

Subject: Food Premises Licensing Review

File Number: ACS-2026-EPS-PPD-001

**Report to Emergency Preparedness and Protective Services Committee on 23
March 2026**

and Council 8 April 2026

**Submitted on March 23, 2026 by Samantha Montreuil, Interim Manager, Public
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Ward: Citywide

Objet : Examen de la délivrance de permis pour les services d'alimentation

Dossier : ACS-2026-EPS-PPD-001

**Rapport au Comité des services de protection et de préparation aux
situations d'urgence le 23 mars 2026**

et au Conseil le 8 avril 2026

**Soumis le 23 mars 2026 par Samantha Montreuil, gestionnaire par intérim,
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Quartier : À l'échelle de la ville

REPORT RECOMMENDATION(S)

That Emergency Preparedness and Protective Services Committee recommend that Council approve the following amendments to the Licensing By-law (No. 2002-189, as amended):

1. New and updated definitions and regulations in the by-law and in Schedule 7, relating to food premises, as described in this report and in the general form set out in Document 1; and,
2. Updated regulations in Schedule 5, relating to amusement places, as described in this report and in the general form set out in Document 2.

RECOMMANDATION(S) DU RAPPORT

Que le Comité des services de protection et de préparation aux situations d'urgence recommande au Conseil d'approuver les modifications suivantes du *Règlement sur la délivrance de permis* (n° 2002-189, dans sa dernière version) :

1. L'ajout et la modification de définitions et de règles liés aux services d'alimentation dans le règlement et à l'annexe 7 décrits dans le présent rapport et selon les modalités générales exposées dans le document 1;
2. La modification de règles liés aux salles de divertissement à l'annexe 5 décrite dans le présent rapport et selon les modalités générales exposées dans le document 2.

EXECUTIVE SUMMARY

This report presents the results of the Food Premises Licensing Review and recommends updates and amendments to the regulations governing food premises under the Licensing By-law (2002-189, as amended). This by-law review was directed as part of the Council-approved 2023-2026 By-law Review Work Plan.

The results of this regulatory review indicate that business licensing regulations for the City's wide array of food businesses are working well to address public health and safety, protection of property including consumer protection, and nuisance abatement. However, staff have identified a limited number of updates and new regulations required to the existing licensing regime to address specific issues and gaps, as follows:

- Modernizing the definition of food premises to reflect the nature of current businesses operating in this area
- Creating a specific definition for shared commercial kitchens and;
 - Requiring that these businesses ensure that all clients using or renting their premises carry a minimum of \$2 million in commercial general liability insurance.

- Requiring an up-to-date log of all clients using the shared commercial kitchen to assist public health inspectors or municipal staff in addressing any issues with food safety or public health and safety;
- Creating a new offence for individuals who falsely claim that food was prepared in a shared commercial kitchen when it was not.
- Creating a new licensing category for food premises offering expanded activities such as live entertainment, music and dancing to specifically identify these uses, which will reduce the number of licenses these businesses require and adding regulatory tools to address and prevent incidents of excessive noise or problematic patron queuing outside of the premises.
- Combining existing amusement place and food premise licensing requirements into the new class of food premise license titled expanded activity food premises. Resulting in approximately 170 licensees only being required to obtain one municipal business license and not two
- Excluding home-based low-risk food businesses from the need for a business license as they are small, low risk businesses that are already subject to public health legislation.

Assumption and analysis

The recommendations of this report were informed by analysis and review of By-law and Regulatory Services service request and enforcement data for the period of 2022 to 2025, as well as consultations with current and prospective food premises licensees, and consultation with other community partners.

Staff consulted with licensed and prospective food premises through an online questionnaire as well as Business Improvement Areas (BIAs), Ottawa Tourism, the Ottawa Board of Trade, and Regroupement des gens d'affaires de la capitale nationale. This online questionnaire was conducted from July 28 to September 26, 2025, and 203 responses were received representing a broad industry cross-section. Feedback received indicated general support for existing food premises regulations and a desire for an online licensing application and renewal portal. 20 per cent of respondents stated they provide live entertainment at their food premise and 10 per cent of respondents indicated they rent out kitchen space to food entrepreneurs.

The findings of this work indicate that the City’s food premises regulations are still working well overall to ensure public health and safety in this sector and address protection of property, consumer protection, and nuisance abatement.

This report therefore recommends limited additions and amendments to the current licensing regime for food premises that focus on refining and modernizing regulations to better align with the current operational realities and to fill gaps to continue to ensure public safety and consumer protection of food premises in Ottawa.

The cost of administration, management, and enforcement of food premises regulations would be fully recovered through existing licensing fees, including regular inspections and supports services such as the Business Ambassador Service, which streamlines the licensing process for new food businesses. No new resources are requested to implement the regulatory changes in this report.

RÉSUMÉ

Le présent rapport fait état des résultats de l’examen de la délivrance de permis pour les services d’alimentation et recommande des mises à jour et des modifications aux règlements régissant les services d’alimentation en vertu du *Règlement sur la délivrance de permis* (n° 2002-189, dans sa dernière version). Cet examen a été demandé dans le cadre du Plan de travail de l’examen des règlements municipaux 2023-2026 approuvé par le Conseil.

Les résultats de cet examen de la réglementation indiquent que les règlements sur les permis d’entreprise pour le vaste éventail d’entreprises alimentaires de la Ville assurent adéquatement la protection de la santé et de la sécurité publique, la protection des biens – y compris la protection des consommateurs – ainsi que la réduction des nuisances. Le personnel a cependant relevé quelques modifications et nouveaux règlements à intégrer au régime actuel de délivrance de permis afin de répondre à des enjeux et de combler des lacunes :

- La modernisation de la définition des services d’alimentation pour mieux représenter la nature des entreprises actuellement en activité dans ce domaine;
- La création d’une définition précise des cuisines commerciales communes et :
 - l’obligation, pour ces entreprises, d’exiger que tous les clients qui utilisent ou louent leurs installations contractent une assurance responsabilité civile générale d’un montant d’au moins deux millions de dollars;
 - l’obligation, pour ces entreprises, de tenir à jour un registre de tous les

clients utilisant leurs installations pour aider les inspecteurs en santé publique ou le personnel municipal à intervenir en cas de problèmes liés à la salubrité des aliments ou à la santé et à la sécurité du public;

- la création d'une nouvelle infraction pour punir les particuliers déclarant faussement avoir préparé des aliments dans une cuisine commerciale commune;
- La création d'une nouvelle catégorie de permis pour les services d'alimentation proposant des activités supplémentaires, comme des spectacles, de la musique et de la danse, afin d'identifier clairement ces usages, ce qui réduirait le nombre de permis nécessaires pour ces entreprises, et l'ajout d'outils réglementaires visant à gérer et à prévenir les problèmes concernant le bruit excessif ou les files d'attente de clients à l'extérieur des établissements;
- Le regroupement des exigences de délivrance de permis pour les salles de divertissement et les services d'alimentation en une nouvelle catégorie de permis intitulée « services d'alimentation aux activités élargies ». Cela permettrait à environ 170 titulaires de permis de n'avoir qu'un seul permis d'entreprise municipale à demander plutôt que deux;
- L'exemption de l'exigence de permis pour les entreprises de produits alimentaires à domicile présentant un faible risque étant donné que ces petites entreprises comportant un risque limité sont déjà assujetties aux lois sur la santé publique.

Hypothèse et analyse

Les recommandations du présent rapport s'appuient sur l'analyse et l'examen des données liées aux demandes de service et à l'application des règlements des Services des règlements municipaux de 2022 à 2025, et sur des consultations menées auprès de titulaires de permis de services d'alimentation actuels et potentiels ainsi que d'autres partenaires de la communauté.

Le personnel a consulté les services d'alimentation titulaires d'un permis et les services d'alimentation potentiels par le truchement d'un questionnaire en ligne, ainsi que les zones d'amélioration commerciale (ZAC), Tourisme Ottawa, la Chambre de commerce d'Ottawa et le Regroupement des gens d'affaires de la Capitale nationale. Ce questionnaire diffusé du 28 juillet au 26 septembre 2025 a généré 203 réponses d'un vaste éventail d'acteurs du secteur. Les réponses reçues vont dans le sens d'un appui

généralisé aux règlements actuels encadrant les services d'alimentation ainsi que d'un intérêt pour la création d'un portail en ligne pour la délivrance et le renouvellement de permis. Vingt pour cent des répondants ont déclaré présenter des spectacles dans leur service d'alimentation, et 10 pour cent ont déclaré louer leurs installations à des entrepreneurs du secteur alimentaire.

Les résultats de cette démarche indiquent que les règlements de la Ville encadrant les services d'alimentation protègent encore adéquatement la santé et la sécurité du public dans ce secteur et jouent le rôle qu'ils ont à jouer pour la protection des biens, la protection des consommateurs et la réduction des nuisances.

Le présent rapport recommande donc un nombre restreint d'ajouts et de modifications dans le régime de permis actuel pour les services d'alimentation; ces ajouts et modifications porteront sur l'amélioration et la modernisation des règlements afin de mieux les arrimer aux réalités opérationnelles actuelles et de combler des lacunes pour continuer de protéger la sécurité publique et les consommateurs des services d'alimentation à Ottawa.

Le coût de l'administration, de la gestion et de l'application des règlements encadrant les services d'alimentation, y compris les inspections régulières et les services de soutien, comme le Programme d'ambassadeurs des entreprises qui simplifie la délivrance de permis pour les nouvelles entreprises de services d'alimentation, sera entièrement recouvert par les droits de permis actuels. La mise en œuvre des changements réglementaires présentés dans ce rapport ne nécessite pas de nouvelles ressources.

BACKGROUND

The City of Ottawa requires all food premises to obtain a business license in order to operate within the City. Under the City's Licensing By-law (No. 2002-189, as amended) a food premises includes a wide variety of food-related businesses that prepare or sell food for human consumption, including bakeshops, butcher shops, and eating establishments which include but are not limited to restaurants, cafés, cafeterias, dining rooms, and catering services, among others. There are currently over 3,000 licensed food premises operating in Ottawa. The cost of an annual food premises license is \$233 (2026). The licensing requirements for food premises are set out in Schedule 7 of the Licensing By-law.

Council direction

The Food Premises Licensing Review forms part of the Council-approved 2023–2026 By-law Review Work Plan ([ACS-2023-EPS-PPD-0001](#)). This review was included to support the ongoing comprehensive review and modernization of the City's Licensing By-law. The review also supports the Council strategic priority of a city with a diversified and prosperous economy.

Legislative history

The City's current licensing regulations for food premises have not been comprehensively reviewed since they were implemented in 2002 ([ACS2002-EPS-BYL-0013](#)) when pre-existing licensing requirements for this sector were harmonized after amalgamation. A harmonized business licensing regime for food premises was implemented for protection of public health and safety and protection of property (including consumer protection) by ensuring compliance with the *Health Protection and Promotion Act* and designated regulations, provincial requirements for fire safety and Building Code, and applicable municipal by-laws including property standards and maintenance, building, and zoning, among others. Additionally, the business licensing regime for this sector addresses nuisance issues, enables identification and monitoring of businesses, and ensures cost recovery through licensing fees for administration of the licensing program as well as inspections and enforcement.

Schedule 7 of the Licensing By-law was amended in 2003 through a minor amendments report [ACS2003-EPS-BYL-0004](#) which clarified that establishments selling only pre-packaged foods, frozen drinks, or hot beverages were not required to obtain a food premises license. This report also added discretion for the Chief License Inspector to waive required inspections for fire, public health and zoning if determined to not be

applicable in a particular case. An additional amendment was made in 2006 [ACS2006-CPS-BYL-0002](#) which created exemptions for soup kitchens, residential live-in care services, and similar charitable operations from the requirement to obtain a food premise license. None of these previous amendments are affected by this report's recommendations.

Jurisdictional scan and legislative landscape

The regulation of food premises through business licensing is a common practice across Ontario. In Ontario, the cities of Brampton, Hamilton, London, Markham, Mississauga, Oshawa, Toronto, Vaughan, and Windsor, in addition to Ottawa, currently implement business licensing regimes for food premises. While business licensing by-laws vary in specific detail and fee structures, the following fundamental requirements for operating a food premises are consistent across these municipalities, including Ottawa, in order to ensure public health and safety, protection of property and consumer protection, and nuisance abatement:

- Insurance coverage: Mandatory commercial general liability insurance, often with a minimum coverage level (e.g., \$2,000,000 in Brampton), to ensure consumer protection in the event of a claim
- Compliance with provincial public health legislation: Verification that the business complies with the Ontario Food Premises Regulation (Reg. 562/90) under the *Health Protection and Promotion Act*. This typically requires a passing inspection from the local Public Health Unit.
- Fire and building code compliance: Certification that the physical structure and operational capacity of the business meet all requirements under the Ontario Building Code and the Ontario Fire Code. This typically involves inspections by municipal building and Fire departments.
- Zoning approval: Confirmation that the proposed business use is permitted at the specific location under the local municipal Zoning By-law.

In addition to the above, food premises are also subject to the *Accessibility for Ontarians with Disabilities Act (AODA)* and the *Integrated Accessibility Standards Regulation (O.Reg.191/11)*

Implementation of online licensing solution

While outside of the scope of the by-law review, staff in By-law and Regulatory Services

are working towards an online licensing solution, which will effectively serve as the “One-Stop-Shop” for licensing application and renewal. This online program is expected to save licensees time by allowing them to apply for and renew their business license online. The issue of only having in person licensing applications and renewals was flagged by licensees during our food premises questionnaire. Licensees reported being frustrated having to take time to attend in person at a client service center, and at times attend more than once to provide documentation and make payment for a license. Licensees reported wanting to be able to complete and renew license applications online, without having to leave their business, where possible. This program is expected to be available in the fall of 2026.

DISCUSSION

Staff are recommending amendments to the Licensing By-law (By-law No. 2002-189, as amended), including Schedule 7 concerning food premises licensing and Schedule 5 concerning amusement places, as described below and set out in Document 1 and 2. Overall, the Food Premises Licensing Review revealed the current licensing regulations for food premises are working well to address issues of public health and safety, protection of property including consumer protection, and nuisance abatement. Internal City staff in By-law and Regulatory Services, Ottawa Public Health, and Ottawa Fire Services consulted throughout this review expressed confidence that current regulations for food premises are both effective and required.

However, staff have identified the need for updated and new regulations to account for shared commercial kitchens and to create additional tools to address excessive noise and patron management in food premises having live entertainment and in order to ensure consistency these additional tools are also recommended for licensees in the amusement place category, which may not necessarily be food premises.

Staff also recommend that home based food premises that are preparing low risk foods be excluded from the food premises licensing regime as they present a low risk and are sufficiently regulated through provincial health legislation, as further discussed below. Other recommended amendments will remove red tape in business licensing processes and modernize definitions within the by-law.

What is a food premises?

For the purposes of the Licensing By-law (No. 2002-189, as amended), food premises include a wide range of businesses that prepare, sell, or serve food for human consumption including bake shops, butcher shops, restaurants, cafeterias, coffee shops, take-out establishments, and catering operations, among others. Food premises

require a business license to operate in Ottawa and are specifically regulated under Schedule 7 of the Licensing By-law.

Amendments to terminology

Staff propose updates to the definition of food premises to better reflect the evolving nature of these businesses in Ottawa. Specifically, the following changes are recommended, as more specifically set out in Documents 1

- Expanded definition: The term food premises would be revised to include a shared commercial kitchen. These are facilities that rent kitchen space to one or more independent food operators who prepare food and sell it elsewhere, as further discussed below. This change acknowledges the growing prevalence of shared-use models for food businesses and ensures that these facilities are clearly captured under the business licensing framework to ensure public health and safety, consumer protection, protection of property and nuisance abatement.
- Terminology update: The term “eating establishment” that is currently in the licensing regulations for food premises would be replaced with “restaurant” to improve clarity and align with terminology used in the City’s Zoning By-law.

These changes are intended to improve regulatory clarity, ensure consistency across City by-laws, and support effective oversight of emerging food business models.

License exemption for home-based low-risk food businesses

A home-based low-risk food business refers to a business operated from a residential unit that exclusively prepares and sells low-risk foods. These businesses are typically small-scale and often run by individuals or families and will be a permitted use in residential areas under Zoning By-law No. 2026-50. As defined by the Ontario Ministry of Health, low-risk foods are considered non-hazardous and do not require time or temperature control for safety. Examples of low-risk foods include:

- Breads and buns without meat or cream fillings
- Most baked goods without custards
- Chocolate, fudge, toffee, brittles and hard candies
- Granola, trail mix, nuts seeds
- Cakes, brownies, muffins and cookies that do not require refrigeration

- Coffee beans and tea leaves

Staff recommend that home-based businesses preparing only low-risk foods be exempt from the requirement to obtain a food premises license under the Licensing By-law. These businesses are deemed to be low-risk and are already regulated under the Health Protection and Promotion Act in addition to applicable City by-laws, as described further below. This exemption is therefore intended to:

- Support small-scale entrepreneurship and economic participation.
- Reduce administrative burden for low-risk operations.
- Align with provincial regulations that already permit such businesses under specific conditions.

This approach balances public health protection with economic opportunity, while ensuring that food safety standards are upheld through targeted enforcement and oversight.

Existing regulatory oversight of home-based low-risk food businesses

On January 1, 2020, the Province of [Ontario introduced changes to the Food Premises Regulation under the Health Protection and Promotion Act](#) to make it easier for individuals and businesses to operate home-based food businesses. These changes allowed operators such as private chefs and farmers' market vendors to sell low-risk food that was prepared at home, provided they comply with the provincial public health legislation and its Food Premises Regulation. This regulation sets out food safety standards and other requirements for food premises and is overseen and enforced by public health inspectors in Ottawa Public Health.

In addition, the provincial legislation for home-based food businesses include an obligation to notify their local public health unit before starting operations. Ottawa Public Health will therefore be responsible for receiving these notifications, providing information to these businesses, and administering and enforcing the provincial health legislation as necessary.

Previously, these home-based food premises were not permitted under the Zoning By-law (No.2008-250). The new Zoning By-law No. 2026-50 includes an exemption for home-based food businesses operating within a residential unit provided that they are preparing low-risk foods only. Staff note that these businesses would also be subject to existing applicable municipal by-laws addressing property standards, property

maintenance, solid waste management, and noise, among others, and which would be applied and enforced by By-law and Regulatory Services as needed. The preparation of food that is not low-risk is not permitted in a residential unit (a home) and would be required to re-locate to a suitably-zoned area and obtain a food premises business license.

Local challenges and perspectives

Feedback received from licensed food premises received during this by-law review indicated concerns related to home-based low-risk food businesses:

- **Unregulated competition:** Licensed operators report that home-based businesses benefit from lower overhead costs and limited regulatory oversight, allowing them to offer products at reduced prices. This is perceived as creating an uneven playing field.
- **Public health concerns:** There is apprehension that some home-based operators may not follow proper food safety practices, potentially posing risks to consumers.
- **Confusion and awareness:** Many respondents are unaware of the specific limitations placed on home-based food businesses, particularly the restriction to low-risk foods.

Despite these concerns, there is general support from questionnaire and discussion paper respondents for small-scale food entrepreneurs who operate safely and within the law. Comments received from questionnaire respondents made reference to “home-based bakers, and people preparing and selling cookies and muffins”. Respondents advocated for minimal but effective regulation to support these businesses and attempts at entrepreneurship.

Shared commercial kitchens

A shared commercial kitchen is a licensed food premise that rents kitchen space to multiple food entrepreneurs, caterers, and small-scale operators who do not have access to their own commercial kitchen. These facilities provide access to professional-grade equipment and food-safe environments, enabling emerging businesses to prepare food for sale without the overhead of owning a dedicated space. The primary users of these shared premises include food entrepreneurs and small businesses launching new products, catering operations preparing food for festivals, weddings, and conferences, and mobile food services (like food trucks) needing a central, licensed facility for preparation and cleaning. They are also essential for specialty food producers (such as artisanal bakers and meal preparation services), delivery-focused concepts like ghost kitchens (or virtual restaurants) that operate exclusively through platforms like Uber Eats and Skip The Dishes, and established businesses requiring flexible space for expansion or overflow production.

Although licensed shared commercial kitchens currently represent a small number of the total licensed food premises in Ottawa, accounting for 10 per cent of respondents in staff's questionnaire, this is a rapidly growing segment. Existing shared commercial kitchens report consistent yearly growth, fueled by the rising popularity of the ghost kitchen model, the expanding digital delivery ecosystem and increased food entrepreneurship.

Current licensing approach

Under the Licensing By-law, shared commercial kitchens are not currently explicitly defined or regulated as a distinct category of food premises. They are generally treated as standard food premises, with the license held by the facility owner.

Input received during this review indicated that a lack of distinct recognition for this business category created confusion for licensees regarding the legal and regulatory responsibilities of individual users versus the facility owner, whether individual users required their own food premises license, and the insurance coverage and liability for facility users, among other concerns. Despite these concerns many food premises licensees advocated for a licensing model that supports small-scale food entrepreneurs while maintaining food safety standards.

As a result, staff recommend creating a distinct definition for shared commercial kitchens so that they can be formally included in the food premises licensing category, and that a small number of specific regulations be introduced to capture this particular class and account for the differences in the way they operate from typical food premises.

Proposed changes in the updated by-law

To address the particular business model of shared commercial kitchens and the feedback received from licensees, and to modernize the licensing framework, the updated Schedule 7 of the Licensing By-law (Document 1) proposes the following with respect to shared commercial kitchens:

- **Explicit inclusion:** shared commercial kitchens will be included in the definition of a food premises
- **Insurance requirements:** Operators of shared commercial kitchens must ensure that all clients using or renting their premises carry a minimum of \$2 million in commercial general liability insurance.
- **Client log maintenance:** Operators will be required to maintain an up-to-date log of all clients using the facility to prepare or package food, or for any other food-related purpose. This log must be made available upon request to municipal law enforcement officers and public health inspectors. This will ensure transparency with respect to who is preparing the food, and will ensure that any concerns from a public health perspective or that issues of potential non-compliance can be efficiently investigated and remediated, and will assist in providing guidance and education where needed.
- **Misrepresentation offence:** A new offence is proposed for individuals who falsely claim that food was prepared in a shared commercial kitchen when it was not, as set out in Document 1. This proposed offense directly responds to significant concerns raised by existing shared commercial kitchen operators. Currently, when a user rents space at a shared kitchen, they receive an attestation confirming the dates and location of their food production. This certification is often required by retailers and distributors as proof of preparation in a licensed facility before the product can be sold to the public.

Operators have expressed concerns that individuals may at times misrepresent their food as having been prepared at the licensed commercial kitchen, when it

was actually prepared in an unlicensed facility or at home. The establishment of this new offense is intended to deter this specific misrepresentation, thereby protecting consumers and upholding the integrity of the food safety system.

These proposed amendments and new regulations will enhance transparency, accountability, and public health protection while supporting the growth of innovative food business models.

Expanded activity food premises

This report recommends the creation of a new class of licensed food premises offering expanded activities, such as a restaurant or a café with live entertainment or other activities beyond standard food service. Expanded activities can include live music, dancing, trivia nights, or themed events, among other entertainment. These venues previously required both a food premises license and an amusement place license under separate schedules of the Licensing By-law.

To streamline the licensing process and reduce administrative burden, staff propose a combined licensing category under the revised Schedule 7 (Food Premises) of the Licensing By-law. This new category will consolidate requirements for food premises that offer entertainment, eliminating the need for a separate amusement place license.

Issues identified with expanded activities

Food premises in Ottawa receive approximately 3000 service requests annually, 25-30 per cent of which are related to noise.

Table 1. Number of service requests related to food premises per year

Year	Food premises service requests
2022	3880
2023	3171
2024	2132

Of the service requests that occur at licensed food premises between 750 and 920 are noise complaints, resulting in an average of approximately 862 noise complaints per year at food premises in Ottawa between 2022 and 2024.

Table 2. Number of noise service requests as food premises per year

Year	Noise Complaint SRs
2022	912
2023	926
2024	750

The staff within By-law and Regulatory Services address all service requests using a progressive enforcement model. This approach includes providing education and the use of verbal warnings where appropriate and progresses to issuing Provincial Offences Notices to resolve non-compliance issues

Between 2022 and 2024, staff issued approximately 25 to 45 warning letters and by-law infraction notices, and 25 to 45 Provincial Offences Notices (PON), specifically related to noise at food premises. While the overall number of enforcement actions taken for noise violations at food premises might not appear significant, the community impact of these specific violations can be substantial.

Table 3. Number of enforcement actions and type per year at food premises

Year	By-law infraction notices	Warning Letters	Part I PONs	Part III PONs
2022	4	31	40	5
2023	4	39	41	3
2024	5	19	20	3

Patron conduct immediately outside of certain establishments presents a recurring challenge for municipal services, including Public Works, By-law and Regulatory Services, Ottawa Paramedics, and Ottawa Fire Services. Specifically, expanded activity food premises and amusement places, which often serve alcohol, can contribute to public safety risks as patrons exit directly onto streets and sidewalks and line up prior to entry.

Since these events typically occur on public roadways and are not tied to a fixed civic address, it is challenging to connect service request data (e.g., traffic complaints, paramedic responses) directly back to a licensed establishment. However, throughout the consultation process, staff feedback supported creating a mechanism to require a patron management plan for establishments on an as-needed basis.

Zoning By-law changes

In addition, it is noted that the newly introduced Zoning By-law No. 2026-50 removed minimum separation distances for nightclubs that were previously in place within Ward 12. The removal of the minimum separation distances means that it is possible that nightclubs and expanded activity food premises can open within close proximity to one another. During consultations, staff heard concerns that the removal of these minimum separation distances may result in more noise complaints from nightlife-based establishments as these businesses open in more locations which were previously not permitted. The proposed expanded authority for the CLI to address repeated non-compliance with the noise by-law as well as challenges with patron management in front of expanded activity food premises will assist By-law and Regulatory Services staff in managing requests for service at these premises.

Proposed authorities for the Chief License Inspector

Additional tools are recommended to allow the Chief License Inspector to impose mitigation and preventative measures at the cost of the licensee to prevent instances of excessive noise and issues with patron management and to mitigate public nuisances that these instances create in the community. The updated by-law set out in Document 1 proposes expanded authorities for the Chief License Inspector to require mitigation measures as follows:

Noise mitigation measures

- Require expanded activity food premises to close doors and windows during entertainment hours.
- Mandate relocation of noise-generating equipment within the premises.
- Impose a requirement for a professional engineer's report with recommendations for compliance in the event of repeated violations of the noise by-law, at the licensee's expense.

- These professional noise reports are currently required for certain outdoor special events occurring in the City of Ottawa.
- Several Ottawa-based engineering firms specialize in acoustic noise measurement and noise attenuation and are available to conduct these specialized assessments.
- The costs of these reports varies significantly, generally ranging from \$3,000 to tens of thousands of dollars. Pricing is determined by the scale of the venue, its unique site characteristics, the complexity of the assessment, and the level of mitigation/ remediation planning necessary to achieve compliance.

Patron line-up management

In the event of ongoing complaints related to patron conduct outside the premises, require licensees to develop and implement plans to manage outdoor queues, reduce public disturbances, and ensure pedestrian safety. These plans would be triggered by repeated complaints or violations of City regulations related to sidewalk or roadway encumbrance.

The Chief License Inspector would have the authority to impose the above-noted mitigation measures and corrective actions and, if necessary, use existing powers within the licensing regime to place a condition on a license, to take enforcement action, or to suspend a license as may be necessary and appropriate in cases of persistent non-compliance.

Current license extensions

Current food premises and amusement place licenses are set to expire on March 31, 2026. To ensure a smooth transition staff propose a two-month extension for all currently issued food premises and amusement place licenses, moving the expiration date to May 31, 2026. This extension is necessary for two key reasons:

1. It will provide staff with the required time to adjust internal processes and systems to accommodate the new expanded activity food premises license class.
2. It allows current licensees who hold both a food premise and an amusement place license the opportunity to transition to the single expanded activity food premises license.

Integration with amusement place licensing changes

The proposed changes to Schedule 7 for food premises found in Document 1 will work in tandem with the recommended updates to the Amusement Place license in Schedule No. 5. The benefits of consolidating licensing requirements for food premises that offer entertainment are to:

- Simplify the application and renewal process for businesses.
- Ensure consistent enforcement of noise and patron management standards.
- Maintain public safety, mitigate nuisances and ensure community well-being while supporting vibrant nightlife and entertainment venues.

This integrated approach reflects feedback from licensees and stakeholders, who expressed a desire for clearer regulations, streamlined licensing, and fair enforcement mechanisms tailored to the unique challenges of entertainment-focused food premises.

Cost recovery through licensing fees

The City of Ottawa's licensing by-law is designed to recover the costs of By-law and Regulatory Services for the administration, management and enforcement of business licensing requirements for these categories, in accordance with Council's Fees and Charges Policy. For 2026, the annual licensing fee is \$233 for a food premises and \$215 for an amusement place. Staff are proposing a consolidated fee of \$448 for the new expanded activity food premises licence, which reflects the combined cost of both licence types while requiring only a single application. This approach maintains full cost recovery and reduces administrative burden for affected operators.

The licensing regimes funded through these fees helps the City ensure compliance with applicable standards and requirements and through regular inspections and supports services such as the Business Ambassador Service, which streamlines the licensing process for new food businesses. No new resources are requested to implement the regulatory changes in this report. The existing staff complement within By-law and Regulatory Services will implement the new regulations.

CONCLUSION

The recommendations in this report modernize the City's food premises licensing framework while maintaining full cost recovery and avoiding additional resource pressures. The recommended changes improve regulatory clarity, streamline licensing for businesses offering expanded activities, and introduce targeted tools to address

emerging business areas such as shared commercial kitchens. By aligning licensing requirements with current operational realities and retaining a fee structure that fully funds administration, inspections, enforcement, and business support services, the recommendations strike an appropriate balance between public health and safety, consumer protection, nuisance mitigation, and economic vitality. No additional financial resources or full-time equivalents are required to implement the proposed regulatory changes. The existing staff complement within By-law and Regulatory Services will implement and administer the updated licensing framework within approved operating budgets.

These measures ensure that the City's licensing regime remains effective, fair, and sustainable, supporting both community wellbeing and a diverse, thriving food sector.

FINANCIAL IMPLICATIONS

There are no financial implications to approving the recommendations in this report.

LEGAL IMPLICATIONS

There are no legal impediments to implementing the recommendations in this report.

COMMENTS BY THE WARD COUNCILLOR(S)

This by-law applies City-wide.

CONSULTATION

As part of this Review, City staff undertook a comprehensive consultation and engagement process to gather input from licensees, prospective business owners, community stakeholders, and internal City departments. The goal was to ensure that proposed changes to the Licensing By-law reflect the realities of the food premises sector and support public health and safety, among other important goals.

As part of this by-law review, staff consulted and engaged with the following groups:

- Licensed food premises: Through a city-wide online survey distributed to all current licensees, which ran from July 28 – September 26, 2025.
- Prospective food premises owners: Targeted outreach through business associations and community networks.

- Industry stakeholders: Including Business Improvement Areas (BIAs), Ottawa Tourism, the Ottawa Board of Trade, and Regroupement des gens d'affaires de la capitale nationale.
- Policy options discussion paper: A discussion paper on the proposed policy options for the by-law review was circulated to all licensees, community partners and collaborators.
- Internal city departments: Staff engaged with Ottawa Public Health, By-law and Regulatory Services, Ottawa Fire Services, and Building Code Services to ensure alignment with operational and safety standards.

How we consulted:

- Online survey: Conducted from July 28 to September 26, 2025, with over 200 responses representing a broad cross-section of the industry.
- In-person engagements: Focused sessions with shared commercial kitchen operators.
- Written feedback and direct outreach: Stakeholders were invited to submit comments via email, phone, and mail.

What we heard:

Consultations with food premise licensees confirmed general support for licensing requirements but revealed significant challenges in implementation and enforcement, primarily stemming from a need for greater administrative efficiency, regulatory clarity, and modernization.

Administrative process issues

Licensees are excited for a streamlined "One-Stop Shop" licensing tool. Key pain points include:

- Mandatory annual renewal: Viewed as inefficient and problematic.
- Multiple visits: 41 per cent of respondents required 2 to over 5 visits to a Client Service Centre to finalize applications, often due to a lack of coordinated sign-offs across municipal services.

Expanded activity food premises

Approximately 20 per cent of licensees offering services past 11:00 PM or hosting live music expressed concern over vague noise regulations and difficulty with compliance.

They desire more precise, measurable standards and a transparent enforcement process.

Shared commercial kitchens

For the nearly 10 per cent of licensees who rent space to third parties they reported facing significant regulatory and liability confusion due to current by-laws:

- Responsibility confusion: Unclear where legal/regulatory responsibility lies for violations (licensee vs. unlicensed tenant).
- Licensing gaps: Concerns that by-law does not adequately regulate the individual third-party users operating within the shared space.
- Insurance guidance: Operators require clearer direction on whether their Commercial General Liability insurance covers third-party renter activities.

How feedback informed recommendations

The feedback received was instrumental in shaping the recommendations in this report. Key themes that emerged and influenced policy proposals include:

- Support for streamlined licensing: Respondents advocated for a simplified, digital-first licensing process.
- Clarification of roles and responsibilities: Especially in shared commercial kitchens and home-based food businesses.
- Concerns about fairness and enforcement: Many licensees expressed the need for consistent enforcement and a level playing field.
- Desire for modernization: Calls for clearer definitions, updated terminology, and alignment with current business practices.

This input directly informed proposed changes such as the exemption for home-based low-risk food businesses, the formal recognition and regulation of shared commercial kitchens, and the creation of a new category for Expanded Activity Food Premises.

ACCESSIBILITY IMPACTS

Staff are committed to ensuring that accessibility was considered during the development of the Food Premises Licensing By-law Review. As such, staff applied the By-law Review Accessibility Checklist to identify, consider and address accessibility impacts throughout the By-law Review Process, including during the assessment and scoping phase.

All material developed for the public was compliant with the City's obligations under the Accessibility for Ontarians with Disabilities Act and the Integrated Accessibility Standards (O.Reg. 191/11). In accordance with City of Ottawa's Accessibility Policy, alternative formats and supports were made available upon request.

RISK MANAGEMENT IMPLICATIONS

There are no risk implications associated with this report.

RURAL IMPLICATIONS

The survey of licensees conducted as part of this review included feedback from food premises operating in rural areas, which comprised approximately 10 per cent of total respondents. Of these, 45 per cent provided specific input on whether rural food premises should be subject to special considerations under the regulatory framework.

Responses revealed a divided perspective. Approximately 23 per cent emphasized the importance of maintaining uniform health and safety standards across all food premises, regardless of geographic location. These respondents advocated for a consistent regulatory approach, citing that public health risks are not diminished by rural settings and that uniformity ensures equitable protection for all consumers.

Conversely, 45.8 per cent of respondents expressed support for tailored considerations for rural food premises, highlighting unique challenges such as:

- **Economic disadvantages:** Lower population density and customer traffic in rural areas often result in reduced revenue potential. These businesses may also face higher costs related to transportation, supply logistics, and infrastructure, prompting suggestions for financial relief measures such as reduced licensing fees or tax incentives.
- **Operational and Infrastructure constraints:** Rural establishments may operate in areas with limited access to municipal services, including water and waste disposal systems. Additionally, many rural food premises operate seasonally or part-time, necessitating flexible regulatory approaches to accommodate these operational realities.

The remaining 31.3 per cent of responses either expressed uncertainty or addressed unrelated concerns.

These findings suggest that while maintaining public health standards remain a priority,

the prevailing sentiment among those advocating for uniform standards supports the application of city-wide regulations to ensure consistent public health, safety, and equitable consumer protection across all geographic areas, including rural food premises.

TERM OF COUNCIL PRIORITIES

This report supports the following strategic priorities identified in the 2023 to 2026 Term of Council priorities:

- a city with a diversified and prosperous economy by supporting the comprehensive review and modernization of the City’s Licensing By-law”.

SUPPORTING DOCUMENTATION

The following documents immediately follow this report:

Document 1 – A by-law of the City of Ottawa to amend By-law No.2002-189, as amended, with respect to the licensing and regulation of food premises

Document 2 - A by-law of the City of Ottawa to amend By-law No.2002-189, as amended, with respect to the licensing and regulation of amusement places

DISPOSITION

Following approval of this report’s recommendations, Emergency and Protective Services together with Legal Services will prepare the required amending by-law for enactment by Council and will apply for appropriate set fines from the Province of Ontario in accordance with applicable processes. All related administrative requirements for implementation of the by-law and repeal of the existing by-law will be undertaken. In addition, education material and updates to Ottawa.ca will be completed with information related to updated regulations.