



Alcohol and Gaming Commission of Ontario

Guide for First-Time Applicants for a Liquor Sales Licence

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AGCO

Alcohol and Gaming
Commission of Ontario



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A Basic Guide for First-Time Applicants for a Liquor Sales Licence

Are you a business owner who is thinking of applying to the Alcohol and Gaming Commission of Ontario (AGCO) for a Liquor Sales Licence? The AGCO has created this Guide to provide you with a basic overview of the major requirements for most Liquor Sales Licence applications and some of your responsibilities once your licence has been approved.

Please note that this Guide may not cover all of the requirements for your particular application and this Guide only provides a very preliminary overview of the duties and obligations involved in operating a business with a Liquor Sales Licence. Please consult the *Liquor Licence Act* (LLA) and its regulations to ensure that you understand all of the responsibilities and obligations that come with a Liquor Sales Licence.

You may also wish to consult with a legal advisor.

A comprehensive “Liquor Sales Licence Guide” is available on the AGCO website at www.agco.ca

Things to Know Before You Begin

Only owners of a business can apply for a Liquor Sales Licence. The business does not have to be primarily involved with the sale and service of food or liquor, but must be located in a premises open to the public or private members (such as a social club). Liquor Sales Licences will not be issued to residences or businesses not registered with the government.

While your business does not have to be primarily involved with the sale and service of food or liquor, by applying for a Liquor Sales Licence you are committing to having the sale of both food and liquor as part of your business. For that reason, we strongly suggest that you contact your local health unit in order to find out the food and beverage handling requirements required for your business before applying for your Liquor Sales Licence.

Everyone who has an ownership interest in the business, everyone who is an officer, director or shareholder of an associated corporation, and any managers are subject to a police and financial background check as part of the application process.

Your application will be reviewed using risk-based principles. This means that you (the applicant), your business and your business location will be evaluated based on set criteria. If potential risks to public safety or the public interest are identified during the review of your application for a Liquor Sales Licence, then there may be a further investigation conducted by the AGCO. You may be required to disclose additional personal and financial information, and/or your application may be approved subject to conditions which are designed to mitigate the identified risks.

The Application Process

The application process for a new Liquor Sales Licence generally takes between 10 and 12 weeks. However, this process can be longer if items are not submitted in a timely manner, if they are incomplete or incorrect, if risks have been identified that warrant further investigation, or if there are public objections to the application.

APPLICATION REQUIREMENTS

The following items are required for the AGCO to begin processing a new Liquor Sales Licence application:

1. Application fee

- Please refer to the AGCO's Application Fee Schedule at www.agco.ca for the applicable fee.
- When using online services, payments must be made by Visa, MasterCard or *Interac*[®] Online.
- Payments of \$30,000 or more must be made by money wire transfer or electronic funds transfer. For more information please contact AGCO Customer Service at 416-326-8700 or 1-800-522-2876.
- All application fees must be received by the AGCO before an application will be processed.
- **All fees are non-refundable.**

2. Entity Disclosure*

Entity Disclosure information must be provided by the applicant corporation and by all corporations directly or indirectly holding 10% or more of the shares of the applicant.

3. Personal Disclosure*

Personal Disclosure information must be provided by **all** of the following persons:

- Owner (if the applicant is a sole proprietor);
- Officers and/or directors, including: Signing Officer, President, Secretary, Treasurer;
- All persons holding 10% or more of any class of shares (if applicable);
- All partners;
- On-site manager (if this person is not named above).

*For complete information, please refer to the **Personal and Entity Disclosure Requirements Guide** available at www.agco.ca.

4. Floor plans of the premises, with all proposed licensed areas outlined and labelled.

The following items are not required with the initial application, however, we recommend they be submitted as soon as possible to ensure your licence is issued in a timely fashion.

1. **Municipal Information Form** completed, signed and dated by a municipal clerk.
2. **Agency Letter of Approval** from each of your local fire, building and health departments stating that your premises meets the current standards or by-laws administered by that agency. The letter must be signed and dated by the appropriate municipal official.
3. Capacity calculation for each proposed licensed area provided by either the municipal fire or building department or a professional architect or engineer. In each case, the agency/individual/company must provide capacities on their professional letterhead.
4. Copy of the Master Business Licence showing the business/operating name is registered to the applicant for the Liquor Sales Licence.

PUBLIC NOTICE PROCESS

In most cases, your application must be advertised and you will be required to post a placard at your business advising the community of your application for a Liquor Sales Licence.

There are two parts to the public notice process:

1. A notice of application will be posted on the AGCO website (www.agco.ca).
2. A placard (poster) will be prepared by the AGCO and sent to you. The placard must be posted for the number of days specified on the placard at your business and in a location where the public can easily read it. The placard will specify whether the application is for an indoor and/or outdoor liquor licence.

The application process cannot be completed until both forms of public notice have been given. If the AGCO receives any public objections to the application, these objections must be resolved before the application can proceed any further. You will receive a copy of any objections, including the names of the people who have objected. The AGCO encourages residents and applicants to work out a satisfactory solution for all concerned.

If you are unable to resolve your neighbourhood concerns on your own, the AGCO may schedule a public meeting conference call with you, depending on the nature of the objection(s), and a Deputy Registrar of the AGCO to see if you and the objector(s) are able to come to an agreement to resolve the issues. If the issues cannot be resolved, a public hearing before a member of the Licence Appeal Tribunal (LAT) will be scheduled. LAT is an agency of the Government of Ontario which adjudicates compensation claims and licensing activities regulated by various Ministries.

PRE-LICENSING INSPECTION

Before a licence can be issued, your premises must undergo a Liquor Sales Licence inspection conducted by an AGCO Inspector. The Inspector will attend your premises to ensure that all proposed licensed areas are eligible for licensing, and that the areas match those listed in your application and shown on your floor plans. Any inconsistencies noted by the Inspector must be corrected. The Inspector will also “walk through” your entire premises to see if there are any other concerns.

During the inspection, the Inspector will also provide you with an information kit containing educational material on the responsible sale and service of alcohol and the major responsibilities of a licensee. The inspection is also an opportunity to address any questions and/or concerns you may have regarding the operation of a licensed premises.

CONDITIONS

Under risk-based licensing, one or more conditions may be attached to a Liquor Sales Licence by the Registrar of Alcohol, Gaming and Racing (“Registrar”) to help the licensee minimize risks identified during the assessment process. A list of these conditions, as approved by the AGCO Board specifically for this purpose may be found on the AGCO website at www.agco.ca.

A licensee may apply to remove and/or add conditions on their licence if there has been a change in circumstances.

RECEIVING / POSTING YOUR LICENCE

A licence will only be issued to you if the AGCO is satisfied that all requirements have been met, a risk-based assessment has been completed and concerns and/or objections (if any) from the public, the police and/or the municipality have been addressed.

Once you receive your licence, it must be posted at your business in a location where it can be easily seen by your customers, AGCO Inspectors and the police.

Operating a Licensed Premises

Once you have been issued a Liquor Sales Licence, it is your responsibility to operate your premises and sell and serve alcohol responsibly according to the *Liquor Licence Act* and its regulations. Failure to do so may result in a warning, monetary penalty, suspension or revocation of the licence.

SERVER TRAINING

Successful completion of server training is mandatory and all licence holders must ensure that all managers, persons involved in the sale or service of liquor and security staff in their employ hold a certificate demonstrating the successful completion of a server training

course approved by the Board of the Alcohol and Gaming Commission of Ontario (AGCO). **Staff must have completed this training as of their first day of work.**

Staff are encouraged to carry a copy of their certification card while they are working. AGCO Inspectors may ask for proof of a staff member's certification at any time.

Smart Serve® Ontario has been approved by the Board of the AGCO to develop and provide the **Smart Serve® Responsible Alcohol Beverage Service Training Program**, and is currently the only approved server training program in Ontario. This training program covers such topics as the effects of alcohol, responsible serving techniques, as well as the prevention of alcohol-related problems and how to intervene if problems do occur.

The program is available on video or on the Smart Serve® website at www.smartserve.ca. For more information, please contact:

Smart Serve® Ontario

5407 Eglinton Ave. West, Suite 105

Toronto ON M9C 5K6

Tel.: 416-695-8737 or Toll free: 1-877-620-6082

Fax: 416-695-0684

Website: www.smartserve.ca

Email: info@smartserve.ca

Please note that the AGCO still recognizes The Server Intervention Program certification issued prior to May 1995.

AGCO INSPECTIONS

All licensed premises are inspected periodically by AGCO Inspectors and police. You are required to allow AGCO Inspectors and/or police officers unobstructed access to your business and you must facilitate their inspections. Some of the most serious infractions include:

1. Permitting drunkenness;
2. Selling and serving alcohol outside of prescribed hours and/or failing to remove the evidence of service of alcohol;
3. Permitting disorderly behaviour (also includes permitting drugs and illegal gambling);
4. Exceeding the lawful capacity of the premises; and
5. Selling and serving alcohol to individuals under the age of 19.

Committing any of the above or other infractions of the *Liquor Licence Act* and its regulations can lead to warnings, monetary penalties or a notice of proposal to suspend or revoke your licence from the AGCO, and/or charges laid by local police.

NOTICES OF PROPOSAL / HEARINGS

If you are issued a Notice of Proposal to suspend or revoke your licence, you will have 15 days to request a hearing before LAT.

If you choose not to request a hearing before LAT, the Registrar of Alcohol, Gaming and Racing (Registrar) may order a suspension or revocation of your Liquor Sales Licence, without any consultation with you. A suspension means that you will not be permitted to sell and serve alcohol for a specified amount of time. A revocation means that your premises will no longer be licensed to sell and serve alcohol.

If you choose to request a hearing before LAT, they will inform you of the hearing date and location. LAT will render a decision that may include a suspension or revocation of your Liquor Sales Licence.

A person who is refused a licence to sell liquor or a renewal of a licence to sell liquor or whose licence is revoked for any grounds other than public interest may not apply to the Registrar for a licence to sell liquor until two years have passed since the refusal or revocation.

LIABILITY

Beyond the administrative sanctions imposed by the AGCO or LAT, there may also be instances where you may be held civilly liable for harm caused by someone who was served alcohol in your business.

You may wish to contact your legal advisor and your insurance professional to ensure that you have policies and procedures in place to properly address these risks. Staff of the AGCO cannot provide legal advice to you in civil matters.

LICENCE RENEWALS

A Liquor Sales Licence will be valid for either two years or four years from the date it was first issued. A Liquor Sales Licence must be renewed prior to the licence expiry date to ensure there is no lapse in your licence to sell and serve alcohol at your business. **Expired licences cannot be renewed.** If your licence has expired, you must apply for a new Liquor Sales Licence and you will not be permitted to sell and serve alcohol until the new licence is issued.

KEEPING THE AGCO INFORMED

You will be required to notify the AGCO of any changes to the ownership and/or management of your business, or to the physical boundaries of the licensed premise itself. Applications may be required, depending on the situation. Examples include, but are not limited to, the following:

- Changing the ownership from a sole proprietor to a corporation requires you to submit a Transfer application.

- Hiring a new manager whose responsibilities include overseeing the day-to-day operations of the sale and service of alcohol requires that he or she submit Disclosure information.
- Adding a new licensed outdoor area or additional indoor area (not currently on the Liquor Sales Licence) or altering the licensed boundaries requires you to submit an **Application for Changes and/or Additions to Existing Licensed Areas**.

Please note that while you can continue to sell and serve liquor while a Transfer Application is being processed and the new manager's Disclosure information is being assessed, you **cannot** sell and serve liquor in any area of your business which has not been approved by the Registrar. You must advise the AGCO if your business name changes prior to the change so that an amended Liquor Sales Licence can be issued. You must also inform the AGCO of any changes to phone numbers, mailing addresses and any other contact information.

SURRENDERING YOUR LIQUOR SALES LICENCE / CLOSING YOUR BUSINESS

If you decide to close your licensed business or if you no longer want to sell and serve alcohol at your business, you must surrender your Liquor Sales Licence to the AGCO.

QUESTIONS / COMMENTS

If you have any questions or comments, please contact AGCO Customer Service during regular business hours at **416-326-8700** (in the GTA) or **1-800-522-2876** (toll free in Ontario). You can also find helpful information and all of our forms and guides on our website at www.agco.ca.