

## Strengthening Toronto's Nighttime Economy

**Date:** June 19, 2019

**To:** Economic and Community Development Committee

**From:** General Manager, Economic Development and Culture

**Wards:** All

### SUMMARY

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The phrase “nighttime economy” describes the social, cultural and economic activities that take place between 6 p.m. and 6 a.m. in the city. A key component of the nighttime economy is nightlife – which refers to entertainment-related activities. Toronto has a safe and lively nightlife that has the potential to grow, and the purpose of this report is to seek the necessary authority to implement the proposed actions of the Toronto Nightlife Action Plan, presented in Attachment 1. If approved, the actions will strengthen Toronto's nightlife over the next three years, using, and in some cases re-aligning, existing City resources.

The nighttime economy is the new competitive edge for post-industrial cities. Yet the nighttime economy is often overlooked in municipal economic and infrastructure planning. As a result of market forces and municipal policies, Toronto's nightlife culture is under threat from increasing business costs and regulatory challenges. This is not a unique problem. World-class cities like Amsterdam, New York, Berlin, Paris and Sydney are facing similar challenges and are actively taking steps to plan, protect and create nighttime activities. Their approach is based on the view that a vibrant nightlife attracts young, creative and talented people. Music, fashion, film, literature, visual arts and performing arts all thrive during the nighttime.

This report also addresses issues around the do-it-yourself (DIY) pop up music venues challenges (Attachment 2) and findings from an assessment of two hospitality zones in the city conducted by the Responsible Hospitality Institute (RHI) (Attachment 3).

## RECOMMENDATIONS

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The General Manager of Economic Development and Culture recommends that:

1. City Council request the Mayor to designate a Member of Council as Toronto's Night Ambassador, to be the voice for Toronto's entertainment-related activities for the 2018 to 2022 term of Council.

2. City Council direct the General Manager of Economic Development and Culture to:

a. Report back to Economic and Community Development Committee on the key priorities of a nighttime operations working group that consists of invited participation from senior staff in Municipal Licensing and Standards, City Planning, Transportation Services and other relevant City divisions in 2020;

b. Report back to Economic and Community Development Committee on advice from nightlife and creative sector for-profit and not-for-profit enterprises, do-it-yourself event organizers, and equity-seeking groups such as youth, women and LGBTQ2S on best practices to enhance inclusive social culture across Toronto at night in 2020;

c. Pilot an arts event permit to host pop up performances in unconventional spaces working with the Executive Director of Municipal Licensing and Standards, the Chief Planner and Executive Director of City Planning and other appropriate City divisions; and

d. Organize a free annual Toronto Nightlife Industry Town Hall with the private sector and community partners within a year, and annually thereafter, to help set priorities.

3. City Council direct the Executive Director of Municipal Licensing and Standards, the Chief Planner and Executive Director of City Planning and other relevant City divisions to work with the General Manager of Economic Development and Culture to align the review of zoning and business licensing regulations to clarify the requirements for venues regularly presenting live music, and report back to Economic and Community Development Committee and Planning and Housing Committee, as appropriate, in 2020.

4. City Council direct the General Manager of Economic Development and Culture to work with the Executive Director of Municipal Licensing and Standards, other relevant City divisions, Toronto nightlife leaders and residents to:

a. Develop a safer venue industry guide that incorporates safer spaces best practices, information on responsible consumption and safe working environments; and

b. Develop a list of good neighbour principles for late-night businesses based on best practices around the world and adapted for Toronto.

5. City Council direct the General Manager of Economic Development and Culture to work with the Chief Planner and Executive Director of City Planning to identify emerging entertainment areas outside the downtown core that can support entertainment uses at night and the future growth of nightlife in Toronto and report back to Planning and Housing Committee on potential opportunities and approaches in 2020.

6. City Council direct the General Manager of Economic Development and Culture to work with the General Manager of Transportation Services, in consultation with relevant stakeholders, to explore the opportunities for additional transportation options specific to the nighttime economy and report back in 2020 to the Infrastructure and Environment Committee.

## **FINANCIAL IMPACT**

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There are no immediate financial impacts resulting from this report. Any future costs for interim impacts associated with the Toronto Nightlife Action Plan will be addressed within existing resources, with future costs for permanent impacts to be submitted for consideration as part of future annual budget processes.

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

## **DECISION HISTORY**

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At its meeting on April 29, 2019, Economic and Community Development Committee directed the General Manager, Economic Development and Culture to report back with a plan to foster and enhance Toronto's night economy.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.EC4.7>

At its meeting on April 16, 2019, City Council adopted amendments to Toronto Municipal Code Chapter 591, Noise.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.EC3.6>

At its meeting on March 27, 2019, City Council delegated authority to the City Clerk to designate an event of municipal significance for Temporary Extension of Liquor Licences overseen by the Alcohol and Gaming Commission of Ontario.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.EX3.7>

At its meeting on May 22, 2018, City Council adopted TOcore: Downtown Plan Official Plan Amendment that includes an "Agent of Change" principle for live music venues. Council also directed staff to undertake a review of the City-wide policies and zoning regulations related to live music venues.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.PG29.4>

At its meeting on April 13, 2018, Economic Development Committee directed the General Manager, Economic Development and Culture, to develop a vision and action plan to advance the nighttime economy in Toronto and report back in 2019.  
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.ED28.5>

At its meeting on January 18, 2018, Economic Development Committee directed the General Manager, Economic Development and Culture to facilitate the Toronto Association of Business Improvement Areas' collection of data for the Responsible Hospitality Institute's pro bono study of the nighttime economy in Toronto.  
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.ED26.9>

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, Licensing 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 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>

## **COMMENTS**

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### **Toronto Nightlife Action Plan**

Staff at the City of Toronto have developed a comprehensive Toronto Nightlife Action Plan (Attachment 1). It includes a vision, goals and actions for planning, protecting and creating live music, entertainment and social culture at night in the next three years. The plan is based on extensive internal and external consultation, academic reviews and information gathering. The recommendations in this staff report have been drawn from the Toronto Nightlife Action Plan to give City staff the necessary authority to implement the plan's proposed actions.

Since 2013, Toronto has adopted a Toronto Music Strategy, formed a Toronto Music Advisory Council, revamped the City's Noise Bylaw, adopted "Agent of Change" guidelines to protect music venues downtown, and streamlined the municipal process for extensions of temporary liquor licences. In addition, the City supported two research studies on Toronto's nightlife.

The first study is called *DIY Events in Toronto: Understanding Challenges to Access and Space* (Attachment 2). It was prepared through the Toronto Urban Fellow program in 2018. The term “DIY events” (“do-it-yourself”) refers to arts and cultural events that use non-traditional spaces. The recommendation in this staff report to initiate an arts events permit administered by Economic Development and Culture Division comes from this study. The other recommendations in the *DIY Events in Toronto* report do not require City Council authority to initiate. For example, this includes hosting multi-stakeholder networking events for DIY event organizers, promoting DIY events through Business Improvement Areas, and working more closely with City cultural programming and in City spaces. The City will implement these staff-oriented recommendations as best as possible.

The second study is called *Toronto Sociable City at Night: Hospitality Zone Assessment* (Attachment 3). It was led by the Responsible Hospitality Institute (RHI), an American not-for-profit consultancy group and was funded by Diageo. The study commenced in 2018 and was supported by local partners: Toronto Association of Business Improvement Areas, and Ryerson University's Hospitality and Tourism Management program. Staff used the RHI report as a basis for developing the Toronto Nightlife Action Plan, pulling from the RHI analysis and recommendations those aspects that fit Toronto's current fiscal and planning contexts. Similar to the *DIY Events in Toronto* study, the *Toronto Sociable City at Night* proposes several actions that do not require City Council authority to initiate. These are: launching social marketing for patron behavior, applying a night lens to day events and strategies, and organizing a venue alliance for self-regulation. The City will also implement these staff-oriented recommendations as best as possible. Finally, recommendations recently adopted by City Council are not included. These are listed in the table below.

Table 1: Current City Policies and the Responsible Hospitality Institute's Report

City Council Decision	<i>Toronto Sociable City at Night: Hospitality Zone Assessment, 2019</i> (Attachment 3)
<a href="#">Delegation of Authority for Temporary Liquor Licences to the City Clerk's Office</a> EX3.7, Adopted by City Council, March 2019	Create a transparent and equitable 4 a.m. process
<a href="#">Noise By-law Review - Proposed Amendments to Chapter 591, Noise</a> EC3.6, Adopted by City Council, April 2019	Establish a Multi-Faceted Approach to Sound
<a href="#">TOcore: Downtown Plan Official Plan Amendment</a> PG29.4, Adopted by City Council, May 2018, approved by the Minister on June 5, 2019	Agent of Change - frequently mentioned as a best practice in the report

While Toronto has not completed an economic study on nightlife, several cities have conducted economic impact assessments of their food services, bars, arts, venues and sports and recreation activities. Edmonton found that the economic impact stemming from their late-night entertainment economy was \$1.4 billion in 2014. If Edmonton's late-night entertainment economy is scaled-up to the size of Toronto, the economic output of nightlife in Toronto would be \$4.2 billion. A study of New York City's nighttime economy reported that it had an economic output of \$19.1 billion (USD) in 2016. Using a population of 8.6 million people for New York City, this means Toronto's nightlife, with a population of 2.8 million people could aspire to have an economic output of \$6.1 billion (USD) or \$10.6 billion (CAD). A city's nightlife enhances its international reputation and attracts talented people and businesses. Supporting the nighttime economy has the potential to strengthen the city's 24-hour economy through an increase in tourism, the creation of export opportunities in the creative industries, and more effective use of city infrastructure. By itself, nightlife also contributes to the economy through businesses and jobs. A strong nightlife also has non-economic benefits. Live music, restaurants, theatre, comedy, and entertainment at night are part of a city's culture that welcomes different lifestyles from diverse backgrounds.

However, the nighttime economy in Toronto faces significant challenges. Similar to small- and medium-sized daytime businesses, Toronto's nighttime culture operators are under threat from a lack of affordable space. For nighttime operators these economic challenges are exacerbated by an outdated regulatory structure. While rising business costs and urban renewal are part of the issue, the City does not have the licensing or zoning framework for nightlife to legally exist across Toronto. Apart from a few spaces in the downtown core (King-Spadina and King-Parliament), the city is not zoned for the full spectrum of late-night activity. As the price of real estate continues to rise along with the push for more residential uses, areas that at one time were conducive for nightlife are now at the frontline of conflicting residential and business interests. As a result of this competitive setting, Toronto has a fractured nightlife industry. Toronto nighttime culture could be at tipping point. If the City does not change the way it approaches the night, Toronto's nighttime culture will not keep pace with major capitals and world cities.

The Toronto Nightlife Action Plan is a comprehensive plan that considers all of the studies and information gathered to date and the current regulations in place. It includes a vision, goals and actions using existing City resources differently. Below is an outline of the proposed actions that require City Council authority for implementation.

#### *Toronto's Night Ambassador*

A jurisdictional review of nighttime management around the world found that many cities have a dedicated person to represent nighttime work. This person, whether working as an elected politician, public servant, or not-for-profit or industry association representative, is the nighttime lead for the city. In Paris, the Deputy Mayor of Paris is responsible for the nightlife and diversity of the cultural economy. The action plan proposes that Toronto follow Paris's model by designating an elected official to be the voice for Toronto's entertainment-related activities at night and improve relations between night businesses, residents and government. This aligns with the *Toronto Sociable City at Night* recommendation to "put "life at night" on the political agenda".

### *City Nighttime Operations Working Group*

One of the biggest challenges for nightlife businesses is the number of City services they interact with. This can be a problem, especially if the businesses receive conflicting instructions or advice. Lack of coordination is also a problem for internal City staff. By establishing a nighttime operations working group with relevant City divisions, agencies and boards, the City of Toronto will increase collaboration of existing resources and improve the flow of information on an ongoing basis. It is vital that this nighttime operations working group be composed of senior City staff, each with the authority to initiate the review and revamping of policies and actions in their respective divisions, as determined by the working group. This aligns with the *Toronto Sociable City at Night* recommendation to "create a nighttime economy unit".

### *Continue to Seek Advice from Nightlife and Creative Sector Leaders*

A city's nightlife is driven by creative producers and entrepreneurs, musicians and artists. It is important that everyone can access "life at night" experiences the City of Toronto supports. This includes persons with disabilities, women, racialized group(s), lesbian, gay, bisexual, trans, queer, two-spirit communities (LGBTQ2S), undocumented workers, immigrants and refugees, persons with low income and youth. This aligns with the *Toronto Sociable City at Night* recommendation to "support musicians and nightlife connectivity".

### *Pilot an Arts Event Permit*

The purpose of the Arts Event Permit is to provide "do-it-yourself" (DIY) event organizers a simple and affordable mechanism to host small indoor live "pop up" performances in the city. Based on the City of Vancouver's model, Toronto could pilot a similar mechanism for DIY events to safely and legally occur at a variety of spaces including studios, warehouses, factories, offices, shops, and other original venue spaces. This aligns with the *DIY Events in Toronto* recommendation to develop a city-wide centralized permitting process for arts and cultural activities in unconventional spaces.

### *Free Annual Toronto Nightlife Industry Town Hall*

A conference is an occasion to bring local nightlife creatives, residents, businesses and government together to discuss relevant topics in a neutral and accessible space. These events help connect the industry and visibly demonstrate the City's support and appreciation of the entertainment-related jobs and businesses working at in night their community. Many cities around the world host night conferences, for example in Detroit (The Potential), Sydney (Global Cities after Dark), Amsterdam (Night Mayor Summit), Stockholm (Nordic Night Mayor Conference), and Brussels (NIGHTS conference). This aligns with the *Toronto Sociable City at Night* recommendations to "refine and institutionalize a safety approach", "support musicians and nightlife connectivity", "bridge the divide between residents and venues" and "focus on new nightlife perspectives for safety".

### *Expedited Review of Zoning and Licensing Regulations*

Many of Toronto's live music venues operate in a regulatory dilemma. Live music in the form of small independent events where the majority of the patrons are not seated is not directly addressed through either the zoning bylaw or the licensing bylaw. Activities which are associated with live music venues, such as dancing, are restricted in the zoning bylaw. Venues where dancing takes place as a primary use are generally only permitted in the downtown, and live music - even if the music is not amplified - is prohibited on all outdoor patios. The licensing bylaw can create additional uncertainty for business operators, as the types of establishments that are now common in the nighttime economy are sometimes difficult to classify within the existing business licence categories.

In recognition that a city cannot have great nightlife without a vibrant live music scene, in May 2018, the Planning and Growth Management Committee directed the Chief Planner and Executive Director, City Planning, the General Manager, Economic Development and Culture, the Executive Director, Municipal Licensing and Standards and the Chief Building Official, Toronto Building to undertake a review of the City-wide policies and zoning permissions related to live music venues. The recommendations of this report direct these divisions to align the current zoning bylaws and regulations, and report back to Economic and Community Development Committee and Planning and Housing Committee, as appropriate, in 2020. This aligns with the *Toronto Sociable City at Night* recommendation to "update licence categories and process".

### *Safer Venue Program*

Many Toronto venues are proactively seeking advice about how to make their spaces safe for patrons and workers. This work includes developing a code of conduct, educating and empowering venue owners about safe spaces, offering training workshops to employees, and listening and responding to the needs of everyone. Making such policies by working with Nightlife industry leaders will ensure everyone in Toronto is in a safe space. This aligns with the *Toronto Sociable City at Night* recommendation to "focus on new nightlife perspectives for safety".

### *Good Neighbour Agreement*

Bridging the divide between residents and venues is an important step in a nighttime action plan. A good neighbour agreement lays the foundation for positive communication and engagement between residents and venues through a set of operating principles. Seattle has a four-page memorandum of understanding that all the nightclubs agree to. Toronto can build on these best practices to ensure residents are being heard. This aligns with the *Toronto Sociable City at Night* recommendation to "bridge the divide between residents and venues".

### *Emerging Entertainment Areas outside the Downtown Core*

Entertainment-related activity at night takes place across Toronto. There is an opportunity through nighttime activities to stimulate economic growth in Toronto outside the downtown core. Toronto may also look to Australia's examples of nightlife management, where in 2004 Brisbane City Council developed the Valley Music Harmony Plan. One of the first actions of the plan was the creation of the Valley "Special Entertainment Precinct," whose defining characteristic is that entertainment is the primary use and residential is a secondary use. Toronto may find similar



opportunities to support the development of emerging entertainment areas outside the core. This aligns with the *Economic Development and Culture Divisional Strategy: 2018 - 2022* goals of inclusion, equity, space and access by delivering programs and services outside the core.

#### *Transportation Services for Late-Night Activities*

Transportation services are key to reducing harm and improving access to nightlife activities. In 2016 London UK fully introduced Night Tube and Overground night-time services to travellers on Friday and Saturday nights; Toronto may consider similar enhancements to TTC services. At the same time, cities need to plan for vehicles-for-hire to provide services for nightlife patrons. Intentionally considering egress from late-night businesses at peak times and access to convenient transportation options ensures that everyone has a safe ride home. This aligns with the *Toronto Sociable City at Night* recommendation to "create a comprehensive nighttime mobility plan".

## **CONTACT**

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## **SIGNATURE**

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Mike Williams  
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## **ATTACHMENTS**

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- 1 - Toronto Nightlife Action Plan
- 2 - DIY Events in Toronto: Understanding Challenges to Access and Space
- 3 - Toronto Sociable City at Night: Hospitality Zone Assessment