



STAFF REPORT ACTION REQUIRED

Improving Special Events Related Services and Permitting Processes

Date:	September 6, 2013
To:	Executive Committee
From:	Brenda Patterson, Deputy City Manager
Wards:	All
Reference Number:	

SUMMARY

This report recommends continuing improvements to the City's special events related services and permitting practices to support the ever growing Festival and Event industry in Toronto.

Based on four consultations with special event stakeholders, this report proposes the following improvements to the City of Toronto's special events-related services and permitting practices:

- Creating consistent language and standard definitions for special events.
- Authorizing blackout periods on new and existing events when the City is host to large or high profile events.
- Developing a policy for holding and reserving dates for special events at major city event venues.
- Requesting a Special Event User Fee Waiver Policy be developed.
- Reiterating insurance requirements for special events.

These improvements will be completed in a series of stages by 2015 leading to, improved customer service and support to the special events industry as well as to greater staff efficiencies.

A separate report is also being submitted by the City Manager recommending a governance framework for Toronto's Public Squares which improves coordination and consistency in the management of these important public spaces. This strengthened approach will improve the use of all public squares and is of particular significance to a revitalized Nathan Phillips Square – Toronto's seat of government – where new program features will be operational in 2014.

Another separate report is submitted to Parks and Environment Committee by the General Manager of Parks, Forestry and Recreation that addresses some of the same issues in parks as are discussed here for other areas of the public realm.

RECOMMENDATIONS

The Deputy City Manager, Cluster A recommends that:

1. City Council approve the Standard Definition (Table 1), Criteria (Table 2) and Categories (Table 3) for Special Events as outlined in this report.
2. City Council authorize the City Manager to impose a blackout on new and existing events when the City is host to a significant event as required from time to time.
3. City Council authorize the General Manager, Economic Development and Culture Division, to develop and implement, in consultation with appropriate divisions, a policy for holding and reserving dates at major city event locations.
4. City Council authorize the Deputy City Manager, Cluster A, to develop a Special Event User Fee Waiver Policy and report back to the Executive Committee prior to the 2015 budget cycle.
5. City Council continue to require all event organizers to indemnify the City and obtain General Liability Insurance sufficient to protect the City from any liability in connection with the holding of a special event in accordance with City special event permitting policies.

Financial Impact

The Council-approved *User Fee Policy* provides that user fees should be set to recover the full cost from those who receive a direct benefit from the service. However, certain factors may exist that warrant recovery of less than full cost, or not to recover costs at all. Currently, the City provides limited financial support to event organizers and those who receive support through an established grant program are usually either the largest annual festivals/organizations or new start up events. The only City Division with a policy regarding fee waiving is Parks, Forestry and Recreation, while in other Divisions the decision-making process appears to be ad hoc and inconsistent.

This Report recommends that a *Special Events User Fee Waiver Policy* be developed and be consistent with the City's *User Fee Policy*. It will outline specific conditions, criteria, justifications and time periods for waiving user fees, in whole or in part, for groups and organizations delivering special events. The policy will facilitate better user fee revenue planning and projection, as well as set out options for addressing the financial implications resulting from offering full or partial user fee waivers to special event organizers.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

City Council and the Economic Development Committee have directed staff, through a number of reports and recommendations, to address the improvement of services and permit processes for special events:

In August 2010, Council adopted the staff report *Customer Service Strategy for Special Events-related Services and Permitting Processes*. The report directed staff to review and recommend options for: enabling more consistent processes and policies in special event permitting, providing consistent fee waiver and reduction practices, and establishing a one-window event capability.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2010.EX46.26>

In January 2012, Council adopted the *Comprehensive User Fee Review* which recommended: City Council request the City Manager to undertake a comprehensive review of special events related services, fees and permitting processes, including a strategy to ensure consistent use of the City's civic squares, and report back no later than the 2013 Budget process.

<http://www.toronto.ca/legdocs/mmis/2012/ex/bgrd/backgroundfile-44212.pdf>

In October 2012, Council referred, the report titled *Strategy for Special Events Related Services and Permitting Processes* with eleven additional motions. This Report included a number of suggestions for improvements to the services supporting special events. The referral asked that the Report, when it returned, be concurrent with the report on "Use of Civic Squares" and that further consultation be done with key stakeholders.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2012.EX22.5>

This present Report updates the content in EX22.5, addresses many of the additional motions included in the Referral and reports on the consultations undertaken prior to and subsequent to the referral.

COMMENTS

Following the Referral of EX22.5 staff from four areas, City Manager's Office, Chief Corporate Officer, Parks, Forestry and Recreation, and Economic Development and Culture worked with the Deputy City Manager, Cluster A, to co-ordinate the development of three Reports that would address Council's recommendations attached to the referral of EX22.5.

Parks, Forestry and Recreation undertook to address the items pertaining to parks in a separate report. The report addresses a number of motions remaining from EX22.5.

The City Manager's Office has prepared a report on a new approach to managing the civic squares and it is being presented to the same Executive Committee as is this Report.

The remaining items from the referral and from the original report are addressed in this report. At the same time, staff have been developing a number of initiatives to improve the services in support of special events:

- Council approved in the 2013 Capital IT budget further funds to help consolidate all of the various special event related permit application forms, approvals, and service requests into one single application pack through the development of Event PaL.
- Staff are working with Divisions to try to achieve, where practical, a 6 week service standard for processing special events permit applications and approvals (from the date of submission to final approval). One aspect is to improve notifications and communications for pre-event assessment and application review
- Staff are also working to achieve a target of doing a post-event assessment with event organizers within 6 months of the event.
- Staff also are trying to work with larger private venue events (ones that might not require any City permits) ahead of time to anticipate whether there will be an unusual strain on City services.

The balance of this Report includes details on the consultation process, some specific recommendations carried over from the original EX22.5 as well as answers to a number of the motions that were attached to the referral.

Consultations

Throughout 2011 and 2012, extensive consultation was conducted through interviews, information and document gathering, focus groups and in-person meetings to obtain feedback into City of Toronto services to special events through permits and direct services. Please see *Attachment #1 "Consultation & Fact Finding Summary"* for more information.

Following the October 2012 City Council meeting, 176 event organizers were invited to give feedback, either through a public consultation session or in writing, on how to improve the management and permitting of special events. Sixteen organizations participated and their feedback is summarized in *Attachment #1 "Consultation and Fact Finding Summary"*

All recommendations and actions to address concerns and improve the service to special event organizations were developed from the consultations.

Standard Definition, Criteria and Categories for Special Events

There are thousands of events that occur in Toronto in the public realm (streets, parks, squares), all unique in their organization, purpose and audience. Across the festival and

event industry as well as at the City of Toronto, there are no standardized definitions to help classify special events in order to develop effective policies and operational practices. Defining categories for special events within the City of Toronto will:

- Enable divisions to "speak the same language" when talking about an event;
- Assist with collecting information and the level of specific details required from organizers, which increases with the complexity of the event;
- Determine policies, criteria and fees for services, space allocation, fee waivers and permit costs;
- Determine the level of service, support and staff resources an event would require from the City of Toronto; and
- Identify events requiring a Risk Management Plan.

Staff have developed a proposed definition of a 'special event' to help define what is and is not part of subsequent policies – this is shown in Table 1.

TABLE 1: City of Toronto Standard Definition of a Special Event
<p>A special event is a sporting, cultural, business or other type of unique activity, occurring for a limited or fixed duration (one-time, annual) and presented to a live audience, that impacts the City of Toronto by involving the use of, or having impact on, the public realm (owned, leased or controlled by the City of Toronto). It usually occurs on the public realm but sometimes can 'spill over' from private property.</p> <p>Activities that are part of a regular series or subscription are not deemed special events, unless they are an atypical activity outside the ordinary (e.g. A regular scheduled baseball game is not a special event, but the Championship Series is a special event). Also excluded are construction-related permitting and Film permits.</p>

There are a number of key dimensions that can influence the character and impact of a special event. The following table highlights the main characteristics that staff propose to be important in classifying special events. The first set of bullets focus mostly on the scale of the event. Then there are two additional dimensions that can impact policy (characteristics of the proponent/organizer) and whether the event is gated (entry is controlled usually for liquor licence or ticketing) or totally open to the public.

TABLE 2: City of Toronto Criteria to categorize a Special Event
<p>Scale</p> <ul style="list-style-type: none"> • <i>Length and frequency of activity</i>: How many days and how often the event occurs. • <i>Number of venues, roads or sites</i>: Single site/venue or multiple • <i>Attendance</i>: Number of participants and spectators expected • <i>Out-of-town Attendance</i>: Number of participants and/or spectators drawn from outside an 80km radius of Toronto • <i>Quantity of City permits and/or approvals required</i>

TABLE 2: City of Toronto Criteria to categorize a Special Event	
<ul style="list-style-type: none"> • <i>City coordination required:</i> Number of services, divisions required and complexity of the event • <i>Value of City services required:</i> Includes paid and in-kind services, does not include grant programs • <i>Measured Benefits:</i> Economic, Tourism, Hotel Rooms, Media, Exposure 	
Two additional criteria would further divide each category:	
<ul style="list-style-type: none"> • <i>Organizational status:</i> Private, for profit, corporate <i>or</i> charitable, not-for-profit, government • <i>Admission:</i> Open/free <i>or</i> Gated/charge 	

Using the above definition and criteria, staff are proposing a five-category classification of special events. Once Council approves this classification, staff will:

- Compile a comprehensive list of recent special events (past couple of years) and collect the information needed to put into each into one of these categories. This has been partially done but the work is extensive and it would be more practical to now have the categories to complete the data gathering.
- Identify when City services would differ depending upon the category
- If Council agrees to the recommendation, devise a Special Event User Fee Waiver policy according to the different categories for review by Council before implementation.

The proposed categories for Council's approval are outlined in Table 3.

TABLE 3: City of Toronto Categories for a Special Event	
Category	Criteria
A	<p><i>Length:</i> Could vary from a day to a month</p> <p><i>Frequency:</i> Not occurring annually or repeating within five years</p> <p><i>Number of venues, roads or sites:</i> Unlimited (usually many)</p> <p><i>Attendance:</i> Unlimited (usually over 200,000)</p> <p><i>Out-of-town Attendance:</i> Over 50,000 out-of-town draw</p> <p><i>Quantity of City permits and/or approvals required:</i> Unlimited (usually many)</p> <p><i>Value of City services required:</i> Over \$100,000</p> <p><i>City coordination required:</i> Multiple levels of government coordination and/or City-wide divisional coordination</p> <p><i>Measured Benefits:</i> High economic and business benefit, utilizes 3 or more hotels, provides the City of Toronto with media/branding opportunities via television, radio, or print advertising</p> <p><i>Examples:</i> World Youth Days and Papal Visit, 100th Grey Cup Festival, Pan Am/Parapan Am Games, Olympic Games, World's Fair</p>

TABLE 3: City of Toronto Categories for a Special Event	
Category	Criteria
B	<p><i>Length:</i> Up to 1 month <i>Frequency:</i> often annual <i>Number of venues, roads or sites:</i> Up to 5 locations <i>Attendance:</i> 20,000 to 200,000 <i>Out-of-town Attendance:</i> Minimum 25% out-of-town draw <i>Quantity of City permits and/or approvals required:</i> 5 to 10 <i>City coordination required:</i> Over 3 City Divisions <i>Value of City services required:</i> Up to \$100,000 <i>Measured Benefits:</i> International, national and local media coverage, economic and business benefit, promotes the City of Toronto within the event's marketing campaign</p> <p><i>Examples: Honda Indy, Luminato, Pride Festival, Taste of the Danforth, Toronto Caribbean Carnival, Toronto International Film Festival (TIFF)</i></p>
C	<p><i>Length:</i> Up to 5 days <i>Frequency:</i> can be annual <i>Number of venues, roads or sites:</i> Up to 5 locations <i>Attendance:</i> 10,000 to 50,000 <i>Out-of-town Attendance:</i> Minimum 10% out-of-town draw <i>Quantity of City permits and/or approvals required:</i> 5 to 10 <i>City coordination required:</i> Up to 3 City Divisions <i>Value of City services required:</i> Up to \$50,000 <i>Measured Benefits:</i> Local media coverage, economic and business benefit, promotes the City of Toronto within the event's marketing campaign</p> <p><i>Examples: Canada Day Events, Khalsa Day, Sporting Life 10K, Toronto Ribfest, Woofstock, Ride for Heart</i></p>
D	<p><i>Length:</i> Up to 3 days, <i>Frequency:</i> can be annual <i>Number of venues, roads or sites:</i> One location <i>Attendance:</i> 2,000 to 10,000 <i>Out-of-town Attendance:</i> Minimal <i>Quantity of City permits and/or approvals required:</i> Under 5 <i>Value of City services required:</i> Between \$1,500 and \$25,000 <i>City coordination required:</i> Single Division <i>Measured Benefits:</i> Local Business Benefit</p> <p><i>Examples: Festival on Bloor, Himalayan Festival, Toronto Challenge, Turkish Festival</i></p>

TABLE 3: City of Toronto Categories for a Special Event	
Category	Criteria
E	<i>Length:</i> Under 1 day to 2 days, <i>Frequency:</i> annual or can be a one off, local event <i>Number of venues, roads or sites:</i> One location <i>Attendance:</i> Less than 2000 <i>Out-of-town Attendance:</i> Minimal <i>Quantity of City permits and/or approvals required:</i> Under 3 <i>Value of City services required:</i> Under \$1500 <i>City coordination required:</i> Single Division <i>Measured Benefits:</i> Local community focus <i>Examples:</i> Local Block Party, Community BBQ

Blackout when the City is hosting Major Events

Each year there is a steady increase in the number of requests for street closures and parks usage for special events. For example, in 2010, 403 street closure permits were issued; this is a significant increase from 2005 when 289 were issued. Events, such as the upcoming Pan-Am Games, create city resource strain when added on top of annual events.

A Blackout in reference to the Festival and Event Industry is when city issued permits are either restricted (time, date and/or location) or cancelled.

As a result of multiple-events occurring during the same time frame, there can be significant resource constraints on divisions and agencies that support special events (e.g. Paid Duty Police Officers, Emergency Medical Services, Enforcement Officers, etc.) and the situation can cause city-wide congestion and delays. On a broad scale, some events absorb a large amount of resources and thus make it difficult to support normal operations and other events at the same time. Right now, there are few provisions in place that control the number of events that can occur simultaneously. One constraint is a Transportation by-law that restricts the number of events that can happen on a particular street during a particular time frame.

This report recommends that City Council authorize the City Manager to impose blackouts on new and/or existing planned events when there is a significant event in the city to alleviate pressures on City resources and to allow for the City to ensure as normal as possible service delivery with minimal disruption.

Policy for Renewal of Dates

The majority of parks, City squares and special events road permits operate on a grandfathered "first right of refusal" basis meaning returning events are considered over new events but in many cases there is no written policy. A few events, due to their city-wide impact and advance planning requirement, such as the Becel Ride for Heart,

Scotiabank Caribbean Carnival, and Honda Indy have multi-year agreements related to the use of city services and venues.

There are challenges to developing multi-year agreements for all annual events due to various factors: the City budget and operating cycle, annual venue and infrastructure improvements, changes to dates of various holidays and calendar cycles.

The Report recommends that the General Manager, Economic Development and Culture, develop and implement, in consultation with appropriate Divisions and event organizers, a policy for holding and reserving dates on major city event locations (such as Civic Squares, Parks and Roadways) to provide consistency with respect to how dates are allocated and renewed.

City Fees, Subsidies, Grants and Fee Waivers for Special Events

The Council Approved *User Fee Policy* provides that user fees, including permits and licences should be set to recover the full cost from those who receive a direct benefit from the service. The cost recovery framework is set to facilitate reducing reliance on property tax revenues, maintaining equity considerations in regard of the provision of services; and contribute to the effective and efficient use of resources by having those who benefit from a service pay the cost of providing that service.

Notwithstanding the principle that the full cost of user fee services should be recovered, certain factors may exist that warrant recovery of less than full cost, or not to recover costs at all. Therefore, a challenge facing the City, which is also often repeated in stakeholder and staff consultations, is providing financial support to special events and specifically balancing providing City subsidies (full or partial waiving of permit and service fees) and full cost recovery. Direct grants, fee waivers, and User Fee rates below the cost of the service provided have all been vehicles used by the City to deliver subsidies to special events.

Currently, the City of Toronto does provide limited financial support to festivals and events. Those who do receive support through an established grant program are either the largest annual festivals/organizations or new start up events. Grants usually do not go directly to events; organizations apply and use part of the grants to fund their events. This includes the Community Festivals & Special Events Program, Major Cultural Organizations Program, and grants through the Toronto Arts Council. An analysis of 2009 through to 2012 grant allocations can be found at <http://www.toronto.ca/grants/>. A chart with 2012 grant allocations is available through <http://www.toronto.ca/grants/pdf/consolidated-cpip-2012.pdf>

The only City Division with a formal policy regarding fee waiving is Parks, Forestry and Recreation. In other Divisions the decision-making process appears to be ad hoc and inconsistent both to Council and to event organizers. These ad hoc and inconsistent user fee waivers resulted in budget pressures and hindered revenue planning and projection.

This report therefore recommends the development and subsequent implementation of a City-wide *Special Event User Fee Waiver Policy* for approval by Council in advance of the 2015 budget cycle. This policy will be consistent with the City's *User Fee Policy* and outline specific conditions, criteria, justifications and time periods for waiving user fees in whole or in part. The goal of the *Special Event User Fee Waiver Policy* is to improve equity in access to services, promote or advance City policy objectives, and to provide assistance to groups and organizations whose programs and services provide social benefits that enhance the quality of life for residents of the City of Toronto. The policy will set out options for addressing the financial implications resulting from offering full or partial user fee waivers to special event organizers. Once a funding source is identified, this policy would be introduced as part of the 2015 Budget process.

At its October 2012 meeting, City Council requested staff to prepare a detailed analysis of fees charged for special events. City staff are in the process of collecting data related to fees for special events. Once completed, this data will be analyzed and used to support the development of the *Special Event User Fee Waiver Policy*.

Insurance for Special Event Permits

The City currently requires that event organizers obtain liability insurance and hold the City harmless in the event of an accident or injury that occurs during an event held on City property. The cost for local community insurance varies from \$100 to \$1500 depending on the potential hazards (i.e. elements within the event such as alcohol, high risk recreational activities, etc.) and the number of attendees expected for the event. For some groups, this additional cost or the difficulty of identifying who would obtain the insurance turns a non-profit event into an event that is difficult to afford or organize.

Event organizers have a duty of care towards all staff, participants and attendees at their event to ensure that individuals are not exposed to harm. The City will continue to mandate that all event organizers indemnify the City and obtain general liability insurance sufficient to protect the City and themselves from any liability in connection with a special event. This ensures that the event organizer has the financial resources (i.e. insurance) to respond to any claims for damages (to either property or person) by members of the public and that the City will be indemnified by the event organizer as a result of any such claims.

Further, for small events (e.g. a local block party) the City of Toronto's Risk Management Services still recommends that general liability insurance be required in order to protect the event organizer and the City from third party liability for any bodily injury or property damage sustained or alleged to result from the issuance of a special event-related permit issued by the City.

This report therefore recommends that City Council continue to require event organizers, to indemnify the City and obtain General Liability Insurance sufficient to protect the City from any liability in connection with the holding of special events in accordance with existing City policies and permits.

Responses to Motions Attached to Referral of EX22.5

The referral of EX22.5 included 11 approved motions by councillors. This section addresses three of these (numbers 8, 9 and 10). The balance are addressed either in the PF&R Report to the Parks and Environment Committee (numbers 4, 7 and 11) or earlier in this Report directly (numbers 3 and 6) or as part of a recommendation for future actions (numbers 1, 2 and 5).

TTC Fees for Special Events

Council decision in EX22.5 (October 2, 2012) directed staff to:

- *"Make recommendations on Toronto Transit Commission fees with a view to standardization and with a view that takes into account increased ridership that comes to the event;"*

A staff report titled "*TTC Charges for Replacement Bus Service during BIA Street Festivals*" adopted by the Economic Development Committee on March 5, 2013 addresses this issue directly.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.ED20.9>

The original report addresses TTC fees related to BIA festivals and events, but the same strategies can be applied to all special events regardless of BIA affiliation.

Parking at Special Events

Council decision in EX22.5 (October 2, 2012) directed staff to:

- *"Make recommendations to facilitate police parking enforcement to make it similar to enforcement on religious days around churches, temples, and synagogues;"*

Additionally, Council decision in MM37.4 (July 16, 2013) requested the General Manager, Transportation Services to:

- *Report back on a process whereby Community Councils can be authorized to assess the appropriateness of requesting police parking enforcement officials to give parking consideration for City events of municipal significance.*

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.MM37.4>

Staff consulted with the Toronto Police Service – Parking Enforcement Unit and Transportation Services Division for advice and recommendations related to this request.

Toronto Police Service's Parking Enforcement Unit presently has a contingent of officers that look at all special events and, due to their unique nature, all events are reviewed on a case by case basis. For every event, the following factors are considered:

- Size, location and length of time
- Expected numbers attending
- Community needs, requests and complaints

- Traffic flow and congestion
- Access for emergency services and emergency calls
- Other competing events, construction, etc. in the same area
- Available assistance from officers, organizers, city workers, etc.

The current system already grants parking considerations, upon request to the Toronto Police Service, if consideration is justified when taking into account all of the above factors. However, given all of the factors that need to be considered, a "blanket consideration" for special events would not be practical, safe or responsible. Toronto Police Service also note that they receive public complaints regarding parking, blocking driveways and roadways, during special events.

Given the technical information upon which decisions are based, and given that community safety and traffic operations are at stake, Community Council should not be involved in reviewing these factors and determining whether Toronto Police Service should grant parking considerations.

Toronto Police Service and the General Manager, Transportation Services recommend not providing blanket parking consideration for special events, nor authorizing Community Councils to assess requests for parking considerations, given the technical factors that must be assessed and the impact of decisions on community safety and mobility.

Special events are an ongoing issue with the Toronto Police Service. The Service is currently reviewing its role and involvement in special events to be consistent with the objectives of the Toronto Police Service in both enforcement and security.

Policy Amendments Related to Fees and City Coordination for Block Parties by Community Councils

Council decision in EX22.5 (October 2, 2012) directed staff to:

- *Make recommendations to allow for local community councils to make appropriate amendments to the policies related to fees and city coordination for block parties;"*

Currently City staff are consolidating City policies, practices and by-laws across the City with a goal of equity and consistency to all members of the public and our customers. During consultations with event organizers a key theme that emerged was discomfort with the inconsistency they felt the City had when applying rules, policies and by-laws and a view that the playing field must be levelled.

City staff do not support a recommendation that would allow different rules in different districts or wards of the City as this would be contrary to the goal of consolidating policies across the City and making the rules more consistent for all festivals and events.

Additionally, recommendations and actions proposed in this report for Special Events, such as special events definitions/criteria/categories will allow for City policies to apply the appropriate level of service based on the special event category.

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SIGNATURE

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ATTACHMENTS

Attachment #1 – Consultation & Fact Finding Summary