Attachment 1: Letter from the AGCO (August 11, 2014)

Alcohol and Gaming Commission of Ontario

Commission des alcools et des jeux de l'Ontario

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August 11, 2014

Ms. Tracey Cook
Executive Director, Municipal Licensing & Standards
City of Toronto
100 Queen Street West
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Toronto, ON
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Dear MsnCook,

As you know, MPP Peter Milczyn hosted a meeting at Queen's Park on July 31, 2014 to provide an opportunity for MPPs, City Councillors and staff from the AGCO and the City to have an open discussion on issues related to liquor licence applications within the City of Toronto.

At the meeting, Jean Major, our Chief Executive Officer, offered his commitment to clarify the intent of the March 14, 2014 email sent from Tamara Brooks, Deputy Director of Litigation at the AGCO, to City of Toronto Legal Services. He also committed to clarifying how and when conditions will be applied to a liquor licence in the short-term, while the committees and working groups you are establishing have time to do their work in developing a longer-term strategy.

I believe the July 31, 2014 meeting achieved a great deal of consensus about desirable outcomes, while recognizing that there may yet be differing views on how to achieve them. These include the desire to enhance public safety, promote safe and liveable communities, ensure compliance with all laws and regulations – whether municipal, provincial or federal – and ensure an appropriate balance between public and business interests. It was noted that the AGCO is not being expected to enforce municipal by-laws and we indicated that, repeated and demonstrated breaches of municipal by-laws, are certainly a factor we take into consideration on licensing and sanction decisions. As a result, I think there was a better understanding that no one body (i.e. AGCO, municipalities and the police) can achieve these outcomes alone and that a strong information sharing protocol is a key success factor. There was also an acknowledgement that the current situation may be untenable from a number of perspectives, particularly for applicants delayed by the process or for MPPs who are unable to provide the letter of support requested by the City.

On a very positive note, all present seemed reassured that there is a close and constructive working relationship among my staff, your staff and the Toronto Police Service. Please offer Carleton my thanks for his presentation at the meeting, which reaffirmed our collaborative approach, and for providing additional information on the working group's efforts toward our common goals of increasing compliance with the law, addressing the needs and concerns of the various stakeholder and community groups and increasing overall public safety.

With respect to conditions and the enforcement of conditions, there seemed to be agreement that any conditions attached to a liquor licence should be reasonable. As you know, it is our view that conditions should not only be related to specific and identifiable risks having regard to the location and type of establishment, but also be enforceable so as not to raise unrealistic expectations within the community. Having said that, existing liquor licence conditions remain in force and liquor licensees are required to comply with all conditions on their licence. I want to assure you that this commitment is still in effect.

To summarize, the AGCO has committed to the following:

- 1. Violation of laws, including municipal by-laws, are and will be a relevant factor to be considered by the AGCO in determining licence eligibility and the nature of any sanctions that may be imposed on a licensee;
- 2. Any conditions to be attached to liquor licences will be reviewed based on a number of factors, including practicality and enforceability and will be discussed between AGCO and MLS staff;
- 3. Existing conditions on liquor licences remain in force, and licensees are expected to comply with them; and
- 4. These are interim measures while the working groups have time to establish a longer-term strategic plan to address the various issues surrounding liquor licensees in Toronto.

Moving forward, we remain committed to helping resolve, where possible, disputes between liquor licence applicants and their neighbours, along with supporting mediation efforts by City Councillors. I am interested in exploring a model where community groups and the local City Councillor are able to work with City staff to discuss proposed conditions so that City staff can then discuss those proposed conditions with the AGCO to ensure consistency, enforceability and relevance to the particular establishment. We are also committed to finding ways to help you deal with public nuisance issues that arise from a liquor licence establishment while we focus our efforts primarily on broader public safety issues such as overcrowding, service to minors, hours of service and illegal behaviour.

I look forward to continuing our important work together and strengthening our information sharing practices to support safe communities.

Yours truly,

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Chief Operating Officer

c. Ali Arlani, Assistant Deputy Attorney General