Planning and Building Services for the **City**, their designate or successor thereto.

“Guidelines” means the document titled Rental Replacement Guidelines, which shall be published detailing the process, conditions and requirements for permitting the **Demolition** or **Conversion** of **Dwelling Units** under this By-law.

“Life Lease Project” means a life lease project as described in paragraph 1 of subsection 3(1) of Ontario Regulation 282/98, under the Assessment Act, R.S.O. 1990, c. A. 31.

“Non-Profit Housing Co-operative” means a non-profit housing co-operative under the Co-operative Corporations Act and Co-operative has the same meaning.

“Ontario Heritage Act” means Ontario Heritage Act R.S.O. 1990, c. O. 18, as amended.

“Person” or any expression referring to a **Person** means an individual, sole proprietorship, partnership, limited partnership, trust, or body corporate or an individual in his or her capacity as a trustee, executor or administrator or any other legal representative.

“Planning Act” means the Planning Act, R.S.O. 1990, c. P. 13 as may be amended.

“Related Buildings” means:

1. Buildings that are under the same ownership and on the same parcel of land as defined in section 46 of the **Planning Act**; or,
2. Buildings that form part of the same application under this By-law or under a **Related Planning Application**.

“Related Planning Application” means:

1. An application that provides for the **Demolition** of **Residential Rental Property** or the **Conversion** of **Residential Rental Property** for a purpose other than a **Residential Rental Property** expressly or by necessary implication.
2. For greater certainty, paragraph 1 includes, but is not limited to, an application for the following:
 - (a) A permit under section 8 or 10 of the **Building Code Act, 1992**.
 - (b) A consent or permit to alter part of a property or to **Demolish** or remove a building or structure under section 33, 34, 34.5, or 42 of the **Ontario Heritage Act**.
3. Approval or registration of a description for a proposed condominium or exemption from approval of a condominium, under section 9 of the **Condominium Act**.
4. An amendment to the Official Plan under section 22 of the **Planning Act**.
5. A zoning by-law amendment under section 34 of the **Planning Act**.
6. A minor variance under section 45 of the **Planning Act**.
7. Approval of plans and drawings under subsection 41(4) of the **Planning Act**.
8. Approval of a plan of subdivision under section 51 of the **Planning Act**.
9. A consent under section 53 of the **Planning Act**.
10. A demolition permit under section 33 of the **Planning Act**.
11. Despite subparagraph 2 (5), paragraph 1 of this definition does not include **City**-initiated zoning by-law amendments made pursuant to section 34 of the **Planning Act** to implement land use studies and other policies, except for any site-specific exemptions or site-specific provisions at the request of an **Applicant**.

“Renovation” means restorations or alterations that will not result in a change to

the number of:

1. **Dwelling Units**;
2. **Dwelling Units** by bedroom type.

"Rental Replacement Permit" means the permit issued by the **General Manager** after the approval of an application under this By-law.

"Rental Unit" means a **Dwelling Unit** used, or intended for use, for residential rental purposes, including:

1. A **Dwelling Unit** that has been used for residential rental purposes and is, according to the definition contained in the **Guidelines**, vacant; and,
2. A **Dwelling Unit** in a **Co-ownership** that is or was last used for residential rental purposes but does not include a **Dwelling Unit** in a condominium registered under section 2 of the **Condominium Act, 1998** or in a building organized as a **Life Lease Project** where the right to occupy the **Dwelling Unit** is based on a life lease interest.

"Residential Rental Property" means a building or **Related Buildings** containing one or more **Rental Units** and includes all common areas and services and facilities available for the use of its residents.

"Residential Tenancies Act, 2006" means the Residential Tenancies Act, 2006, S.O. 2006, c. 17 as may be amended.

"Temporary Off-site Rental Replacement Unit" means a **Comparable Rental Unit** provided to a **Tenant** displaced by a **Rental Replacement Permit** process by the **Applicant**, either through a lease or sub-lease agreement.

"Tenant" includes a **Person** who pays rent in return for the right to occupy a **Rental Unit** and includes the **Tenant's** heirs, assigns and personal representatives, but does not include a **Person** who has the right to occupy a **Rental Unit** by virtue of being,

1. A co-owner of the **Residential Rental Property** in which the **Rental Unit** is located; or,
2. A shareholder of a corporation that owns the **Residential Rental Property**.

"Vacancy Rate" means the Private Row (Townhouse) and Apartment Vacancy Rate for the city of Guelph as reported by the **"CMHC"**.

PART III – DEMOLITION AND CONVERSION WITHOUT A PERMIT

4 Demolition

- 4.1 No **Person** shall **Demolish**, or cause to be **Demolished**, the whole or any part of a **Residential Rental Property** unless the **Person** has received a **Rental Replacement Permit** and except in accordance with the terms and conditions of this By-law and the **Rental Replacement Permit**.

5 Conversion

- 5.1 No **Person** shall **Convert** a **Residential Rental Property** or cause a **Residential Rental Property** to be **Converted** to a purpose other than a **Residential Rental Property**, unless the **Person** has received a **Rental Replacement Permit** and except in accordance with the terms and conditions of this By-law and the **Rental Replacement Permit**.

6 When Permit Not Required

- 6.1 Notwithstanding sections 4.1 and 5.1 of this By-law, a **Rental Replacement Permit** is not required if only a part of a **Residential Rental Property** is proposed for **Demolition** or **Conversion** and that part does not contain any part of a **Dwelling Unit**.
- 6.2 Notwithstanding section 5.1 of this By-law, a **Rental Replacement Permit** is not required if a **Residential Rental Property** is subject to an

application for a consent to sever under section 53 of the Planning Act, and if after the proposed conveyance:

1. Each parcel of land resulting from the severance will have six or more **Rental Units**; or,
2. One or more parcels of the land resulting from the severance will have six or more **Rental Units** and all the other parcels of land at the time of the application contained no **Dwelling Units**.

PART IV – APPLICATION FOR A RENTAL REPLACEMENT PERMIT

7 Application

- 7.1 An **Applicant** who wishes to **Demolish** or **Convert** a **Residential Rental Property** shall submit an application for approval in writing on a form prescribed by the **General Manager** and shall supply any additional information or documentation relating to the application as required by the **General Manager**.
- 7.2 The **General Manager** is delegated the authority to develop and publish the **Guidelines** and to periodically review and amend the **Guidelines** from time to time where deemed appropriate to do so by the **General Manager**.
- 7.3 An application made under section 7.1 of this By-law shall include the following information:
 1. Description of the proposed **Demolition** or **Conversion**.
 2. The number of existing **Dwelling Units**.
 3. The number of existing and proposed **Rental Units** by unit type, including number of bedrooms and floor area of each **Rental Unit**.
 4. The Rent(s) rolls for the **Residential Rental Property**, categorized by unit type.
 5. Utility information including rates and charges for the **Residential Rental Property**, categorized by unit type.
 6. Identification of any **Related Planning Applications**.
 7. Where applicable, a proposal for the replacement or retention of the **Rental Units** proposed for **Demolition** or **Conversion**.
 8. A proposal for **Tenant** engagement by the **Applicant**, including consultation and education.
 9. Any additional information or documentation required to evaluate the application, as specified by the **General Manager**; and,
 10. The applicable fees.

8 Notice of Application to Tenants

- 8.1 An **Applicant** for a **Rental Replacement Permit** shall provide proof of notice of the application to the **Tenants** of the **Residential Rental Property** to the satisfaction of the **General Manager** within 14 days after the **General Manager** has advised that the application is complete or within such other time period as determined by the **General Manager**.

9 Related Planning Application

- 9.1 If a **Person** makes a **Related Planning Application**, then that **Person** shall also file an application under this By-law at the same time.
- 9.2 If a **Related Planning Application** is made with respect to a **Residential Rental Property** for which a **Rental Replacement Permit** is required, the **Applicant** shall provide written notice to the applicable approval authority and, in the case of an appeal or referral, to the Ontario Land Tribunal or Court, as the case may be.
- 9.3 The notice required under section 9.2 of this By-law shall be filed at the time of the application for a **Rental Replacement Permit** with the approval authority, or at the same time the referral or appeal of a

Related Planning Application is filed with the Ontario Land Tribunal or the Court, as the case may be.

- 9.4 The notice required under section 9.2 of this By-law shall include a statement that the **Demolition** or **Conversion** is not permitted unless a **Rental Replacement Permit** has been given for the **Demolition** or **Conversion** pursuant to this By-law.

10 Withdrawal of Application

- 10.1 If the **Applicant** for a **Rental Replacement Permit** does not provide all the required documentation to the **General Manager** within two years from the date the application is received by the **City**, the **Applicant** shall be deemed to have withdrawn their application and shall not be entitled to any refunds of any payments made in respect of such application.
- 10.2 Notwithstanding section 10.1 of this By-law, the **General Manager** may extend the timeframe for the application where the **General Manager** determines that the **Applicant** is actively taking steps to move the application forward.

PART V – ELIGIBILITY FOR A RENTAL REPLACEMENT PERMIT

11 Eligibility for a Rental Replacement Permit

- 11.1 A **Rental Replacement Permit** shall be approved without conditions if an application demonstrates that:
1. The average **Vacancy Rate** in the **City** for the preceding two years is equal to or above three percent; or,
 2. Existing rents for the **Rental Units** proposed to be **Demolished** or **Converted** are equal to or more than 100 per cent **Average Market Rent** by unit type.

PART VI - APPROVAL AND ISSUANCE OF RENTAL REPLACEMENT PERMIT

12 Approval by General Manager Under Approval Authority

- 12.1 All authority of Council to approve an application for a **Rental Replacement Permit** under section 99.1 of the **Municipal Act** is delegated to the **General Manager**. Delegated authority to the **General Manager** shall include authority to impose any of the following conditions on the **Rental Replacement Permit** as further detailed in the **Guidelines**:
1. Requirements to provide every **Tenant** with compensation as determined by the **Guidelines**, which shall include, but not be limited to, a **Temporary Off-site Rental Replacement Unit**.
 2. Requirements to replace an equal number of **Rental units** of similar sizes and number of bedrooms to those **Demolished** or **Converted** as part of the **Related Planning Application** to which the **Rental Replacement Permit** relates, as determined by the **Guidelines**.
 3. That the **Applicant** for the **Rental Replacement Permit** notify in writing any **Tenants** who reside in **Rental Units** affected by the approval of the relevant provisions in the **Residential Tenancies Act, 2006**.
 4. Requirements that the registered owner of the **Residential Rental Property** and/or the **Applicant** provide information, as determined by the **Guidelines** from time to time, sufficient to verify that the terms of a **Rental Replacement Permit** are being met.
 5. Provisions concerning the **Applicant's** entitlement to claim or act under any of the following until the conditions imposed have been satisfied or secured to the satisfaction of the **General Manager**:
 - (a) A **Demolition** permit under section 33 of the Planning Act.
 - (b) A consent or permit to alter part of a property or to **Demolish** or remove a building or structure under section

34, 34.5 or 42 of the **Ontario Heritage Act**.

- (c) Approval or registration of a description for a proposed condominium under section 51 of the **Planning Act**, or an exemption from approval for a condominium, under section 9 of the **Condominium Act, 1998**; and/or,
 - (d) A consent under section 53 of the **Planning Act**, except for provisional consent that is conditional on receiving a **Rental Replacement Permit** under this By-law.
 - (e) Such other conditions, requirements or provisions reasonably related to minimizing the impact of the **Demolition** or **Conversion** on the **City's** rental housing supply as determined by the **General Manager**.
- 12.2 A requirement that other conditions to the approval shall be secured by an agreement with the City, and that all restrictions and approvals shall be to the satisfaction of the **General Manager** and **City Solicitor**.
- 12.3 The **Rental Replacement Agreement** shall be registered by the owner on title to each property to which the **Rental Replacement Agreement** applies and may be enforced against the owner and any subsequent owners of the **Residential Rental Property**. The preparation and registration of the **Rental Replacement Agreement** shall be to the satisfaction of the **City Solicitor**.
- 12.4 No decision shall be made regarding any application pursuant to this By-law until the notice provisions set out in section 8.1 of this By-law have been complied with and have been served on the **Tenants** in accordance with the **Guidelines**.
- 12.5 Where the provisions under section 11 of this By-law have been met, the **General Manager** shall approve a **Rental Replacement Permit**.

13 Rental Replacement Permit Issuance

- 13.1 Subject to section 16.1 of this By-law, if the **General Manager** approves the **Rental Replacement Permit**, the **General Manager** is authorized to issue the **Rental Replacement Permit** after all the conditions have been satisfied or secured by a registered **Rental Replacement Agreement**, to the satisfaction of the **General Manager**.

14 Application for Revisions to Conditions

- 14.1 If the **Applicant** applies for revisions to the conditions on a **Rental Replacement Permit**, the **General Manager** may treat the request as a new application under this By-law or may otherwise require the **Applicant** to comply with the notice requirements of this By-law.

15 Revocation of Rental Replacement Permit

- 15.1 The General Manager may revoke a **Rental Replacement Permit** if:
- 1. The **Rental Replacement Permit** was issued on mistaken, false or incorrect information.
 - 2. The conditions to the **Rental Replacement Permit** are not complied with; or,
 - 3. The **Applicant** or registered owner of the **Residential Rental Property** or other holder of the **Rental Replacement Permit** has contravened this By-law.
- 15.2 Where a **Rental Replacement Permit** for **Demolition** has been issued under this By-law and the building permit for the new construction is revoked under the **Building Code Act, 1992**, the **Rental Replacement Permit** shall be deemed to be revoked and this By-law shall apply to any subsequent application for **Demolition** of the **Residential Rental Property** for which the original **Rental Replacement Permit** was issued.
- 15.3 Section 15.2 of this By-law does not apply if the **Residential Rental**

Property has been **Demolished** under a **Rental Replacement Permit** before the building permit for the new construction was revoked.

16 General Manager Decision Final

- 16.1 The **General Manager's** decision to approve, refuse or revoke a **Rental Replacement Permit**, or impose or revise conditions on a **Rental Replacement Permit** in accordance with this By-law is final, without any further right to appeal.

PART VII – ENFORCEMENT

17 Powers of Entry and Inspection

- 17.1 Any **City** official may at any reasonable time enter upon any land for the purpose of carrying out an inspection to determine whether the following are being complied with:
1. This By-law.
 2. Any direction or order issued under this By-law.
 3. Any **Rental Replacement Permit** condition imposed under this By-law.
 4. An order issued under section 431 of the **Municipal Act, 2001**.
- 17.2 Subject to the requirements under section 437 of the **Municipal Act, 2001**, related to entry to dwellings, submission of an application for a **Rental Replacement Permit** is deemed to be the consent of the owner for any **City** official to enter at any reasonable time on to the **Residential Rental Property** for the purpose of carrying out an inspection.
- 17.3 Where an inspection is conducted under this By-law, any **City** official may:
1. Require the production of documents and things that may be relevant to the inspection.
 2. Inspect and remove documents or things which may be relevant to the inspection for the purpose of making copies.
 3. Require information from any **Person** concerning a matter related to the inspection, including but not limited to name(s), address(es), contact information and proof of identity or other identification.
 4. Alone or in conjunction with a **Person**, possessing special or expert knowledge, make examinations or take photographs necessary for the purpose of the inspection.
- 17.4 No **Person** shall hinder or obstruct, or attempt to hinder or obstruct, any **City** official from exercising any power or authority, or performing a duty as permitted under this By-law.
- 17.5 No **Person** shall decline or neglect to give, produce or deliver any access, information, document or any other thing, that is requested by any **City** official pursuant to this By-law.
- 17.6 Every **Person** from whom information or any other thing, has been requested in relation to an inspection conducted under this By-law shall identify themselves to any **City** official and failure to identify shall constitute hindering or obstructing under subsection 17.4.

18 Offences

- 18.1 Every **Person** who contravenes any section of this By-law including an order issued pursuant to this By-law or section 444 or 445 of the **Municipal Act 2001**, is guilty of an offence, and is liable to a fine, and such other penalties as provided for in the Provincial Offences Act, R.S.O. 1990, c. P.33 as amended under the **Municipal Act, 2001**.
- 18.2 Every director or officer of a corporation who knowingly concurs in a contravention of this By-law by the corporation is guilty of an offence.
- 18.3 Every **Person** who fails to comply with a term or condition of a **Rental Replacement Permit** under this By-law is guilty of an offence.
- 18.4 All contraventions of this By-law or an order issued pursuant to this By-law

law are designated multiple and continuing offences pursuant to subsection 429(2) of the **Municipal Act, 2001**.

19 Penalty

19.1 Every **Person** who is charged with an offence under this By-law upon conviction is liable as follows:

1. The maximum fine for an offence is \$100,000.
2. In the case of a continuing offence, in addition to the penalty mentioned in subsection 19.1 (1), for each day or part of a day that the offence continues, the maximum fine shall be \$10,000, and the total of all daily fines for the offence is not limited to \$100,000.
3. In the case of a multiple offence, for each offence included in the multiple offence, the maximum fine shall be \$10,000, and the total of all fines for each included offence is not limited to \$100,000.
4. If a **Person** is convicted of an offence under this By-law, the potential for economic advantage acquired by or that accrued to the **Person** as a result of the commission of the offence may be considered an aggravating factor for sentencing purposes which may attract a special fine and the maximum amount of the special fine may exceed \$100,000 or such other maximum amount permitted by the **Municipal Act, 2001**.
5. If any section of this By-law is contravened and a conviction is entered, in addition to any other remedy, and to any penalty imposed by this By-law, the Court in which the conviction has been entered and any Court of competent jurisdiction thereafter may make an order prohibiting the continuation or repetition of the offence by the **Person** convicted.

PART VIII – TRANSITION

20 Effective Date

20.1 This By-law shall come into effect on the date of passage.

21 Applicability

21.1 This By-law applies to a proposal for **Demolition** or **Conversion** of a **Residential Rental Property** in any **Related Planning Application** except where:

1. An application in respect of the **Demolition** has been made under section 8 of the **Building Code Act, 1992** or section 33 of the **Planning Act** before the effective date of passage of this By-law.

22 General

- 22.1 Any section of this By-law, or any part thereof, that is found by a Court of competent jurisdiction to be invalid shall be severable, and the remainder of the By-law shall continue to be valid.
- 22.2 In this By-law, unless the context otherwise requires, words imparting the singular number shall include the plural, and words imparting the masculine gender shall include the feminine and further, the converse of the foregoing also applies, where the context so requires.
- 22.3 References in this By-law to any legislation (including but not limited to the Guidelines and by-laws) or any provision thereof include such legislation or provision thereof, as amended, revised, reenacted and/or consolidated from time to time and any successor legislation thereto.
- 22.4 This By-law may be referred to as the "Rental Replacement By-law".

Passed this fourteenth day of July 2026.

Schedules: Nil

Cam Guthrie, Mayor

**Stephen O’Brien, City Clerk [or]
Dylan McMahon, Deputy City Clerk**
