

Date: December 13, 2018

To: All LCRB Staff
All licensees
All industry associations
All local government, First Nations and police agencies

Re: Dormancy Extensions

Please note: this policy directive replaces policy directive 16-14 (part 9)

1. Dormancy

Current Policy

Except in prescribed circumstances, the general manager must cancel a licence if it is in the general manager's opinion that the licence is dormant because the licensee has not operated the establishment for two years.

The prescribed circumstances are: the establishment sustained substantial damage caused by a fire, flood or other event beyond the licensee's control, and renovations were started within two years and work on the renovations is continuous until the establishment is re-opened.

Licensees are required to notify the branch whenever they cease operations. If an establishment has multiple service areas the licence is only considered dormant if all areas are not operating.

New Policy

If a licensee can demonstrate to the general manager that they are making every effort to resume operations within the two-year maximum dormancy period or as soon afterward as possible, the general manager may now grant an extension to the dormancy period in the following circumstances:

- Renovations which would normally be completed within the two-year dormancy period are delayed because of factors beyond a licensee's control,
- A fire, flood, or other event beyond a licensee's control and requires renovations that cannot be completed within a two-year dormancy period,
- The licensee is voluntarily demolishing and replacing the building they own where the establishment is located and is unlikely to complete the rebuild within the two-year period,

- The landlord, where the licensee's establishment is located, initiates construction that prevents the establishment from operating, construction extends past the end of the dormancy period, and the establishment becomes operational as soon as possible after the construction is completed.

Explanation

There are other construction related circumstances beyond a licensee's control, in addition to fire or flood under which the general manager should be able to consider granting an extension to the two-year maximum dormancy period.

Please note:

All licensees who have been dormant for two or more years have until January 23, 2019, to restart operations unless they qualify for an extension to the dormancy status.

Further Information

Further information regarding liquor control and licensing in British Columbia is available on the Liquor Cannabis and Regulation Branch website at:

<http://www.gov.bc.ca/liquorregulationandlicensing>

If you have any questions regarding these changes, please contact the Liquor and Cannabis Regulation Branch toll free in Canada at 1-866-209-2111 or 250 952-5787 if calling from the Victoria area.

Original signed by

Dugald Smith,
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