

## Request to Speak to a Committee of Council

4.7

If your request is for a specific committee meeting, this form must be received by NOON the day before the scheduled committee meeting. Requests for Monday meetings must be received the Friday before the meeting. Requests for meetings scheduled for the day after a statutory holiday must be received the last business day before the meeting.

### Standing Committee Requested

Kindly indicate which Standing Committee: \*

Planning Committee

### Requestor Information

Name of Individual: \* Daniel Rodrigues

Name of Organization: Ontario Restaurant Hotel & Motel Association

Do you or your organization represent a lobbyist (voluntary)  Yes  No

Contact Number: \* 905-966-0508

Email Address: \* drodrigues@orhma.com

Mailing Address: \* 2600 Skymark Avenue, Suite 8-201 Mississauga, ON L4W 5B2

Reason(s) for delegation request: \* ORHMA wishes to speak to the April 17th committee prior to their consideration of staff report (PED09127(f)) (City Wide)Liquor License Application Review Update. ORHMA has written to the committee and Council on this issue in the past and would also like our correspondence to appear on the agenda of the April 17th meeting. Thank you

Will you be submitting a formal presentation?\*  Yes  No

Requests to speak to Council are forwarded to the Standing Committee for consideration. Once considered by Committee, and approved, you will be notified of the date for your presentation.

This form is not for the purpose of presenting unsolicited proposals by Vendors to Committee. Such proposals are subject to a competitive process as required by the City's Purchasing Policy.

Personal information collected on this form is authorized under Section 5.10(2) of the City's Procedural By-law No. 10-053 for the purpose of contacting individuals and/or organizations requesting an opportunity to appear as a delegation before a Standing Committee and will be published with the Committee Agenda. The Voluntary Lobbyist Registry is a public document and will be available for viewing in the City Clerk's office. The Procedural By-law is a requirement of Section 238(2) of the Municipal Act. Questions about its collection can be directed to the Manager, Legislative Services / Deputy Clerk, City Hall, 71 Main St. W., Hamilton, ON L8P 4Y5 (905 546-2424 ext. 4304).



December 23, 2011

Mayor Bob Bratina  
Hamilton City Hall  
2nd floor - 71 Main St. West  
Hamilton, ON L8P 4Y5

**VIA EMAIL**

Dear Mayor and Members of Council:

On behalf of The Ontario Restaurant Hotel & Motel Association, (ORHMA) I am writing in regard to the Planning and Economic Development Department's Report number PED09127(e), Liquor Licence Application Review Update as presented to the Planning Committee on November 22, 2011. Of particular concern to the Hamilton area membership of the ORHMA and the provincial association as a whole, is the proposal to triple the cost for new applications for liquor licences within the City of Hamilton. The ORHMA is aware that the committee has considered this report in its current state and we would like to formally state our objection to the fee increase.

As the largest provincial hospitality association in Canada, the ORHMA is uniquely positioned to represent the foodservice industry's interests at both the Provincial and Municipal levels of government. With the long list of economic challenges faced by the industry on the form of fees and red tape, we need local governments that are willing to drive the economic stimulation that the industry needs to rebound and grow - in every Ontario community. The proposed new fee structure in Hamilton is not equitable, nor conducive to economic stimulation through new business growth or to new job development for licensed operators in Hamilton. As such, the ORHMA does not support the adoption of the new fee structure.

The fees proposed by the Planning Department do not take into consideration the imposition of the additional licensing application fees that must also be remitted to the Alcohol and Gaming Commission of Ontario (AGCO) to operate:

- \$1,055 licence application fee (if public notice is required in the majority of instances);
- \$925 fee if no public notice;
- and an up-front \$450 renewal fee after the initial two years.

Applicants may also have to pay for newspaper advertising if public notice is required, hire a professional engineer or architect to determine capacity plus incur the costs of server training fees upon issuance of the liquor license.

While we can appreciate the City of Hamilton's desire to effectively manage the application considerations, they do not have to re-invent the wheel and create a new licensing regime but rather we would suggest they find a more cost neutral way to dovetail onto the existing licensing framework wherein the AGCO already has an effective process with systems already in place. The public interest component i.e. meeting the needs and wishes of the community, is already addressed with the existing liquor licence application processes of the AGCO.

Prior to granting a liquor licence, the AGCO does consult with the municipality, as required by the Liquor Licence Act. Once licenced, these establishments generally have a good compliance record. In fact, more than three quarters of all foodservice establishments in Ontario are licensed to sell and serve liquor, and are guided by the Liquor License Act. Liquor sales licensees are licensed and inspected by the AGCO, and are server trained in responsible sale and service of alcohol, a system that is well established to monitor and control any new licenced establishments to ensure a high rate of compliance is maintained following the granting of such a licence.

The Hamilton based membership of the ORHMA urges the Planning Committee to consider the economic deterrent that is being created by the imposition of such an exorbitant application fee. The ORHMA is urging Council members to also consider the impact this would have on the hospitality industry's ability to create jobs and contribute to the very tax base that under this fee structure is being quashed in the name of administrative costs at the municipal level. Furthermore, we would suggest that strong compliance is often ensured as liquor licensees have much to lose through the improper sale of beverage alcohol as approved licensees are screened in terms of their appropriateness to hold a licence, which is achieved through the due diligence of the AGCO.

The Report acknowledges the following: *"Overall, a coordinated process for Special Occasion Permits is required, similar to the Liquor Licence Application Review Process. Staff is recommending that the Liquor Licence Review Coordinator be responsible for overseeing and managing the SOP application process to ensure a uniform and consistent response back to the AGCO, and that fees be established to assist in cost recovery."*

Given the anticipated number of applications for SOP's and the subsequent revenue generating opportunity that this presents, it would be our recommendation that the fee increase be focused mainly on the SOP applications as they are a one time expense incurred by the event operator. Restaurant and bar owners who wish to obtain a liquor licence are also subject to a myriad of other licencing fees, property taxes and other fixed expenses that the one time users of SOP's are not. We would urge the committee to go so far as to consider a two-tiered fee system which would ease the burden of the costs for new businesses by shifting the costs onto the one time SOP applicants.

Our members are all too well aware of the economic hardships caused by increased regulatory requirements and the associated fees. With this in mind, it is important to develop an application review process that meets the needs of all concerned. The recommendation presented by the Planning Department on November 22<sup>nd</sup>, 2011 does not consider the business perspective of potential new restaurant or bar owners who may be looking to invest in Hamilton. Furthermore, ORHMA does not support an increase to the cost of applying for a liquor licence because the impact on business growth will be impacted significantly.



Nevertheless, I believe if we work together we can find a workable solution. By including some measures of flexibility I think council can put together a bylaw that effectively balances new business growth and community concerns. The hospitality industry in Ontario is already plagued by razor thin profit margins, and potential new operators should not be penalized by another exclusive fee that will hinder their ability to open new businesses as such fees will cut into their profits significantly.

Thank you for your time, and I look forward to working with you on the development of a workable fee structure, one that takes into consideration the rights of restaurant and bar owners to operate successfully in the City of Hamilton.

Sincerely,

A handwritten signature in black ink, appearing to read "Elenis", is positioned above the typed name.

Tony Elenis  
President & CEO  
Ontario Restaurant Hotel & Motel Association

cc: all members of Hamilton City Council via email  
Rose Caterini, City Clerk via email