

TO:	CHAIR AND MEMBERS CORPORATE SERVICES COMMITTEE MEETING ON JUNE 19, 2018
FROM:	CATHY SAUNDERS CITY CLERK
SUBJECT:	DESIGNATION OF MUNICIPALLY SIGNIFICANT EVENTS

RECOMMENDATION

That, on the recommendation of the City Clerk, with the concurrence of the Managing Director, Corporate Services and City Solicitor, the attached proposed by-law (Appendix "A") **BE INTRODUCED** at the Municipal Council meeting to be held on June 26, 2018 to implement a new policy entitled "Designation of Municipally Significant Events Policy".

PREVIOUS REPORTS PERTINENT TO THIS MATTER
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None.

BACKGROUND

The service of alcohol in the Province of Ontario is regulated by the Alcohol and Gaming Commission of Ontario (AGCO). The AGCO administers the Special Occasion Permit (SOP) program, which allows for the sale and service of alcohol on special occasions, such as cash bars at weddings or private receptions, as well as larger scale events that are open to the public, such as charity fundraisers. There are three types of special occasions for which a permit may be issued:

- Private Event: For events where only invited guests will attend. These events cannot be advertised and there can be no intent to gain or profit from the sale of alcohol at the event.
- Industry Promotional Events: For events held to promote a manufacturer's product through sampling. There can be no intent to gain or profit from the sale of alcohol at the event.
- Public Events: For events that are open to the public. Public events can be advertised and allow for fundraising/profit from the sale of alcohol.

AGCO regulations provide for Public Event permits to be issued for events of "municipal significance". However, in order to be deemed an event of municipal significance, it requires designation by the municipality in which the event will take place. SOP 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.

Extensions of hours of sale and service are also possible for municipally significant events. The AGCO has authority for extending the standard hours of sale and service in licensed establishments across the province (generally 11 a.m. to 2 a.m) during events of municipal significance. This is something that would need to be taken into consideration by the municipality considering designating an event of municipal significance.

Public Events must, as the words suggest, be open to the public. A Public Event could be, as an example, a charity fundraiser, outdoor street festival, community festival, etc. An SOP for a Public Event can be issued to:

- a charitable organization registered under the *Income Tax Act (Canada)*
- a non-profit organization or association organized to promote charitable, educational, religious or community objects
- an individual or a business if organizing or conducting an event of:

- “provincial, national or international significance” if determined as such by the Registrar of Alcohol, Gaming and Racing;
- “municipal significance” for which a municipal resolution or letter from the Municipal Clerk or designated authority has been provided that indicates the event is one of municipal significance.

The AGCO also imposes a number of requirements on SOP holders related to notification of public officials, documentation required in conjunction with an application, acquisition and sale of alcohol, inspections, carrying of alcohol, agreements to ensure there is no risk to safety, conduct of patrons, etc. Some of the responsibilities of a Public Event SOP Holder are described in Appendix “B”.

Proposed Process for Designation of Municipally Significant Events

As City Council has found in recent years, the scheduling of Standing Committee and City Council meetings has sometimes made it difficult to review and approve a request for designation of an event as being municipally significant within the AGCO’s timelines for processing an SOP, particularly when requests for designation often come in to the City last minute from applicants. As a result, it is being proposed that the City Clerk be authorized to designate an event to be of municipal significance following the filing of an application and the circulation of the application to certain specified parties to identify any concerns with the application. This should assist in streamlining the designation process from the City’s end, recognizing that the filing of an application in a timely manner rests entirely with the applicant. Proposed circulation of an application would include London Fire Services, Licensing and Municipal Law Enforcement, Insurance/Risk, the London Police Service, the Middlesex-London Health Unit and the City of London’s Chief Building Official for comment within a specified timeframe, so that any concerns may be considered by the City Clerk in determining whether or not to designate a particular public event as being municipally significant.

In designating an event as municipally significant, there is the possibility that the City could find itself liable if an individual is injured at the event. If the City of London were to be found “jointly and severally liable”, it could end up paying part or all of the judgment should the Special Occasion Permit holder be inadequately insured or uninsured. In addition to the expense to the municipality to defend any legal action, the outcome could negatively affect the City’s continued insurance coverage. In order to mitigate the risk to the City of London, the Special Occasion Permit holder would be required to obtain a minimum of FIVE MILLION (\$5,000,000) DOLLARS liability insurance, naming the City of London as an additional insured, at least 10 business days prior to the event. The permit holder would be required to indemnify and save the City of London harmless from all claims arising from the permit or event. Each event would be considered on its own merit, noting that the actual insurance limits required may be increased at the discretion of the City of London.

The AGCO does not define what constitutes an Event of Municipal Significance so, in an effort to develop a local definition, staff have reviewed the various types of events that the City Council has previously designated, as well as considered what other municipalities deem as being an Event of Municipal Significance. As such, it is being proposed that the following definition of an “Event of Municipal Significance” be established for the purposes determining if an event qualifies for designation as an “Event of Municipal Significance”:

“A one-time, annual or infrequently occurring event that is open to the public, has a predetermined opening and closing date and time, and which:

- a) has local, regional, national or international historical or cultural significance;
- b) builds awareness of diverse cultures; or
- c) benefits the community at large.”

Conclusion

Local public events contribute to strengthening the community and growing our economy, both in keeping with the City Council's Strategic Plan. The recommended by-law will put a policy in place to assist in achieving those strategic areas of focus. Streamlining the City of London's process for designating events of municipal significance for applicants seeking an SOP for their event, and making information on the City's process available to the public on the City's website, will make the City's process more efficient, understandable and accessible.

RECOMMENDED BY:	CONCURRED BY:
CATHY SAUNDERS CITY CLERK	BARRY CARD MANAGING DIRECTOR, CORPORATE SERVICES AND CITY SOLICITOR

APPENDIX “A”

Bill No.
2018

By-law No. CPOL.-

A by-law to adopt a new Council Policy entitled “Designation of Municipally Significant Events Policy”.

WHEREAS subsection 5(3) of the *Municipal Act, 2001*, S.O. 2001, c. 25, as amended, provides that a municipal power shall be exercised by by-law;

AND WHEREAS O. Reg. 389/91 under the *Liquor License Act*, R.S.O. 1990, c.L.19 governs the issuance of Special Occasion Permits;

AND WHEREAS subsection 3.3.iii of O. Reg. 389/91 provides that a special occasion may be a public event designated by a municipal council as an event of municipal significance;

AND WHEREAS the Municipal Council wishes to enact a new Council Policy to delegate its authority to designate events of municipal significance to the City Clerk and to set the guidelines for approval of such events;

NOW THEREFORE the Municipal Council of The Corporation of the City of London enacts as follows:

1. The policy attached hereto as Schedule “A”, entitled “Designation of Municipally Significant Events Policy” is hereby adopted.
2. This by-law comes into force and effect on the day it is passed.

PASSED in Open Council on June 26, 2018.

Matt Brown
Mayor

Catharine Saunders
City Clerk

First Reading – June 26, 2018
Second Reading – June 26, 2018
Third Reading – June 26, 2018

SCHEDULE "A"

Policy Name: Designation of Municipally Significant Events Policy

Legislative History: DRAFT - NEW

Last Review Date: June 7, 2019

Service Area Lead: City Clerk

1. Policy Statement

- 1.1 This policy is intended to clarify and streamline the process for organizers of public events who wish to have the City of London designate their event as a "municipally significant event" so that they may apply to acquire a Special Occasion Permit under the *Liquor License Act*, R.S.O. 1990, c.L.19, as amended, for the sale and service of alcohol at their public event.

2. Definitions

- For the purpose of this policy,
- 2.1 "**Business day**" – shall mean any of Monday, Tuesday, Wednesday, Thursday or Friday, excluding any of those days that fall on a statutory holiday.
- 2.2 "**City of London**" – shall mean The Corporation of the City of London.
- 2.3 "**Municipally significant event**" – shall mean a one-time, annual or infrequently occurring event that is open to the public, has a predetermined opening and closing date and time, and which:
- a) has local, regional, national or international historical or cultural significance;
 - b) builds awareness of diverse cultures; or
 - c) benefits the community at large.
- 2.4 "**Public event**" – shall mean an event that is open to the general public.

3. Applicability

- 3.1 This policy shall apply to public event organizers seeking designation of a public event as a "municipally significant event" for the purpose of applying to acquire a Special Occasion Permit under the *Liquor License Act*, R.S.O. 1990, c.L.19, as amended.

4. The Policy

4.1 Delegated Authority

The City Clerk, or their written designate, is delegated authority to issue a letter designating a public event as a municipally significant event, on behalf of The Corporation of the City of London.

- 4.2 The City Clerk, or their written designate, shall circulate all applications for designation as a municipally significant event to the following stakeholders for comment:

- a) London Fire Services
- b) Licensing and Municipal Law Enforcement
- c) Insurance/Risk
- d) London Police Service
- e) Middlesex-London Health Unit
- f) City of London's Chief Building Official.

- 4.3 The decision of the City Clerk, or their written designate, to designate, or not, a public event as a municipally significant event shall be final.

- 4.4 The stakeholders noted in 4.2, above, shall be given 5 business days to provide any concerns regarding the application for designation as a municipally significant event, after which the City Clerk, or their written designate, will proceed to evaluate the request for designation as a municipally significant event based upon any concerns received within the given time frame.
- 4.5 Public events must meet the following criteria, to be considered by the City of London for designation as a municipally significant event:
- a) fall within the definition of municipally significant event, as defined in this policy;
 - b) serve the public interest by upholding the by-laws and policies of The Corporation of the City of London, and any other applicable legislation; and
 - c) will host no less than 100 members of the general public.
- 4.6 Applicants must submit their request for designation as a municipally significant event on the prescribed application form no less than 10 business days before requiring a response from the City Clerk, or their written designate.
- 4.7 Applicants must obtain a minimum of FIVE MILLION (\$5,000,000) DOLLARS liability insurance, naming the City of London as an additional insured, at least 10 business days prior to the event. The permit holder shall be required to indemnify and save the City of London harmless from all claims arising from the permit or event. Each event would be considered on its own merit, noting that the actual insurance limits required may be increased at the discretion of the City of London.
- 4.8 Incomplete applications shall be returned to the organizer for completion. Once completed and returned to the City Clerk, or their written designate, the 10 business day review period shall re-commence upon receipt of the fully completed application.

APPENDIX “B”

Responsibilities of a Public Event SOP Holder

The following are some of the key responsibilities of the Public Event SOP holder:

- The regular hours for the sale and service of liquor under an SOP are 11 a.m. to 2 a.m. the following day, except for New Year’s Eve (December 31) when sale and service of liquor under an SOP must cease at 3 a.m. the next day (January 1). However, the Registrar may restrict the hours of sale and service as a condition of the permit.
- All signs of sale and service must be cleared from the premises within 45 minutes of the end time stated on the permit. This includes the removal of all partially consumed and empty bottles, and glasses that contained liquor.
- Police officers and AGCO Inspectors must be given unobstructed access to the event at all times in order to conduct inspections or investigations and may cancel a SOP while the event is underway if they reasonably believe that the LLA or regulations are being contravened in connection with the event, or if there is a serious public safety risk.
- Only liquor purchased on the permit from a government store (LCBO, The Beer Store or authorized manufacturer’s retail store) is allowed to be sold or served at the event.
- Unless under the authority of an agreement entered into by the permit holder and a liquor sales licensee at an outdoor public event designated as “municipally significant”, liquor sold or served at the event may not be removed from the premises by any person attending the event. Only the host may remove unused liquor at the conclusion of the event.
- Liquor cannot be sold, served or provided to any person who appears to be under 19 years of age, and proper identification must be checked for any person who appears to be under 19 years of age.
- Intoxication, disorderly conduct and unlawful gambling are not permitted.
- Encouraging the immoderate consumption of alcohol is not permitted, as are contests or games involving the consumption of liquor. Non-alcoholic beverages must be available.
- Guests cannot be required to purchase a minimum number of drinks (or drink tickets) to enter or remain at the event, and no drink containing more than 85ml of spirits can be sold or served.
- There must be sufficient food available to serve the people in attendance.
- The SOP and levy, as verified on alcohol purchase receipts, must be available for inspection.
- The permit holder or his/her designate (the person indicated on the reverse side of the permit) must be present at the event at all times.
- Games of chance or mixed chance and skill (i.e. raffles, 50/50 draws etc.) are not permitted unless the proper licence has been obtained from the province or municipality. Licences are only issued to eligible organizations with charitable or religious purposes. Under such a licence, liquor may be awarded as a prize.
- For outdoor events, the area to which the permit applies must be separated from other areas by a minimum 36 inch (0.9 metres) high separation.
- Left over liquor must be removed from the premises at the end of the event. When returning unopened alcohol to the government store, you must produce the SOP and a copy of the sales receipt.
- SOP holders can learn to lower their liability risks by taking the Smart Serve program and hiring servers who have taken the course (or a licensed caterer).