

Strategy for Special Events Related Services and Permitting Processes

Date:	May 28, 2012
To:	Executive Committee
From:	Brenda Patterson, Deputy City Manager
Wards:	All
Reference Number:	

SUMMARY

The purpose of this report is to respond to a number of directives from City Council and from the Economic Development Committee for improving and enhancing special events related services and permitting processes.

This report recommends a number of initiatives, over a three-year period, to address the growing demands of the City of Toronto's special events-related services and permitting practices through:

- Developing strategies and standards to create efficient, transparent, customer driven processes for special event permits, services and practices.
- Continuing the development of an online interactive information tool, a "one-stop-shop" for special events related services and permitting.
- Developing strong indicators and performance measures effective in assessing special events-related service delivery and permitting practices.
- Working with the TTC to minimize the impact of TTC charges on BIA street festivals.
- Conducting a pilot project to change the current Parks, Forestry and Recreation policy and allow commercial/private events to occur in select City parks.

RECOMMENDATIONS

The Deputy City Manager recommends that:

1. The Economic Development and Culture Division create a multi-phase corporate online service that simplifies the City's special events-related permits and approval processes.
2. The City adopt a 6 week service standard for processing special events-related permit applications from the date of submission to final approval, unless otherwise stated in an existing City of Toronto Municipal Code while adhering to the City's Customer Service Standards for communications.
3. The City initiate a communications and education strategy to assist special event organizers regarding the application, submission and approval process regarding special event applications.
4. The City adopt a "within the calendar year" after the event service standard for the provision of a post-event assessment to event organizers.
5. The City continue to require that all event organizers, without exception, obtain General Liability Insurance and indemnifications sufficient to protect the City from any liability in connection with holding a special event in accordance with existing City policies.
6. The Economic Development and Culture Division in consultation with Transportation, Parks, Forestry and Recreation, Municipal Licensing and Services, Emergency Medical Services, Toronto Fire Services, Toronto Public Health and Solid Waste Management consolidate to the extent possible, all of the various permit and approval application forms into one single application packet.
7. The City explore an alternative work schedule for City staff employed in the delivery of special events for the peak event season to reduce overtime incurred by the City and personnel costs billed to event organizers.
8. The City Manager, in consultation with the General Managers of relevant divisions, develop and introduce a non-refundable late fee for permit and approval applications received after the standard application deadline to be implemented for the 2013 budget cycle and report back to Council.
9. The Economic Development and Culture Division establish a courtesy communication protocol between the City and non-City owned event venues to evaluate the pre-event impact to City services for non-City managed special events.
10. The City impose a blackout on new and existing events for times when the City is host to signature or significant special events (Please see definitions of special

event categories in Attachment C).

11. City Council approve the standard definitions and use of the classification of special event types as outlined in this report.
12. City Council request the TTC CEO to provide itemized cost estimates and invoices regarding charges for future BIA street festivals to the host BIA.
13. The Parks, Forestry and Recreation Division be authorized to implement a pilot program for hosting Commercial/Private Special Events in select City parks, commencing in the Spring of 2012, and that the General Manager report back to Executive Committee in 2013 on the results of the pilot project. (See Attachment F)
14. City Council directs the City Solicitor to make the corresponding amendments to Municipal Code, Chapter 441 – Fees and Charges to amend the fees and charges as outlined in Attachment F subject to any necessary minor substantive or stylistic refinements as may be identified by the General Manager and the City Solicitor, and that the Clerk give notice of the proposed fee as required under the City of Toronto Act and Municipal Code Chapter 162, Public Notice.

Financial Impact

The IT related costs for the development of an on-line events permitting portal are included in the approved Economic Development and Culture Division Capital Budget and Plan.

These recommendations will allow the City to create efficiencies in the delivery of special events-related services and eventually allow the City to absorb more growth in the special events industry. A more detailed cost/benefit analysis will need to be conducted on the specific financial impact of recommendations which could include increased revenue generation through user fees.

The pilot project for allowing commercial/private events in City parks will have a positive revenue impact.

DECISION HISTORY

City Council and the Economic Development Committee have directed staff, through a number of reports and recommendations, to address improving services and permit processes to 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 office.

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

In March 2011, Economic Development Committee adopted the item *BIA Festivals and Other Major Street Festivals*. The report directed staff to identify the positive financial impacts of special events on local neighbourhood businesses and the City as a whole and what challenges they face with regards to City costs, particularly TTC charges.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2011.ED2.20>

In May 2011, City Council adopted the item *TTC Fees for Summer Festivals*. The motion directed staff to provide a breakdown of fees charged by the TTC to all BIA summer festivals in 2008 – 2010 and conduct a study based on existing data to estimate the increased overall revenue resulting from individual summer festivals in the city.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2011.MM8.10>.

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>

The Economic Development and Culture Division took the initiative, in relation to other e-service divisional projects, to develop "EventPaL". Parks, Forestry and Recreation directly initiated the pilot program for commercial/private events in City Parks.

ISSUE BACKGROUND

At its August 25 – 27, 2010 meeting Toronto City Council adopted the report "Customer Service Strategy for Special Events-related Services and Permitting Processes" which contained several recommendations for improving and enhancing the special events-related services and permitting processes. The report directed staff to examine and provide recommendations on the following issues:

- (1) The rationale for developing an electronic online one-stop-shop for special events permitting (online service); and
- (2) How to streamline and standardize the special events-related permitting processes (process standards).

A third issue was identified: "What the City's policy should be to access and make determination on request for fee waivers and in-kind support (fee waivers)". This issue, along with 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 will be addressed in a separate report due in the latter half of 2012. A further report from the City Manager currently titled "Public Square By-Law Report" will come forward in July 2012 respecting revisions of by-laws for the City's civic squares.

Importance of Special Events

The City recognizes the vibrancy and significance that special events make to Toronto. Events take many forms from small block parties to major festivals and they all contribute in some way to Toronto's social and economic well being.

There are many factors to demonstrate the importance of special events to Toronto and the essential role in Toronto's tourism industry. Including:

- increasing community pride and identity locally and internationally
- developing volunteerism and volunteer opportunities
- enhancing participation in community and City life
- exhibiting positive media exposure thus enhancing Toronto's local, national and global reputation
- creating physical and community legacies through infrastructure, public art, and new opportunities
- injecting millions of dollars into the local economy through increased direct spending of residents within the community, and a positive economic impact from visitors to the city
- creating new employment opportunities at all levels of income
- contributing to a positive cultural fabric to draw new business and trade to the city
- highlighting Toronto's cultural diversity

Figuratively in examining a few of the larger festivals in the City:

Table 1: Financial Impact includes both economic impact/GDP and direct spending figures.

		Economic Impact		
Festival	Attendance	Employment	GDP/Spending	Year/Source
Pride Festival	411,450	600 F.T.E.	\$29.7 million in GDP to Toronto	2009 Enigma Research Corp.
Scotiabank Toronto Caribbean Carnival (formerly Caribana)	1.2 million	n/a	\$396 million direct spend to the province	2009 Ipsos Reid
Luminato	1.5 million	n/a	\$193 million direct spending	2009 Luminato utilizing TREIM
TD Jazz Festival	222,300	191 F.T.E.	\$10.8 million in GDP	2009 Enigma Research Corp.
Taste of the Danforth	1.3 million	n/a	\$32 million in economic impact	2012 Enigma Research

Special Event Permits

The City of Toronto has numerous regulations and procedures that govern special events-related permitting processes that can cause confusion and barriers to some event organizers. This is complicated by the fact that different City divisions administer their processes in different ways. This has created an inefficient process both to the City and to event organizers.

In 2010 the City issued over 2500 special events-related permits. Approximately 11 FTEs in 3 separate divisions supported by 3 independent permit technology systems are engaged in permitting activities.

In 2011, Parks, Forestry and Recreation issued 665 outdoor special event permits with a total estimated attendance of 5,580,306.

In 2010, Transportation Services issued 403 special event street closure permits. This is a significant increase from 2005 when 289 permits were issued. In 2011, Transportation Services in the Downtown/South District issued 288 special events related permits alone with an estimated attendance of 11,357,636.

Review of Special Events-Related Services and Permitting Process

Given the strategic importance of the tourism industry to Toronto and the role special events play in community and business promotion, the City initiated a process review of special events-related services and permitting processes ("review") in 2011. The review took a cross-divisional approach with the intent to transform the special events-related service and permitting system from a costly decentralized, division-centric process to a cost effective, coordinated customer-centric practice.

Analysis was conducted through consultation with 70 stakeholders through face-to-face and telephone interviews, group meetings and focus sessions with:

- 35 staff involved in the daily Special Events Related Services and Permitting Process (SERSP).
- 12 staff involved in SERSP related activities.
- 13 members of Senior Management who's Divisions/Programs are directly responsible for SERSP.
- 12 Business Improvement Areas, event organizers and arts organizations

Additionally workflows and documents for 22 City Division and ABCs were analyzed. Staff also conducted telephone interviews and online research with other comparable municipalities for leading practices and benchmarking.

Please see for summaries of this information and research:

"ATTACHMENT A: City of Toronto - Special Event Related Services - Minimum Time Notice, Permit Fees and Service Fees"

"ATTACHMENT B – Special Events Permitting and Service-Related Processes Comparison Table" is a table of the special events permitting and services-related processes in Toronto compared to four major cities in North America (Chicago, Los Angeles, New York, and Philadelphia)

The remainder of this report provides the findings and recommendations of the review and is intended to provide the City with real efficiencies and cost savings in special events-related services and permitting processes.

COMMENTS

1. **"EventPaL": The rationale for developing an electronic online one-stop-shop for special events permitting (online service)**

EventPaL: Rationale and Research

"EventPaL" will be a one-stop solution, or "virtual counter", that will make it easier for event organizers and the City to share information and conduct their operations, by reducing the submission and review components of the permit process. This web offering is expected to lead to a shift in channel selection for service: the targeted online transaction rate is 65% for permits. Moreover, representative applicant and staff time savings from similar efforts in the City (e.g. BizPaL2) indicate that the permitting process could be reduced by just over 30%.

The goal of the virtual counter is to design the "look and feel", delivery mechanisms and organizational/physical consolidation for a City wide information service for event-related city permits and documents. Similar to the BizPaL service developed to support early-stage business enterprises, the virtual counter will assist the event organizer by providing them with information from a single source rather than having to search multiple sources and contact various staff in the various divisions. Like BizPaL, the data will be filtered according to particular criteria or attributes indicated by the user (e.g., event size, type, location). This service will be comprehensive and user-friendly for customers and is designed to streamline the process for the prospective event organizer.

The virtual counter will deliver both tangible and intangible benefits. The tangible benefits are achieved primarily from the reduction of operational costs to the City in delivering permitting information services and significant improvements in the timelines required to process permit applications. These benefits are realized both within the permitting process (e.g. by reducing the amount of duplication of effort) and from within Divisions (e.g. reduction of inbound calls to staff due to easy online access to information and service).

Intangible benefits are realized both from the perspective of achieving Council and Divisional priorities and by providing convenience and ease of use for both external customers and internal staff. These include:

- Support and alignment with the following Council priorities:

- Make City services more accessible.
- Implement service delivery efficiencies through the application of business process improvements.
- Reduce staff time and costs required to process permits and handle inquiries.
- Introduction of a new intake channel for applications providing easy access and convenience to citizens available on a 24 hour x 7 day basis. Citizens can engage the City on their preferred schedule, not on the City's mandated schedule.
- Simplifies the permit and approval process and minimizes the time event organizers spend searching for the right person to provide the right information.
- Provide opportunities to facilitate the harmonization of processes between Divisions.
- Facilitate greater intergovernmental coordination and horizontality.
- Gain a competitive advantage by streamlining the permit process making the City more attractive to event organizers.
- Allow the City to develop metrics that can be used to measure effectiveness and operational efficiencies.

Other cities have made strides in improving the availability of information and decreasing processing times for special events-related permit. For example, in January 2011 New York City implemented E-Apply – an online tool that streamlines the application process, increases efficiency and makes the process more "green" by decreasing the number of paper applications used. Additionally, E-Apply provides automated individualized information and assistance and the ability to apply for permits online.

As an administrative reform, the benefits of simpler procedures and leveraging technology can be observed easily. Streamlined permit procedures can save both the city and event organizers time, money, and other resources. Thus, reduced costs and time saved by event organizers in obtaining required information can be used instead to promote their economic activities.

EventPaL will provide integrated, efficient and comprehensive systems that will assist divisions to issue and clients to secure all necessary permits, in a timely manner by applying for permits through a single point-of-entry. Therefore both initiatives, guided by the city's Electronic Service Delivery (ESD) framework, will support the City's e-city vision: Local government, anywhere, anytime for everyone.

Additionally, the online permitting process will improve permit and notification management processes and enable City staff to improve efficiency, communication and provide a consistent method for capturing and distributing data across Divisions and avoid any data duplication.

EDC Electronic Service Delivery Project

The on-line EventPaL portal is one of four interrelated initiatives recently undertaken by the Division to improve electronic service delivery. Resources have been approved for these initiatives as part of the Economic Development and Culture Division's Capital Budget and Plan. The goal of the overall "electronic service delivery project" is to

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modernize and rebuild the aspects of the City's website that support the economic development and culture mandate, and to offer key services delivered by the Division on-line. The Capital Budget and Plan is providing the resources required to implement these initiatives that are above and beyond the capacity of the City's IT Division.

EventPaL and Economic Development and Culture's other electronic service delivery initiatives are closely linked with the corporation's overall ESD Framework and the e-Service Strategy. The work is being undertaken in partnership with the IT Division, Strategic Communications, and other operating Divisions across the corporation who also serve economic development and cultural clients and interests. The IT Division has identified common components needed by many divisional ESD initiatives, and work is underway to put them in place over the next few years (e.g. an on-line payment module; a method of authenticating the identity of users, a consistent system of electronic forms and a central form "warehouse"). The city's IT governance direction across the corporation is to avoid spending resources on elements suitable for only one use, but to invest instead in common elements that can be rolled out across the corporation. This requires a high degree of coordination and cooperation between divisional initiatives across the corporation. This is being centrally coordinated and managed through the IT Portfolio management mandated under the strategic direction of the city's IT governance comprised of senior staff from the operating divisions.

The dependencies between EventPaL and other electronic elements and IT development needed to achieve the portals objectives but which are beyond the scope of the Economic Development and Culture Division's project have been identified. As is detailed in the following section of the report, several elements are not dependent on additional IT development and will be implemented in the short term. These will improve service delivery to event organizers to a certain extent in 2012. However, realizing the complete vision of integrated service delivery through a single on-line portal is a longer term project which can only be realized in phases over the next few years as the various corporate elements that are needed are rolled out.

The vision of integrated service delivery includes accessing services and permits delivered by other orders of Government. Partnerships have been formed with both Industry Canada and Service Ontario to implement a Toronto BizPaL portal. These relationships are being leveraged and expanded as all three governments work towards the common goals of simplifying the public's ability to deal with the public sector and increasing our collective ability to improve service delivery while reducing costs.

EventPaL Implementation:

In 2012: The Special Event Planning Guide will be revised by the Event Support Unit, in collaboration with other operating divisions, and the support of IT Division, and posted on the internet as a set of static web sites. This will enable the public and event organizers to access all relevant information regarding permitting requirements and standards from the City's website more efficiently.

Economic Development and Culture has assigned a project manager to coordinate the planning and execution of the second phase of the project capital project, including EventPaL. The major deliverables will be:

A web form created to enable users to submit requests for permits on line.

Approach Plan and execution:

- Elevate the Permit and Licence automation priority with the corporation.
- Identify High Level resources requirements and schedule to execute phase one(1) deliverables
- Coordinate Build Stakeholder requirements, high level process mapping and best practices across all relevant divisions.
- Deliver project collateral and artefacts
- High level Phase one (1) Plan.

In 2013-2014: The public will benefit from a fully functional on-line Special Events Permitting process. The application will reduce the time and effort involved in collecting event-related information and significantly improves scheduling and administrative processes. The system will enable event organizers to submit permits applications to multiple divisions through a single user interface. Each application will be assigned a tracking number, enabling the organizer to check on the status and timeline of the approval process.

Additionally, the standardized protocols for special events services will be defined. Common forms and documentation for all permit requirements will be used and managed through a single point of contact to improve reporting capabilities for event organizers.

Common data and architecture also will allow for opportunities to integrate with other permitting services and with GIS mapping. This will provide a consistent method of capturing and distributing data across Divisions and avoid data duplication.

In 2015: Service integration with Service Ontario. The project will leverage the existing partnership with Service Ontario's ONESource initiative to further integrate service delivery and simplify the public's ability to deal with different orders of government.

2. SPECIAL EVENTS PERMITTING: How to streamline and standardize the special events-related permitting processes (process standards)

Navigating Services – Current Landscape

The City of Toronto conducts special events-related permitting activities in 9 separate office locations, through 3 separate Divisions. Permits are issued and administered for a variety of special event types from small community festivals to large international celebrations, with the objectives of ensuring public safety, compliance with City policies and provision of customer service to event organizers, businesses and citizens.

Please see "*ATTACHMENT A: City of Toronto - Special Event Related Services - Minimum Time Notice, Permit Fees and Service Fees*" for a summary of special events-related permitting and service activities.

Analysis of current permitting practices also showed that the process is not well defined. Additionally, through the process review of special events-related services and permitting processes conducted in 2011, the following feedback was received:

- *Permitting Process is too complex* - Event organizers are overwhelmed with the complexity and length of current permitting processes due to the number of City divisions and ABCs involved and the number of applications required due to the complexity of special events.
- *Multiple Applications duplicate the same information* - The City does not offer a single application package for special events. Event organizers may have to complete up to 12 separate forms each varying in length and complexity. The time and expense to understand the requirements for each application and to compile the necessary information can be a disincentive for event organizers. Furthermore, each additional application becomes a potential source of additional delay.
- *Permitting Process is not accessible* - Permits can only be obtained by visiting the relevant division during "regular" business hours Monday-Friday 8 to 5. This may require one or more trips to multiple divisions in the city if road closure, health, parks, and building approvals and permits are not available from a single location.
- *Review and Approval Process is labour intensive and lengthy* - Once the complete permit application package has been submitted, those packages are interoffice mailed or emailed between numerous City divisions and staff for review and approval with the applicant waiting several weeks or months between the time the application was submitted to when a decision is made on the application. Applicants rarely receive any information regarding where their application is within the review process until the application is either rejected or approved.
- *No comprehensive, customizable and clear information toolkit* – No step-by-step guide to take event organizers through the key phases in the special events permitting process and outlines permit application requirements. The City of Toronto does provide a Special Events Planning Guide though this guide in PDF format was noted to be too cumbersome to use and is not easy to understand.
- *No workshop or training opportunities* - The City does not provide any formal education or training opportunities for event organizers on the various special event application and approvals process beyond direct consultation when questioned. The City of Toronto does provide a Special Events Planning Guide (see above) and provides consultation through the Event Support Team. Two to four Festival and Event Network meetings are held annually to encourage

networking, information sharing and present a variety of topics with guest speakers.

- *Onus on the event organizer to know process* - Each special events permit and approval are issued directly by the relevant division. Under this model, the onus is on the event organizer to know the process and take their application and relevant documentation, step-by-step to each approval body one at a time, each with its own set of processes, time lines, costs and requirements. Due to this division centric approach to service delivery, organizers are challenged to efficiently move their applications through the permitting and approval process.
- *No post-event assessments* - The City also does not provide event organizers with a timely post event assessment detailing what worked well, what didn't and where improvements could be made. One of the main concerns expressed by event organizers was that there was no formal debriefing procedure. While event organizers stated that some divisions did conduct post assessments it was only done so if there were major issues and usually communicated months after the event had concluded or when their application was submitted the following year.
- *No standardized City-wide event definitions or terminology* – In the City of Toronto and even within City Divisions, a special event is defined in various ways. Some Divisions define a special event as any organized activity that takes place in whole or in part within City boundaries, including but not limited to, parades, conventions, festivals, walks/runs/races and attracts a large number of people, whereas others used it more generically as any temporary activity occurring on public property that affects the ordinary use of parks, public streets, right-of-ways or sidewalks. This creates confusion among event organizers and divisions.

The City needs to add consistency and efficiency to its permitting practices. Event organizers, particularly first time organizers should be able to come into the City and know exactly what documents they must complete, what criteria and standards their applications will be reviewed under, what divisions they must submit them to and what special conditions, if any, they must meet in order to have their applications approved.

A clearly defined and standard permit process will allow the city to better inform event organizers, increase the transparency of the City and reduce the staff time needed to explain the process individually to permit seekers. To achieve this, a series of short, mid and long term services objectives are proposed below.

These objectives are in addition to the long-term development of EventPaL which offers long-term solutions to many of these concerns.

Short- Term (Phase I) Objectives (6 months to 1 year)

a) Simplify Application Procedure

Create a Single Application Packet - The City, in conjunction with all Divisions with special events-related permitting should create a single application packet for special events – related permits and approvals. Cities such as Chicago and New York have created a single application for special events – moving all relevant City divisions permit applications into a sole package, merging all information requirements and eliminating duplicative data collection activities. With a consolidated application, event organizers save countless hours of going back and forth between divisions and filling out numerous separate forms, and city employees are able to work together to review and approve permit applications in a consistent and timely manner.

b) Training and Education Tools

Conduct Education and Training - The City will initiate a communications and education strategy to assist event organizers to access information regarding special event permitting in the City, including the application, submission and approval process. Strategies could include "how-to" documents, the online Special Events Planning Guide, critical path/approval flow charts, webinars, information sessions, and access to staff for direct consultation on a regular basis

Re-work Special Events Planning Guide - The Special Events Planning Guide has been redesigned and content expanded to be more comprehensive and cover more topic areas. This web version was designed to be a user friendly, customer service tool and give the user access to the most current and accurate event planning information at the click of a button. The site drives traffic to individual Divisional/Agency sites to obtain information on permits and time lines allowing greater ease of navigation through various pages. The website page is: http://www.toronto.ca/special_events/event-support/ In addition a PDF version will be created.

c) Transparent and Efficient Timelines and Review Process

Corporate Customer Service Standards - adhere to the corporate customer service standards for acknowledging the receipt of enquiries and applications namely:

- If receipt by phone, respond by phone within 24 hours
- If receipt by email, respond by email within 48 hours
- If receipt by mail, respond in writing within 5 days

Special Event Service Standards - The City adopt a 6 week service standard for processing from application submission to final approval for special events-related permit and approval applications unless otherwise stated in an existing City of Toronto Municipal Code, while adhering to the City's standards for Customer Service Standards for communications. For Example, Municipal Code 743-1, Streets and Sidewalks, requires that any applicant must submit their application at least 52 weeks prior to the first day of proposed closure of an expressway.

Critical Path of Applications - Each division will develop a critical path with multiple milestones, within the 6 week timeframe as described above, to demonstrate application process and reduce the minimum timeframe.

d) Provide Post Event Assessments:

Provide a Post-Event Assessment - The City adopts a "within the calendar year" after the event service standard for the provision of a post-event assessment to event organizers. Providing a formal channel to exchange information and address issues in a timely manner would allow both the City and event organizers the opportunity to effectively and efficiently assess the overall production and execution of the event. Further, by documenting the evaluation the City and the event organizer would have an official source record of issues, responses and recommendations which could be used to conduct future assessments and be applied proactively towards improving the planning, execution and close out of other special events in the City.

e) Create an Alternative Work Schedule for Peak Event Season:

That City explore an alternative work schedule for City staff employed in the delivery of special events for the peak event season to reduce overtime incurred by the City and personnel costs billed to event organizers. Typically special events occur outside of the City's "regular" business hours Monday-Friday 8 to 5. This means that City staff who provide support or services (e.g. Public Health Inspectors) during the event oftentimes are working at overtime rates, a cost that is absorbed 100% by the City. During the peak season (May 01 to October 31) the City should explore creating an alternative work schedule for staff to support events. Other cities such as Chicago and Los Angeles make every effort to plan work schedules during the event season accordingly to reduce overtime.

By creating an alternative work schedule City divisions' overtime costs could be reduced and alleviate the difficulty in finding personnel to work at special events.

f) Special Events Insurance Requirements:

The City currently requires that event organizers must obtain their own liability insurance and must hold the City harmless in the event of an accident or injury that occurs during an event held on City property. The cost for 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 turns a non-profit event into an event that is no longer sustainable.

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 (ie. 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. 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.

g) Implement a Pre-Event Service Impact Assessment Process:

To mitigate the ever-increasing demands made upon City resources and infrastructure, event organizers, particularly those proposing events with an expected turn out of over 5,000 attendees, should be required to undergo a pre-event service impact assessment. This assessment will ensure that the proposed event is compatible with the requested location and that the City is afforded the opportunity to effectively evaluate and assess the impact on the economy, public and the City's resources. It will also allow the City to determine if additional City resources are required to support the event which would be provided at a cost to the event organizer. Both Philadelphia and Los Angeles require each relevant City division to conduct a pre-event service impact assessment.

h) Standard Definition of Special Events

In order to provide consistency across all division in the City, it is recommended that the City approve and use the definitions of special event types as outlined in "*ATTACHMENT C - City of Toronto Standard Definitions for Special Events*" of this report.

A Special Event is defined as:

- Any pre-planned one-time, annual or infrequently occurring temporary (meaning no more than 10 consecutive days during any calendar year) activity;
- Involves the use of, or having impact upon, public property, facilities, public parks, sidewalks or street areas owned, leased or controlled by the City of Toronto;
- Requires a permit and/or pre-approval from the City;
- Involves the use of any city services that would not be necessary in the absence of such an event;
- Organized by a private, charitable or not-for-profit organization; and
- Is free or charges an admission fee.

As there are literally thousands of events that occur in Toronto which could easily be classified under the above definition, it is recommended that the definition be divided into the following subtypes:

- Local Special Events e.g. a local block party
- Emerging Special Events e.g. a street festival
- Significant Events e.g. Toronto International Film Festival
- Signature Events e.g. World Youth Days, G-20 Summit, PAN AM Games

Long- Term (Phase II) Objectives (1 to 2 years)

i) Implement a Non-Refundable Late Application Fee:

The receipt of incomplete or late applications (applications received outside of the posted deadline date or those not allowing the standard, publicized review period) is a frequent and recurring problem shared by all City divisions. Up to 70% of applications are incomplete or late. The rationale behind this acceptance practice is the City's position of "do what it takes to make the event happen." However, this approach encourages submittal and re-submittal of deficient applications and ties up staff creating bottlenecks that slow down the entire process and raise costs for the City.

Cities such as Los Angeles have a late fee structure in place and currently charge a one-time late fee charge of \$312 plus a \$100 non-refundable processing fee for any changes made to an application once submitted.

It is recommended that the City Manager, in consultation with the General Managers of relevant divisions, develop and introduce a non-refundable late application fee. Research on how much this fee will be and when it will be implemented will need to be developed to be consistent with the *User Fee Policy* and in keeping with Divisional practices. The results will be reported to Council to be implemented by the 2013 budget cycle.

j) Imposing a Blackout on New and Existing Special 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. Significant and Signature events, such as the G20 or PAN-AM Games (please see Attachment C for definitions of special event categories), provide additional strain when added on-top of annual events.

Multiple-events occurring during the same time frame can cause significant resource constraints on divisions and agencies that support special events (e.g. Paid Duty Police Officers, Emergency Medical Services, Enforcement Officers, etc.) and 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. There are few provisions in place that control the number of events that can happen. There is a Transportation by-law that restricts the number of events that can happen on a particular street during a particular time frame.

The City should impose a blackout on new and existing special events, especially during times when the City is host to a significant or signature event or events that consume large amounts of City resources. This would alleviate pressures on City resources and allow for the city to ensure normal service delivery with minimal disruption.

3. TTC Costs associated with Business Improvement Area (BIA) Street Festivals

Background

BIA street festivals serve several purposes and generate many benefits including:

- promoting the brand, culture and strengths of a local retail area
- encouraging attendees to return to the area post-event to shop and dine
- contributing to the vitality of the surrounding neighbourhood
- making communities desirable places to reside
- providing a venue for community gathering and celebration
- creating connections among residents and between residents and local businesses
- helping animate and enliven the City for tourists
- providing much-needed revenues for many local businesses, especially restaurants and other food and beverages vendors.

In 2011, the City's business improvement areas collectively invested approximately \$4.0 million (including sponsorship revenues) in signature street festivals and special events, the second highest expenditure category for BIAs next to capital improvement allocations (\$5.1 million). Most of the City's long-standing and popular street festivals have been created, produced, promoted and financed by BIAs, including Taste of the Danforth, the Roncesvalles Polish Festival, Taste of the Kingsway, the Corso Italia Festival, Salsa on St. Clair, and the Cabbagetown Festival. Several newer festivals, such as Taste of Lawrence, Festival of South Asia, and the Fusion of Taste Festival have joined the ranks over the past few years. In 2011, approximately 3 million people attended signature BIA street festivals.

Financial Impact

Though businesses report an increase in sales and activities during a Street Festivals, the specific financial impact of Street Festivals to BIA's and the community is unknown as it has never been measured through a credited study or analysis. Such a study would need to be commissioned prior to the festivals to determine the actual financial impact.

Street festivals are costly to produce and as a result, BIAs must find sponsors to help off-set production costs, in addition to paying several City charges which must be covered by the BIA, including, for example, permit fees, EMS and police services, road closure signage and TTC charges.

To help off-set TTC charges, BIAs have requested the TTC take into consideration additional revenue it receives from increases in ridership generated by their events. In a response to City staff on this matter, the TTC advised that its ability to do ridership counts is constrained by lack of budget and workforce, and so they do not undertake counts when service is affected by a special event. Further, the TTC explained that about 50% of all passengers use Metropasses, and therefore, do not "show-up in the fare box." However, TTC staff did indicate that in time, with the expansion of the automatic passenger counting system, they will have greater capacity to gauge the impact of special events on ridership.

TTC Charges and Challenges

For the vast majority of BIA street festivals, TTC charges (e.g. signage, staff to re-route vehicle, shutting off electrical supply) are typically in the range of \$500 and represent less than 1.5% of total event costs, and therefore, are not a pressing issue. However, as "ATTACHMENT D - TTC Charges For 11 Signature BIA Street Festivals 2008-2011" and Table 2 below indicates, for the Gerrard India Bazaar's Taste of South Asia and The Cabbagetown Festival, TTC charges have been an issue for several years, accounting for approximately 22% and 16.5%, respectively, of event expenditures, the largest single expense item for each event. Additionally, each of these events has experienced double-digit increases in TTC costs from 2008 to 2011. With respect to the Taste of South Asia, the event represents a 30-hour disruption to the 506-306 streetcar route. In 2008, the TTC charge to the BIA was \$33,000. In 2009, the charge increased 18% to \$39,000 and increased by an additional 15% to \$45,000 in 2010.

Table 2 – TTC costs for Taste of South Asia, Cabbagetown Festival, Taste of Lawrence, Taste of Kingsway 2008-2011

Name of Festival	Taste of South Asia	Cabbagetown Festival	Taste of Lawrence	Taste of Kingsway
Attendance	200,000	50,000	250,000	50,000
Service Disruption	30 hrs to 506-306 Street car route	14 hrs to 506-306 Street car route	19 hours	61 hours
2008 Charge	\$33,000	\$7,800	\$432	\$432
2009 Charge	\$39,000	\$9,400	\$475	\$475
% increase from 2008 to 2009	18%	20%	10%	10%
2010 Charge	\$45,000	\$12,100	\$565	\$565
% increase from 2009 to 2010	15%	28%	5%	5%
2011 Charge	\$27,000 (BIA paid a portion of the \$44,000 as per 2011 Protocol)	Fee Waived due to Gerrard Street bridge reconstructions (est \$13,000)	\$509	\$565
% increase from 2010 to 2011	N/A (reduction)	N/A	-10%	0%
2011 Event Budget	\$125,000	\$65,925 (not including	\$178,000	\$265,328

		waived TTC charge)		
2011 TTC Charge as % of Event Budget	22% (based upon payment of ½ total charge)	16.5% (if TTC charge was not waived)	0.1%	0.3%

According to a June 2, 2011, letter from the TTC Chief General Manager to the General Manager of Economic Development and Culture, the extraordinary charges for these events are due to the necessary implementation of bus services to replace existing streetcar services disrupted by the festival road closure due to the location of the stages and merging of streetcar lines.

TTC Policy Changes

According to the June 2, 2011, letter from the TTC Chief General Manager, the TTC introduced a protocol in 2011 for charges to BIA street festivals whereby the BIA pays 100% of the first \$10,000 of charges and 50% of the balance of the charges, with the TTC absorbing the other 50% of the costs. For the 2011 Festival of South Asia, the Gerrard India Bazaar was billed \$27,000. Due to the reconstruction of the Gerrard Street Bridge over the Don River and the related disruption to service, the TTC waived its charge for the Cabbagetown Festival in 2011, but advised the BIA that the charge would have been approximately \$13,000.

The Cabbagetown Festival represents a 14-hour disruption to the 506-306 streetcar route during which time a replacement bus service is provided. With respect to the Cabbagetown Festival, the TTC charged jumped from \$7,800 in 2008 to \$9,400 in 2009 (20% increase) to \$12,100 in 2010 (28% increase). Due to the TTC costs, the BIA has split the Cabbagetown Festival into two components. On the Saturday, the event runs the full length of the BIA on Parliament Street from Wellesley Street south to Gerrard Street, and along Carlton Street. On the Sunday, the event area is significantly reduced in order to re-open Carlton Street and Parliament Street south of Carlton to regular vehicular and TTC traffic.

New Approach

In a memo to TTC Commissioners dated November 7, 2011, the TTC Chief General Manager advised that the TTC has "revisited our costing methodology for the recovery of service division costs" with respect to street festivals. Rather than charging on a full cost-recovery basis, as has been the long-standing approach, starting in 2012, all street festivals, whether privately or publicly sponsored, will be charged only the incremental ("out-of-pocket") costs associated with service diversions.

The new approach "recognizes that a service diversion is not a charter service but is an alternate service provided by the TTC to meet the needs of regular customers because of normal service disruption caused by the event." In effect, the proposed costing method will treat street festivals in a similar fashion to service diversions associated with capital

construction projects which disrupt TTC routes. According to the Chief General Manager, the proposed method will "result in a significant reduction in costs charged to BIAs" for events that require service diversions.

The new approach is a welcome initiative. TTC staff estimate it will reduce the charge for the 2012 Festival of South Asia from \$27,000 (the 2011 charge representing approximately one-half of the total TTC cost) to approximately \$14,500, including HST, which is almost entirely recoverable by BIAs. With respect to the Cabbagetown Festival, the charge will drop from \$13,000 in 2011 to approximately \$6,000, including HST. The 2012 estimates are based upon 2011 labour and fuel costs and are subject to adjustment if either cost changes.

The BIA office will continue to monitor the TTC charges as BIA street festivals in 2012, especially as they pertain to the Festival of South Asia and the Cabbagetown Festival. In order to improve the transparency of TTC charges to BIAs, it is recommended that City Council request the TTC CEO to provide itemized cost estimates and invoices regarding charges for future BIA street festivals to the host BIA.

4. Pilot Project to Allow Commercial/Private Events in City Parks

In recent years, Parks staff have explored various means and opportunities to further utilize parks. During the past year, Parks staff have been approached by various Toronto-based event organizers and concert promoters regarding the availability of City parks for commercial/private events.

In an effort to enhance City revenues and to be responsive to the inquiries from for-profit organizations, commercial groups, private entities and businesses to host ticketed and non-ticketed events in City parks, staff are recommending that a pilot project allowing commercial/private events in City Parks be initiated starting in the Spring of 2012.

In accordance with current Parks, Forestry and Recreation policy, only not-for-profit and charitable organizations may obtain a permit to hold a special event in a city park. Generally, for-profit organizations, commercial groups and businesses are prohibited from hosting special events or festivals in city.

This pilot project proposes eight locations selected based on their proximity to the downtown core and documented requests to stage commercial special events in the past. Downtown Toronto contains the largest concentration of condominiums, businesses, institutions, arts and cultural venues in the city. Because of their proximity to hotels, convention centres, and relative isolation from established residential areas, these parks are ideal candidates as pilot sites for testing the new policy. The General Manager of Parks, Forestry and Recreation in consultation with the local councillor may approve other locations on a case by case basis.

The proposed locations are:

- Ashbridges Bay Park
- Ferry Docks
- HTO Park
- Olympic Island
- Olympic Park
- Roundhouse Park
- Sherbourne Common
- Sugar Beach
- Woodbine Park
- And any other location as approved by the General Manager of Parks, Forestry and Recreation in consultation with the local Councillor on a case by case basis.

Commercial events include any special event that includes the exchange, production, purchase or sale of goods or services of any kind or nature for the purpose of making a profit. These include corporate sponsored events, festivals, performances, product promotions and sampling.

If the park proposed for a commercial special event currently has an exclusive food and beverage or sponsorship rights contract with a vendor, the organizer of the special event must negotiate with the exclusive rights holder for the sale of food and beverage or sponsorship at their event.

Allowing limited commercial/private use of City parks may help the City to generate additional permit revenue, provide new cultural or entertainment experiences, and generate economic impact from tourism and support of local businesses. Further, the City can engage corporations and the public to:

- raise the profile of City parks,
- use Parks, Forestry and Recreation facilities and public spaces more efficiently,
- generate significant revenues for the benefit of Parks, Forestry and Recreation facilities and programs, and
- assist in addressing the Division's concerns related to operating costs of planned, future parks by directing funds back to Parks, Forestry and Recreation.

Parks, Forestry and Recreation reviewed appropriate fees for commercial activities across large cities as well as two Toronto locations. The results are listed in *ATTACHMENT E - Comparison of Commercial Permit Rates between Large Cities and Other Venues within the City of Toronto*

As a result, the division recommends that the attached fees in *ATTACHMENT F - Commercial Special Events in City Parks Permit Policy Proposed Fee Schedule* to be approved as new fees in the Municipal Code, Chapter 441 – Fees and Charges as the fees for the pilot project. The City Clerk will be requested to give notice of the proposed fees, as required under the city of Toronto Act and Municipal Code Chapter 162, Public Notice.

Any event specific support fees such as audio visual, equipment rentals, security will be provided on a cost recovery basis. The division will report the outcome of the pilot project back to the Executive Committee in 2013 with a final fee schedule and other terms and conditions.

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ATTACHMENTS

Attachment A – Special Event Related Services - Permit Fees and Service Fees

Attachment B – Special Events Permitting and Service-Related Processes Comparison Table

Attachment C – City of Toronto's Standard Definitions for Special Events

Attachment D - TTC Charges for 11 Signature BIA Street Festivals 2008-2011

Attachment E – Comparison of Commercial Permit Rates between Large Cities and Other Venues within the City of Toronto

Attachment F – Commercial Special Events in City Parks Permit Policy Proposed Fee Schedule