



Hamilton

Licensing and By-law Services

Memorandum

Date: February 27, 2019

To: Chair and Members
Open for Business Sub-Committee

From: Ken Leendertse
Director, Licensing and By-law Services

Subject: **Continuous Improvement Team – 2018 Special Occasion Permit Review – Case Study No. 21**

The role of the Planning and Economic Development Department / Public Works Department Continuous Improvement Team (CIT) is to review select case studies after they have been through the approval process to identify any lessons learned and opportunities for process improvements.

BACKGROUND

As a business improvement process, we will be removing the notification process for Special Occasion Permit (SOP) events that are not considered municipally significant.

Current Process:

The current process requires Licensing staff to accept and provide comments for all SOPs, however only municipally significant events require full circulation. The process is initiated by the customer, with a previously required turnaround of 15 days for circulation for comments. Circulation is provided to Council, Public Health, Fire Prevention, Hamilton Police, Building Division, Public Works and the Special Events Advisory Team (SEAT).

In instances where SOPs require comments only, the Alcohol and Gaming Commission of Ontario (AGCO) issues the permit prior to the receipt of all comments by the Licensing Section. Since the comments are no longer mandatory under the revised AGCO process, we have implemented a process change for efficiency and effectiveness.

Each application under the current process has a fee of \$87 and requires two hours of staff time to administrate.

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SOPs circulated under this process in the current and previous year are as follows:

SOPs	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2017	3	4	9	12	32	13	11	12	6	5	4	1	112
2018	4	2	12	29	17	12	6	8	1	1	3		95

(To date, no Special Occasion Permit has ever been declined in this process)

The process improvement is in line with the new notification process and is fully supported by the AGCO.

New Process:

The new AGCO process allows for the applicant to apply directly via an online process at <https://www.agco.ca/alcohol/special-occasion-permits-private-event>. The previous requirement for municipality notification of private events is now redundant. The process for events designated municipally significant, or for profit, will not change and will still require municipality notification and comment.

A comment of notification only will now be sent directly to the corresponding departments. Outstanding issues will be resolved by the individual departments communicating directly with the customer with no comment required back to the Licensing Section, as the permit from the AGCO for the event is already issued.

OBSERVATIONS AND ISSUES

A SOP is required any time alcohol is served anywhere other than in a licensed establishment. SOPs are for occasional, special events and not for personal profit or running an ongoing business.

The role of the City of Hamilton is to act as a commenting agency to the AGCO and the process for commenting is required to be reviewed for efficiency and consistency with surrounding municipalities. The AGCO only requires that the customer indicates to the City of Hamilton they have obtained a permit, and notification has been provided.

Licensing staff engaged in a series of meetings with the AGCO and other City divisions. The current SOP application requirements and process have duplications and excessive requirements.

OUTCOME

The outcome of a potential change in the current process will result in the following;

1. Cost reallocation of approximately 224 hours of Licensing Administrator's time (Approximately \$10,841);
2. Reduction in turnaround time of 15 day application comment period;
3. Direct contact by the department in question, allowing for greater communication and enhanced customer service; and,
4. Potential loss of revenue of approximately \$9,744 (112 X \$87).

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The cost reallocations, and reduction on overall time greatly outweigh the potential loss in revenue in this business case. The reallocation of employee time can be better utilized in dealing with permanent liquor permits.

Moving forward, new brochures and leaflets will be created to assist citizens in their understanding of the requirements.

KL/AP/st