



Night-time Economy - Stakeholder Consultation Results and Next Steps

Date: March 28, 2018

To: Economic Development Committee

From: General Manager, Economic Development and Culture

Wards: All

SUMMARY

Time of day is the new competitive edge for global cities. Amsterdam, Berlin, London, New York City and Paris are all introducing measures to develop the night-time economy.

In the past few years the City of Toronto has also begun several initiatives related to the night-time economy such as: supporting the music sector, protecting live music venues, advancing safety at entertainment events that attract large crowds, addressing the health impacts of environmental noise, enforcing noise regulations, and reviewing current rules for nightclub licences. However, with no underlying strategy to direct this work it is difficult for the City to respond quickly to issues that continue to arise about the "other 9 to 5".

This report summarizes the results of an exploration of a Night Mayor Ambassador Program for Toronto and developing the night-time economy. The process included input from about ninety (90) stakeholders, a jurisdictional review, partnerships with an academic institution and an international hospitality organization, a Ride-Along with Toronto Police Service, and coordination with other City Services and Divisions.

Based on the information gathered, this report recommends as a first step that the General Manager of Economic Development and Culture (EDC) be the point of contact for the night-time economy, and engage with relevant stakeholders to develop a vision and action plan for the social, cultural and economic activities that take place in Toronto between 6 pm and 6 am. The report does not recommend adopting a Night Mayor Ambassador Program for Toronto at this time.

RECOMMENDATIONS

The General Manager, Economic Development and Culture recommends that:

1. The Economic Development Committee direct the General Manager of Economic Development and Culture, or a designate, to be the City of Toronto's point of contact for the development of the night-time economy in Toronto.
2. The Economic Development Committee direct the General Manager, Economic Development and Culture, in consultation with internal and external stakeholders, to develop a vision and action plan to advance the night-time economy in Toronto, and report back to City Council on the results in 2019.
3. The Economic Development Committee direct the General Manager, Economic Development and Culture to undertake a study to measure the economic contribution of the night-time economy, and to include the initial results in the report back to City Council in 2019.
4. The Economic Development Committee direct the General Manager, Economic Development and Culture, in consultation with Toronto Police Service and involved City Divisions such as Solid Waste Management and Municipal Licensing and Standards, to clarify the current municipal approval protocol to temporarily extend the service of alcohol from 2:00 am to 4:00 am, and to include the results in the report to City Council in 2019.

FINANCIAL IMPACT

There are no financial implications associated with the adoption of this report.

The recommendations can be implemented within Economic Development and Culture's Approved 2018 Operating Budget. Economic Development and Culture Division will report back with an action plan for approval in 2019. Any additional resources required to implement the action plan will be identified and included for consideration in subsequent years.

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

DECISION HISTORY

At its meeting on May 17, 2016, Economic Development Committee directed the City Manager and the General Manager, Economic Development and Culture, together with appropriate parties, to explore the creation of a Night Mayor Ambassador Program.
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2016.ED12.12>

At its meeting on November 3, 2016, the Toronto Music Industry Advisory Council requested the General Manager, Economic Development and Culture, in consultation with the Toronto Music Industry Advisory Council, to make a case for the night-time economy including the following considerations: a) extension of licensing hours; b) licensing type; c) late night transportation; d) community safety; and e) special events.
<https://www.toronto.ca/legdocs/mmis/2016/ed/bgrd/backgroundfile-98157.pdf>

At its meeting on November 28, 2016, Economic Development Committee combined the two directions above (from May 17 and Nov. 3), with a further request to consult with Municipal Licensing and Standards, the Medical Officer of Health and other stakeholders, including the Liquor Licensing Task Force and the Noise Bylaw Working Group.
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2016.ED16.10>

At its meeting on September 21, 2016, Licensing and Standards Committee referred a report on Chapter 591, Noise By-law Review back for additional consultation.
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2016.LS13.1>

At its meeting on April 7, 2017, Economic Development Committee referred the presentation on nightlife safety for consideration.
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.ED20.2>

At its meeting on June 12, 2017, the Board of Health requested the Medical Officer of Health to develop a noise management action plan, in consultation with appropriate stakeholders, aimed at reducing exposure to ambient environmental noise over time.
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.HL20.5>

At its meeting on September 7, 2017, Planning and Growth Committee requested the Chief Planner and Executive Director, City Planning to circulate development applications for Official Plan and Zoning By-law amendments within 120 metres of an existing Entertainment Place of Assembly to the Economic Development and Culture Division to obtain comments from the General Manager, Economic Development.
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.PG22.13>

At its meeting on October 27, 2017, Audit Committee directed the Executive Director, Municipal Licensing and Standards, in consultation with the City Solicitor to review the existing definition of "entertainment establishments/nightclubs" in Toronto Municipal Code Chapter 545, and consult with the music industry on it, to strengthen inspection and enforcement efforts related to licensed eating establishments operating as unlicensed nightclubs (or resto-bars).
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.AU10.4>

At its meeting on December 4, 2017, Toronto Music Industry Advisory Council received a presentation by City Planning staff about City Planning's ongoing work affecting the sustainability of live music venues.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.MA10.3>

At its meeting on January 17, 2018, Community Development and Recreation Committee directed the General Manager, Economic Development and Culture to host a free, public "Safety Summit" to provide an opportunity for in-depth consultation with the music community on possible City actions to address safety at entertainment venues and events.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.CD25.3>

At its meeting on January 18, 2018, Economic Development Committee requested the General Manager, Economic Development and Culture facilitate the collection of accurate data to be used by the Responsible Hospitality Institute's (RHI) international study of Toronto's night-time economy and nightlife district management.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.ED26.9>

COMMENTS

Night-time Economy Development

The Night-time Economy describes the social, cultural and economic activities that take place between 6 pm and 6 am. At its broadest, it can include any type of work from manufacturing, food processing plants, late-night office work, cleaning services, goods transportation, goods delivery, and emergency health and safety services like hospitals. Because many people work at night, the night-time economy is often referred to as the "other 9 to 5", as in 9 pm to 5 am.

One part of the night-time economy is a city's nightlife. Nightlife describes a wide range of consumption experiences achieved through leisure, live entertainment and cultural activities that take place between 6 pm and 6 am. Nightlife can happen in a variety of spaces such as restaurants, pubs, nightclubs, casinos, sports stadiums, arenas, concert halls, music venues, multiplex cinemas, virtual reality (VR) arcades (a full-motion virtual reality arcade for entertainment and gaming uses), rides, theatres, festivals and galleries. Nightlife contributes to the economy through generating jobs and attracting tourists. It also offers social and cultural benefits such as connecting people through live experiences, fostering a sense of community and belonging, creating vibrant scenes, and incubating talent. Nightlife is also about having fun. An important part of nightlife is the existence of an audience or patrons; nightlife cannot exist without a consumer.

A vibrant music scene is critical to a successful nightlife. However, while linked, nightlife and music are not identical concepts. Nightlife includes a broader group of activities such as restaurants and sports, while the music sector includes matters that are not

necessarily part of nightlife such as music education, affordable living space for musicians, rehearsals, music recording and live music presentations during the day.

This report on the night-time economy and nightlife focuses on the lawful entertainment-related activities that take place in the city between 6 pm and 6 am.

Process

As directed by Economic Development Committee, the City of Toronto's Economic Development and Culture (EDC) Division explored the possibility of a Night Mayor Ambassador Program for Toronto, and developing the city's night-time economy.

The process included extensive information gathering from a variety of sources such as: published academic journal articles, a jurisdictional review of nightlife management in cities around the world, input from about ninety (90) stakeholders and experts, and ongoing coordination with other municipal divisions such as City Planning, Municipal Licensing and Standards, Public Health, Toronto Police Service, Toronto Paramedic Services, Toronto Fire Services, Office of Emergency Management Services, Strategic and Corporate Policy and the City Solicitor.

Over the course of this study, EDC Division developed two partnership agreements to further investigate the night-time economy. In August 2017, EDC Division formed an agreement with the University of Waterloo, Masters in Economic Development and Innovation program. This provided access to the University's library database of published academic journal articles. The second partnership was formed to study nightlife district management in Toronto. In January 2018, EDC Division was directed to work with Toronto Association for Businesses Improvement Areas (TABIA) and Toronto Police Service on an international study of Toronto's nightlife management led by the Responsible Hospitality Institute (RHI), a not-for-profit based in the United States of America.

Between December 2017 and January 2018, EDC Division launched a robust stakeholder consultation process about the possibility of a Night Mayor Ambassador Program for Toronto, to develop the city's night-time economy. Input was gathered through individual interviews, small group meetings, telephone interviews and written comments in response to about ten questions. The conversations were semi-structured, and through the process additional comments were shared.

In total EDC Division received a wide range of opinions on the night-time economy directly from 86 people representing the following internal and external stakeholder groups:

- 57 people from Toronto music, theatre, restaurant, entertainment, nightclub and tourism businesses and associations, BIAs (Business Improvement Areas), university and college institutions, students, and neighbourhood and residents associations;

- 17 Toronto Public Service staff from Toronto Police Service, Toronto Fire Services, Toronto Paramedic Services, Municipal Licensing and Standards, Office of Emergency Management, Toronto Public Health, City Planning and Economic Development and Culture; and
- 12 people from other jurisdictions such as Amsterdam, Calgary, Edmonton, London (UK), Montreal, New York City, Paris, Seattle, and Sydney.

To further understand the City's operational side at night, the stakeholder engagement process included a Ride-Along with Toronto Police Service on January 19, 2018, from 11 pm to 4 am. The purpose of the Ride-Along was to understand, from a safety perspective, the various conditions and situations the Toronto Police Service responds to on a typical winter weekend in the city's Entertainment District and the surrounding areas. It was also an opportunity to see a variety of venue types, and to meet people working in nightclubs during their operating hours.

To engage young adults, the consultation process included views of individual students attending university and college. It also incorporated thoughts gathered from key speakers at *Night of Ideas*, which took place on January 25, 2018, and was hosted by the University of Toronto, Hart House, Art Museum, in partnership with the Cultural Service of the French Embassy in Canada. The Art Museum is one of the first Canadian institutions to take part in this French-initiated global, all-night event that happened simultaneously in more than 50 cities.

On February 18-20, 2018, EDC Division sent a delegate to New Orleans to attend RHI's international Summit called Sociable Cities. The Summit was an opportunity to meet with people from around the world engaged in nightlife management and development. Summit speakers included Mirik Milan, the original Night Mayor of Amsterdam, Philip Kolvin, former Chair of the London Entertainment Commission, and Jocelyn Kane, former Executive Director of the San Francisco Entertainment Commission.

The following section presents a summary of data gathered from the literature review, jurisdictional review, stakeholder consultations, and provides updates on municipal and provincial regulations. A more detailed report on the information gathered is presented in Attachment 1.

Literature Review Summary

The major findings from the literature review are that the night-time economy is not new and not unique to Toronto. The presence of the night-time economy in cities is often overlooked because night-time activities are not visible during the day and not widely recognized as a valued contributor to the economy. The academic research also points to potential benefits of creating night-time strategies. For example, the night-time economy can be a new way of addressing creative city development, developing a stronger 24 hour economy through supporting local businesses, linking daytime and night-times through "cross-over" activities and spaces, increasing safety, and detecting upcoming daytime trends. See Attachment 1, *Appendix 1: Night-time Economy Literature Review* for further details.

Jurisdictional Review Summary

The jurisdictional review analyzed night-time economy strategies in cities around the world, with a special focus on Amsterdam, Berlin, Brisbane, London (UK), New York City, Paris, San Francisco, Seattle and Sydney. The review found that global cities are starting to invest in planning the night-time economy with the same attention that is given to the daytime economy. There is no single model for night-time economy management in cities. Most cities with a successful nightlife have at least one of the following: an identified city lead (internal or external), staff in a local government film, music, media and entertainment office that work with other city divisions, a mechanism to coordinate nightlife industry and stakeholder input on an ongoing basis, and a nightlife action plan or master plan. See Attachment 1, *Appendix 2: Night-time Economy Jurisdictional Review* for further details.

Stakeholder Consultations Summary

Through stakeholder input, an assessment of Toronto's night-time economy found the following strengths, weaknesses, opportunities and threats. Through the direction of Economic Development Committee, the stakeholder consultations focused on the city's entertainment, nightlife and live music scenes from 6 pm to 6 am. See Attachment 1, *Appendix 3: Night-time Economy Stakeholder Consultations* for further details.

Strengths

The night-time economy is one of Toronto's defining characteristics as a big and growing city. Toronto offers international tourists and its diverse residents exciting culinary scenes, a vibrant nightlife, many live music and entertainment options and special events throughout the year. People felt that Toronto is a safe city and is perceived to be a safe place to visit.

Weaknesses

There were repeated calls across all stakeholder groups for an increase in transit service, especially as it relates to the evening rush-hour service and late-night service. Many people suggested that the City introduce 24 hour transit, beginning with Friday and Saturday nights, similar to London's Night Tube in the United Kingdom. A resounding comment from many people, across stakeholder groups was a call for the introduction of public toilets and better street lighting at night.

Opportunities

There is an opportunity for the City of Toronto to become more involved in creating and supporting large-scale civic spectacles at night. This would attract tourists and promote the city's vibrant nightlife around the world. The stakeholders said that developing the city's night-time economy can strengthen the connection between the city's nightlife and cultural sectors. It can also support initiatives to provide better transit and make better

use of the city's infrastructure 'around the clock'. People would also like to see more to do in Toronto at night. There is a call for the City to respond to the various lifestyle choices of city residents, and develop nightlife activity outside the downtown core.

Threats

There are ongoing concerns between night-time businesses and residents related to business licensing type and late-night disturbances. Resident stakeholders fear that the development of the night-time economy will result in the proliferation of nightclubs in the city. From a business perspective rising operating costs, such as higher rents and minimum wage increases, are challenging all businesses in the city, including those operating at night. There are concerns that if nothing changes, Toronto's future nightlife will be:

- Unaffordable that only the wealthy few can enjoy
- Illegally happening in unregulated spaces
- Taking place in large-scale venues that can draw huge crowds to cover expensive operating costs
- Not happening at all as small to medium sized local enterprises will not exist

Night Mayor Ambassador Program

Stakeholder opinions on a Night Mayor Ambassador Program for Toronto ranged from supportive to resistant.

Everyone consulted in Toronto did not like the term 'Night Mayor'. It was repeatedly observed that it sounded like 'nightmare'. Many people also said that they did not like the term 'mayor' associated with an unelected position. There was a concern that adding a 'Night Mayor' in Toronto would add another layer of bureaucracy.

Several stakeholders from different groups mentioned that a successful nightlife should not depend on one person. Some stakeholders were hesitant about the idea of creating a 'Night Mayor' as a quick fix to problems. Many people were unclear as to what a 'Night Mayor' would do for the city.

The stakeholders who were supportive of a 'Night Mayor' for the city were interested in the City of Toronto having a neutral point of contact for businesses and residents, and the City taking a bigger role in developing the night-time economy overall.

Developing the Night-time Economy

There was interest across all stakeholders for the City of Toronto to become more involved in the night-time economy. Stakeholders recommended that the City develop a plan, and then determine what people, resources or structures are needed to implement the plan. Examples of how stakeholders believed the City could be more involved in the night-time economy included:

- Developing a strategic plan for the night
- Gathering data on the city's night-time economy
- City staff working nights (and days) to provide municipal services
- Promoting the city's nightlife to residents and tourists
- Supporting nightlife business needs
- Developing new special events that take place at night
- Coordinating governance of the nightlife industry with all stakeholders
- Working with residents
- Enhancing public awareness about safety at night
- Addressing behaviour around drinking alcohol
- Participating in an international network of nightlife ambassadors from cities around the world

Community Safety

There are many City of Toronto services that already support a safe night-time economy in the city. For example Toronto Police Service, Toronto Fire Services and Toronto Paramedic Services are fully operational 24 hours a day. Toronto Police Service has an additional deployment in and around the Entertainment District. See Attachment 1, *Appendix 4: Map of the Toronto Entertainment District Business Improvement Area*.

The City of Toronto is working on a number of new and ongoing initiatives related to the night-time economy. The City will be hosting an upcoming free public Safety Summit about entertainment events that draw large crowds.

City Planning, Municipal Licensing and Standards and Public Health are working on several projects including planning measures to support live music venues, a study on the public health effects of noise, and a review of the City's Noise and Licensing type for entertainment establishments/nightclubs.

Licensing Type

In 2017, there were 36 businesses with a nightclub licence issued or renewed by City of Toronto, Municipal Licensing and Standards. Due to various reasons, the number of nightclubs in Toronto has decreased by 35% since 2010. (Note: nightclub licenses represent a small percentage of the city's total live music venues, refer to Appendix 1 for more information.)

The City of Toronto Zoning By-law 569-2013 only permits nightclubs within a defined part of the downtown core in and around the Entertainment District BIA, with conditions. See Attachment 1, *Appendix 5: Map of Nightclub Permission Areas* for more details of this geography. Nightclubs that operate outside of these boundaries are exceptions, and are permitted through site specific permissions or legacy zoning under former zoning by-laws. Other land use terms in the zoning by-law related to nightclubs are entertainment place of assembly and eating establishment.

In 2017, there were 243 live music venues in the City of Toronto, Toronto Music Directory. See Attachment 1, *Appendix 6: Map of Live Music Venues* for more details. The City of Toronto does not license live music. In 2017, most live music venues operated under a restaurant businesses licence (51%) and only small number operated as nightclubs (10 venues or 4% of the 243). When it comes to zoning, a music venue may be permitted under the terms nightclub, entertainment place of assembly, or eating establishment, depending on the nature of the business operations. Overall, stakeholders said that a vibrant live music scene is crucial to the success of the city's nightlife. Many people, including resident stakeholders, wanted to see the protection and creation of more live music venues in the city.

Extension of Licensing Hours

The issuance of liquor licences is the sole authority of the Province of Ontario through the Liquor Licence Act. The City of Toronto has no jurisdiction over this. In Toronto, Ontario, liquor licensees are permitted to serve alcohol from 11 am to 2 am.

An immediate concern raised by Toronto Police Service regarding the temporary extended hour of liquor service until 4 am is that Toronto Police Service is not part of the decision making process. When these extensions of hours of service occur it promotes the night-time economy, however, it also puts a strain on Toronto Police Service staffing levels whether it be on-duty or call-backs. In order to promote a safe and vibrant nightlife scene it has to be staffed properly and adequately by not only the police, but also by City departments such as Fire Services, Municipal Licensing and Standards, and Solid Waste Management.

A permanent 24/7 all year extension of licensing hours is supported by operators and patrons, however, there are concerns from residents, Police and other City services.

Toronto Police Service has dedicated officers deployed to the Entertainment District on both sides of Spadina Avenue. One set of officers patrols the 14 Division King-Spadina entertainment district and another set of officers from 52 Division patrols the central entertainment district. This deployment model will be significantly impacted if a permanent extension of hours of service is approved.

Extending hours may increase the volume of calls that Paramedic Services responds to.

Other Municipal Services

In 2012, Economic Development and Culture created a new Entertainment Industries section that leads music sector development, film permitting and sector development, the Winterlicious and Summerlicious restaurant dining program and tourism services. The Arts and Culture Section of EDC also programs and produces annual cultural events that take place at night such as Nuit Blanche and Cavalcade of Lights.

Analysis

The key to a better night in the city is shifting mind-sets about the night and becoming proactively involved in planning for the social, cultural and economic activities in the city between 6 pm and 6 am. A city's night-time signals whether or not a place is safe, affordable, equitable and innovative. Night-time businesses need City services just as much as any other business. By investing in the night-time economy, it can actually strengthen the city's daytime economy and overall livability.

Planning an economy at night is a new role for cities. It is so new that there is no common mechanism for tracking the number of businesses that operate at night or how many people work at night. There are several reasons why local development has traditionally overlooked night-time. On a functional level many people who are employed by local government offices and in other traditional office settings, work during the day from 9 am to 5 pm. The daytime economy is already a challenging and complex portfolio for any local government. Night-time may be used for networking with business clients through events, conferences or meetings, but rarely is it approached with the expertise, resources or consideration that daytime is given.

The impact of the growth of residential living in the downtown core has a push and pull factor for the city's night-time economy. As the size of condominiums in the downtown are mostly small, non-residential leisure spaces are valued neighbourhood amenities. Stakeholders mentioned that the restaurants, bars, outdoor patios, games rooms and live music venues in the downtown core are the local residents' kitchens, living rooms and backyards. On the other hand, the growth of residential development in the downtown core has meant an increase in property prices overall, and is putting pressure on leisure activities in the downtown core to wrap-up or shut down by 11 pm.

Improved planning of the city at night will help residents who live near or beside vibrant night-time scenes. Being able to have a good night's sleep is essential for individual health. Many people who work often spend more time in their homes asleep than awake. It is important that a resident be able to have the time to rest and be quiet, when they choose to. A good night's sleep can be achieved, without threatening night-time businesses, when cities actively plan for night-time uses.

Night-time Economy Next Steps

The following are next steps if the recommendations in this report are accepted. Working with appropriate City divisions and stakeholders, the General Manager of Economic Development and Culture Division, or a designate, will be the City of Toronto's point of contact for the development of the night-time economy.

The Economic Development and Culture Division will lead a process to develop a vision and action plan for the social, cultural and economic activities in Toronto between 6 pm and 6 am, and report back in the next term of Council. As a part of this process the General Manager will form a Program Advisory Committee (PAC) to lead a broader engagement on 'life at night' in Toronto, and provide ideas and recommendations for the development of the action plan. The action plan will prioritize community safety and create a framework for everyone to have a great night in the city.

The City of Toronto will also start tracking economic data on the city's night-time economy to measure the number of businesses and jobs in the city's "other 9 to 5" economy.

Finally, the Economic Development and Culture Division will work with involved City Divisions and external stakeholders to clarify the approval protocol for temporary extensions of the service of alcohol from 2:00 am to 4:00 am.

Toronto Police Service, Toronto Fire Services, Toronto Paramedic Services, Office of Emergency Management, Toronto Public Health, Toronto Municipal Licensing and Standards, City Planning and Legal Services have reviewed this report and agree with the next steps.

CONTACT

Elena Bird
Senior Policy Advisor, Policy Development
Economic Development and Culture
416-392-8671 Elena.Bird@toronto.ca

SIGNATURE

Mike Williams, General Manager
Economic Development and Culture

ATTACHMENTS

Attachment 1: Night-time Economy Report - Supporting Documents