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April 10, 2015

Dear Economic Development Committee Chair and Members,

Re: Fostering economic development in Toronto's craft beer sector

Toronto's food and beverage cluster is of great importance to the region, and along with Chicago, New York, and Los Angeles, is one of the largest food and beverage clusters on the continent. About 47.2% of Ontario's employment in the food and beverage sector was in the Toronto Census Metropolitan Area (CMA) in 2010. The total annual sales in the Toronto CMA were estimated to be approximately \$17 billion or about 47% of Ontario's annual sales of \$35 billion in 2010.

Craft beer is part of Toronto's 995 strong food and beverage manufacturing establishments employing over 60,000 people (Sources: Canadian Business Patterns, Dec. 2012; and Labour Force Survey, 2012).

Toronto is at the centre of a worldwide craft beer renaissance. The craft beer sector has seen tremendous growth in recent years and is expected to continue growing. New craft beer breweries have opened up across Ontario, many of which now call the Greater Toronto Area home.

Craft beer continues to be the fastest growing segment within the LCBO's beer category. In fact, the LCBO recently announced that they topped \$1 billion in sales over the holiday season in part because of an increase of over 20% in craft beer sales.

Ontario consumers have made it clear that they have a strong interest in the premium quality local products being produced. These breweries also employ hundreds of people in the manufacturing, building, and restaurant/bar sectors.

Last year a successful brewery in Ward 19 worked hard to find a suitable location to expand. Their application to the Committee of Adjustment, though ultimately successful, faced many challenges from the committee, not the community. Toronto stands to benefit both economically and culturally from these businesses, and should work to embrace and support them.

As Canada's largest city, it is fitting that we should be the ones to nourish this growing sector while attracting visitors to Toronto to celebrate it with us.

We can work to make Toronto the craft beer capital of the world.

On May 6, 2014 a notice of Motion MM51.13 was approved by City Council requesting the General Manager of Economic Development and Culture to establish a Culinary Tourism Working Group. The working group has met twice since then and includes representatives of the Craft Brewers Association and Toronto Craft Beer Week.

We are therefore asking the committee to recommend that:

The General Manager of Economic Development and Culture, in consultation with representatives of the Culinary Tourism Working Group, small scale craft breweries, and craft beer bars and restaurants, work with City staff to help grow the craft beer sector and make Toronto the craft beer capital of the world, including developing a Craft Brewery Culinary Trail for Toronto and working with other City divisions to reduce barriers to establishing new manufacturing operations.

Cheers,

Mike Layton City Councillor Ward 19, Trinity-Spadina Gord Perks City Councillor Ward 14, Parkdale-High Park