

The Municipal Role in Liquor Licensing

OCTOBER 24, 2024



Lunes a Viernes
8:00 a 19:00
Sábados
9:00 a 16:00
Domingos
cerrado

Agenda



Get to know the AGCO

Understanding Special
Occasion Permits (SOP)

Temporary Patio Extensions

Question & Answer Period



Get to Know the AGCO



- Established in 1998, the Alcohol and Gaming Commission of Ontario (AGCO) is a provincial regulatory agency reporting to the Ministry of the Attorney General (MAG).
- The AGCO's mandate is to regulate the alcohol, gaming, horse racing and cannabis retail sectors in accordance with the principles of honesty and integrity, and in the public interest.
- Within the liquor sector, the AGCO is responsible for administering the *Liquor Licence and Control Act, 2019* (LLCA)
 - Together with its regulations and the Registrar's Standards, it establishes the licensing and regulatory regime for most aspects relating to the sale, service and delivery of alcohol in Ontario.

AGCO's Regulatory Oversight

- Businesses that serve liquor (e.g., bars, restaurants)
- Liquor delivery services
- Liquor manufacturers, for sale of finished product to LCBO (e.g., wineries, breweries, distilleries)
 - Manufacturers' retail stores
- Manufacturers' Representatives
- Ferment on premise facilities (FOPs)
- Special Occasion Permits (SOPs)
- Operation of a retail store
 - Eligible grocery and convenience stores selling liquor to the public
 - The Brewers Retail Inc. (BRI)

The AGCO does not regulate the LCBO (except hours of sale)



Special Occasion Permit (SOP) Overview

Anyone who wants to serve alcohol outside of a residence, a private place or a licensed establishment (i.e. a bar or restaurant), must obtain a Special Occasion Permit (SOP). An SOP is also required to sell alcohol anywhere outside of a licensed establishment. SOPs are for occasional, special events only, and not for personal profit or for running an ongoing business.

You ***don't*** need an SOP if:

- You're serving alcohol to invited guests in your own home or a private place.
 - A private place is somewhere indoors that the public wouldn't usually go to, and that isn't rented out to the public. For example, a private boardroom, home or backyard.
- The venue at which the event is held already has a Liquor Sales Licence, such as a bar, restaurant or nightclub.

For each type of permit , you may apply for either a “Sale” or “No Sale” permit depending on how you plan to serve alcohol at your event:

“Sale” Permit

A **“Sale Permit”** is required for events where money is collected for alcohol through:

- An admission charge to the event (drink tickets included in admission charge)
- The sale of alcohol at a cash bar
- Alcohol tickets sold to people attending the event
- The collection of money and/or other forms of payments for alcohol before the event

“No Sale” Permit

A **“No Sale”** permit is required when:

- Alcohol is served without charge;
- No money and/or other forms of payment is collected directly or indirectly for alcohol from guests; and
- The permit holder absorbs all alcohol costs.

Private Event

The guest list is invite-only, is not publicly advertised and takes place anywhere other than a licensed establishment or private place.

No intention to gain or profit from the sale of Liquor at the event

Issued for:

- Wedding receptions
- Stag and Does
- Bridal Showers
- Birthday parties

Public Event

Are held to raise funds for charitable purposes or are events that are attended by the public at large

Issued to:

- A charity registered under the *Income Tax Act* (Canada)
- A non-profit organization or association organized to promote charitable, educational, religious or community objects
- An event of provincial, national or international significance
- An event designated by a municipal council as an event of municipal significance (e.g. Peterborough Craft Beer Festival, Pride, Rib Fest)

A public event permit holder may advertise or promote the availability of liquor

For outdoor public events with liquor sales licensed establishments:

If an SOP is issued for an outdoor event that has both licensed areas (e.g. bars, restaurants, etc.) and areas to which the SOP applies (e.g. street on which the event is taking place), people can carry liquor between these areas.

Licensees and permit holders must ensure the following criteria are fulfilled:

- The event must be outdoors (e.g. a street festival) and take place on both licensed premises and unlicensed premises;
- The event must be recognized as “municipally significant,” and the applicant must submit a resolution of municipal council or a letter from a delegated municipal official designating the event as “municipally significant”; and
- Both the licensee(s) and the permit holder have entered into an agreement to protect public safety and ensure compliance with the regulatory framework.

Events of Municipal Significance



To be considered a “**municipally significant**,” the event must be designated by the municipality where it takes place.

Events are usually:

- One-time, annual, or infrequent
- Open to the public with set start and end times
- Historically or culturally significant
- Promoting cultural diversity or benefitting the community

SOP applications for municipally significant events must include a municipal resolution or a letter from a delegated official confirming the designation

Municipalities set their own criteria and process for determining significance, including application methods, fees, and duration.

Events of Municipal Significance - Example

Criteria

The event can be defined as:

- Having local, regional, national or international historical or cultural significance; or
- Build awareness of diverse cultures; or
- Benefit the community at large.

Other Requirements and Conditions:

- Applicant may obtain the appropriate liability insurance
- The application will be circulated to Fire Services, Municipal Chief Building Official and ByLaw Enforcement, the Municipal Insurer, the Ontario Provincial Police and the Local Health Unit for comment

While the Municipality may designate an event, **the AGCO Registrar ultimately has the final decision** of whether to issue an SOP for a public event.



Tailgate SOP

Tailgates are public events that are held in connection with, and in proximity to, a live sporting event and where attendees may bring their own liquor (BYOB) for consumption at the event.

A tailgate party needs to be outside, at ground level and connected to:

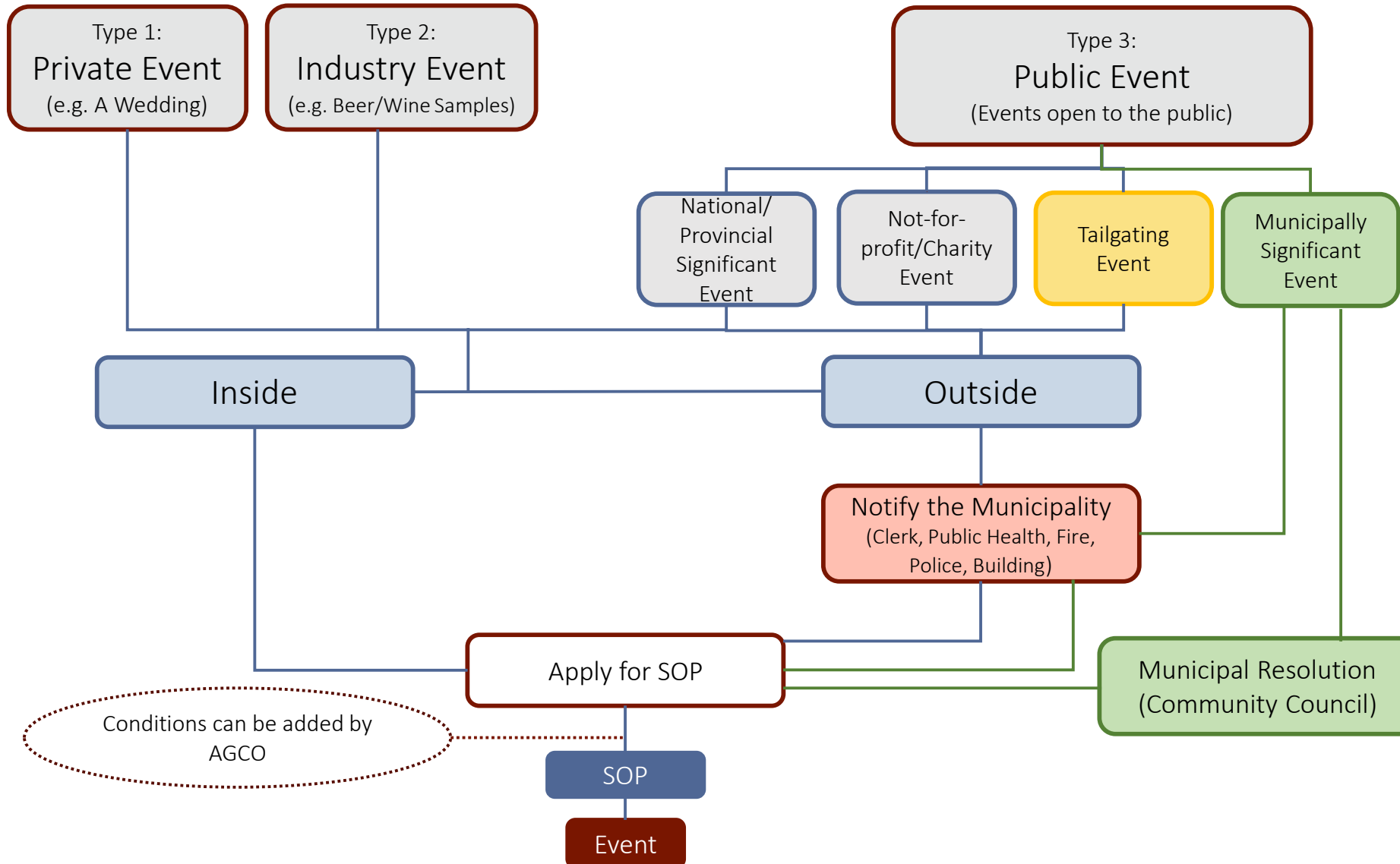
- A post-secondary sporting event
- A semi-professional event (ie. Ontario Hockey League (OHL))
- A professional sporting event, such as Canadian Football League (CFL), Major League Baseball (MLB)

In addition, attendees 19 years and older must be allowed to bring their own liquor for consumption.

Please note that amateur or recreational sporting events, including events organized and played through intramural sports leagues at post-secondary institutions or otherwise, are not eligible for tailgate event permits.



Notifying the Municipality



Notification letters must be shared:

- **30 days** before if applicant is expecting fewer than 5,000,
- **60 days** before if they're expecting more than 5,000.

Key Information Required With an SOP Application

- ✓ Type of “public event”
- ✓ Responsible person(s)
- ✓ Hours of sale
- ✓ Estimated attendance
- ✓ Sketch – permit area and location of tiered seating
- ✓ Involvement of liquor licenced establishments (i.e. outdoor public events)
- ✓ Local authorities’ notification letters (certain event types only)
- ✓ Storage of alcohol (series of events)
- ✓ Applications for a municipally significant Public Event must be accompanied by either a municipal resolution or a letter from a delegated municipal official designating the event as municipally significant

Additional information may be requested, such as:

- By-laws/Constitution (for non-profit entities)
- Security Plan

The AGCO is here to help prepare for and execute a safe and successful event. It is highly recommended that the permit holder works closely with local AGCO officials and municipal partners as part of the event planning process.

Groups to Co-ordinate With:

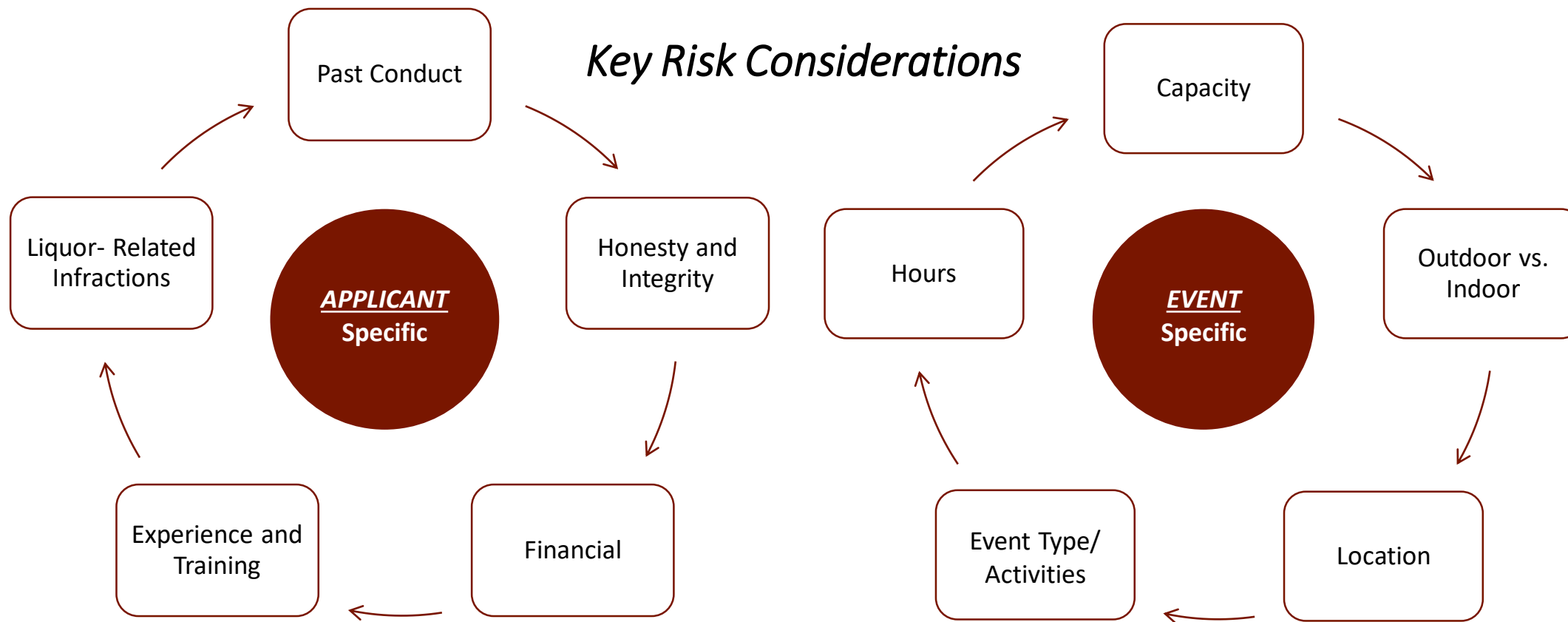
- Local AGCO Compliance Official
- **Local Police Service**
- **Fire Service**
- **Emergency Medical Services**
- **Public Health**
- **Municipality (including By-law Enforcement)**
- Landlord or Entity in control of the event site
- Local Building Department

Permit Holder's Responsibility

The permit holder is responsible for ensuring that alcohol is sold and served responsibly and according to the law.

The permit holder or responsible person(s) listed on the permit must be in attendance at the event.

Risk based permitting is part of AGCO's risk-based approach and allows the AGCO to impose additional requirements on SOP holders considered to be higher risk. Risk-based permitting is helpful for SOP holders as it assists them in selling and serving liquor at their events in a safe and responsible way, and in compliance with the *LLCA* and its regulations.



The AGCO's temporary patio policy expired on January 1, 2023

Effective January 1, 2023 - Licensees in Municipalities:

- Must get approval for temporary patio from their local [municipality](#) in place of AGCO approval
- Must [notify](#) the AGCO of your approval, the duration of your approval and any conditions on the approval
- Must notify the AGCO of subsequent changes specifically, if the municipal approval is suspended or withdrawn or if additional conditions are added.

New Authorities and Responsibilities

- The **AGCO no longer has the authority** to approve temporary patios for licensees located in municipalities.
- **Municipalities have the authority** to approve temporary patios for up to eight months total in a calendar year (does not need to be eight consecutive months) for liquor sales licensees and by-the-glass endorsement holders
- **Municipalities have the authority** to specify conditions on the approval
- Licensees must continue to apply to the AGCO for permanent physical extensions, and temporary indoor physical extensions.



It is at the discretion of the municipality to determine Temporary Patio Extension eligibility requirements and to design their application process.

Here is a list of some of the AGCO's former eligibility requirements for Temporary Patio Extensions:

- A Letter of Non-Objection from the municipal clerk
- Sketch provided that specifies the location of the proposed extension in relation to the currently licensed area
- Notification letters to Fire, Building, Health and local Police Depts
- If the space is leased or rented, a letter of approval from the landlord
- If the establishment is on city property, a non objection letter will be sufficient
- AGCO Inspector's comments/concerns were sometimes requested (ex: estimated capacity is 1,000 or more)

REMINDER – Approvals for Temporary Extensions of Premises

All licensees (even those with existing temporary patios) must apply to the appropriate authority for new approval.

Extension Type	Location of Licensed Premise			
	In a Municipality	In Unorganized Area	On reserve	On reserve that has opted in
Temporary outdoor (patios)	Municipality <ul style="list-style-type: none">• Apply to Municipality; <u>and</u>• Notify AGCO of approval through iAGCO before serving/selling on patio	AGCO <ul style="list-style-type: none">• Apply to AGCO through iAGCO.	AGCO <ul style="list-style-type: none">• Apply to AGCO through iAGCO.	Band Council <ul style="list-style-type: none">• Apply to Band Council; <u>and</u>• Notify AGCO of approval through iAGCO before serving/selling on patio
Temporary indoor	AGCO	AGCO	AGCO	AGCO
Permanent (outdoor & indoor)	AGCO	AGCO	AGCO	AGCO

The background of the image is a light blue surface covered with numerous small, square wooden blocks. Each block has a black question mark printed on its top face. The blocks are scattered across the entire frame, creating a pattern of question marks. A semi-transparent white horizontal band runs across the middle of the image, serving as a background for the central text.

Questions?