

**CITATION:** *The Corporation of the Town of Wasaga v. Lake Simcoe Jet Ski Rentals*, 2025  
 ONSC 4597  
**COURT FILE NO.:** CV-25-2227  
**DATE:** 2025-08-11

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**

<b>BETWEEN:</b>	)	
	)	
The Corporation of the Town of Wasaga	)	
Beach	)	<i>Emerson Wargel</i> , Counsel, for the Plaintiff
	)	
Applicant	)	
	)	
<b>– and –</b>	)	
	)	<i>Robert Karrass</i> , Counsel, for the Respondent
Lake Simcoe Jet Ski Rentals Ltd o/a	)	
Wasaga Jet Ski Rentals	)	
	)	
Respondent	)	
	)	
	)	
	)	<b>HEARD:</b> August 5, 2025

**SPEYER, J.**

A. Introduction

- [1] The Corporation of the Town of Wasaga Beach (“the Town”) has made an application for an Order compelling Lake Simcoe Jet Ski Rentals, operating as Wasaga Jet Ski Rentals (“WJSR”), to permanently cease and refrain from operating a business without a licence in the Town in contravention of By-law 2019-26, a by-law to licence, regulate and govern businesses carried on or within the municipality. Stated simply, the Town applies for an Order prohibiting WJSR from operating a business without a business licence in contravention of the by-law.
  
- [2] Pending the hearing of the Town’s application, the Town moves for an interlocutory or interim injunction pursuant to s. 440 of the *Municipal Act, 2001*, SO 2001, c. 25, restraining WJSR from violating the by-law. The Town seeks an Order restraining WJSR from operating or advertising its business in the Town, requiring WJSR to take down its website and profiles on other booking sites to the extent that they relate to operations within the Town, and an interim or interlocutory injunction restraining WJSR from operating or advertising a business in the Town without a business licence.

## B. Background facts

- [3] In 2024, WJSR applied to the Town for a business licence to operate a personal watercraft rental business.<sup>1</sup> The Town granted a business licence to WJSR on May 27, 2024. WJSR carried on its business of renting personal watercraft from the municipal address 72 Main Street, Wasaga Beach (“72 Main Street”). WJSR’s fleet of personal watercraft was moored at a dock on the Nottawasaga River, which runs behind 72 Main Street. In June 2025, the Town and the Ontario Provincial Police (“OPP”) issued several *Provincial Offences Act* notices, charging WJSR with operating contrary to the conditions of their licence contrary to the by-law, and other regulatory offences. On June 24, 2025, a by-law enforcement officer, the OPP, and Transport Canada met with WJSR to educate them on the conditions of their business licence and applicable safety regulations. An affidavit filed by the applicant from Racheael Ivak, the Coordinator, Municipal Law Enforcement and Property Standards, states that during the meeting, additional by-law infractions were observed as customers left the dock, and an additional charge of breaching the by-law was laid. An affidavit filed by Rosen Andonov, the owner and operator of WJSR, disagrees and states that the meeting concluded with a finding that WJSR was fully compliant with all water activity rules as well as all federal and provincial laws. Further safety-related infractions were observed by, and reported to, the OPP during the days that followed.
- [4] The Town revoked WJSR’s business licence on July 3, 2025, and informed WJSR that its licence was revoked. WJSR acknowledged that its licence was revoked and requested an appeal of that decision through the Chief Administrative Officer of the Town on July 9, 2025. That appeal is pending.
- [5] WJSR continued to operate its business from its advertised address of 72 Main Street after its licence was revoked, and consequently incurred numerous charges of operating a business without a licence. WJSR continued undeterred, until it received the Town’s Notice of the Application to this court. Then, WJSR took steps to disassociate its place of business from the Town. WJSR owns a floating dock that is located on the Nottawasaga River “near where the respondent formerly maintained its office”. According to Mr. Andonov, the dock “serves as a spot for individuals to launch watercraft onto the Nottawasaga River and access Georgian Bay.” The dock is connected to the shore only by a staircase attached to the shore and to the dock. All transactions between WJSR and its clients are made through the company website. WJSR states that it is not operated wholly or partly within the Town, but rather online and on the river, and that the business is being carried out wholly in areas that are under either federal or provincial jurisdiction. WJSR says that individuals who operate rented personal watercraft on the Nottawasaga River and Georgian Bay are subject only to the federal licensing regime and the regulatory framework imposed by Transport Canada.
- [6] The Town’s business licencing by-law requires that all businesses that operate wholly or partially within the Town are required to apply for and receive a business licence, subject

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<sup>1</sup> The use of brand names, such as Ski-doo and Jet-ski, is confusing and irrelevant to issues to be determined. I will refer to the vessels used by WJSR in its business by the generic term “personal watercraft”.

only to limited exceptions that do not apply to WJSR. The by-law also sets out the conditions for receiving a licence. These include conditions related to public safety.

C. The positions of the parties

- [7] The Town submits that WJSR carries on business, at least partly, within the geographic area of the Town, and that pursuant to s. 150 of the *Municipal Act, 2001* the Town has the power to licence that business. The Town relies on the definition of “geographic area” in the *Territorial Division Act, 2002*, SO 2002, c 17, Sch E, that provides in s. 3(2) that “the limits of geographic townships on rivers, lakes and bays ... extend to the middle of the lakes and bays, and to the middle of the main channels of the rivers...” Because the Town abuts the Nottawasaga River on both banks, the entire river, where it flows through the Town, is within the limits of the Town.
- [8] WJSR responds that it does not carry on business within the jurisdiction of the Town, and that it has ceased all its business operations in the municipality. It submits that it does not operate its business within the Town, either wholly or partly. It further submits that it now operates only on Georgian Bay and the Nottawasaga River, and that these are federally regulated waterways where the use and operation of watercraft is *ultra vires* the municipal government.
- [9] WJSR submits that there are two issues to be decided on this motion: 1) Is the respondent carrying out or engaging in business wholly or partly within the Town? 2) Does the Town have jurisdiction over the respondent’s business, specifically the jurisdiction and authority to regulate the respondent’s use of watercraft on the Nottawasaga River and Georgian Bay. Put differently, as stated by WJSR, are the business license conditions *ultra vires* the jurisdiction of the Town, or inapplicable by reason of federal paramountcy?

D. Analysis

- [10] I will address WJSR’s second submission first. It appears that the respondent has not turned its mind to ss. 109(1) and (2) of the *Courts of Justice Act*, RSO 1990, Chap. C43, that provide:

109 (1) Notice of a constitutional question shall be served on the Attorney General of Canada and the Attorney General of Ontario in the following circumstances:

1. The constitutional validity or constitutional applicability of an Act of the Parliament of Canada or the Legislature, of a regulation or by-law made under such an Act or of a rule of common law is in question.
2. A remedy is claimed under subsection 24 (1) of the Canadian Charter of Rights and Freedoms in relation to an act or omission of the Government of Canada or the Government of Ontario.

(2) If a party fails to give notice in accordance with this section, the Act, regulation, by-law or rule of common law shall not be adjudged to be invalid or inapplicable, or the remedy shall not be granted, as the case may be.

- [11] The requirements of ss. 109(1) of the *Courts of Justice Act* are mandatory: *Guindon v. Canada*, 2015 SCC 41, [2015] 3 SCR 3, at paras. 116-123.
- [12] It does not appear that the Attorney General of Canada and the Attorney General of Ontario have been provided with notice of WJSR’s challenge to the constitutional validity of the Town’s by-law. Therefore, I cannot, on this motion for an interim restraining order, adjudge the by-law to be invalid or inapplicable.
- [13] That leaves for determination whether WJSR carries on business in the Town. I will explain why I have concluded that WJSR does carry on business in the Town, despite its efforts to disassociate itself from the Town.
- [14] I reject WJSR’s submission that the only connection that the business has to the Town is that individuals who have rented personal watercraft from WJSR using its online booking system launch and return to its floating dock.
- [15] Section 150 of the *Municipal Act, 2001*, defines a “business” and “any business wholly or partly carried on within the municipality...”
- [16] The evidence satisfies me that WJSR carries on business partly within the Town. Renters access the dock at which the personal watercraft are docked by crossing the property situated at 72 Main Street, Wasaga Beach and using the stairs that are affixed to that property and to the dock. While some renters may, as suggested by WJSR, access the dock by arriving by boat on the river and docking that boat at the WJSR dock, that does not change the fact that renters access the dock via 72 Main Street, Wasaga Beach. While WJSR now employs an online booking system, and no longer refers to 72 Main Street, Wasaga Beach on its website, it is an easy inference that renters are advised in some fashion that they can access their rented watercraft at the dock behind 72 Main Street, Wasaga Beach.
- [17] I am also satisfied that the geographic area of the Town is defined in the *Territorial Division Act, 2002*, SO 2002, c 17, Sch E, s. 3(2), to extend:
- to the middle of the lakes and bays, and **to the middle of the main channels of the rivers** and include every island the whole or the greater part of which is comprised within the outlines of the townships so prolonged [in prolongation of the outlines of the township]. [Emphasis added.]

Because the Town abuts both banks of the river as it flows through the Town, the geographic limits of the town extend to the middle of the main channel of the river, on both sides of the river.

- [18] WJSR, including its dock, is carrying on business within the geographic area of the Town because the Nottawasaga River runs through the Town of Wasaga Beach. Pursuant to s. 3(2) of the *Territorial Division Act, 2002*, the geographic area of the Town includes the entirety of the Nottawasaga River in prolongation of the outlines of the Town.
- [19] WJSR is carrying on business within the Town without a business licence, contrary to the by-law.
- [20] The *Municipal Act, 2001*, permits courts to restrain contraventions of by-laws:
440. If any by-law of a municipality or by-law of a local board of a municipality under this or any other Act is contravened, in addition to any other remedy and to any penalty imposed by the by-law, the contravention may be restrained by application at the instance of a taxpayer or the municipality or local board.
- [21] The issue before me is not whether a permanent restraining order should be made under s. 440. That issue will be determined at the hearing of the application, and may, if the requisite Notices are served, include the participation of the Attorney General for Canada and the Attorney General for Ontario. The issue before me is whether an interlocutory injunction should issue, pending the hearing of the application.
- [22] Pursuant to s. 101 of the *Court of Justice Act*, an interlocutory injunction may be granted “where it appears to a judge of the court to be just or convenient to do so.”
- [23] The test for an interim injunction is set out by the Supreme Court of Canada in *RJR MacDonald Inc. v. Canada (Attorney-General)*, [1994] 1 SCR 311, at paras. 77-80. The moving party must demonstrate that:
1. there is a serious issue to be tried;
  2. irreparable harm will result if the relief is not granted; and
  3. the balance of convenience favours the moving party.
- [24] With respect to injunctive relief under s. 440 of the *Municipal Act, 2001*, the statutory injunction test is different.
- [25] The modified test for a statutory interlocutory injunction to enforce municipal by-laws was summarized by Edwards RSJ, in *The Corporation of the Town of Wasaga Beach v. Persons Unknown*, 2023 ONSC 4929, at para. 23, citing McWatt ACJ, in *City of Ottawa v. Persons Unknown*, 2022 ONSC 1151, at paras. 40-42:

[40] Where it is alleged that a municipal by-law is being breached, the emphasis for injunctive purposes is on whether there is a serious question to be tried. If the municipality satisfies the first criterion, the usual remedy is for the court to grant an interlocutory injunction that restrains the ongoing breach (*Hamilton (City) v. Loucks*, ONSC, 2003 CanLII 64221, at para. 30).

[41] In this modified test, there is no need for the City to prove that it will suffer irreparable harm and there is no need to consider the balance of convenience because the public authority is presumed to be acting in the best interests of the public and a breach of the law is considered to be irreparable harm to the public interest (*The Township of Amaranth v. Ramdas*, 2020 ONSC 2428, at para. 54). However, in this modified test, the first criteria (serious issue to be tried) should be higher than the standard required when all three criteria are considered under the *RJR-MacDonald* test. A strong prima facie case must be established (*Hamilton (City)* at para. 37).

[42] Where by-laws of a municipality are being violated, a court ought to assist the municipality by granting interlocutory relief (*Municipality of Metropolitan of Toronto v. N.B. Theatrical Agencies, Inc.*, 1984 CanLII 2092 (ONSC), cited in *Hamilton (City) v. Loucks*, ONSC, 2003 CanLII 64221, at para 30).

- [26] There is no dispute that WJSR does not have a licence to carry on business in the Town. I have found that WJSR is carrying on business in the Town. The Town has made out a strong *prima facie* case with respect to the breach of its municipal by-law. The interlocutory injunction should be granted unless there are exceptional circumstances: *Newcastle Recycling Ltd. v. Clarington (Municipality)*, 2005 CanLII 46384, 204 OAC 389 (ON CA), at para. 32; *Hamilton (City) v. Loucks*, 2003 CanLII 64221 (ONSC), at para. 39; *Automotive Parts Manufacturers' Association v. Boak*, 2022 ONSC 1001, at para. 57.
- [27] There are no exceptional circumstances in this case that would warrant denying the relief sought. The Town has given an undertaking as to damages relating to any injunctive relief that may be granted.
- [28] It is ordered that, pending the hearing of the application, the respondent WJSR cease and refrain from operating a business without a licence in the Town of Wasaga Beach, including on the Nottawasaga River within the geographic area of the Town of Wasaga Beach, in contravention of By-law 2019-26.

The Honourable Justice J. Speyer

*The Corporation of the Town of Wasaga v. Lake Simcoe Jet Ski Rentals, 2025, ONSC 4597*

**ONTARIO**

**SUPERIOR COURT OF JUSTICE**

**BETWEEN:**

The Corporation of the Town of Wasaga Beach

– and –

Lake Simcoe Jet Ski Rentals Ltd o/a Wasaga Jet Ski  
Rentals

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**REASONS FOR JUDGMENT**

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The Honourable Justice J. Speyer

**Released:** August 11, 2025