

**Subject: Ottawa Nightlife Economy Action Plan**

**File Number: ACS2023-PRE-EDP-0008**

**Report to Finance and Corporate Services Committee on 2 May 2023**

**and Council 10 May 2023**

**Submitted on April 21, 2023 by David Wise, Director, Economic Development and Long Range Planning, Planning, Real Estate and Economic Development**

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**Ward: City Wide**

**Objet : Plan d'action économique en matière de divertissements de soirée à Ottawa**

**Dossier : ACS2023-PRE-EDP-0008**

**Rapport au Comité des finances et des services organisationnels le 2 mai 2023**

**et au Conseil le 10 mai 2023**

**Soumis le 21 avril 2023 par David Wise, Directeur, Développement économique et planification à long terme, Services de la planification, de l'immobilier et du développement économique**

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**Quartier : À l'échelle de la ville**

## **REPORT RECOMMENDATIONS**

**That the Finance and Corporate Services Committee recommend Council:**

- 1. Receive the Nightlife Economy Action Plan and direct staff to initiate the recommendations contained therein and summarized in Document 1;**
- 2. Direct staff to report back to the Finance and Corporate Services Committee on the progress of the Nightlife Economy Action Plan by the end of Q4 2024; and**
- 3. Direct staff to report back to the Finance and Corporate Services Committee on the outcomes of the Nightlife Economy Action Plan by the end of Q4 2026.**

## **RECOMMANDATIONS DU RAPPORT**

**Que le Comité des finances et des services organisationnels recommande ce qui suit au Conseil :**

- 1. Prendre connaissance du plan d'action économique en matière de divertissements de soirée et donner pour consigne au personnel de commencer à appliquer les recommandations décrites dans le présent rapport et résumées dans le document 1;**
- 2. Demander au personnel de rendre compte au Comité des finances et des services organisationnels de l'état d'avancement du Plan d'action économique en matière de divertissements de soirée d'ici la fin du quatrième trimestre de 2024;**
- 3. Demander au personnel de présenter au Comité des finances et des services organisationnels un rapport des résultats du Plan d'action économique en matière de divertissements de soirée d'ici la fin du quatrième semestre de 2026.**

## **BACKGROUND**

Time of day as an economic driver is becoming increasingly important for cities. Cities with vibrant nightlife economies, defined as the wide range of consumption experiences achieved through leisure, live entertainment, and cultural activities between 6:00 pm and 6:00 am, are differentiating themselves from other places. Specifically, these cities

are experiencing improved job creation, talent attraction, investment attraction, economic growth, tourism, and city brand building.

There is a compelling rationale for developing and supporting nightlife activities – particularly in a post-pandemic environment. Large cities around the world, including Amsterdam, New York, Montreal, and Toronto, as well as mid-sized cities such as Washington, Austin, and Victoria, are gaining a competitive edge by introducing measures to develop and support their nightlife economies. These measures are having significant social, economic, and cultural impacts, from increasing social cohesion and inclusion and nurturing artistic and creative industries to creating jobs, generating wealth and attracting investment and talent to a broad range of sectors.

Additionally, through directed investment and established nightlife measures, these cities are helping bridge the gap between municipal operations, nightlife businesses and residents by changing the nightlife narrative and facilitating greater dialogue between stakeholders.

### **Ottawa's Nightlife Economy**

Ottawa is transforming. As of mid-2021, the city's population had increased 8.9 per cent since 2016<sup>1</sup>. Having now surpassed one million people, population is forecasted to grow to over 1.4 million<sup>2</sup> by 2046. With population growth comes increased consumer spending and the desire and expectation among residents and visitors for more nightlife amenities and experiences.

Significant redevelopment at Lansdowne Park and major upgrades to the Ottawa Art Gallery / Arts Court, and the Bronson Centre, are helping to support the demand for more compelling nightlife amenities and experiences. The redevelopment of LeBreton Flats, Lansdowne 2.0, the ByWard Market Public Realm Plan, and the Sparks Street Public Realm Plan, along with the National Capital Commission's Capital Illumination Plan and Capital Pathways Strategic Plan offer new opportunities to enhance Ottawa's nightlife offerings. Thanks to these initiatives, Ottawa's nightlife economy is growing and evolving and, according to industry stakeholders, the outlook will continue to improve as the broader economy moves past pandemic impacts and capitalizes on new opportunities for economic growth, diversification, and prosperity.

According to a 2022 Deloitte LLP report commissioned by the City, an estimated \$1.99 billion was spent in 2019 between 6:00 pm and 6:00 am in Ottawa, while daytime spending totalled \$5.5 billion. Deloitte estimates that \$1.5 billion of nighttime spending was directed to nightlife activities, which totalled more than 20 per cent of all spending

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<sup>1</sup> 2016 and 2021 Census data, Statistics Canada

<sup>2</sup> [City of Ottawa New Official Plan Growth Management Strategy, 2021](#)

in Ottawa. Residents were responsible for almost \$1.3 billion (84 per cent) of total nightlife spending, while visitors accounted for more than \$240 million (16 per cent).

Deloitte's report noted that Ottawa has approximately 4,600 nightlife-related businesses that employ over 38,000 workers (2021). Many nightlife businesses in Ottawa are characterized as micro and small businesses, with 15 per cent of businesses employing between one to four employees, and 24 per cent employing between five to 19 employees. Most nightlife jobs are in food services and the arts.

The pandemic had a significant impact on the nightlife economy, causing Ottawa's total nightlife employment to decline 19 per cent, a net loss of 8,820 jobs, driven primarily by declines in food service and hospitality. As the economy continues to rebound, and notwithstanding macro economic trends like inflation, nightlife employment is projected to grow. Growth is anticipated in the restaurant, cultural, festival, and special event industries, although some of that growth will be off set by employment losses including a reduction in the number of new artists, writers, presenters, and performers. By 2028, the result will be a net increase of approximately 1,400 new jobs compared to 2021. The Nightlife Economy Action Plan will bolster sector recovery and growth.

There is a recognition among stakeholders that Ottawa's nightlife lacks support, coordination, and centralized promotion. Like many other municipalities, Ottawa has long focused on the development of the daytime economy, with nightlife activities and businesses supported in a less formal manner. As a result, nightlife activity is often addressed in a reactive, versus a proactive manner. It is these gaps that this action plan is designed to address, with recommendations setting the stage to grow a more inclusive, safe, and vibrant nightlife economy.

### **Nightlife Action Plan for Ottawa**

Ottawa's Nightlife Economy Action Plan aims to address the economic opportunities and challenges of Ottawa's nightlife through a series of recommended actions centered on strategic priorities.

The Nightlife Economy Action Plan is based on an analysis of Ottawa's current nightlife economy, best practice research, and input from stakeholders. It considers important work such as the City's Anti-Racism Strategy and the Community Safety and Wellbeing Plan and supports the City's vision to make Ottawa the most liveable mid-size city in North America.

This work builds on the development of the Ottawa Music Strategy that was unanimously approved by Council in April 2018 [[ACS2018-PIE-EDP-0018](#)]. The three-year Ottawa Music Strategy (2018-2020) was a cross-departmental collaboration

aimed at supporting the growth of the local music industry and establishing Ottawa as a global music city.

In addition, the Nightlife Economy Action Plan aligns with the tourism and creative industry pillar outlined in the repositioned Economic Development Strategy, approved by City Council in June 2017 [[ACS2017-PIE-EDP-0016](#)]. The City's new Economic Development Strategy (2023-2026), currently in development, will include tourism, arts, and culture development, among other priorities for economic growth. The development of the Nightlife Economy Action Plan is an early and essential element of the City's future economic development plans.

With the right policies and collaboration between stakeholders, the Nightlife Economy Action Plan brings valuable economic and social benefits and cultural energy to the city. The recommendations presented establish the framework to grow a more vibrant, diverse, inclusive, viable, safe, and well managed nightlife environment.

## **DISCUSSION**

Recognizing the benefits of a more robust nightlife ecosystem, the aim of the Nightlife Economy Action Plan is to develop a foundation from which Ottawa can build on competitive strengths and address challenges in the development and delivery of nightlife infrastructure, amenities, and experiences.

### **Analysis of Ottawa's Nightlife Economy**

In 2019, approximately 30.3 million parties participated in Ottawa's nightlife economy, including almost 25.5 million engagements by residents. Residents and visitors spent an estimated \$1.5 billion on nightlife activities in 2019, which totalled more than 20 per cent of all spending in Ottawa. Visitors had a higher average nightlife transaction of \$40.01 and travelled, on average, 682 km to spend on nightlife activities, primarily in central Ottawa. Residents, however, spent the most on nightlife activities in 2019 at nearly \$1.3 billion.

Ottawa has several destination neighbourhoods that offer nightlife experiences. For the under-forty population, Lansdowne Park, the Glebe, ByWard Market and Elgin Street provide nightlife entertainment and amenities. Little Italy (Preston Street) is a preferred destination for the over-forty audience. Residents of Barrhaven, Centretown, Glebe / Old Ottawa South / Old Ottawa East, Fallingbrook and Nepean East spend the most on nightlife activities.

While the value and impact of Ottawa's nightlife economy is significant, Ottawa falls short of other cities in terms of total percentage of nightlife jobs as well as annual household spending on restaurants and entertainment. Specifically, Ottawa's nightlife

sector represented approximately six per cent of total jobs – the lowest share of nightlife jobs compared to five major Canadian cities. Vancouver recorded the largest share of nightlife jobs at 11 per cent. Ottawa’s annual household spending on restaurants in Ottawa was \$2,172, ranking fourth among major Canadian cities. Household spending on recreation was \$3,915, and entertainment was \$913, which placed Ottawa fourth, and third respectively.

### **Best Practice Research**

Several cities across Canada and around the world have focused on developing their nightlife economies. As part of this project, nightlife best practices from other cities in Canada (Montreal, Toronto, Vancouver, Halifax, and Calgary) and elsewhere, including New York (USA), Austin (USA), Washington D.C. (USA), Amsterdam (Netherlands), and Seoul (South Korea) were reviewed.

Research revealed common barriers to developing nightlife economies included a perceived lack of safety during night hours, as well as a tendency by municipalities to favour the interests and needs of residents over businesses in downtown and cultural districts. Additional barriers included a lack of awareness by elected officials of the significance of the nightlife economy and barriers to growth, and dependence on them for policy changes and updates. This can increase the complexity of by-law reviews and updates, and result in new or amended by-laws that may lead to misinterpretation by residents and law-enforcement.

The cities reviewed emphasized the importance of balancing resident needs with those of nightlife neighbours, resulting in smooth shifts between day and night activities. These “two-shift” cities demonstrated a commitment to creating inclusive environments that residents desire, and a vibrancy and quality of life that attracts talent, students and new residents.

Other common best practices included nurturing collaborative environments between stakeholders, supporting by-law updates and adapting regulatory frameworks to better support nightlife activity, improving safety and perceptions of safety, and establishing a night liaison office to facilitate connections between the municipality, residents and the city's nightlife stakeholders.

In addition to secondary research, interviews were conducted with nightlife representatives in Montreal and Dallas to validate the findings of the best practice research, discover lessons learned, and understand approaches to addressing matters that are also relevant to Ottawa. These included:

- Balancing the needs of residents and businesses;

- Ensuring regulations are relevant, understood, and enforced;
- Encouraging mobility;
- Celebrating diversity;
- Developing a positive nightlife reputation; and
- Investing in safety and cleanliness.

### **Nightlife Economy Action Plan**

The Nightlife Economy Action Plan (2023-2026) will support the growth of Ottawa's nightlife sector and the broader economy, and establish the city as a nightlife destination. At the conclusion of the economic analysis, best practice research, and stakeholder consultations (details provided in the Consultation section below), the following strategic priorities were identified to guide the development of the Nightlife Economy Action Plan's recommendations:

Empower dedicated leadership to accelerate nightlife collaboration, coordination, and contribution to city place branding and quality of life;

- Foster nightlife compatibility, responsibility, and stewardship between residents, businesses, and organizations;
- Nurture the resilience, viability, aspirations, and prosperity of nightlife businesses and organizations;
- Enhance the safety, security, health, and wellbeing of nightlife workers and customers; and
- Ensure the quality, authenticity, diversity, and inclusiveness of nightlife experiences.

Recommendations within the Nightlife Economy Action Plan focus on creating an environment that is broadly "nightlife friendly" while also ensuring that nightlife activities are compatible with communities and neighbourhoods.

To be successful, implementation of the Nightlife Economy Action Plan will require a collaborative effort involving the City of Ottawa, nightlife businesses, and partner organizations across the region such as Ottawa Tourism, the Ottawa Coalition of Business Improvement Areas, the Ottawa Music Industry Coalition, Ottawa Festival Network, and others.

With timely and effective implementation in mind, ten recommendations have been organized into two broad categories: those to be implemented by Economic Development Services within existing resource allocations in 2023 (Phase 1) and those directed to the proposed Nightlife Commissioner Office, pending budget approval in 2024 (Phase 2). The recommendations are planned for implementation during the current Term of Council and create a foundation for the growth and development of nightlife in Ottawa.

### **Phase 1 Recommendations**

The plan includes three recommendations for implementation by Economic Development Services in 2023, within existing resources:

#### **Recommendation 1 - Establish the framework for a 'Nightlife Commissioner' Office, for implementation in 2024**

Leading cities around the globe are establishing Nightlife Commissioners, Night Tzars, Night Mayors, Ambassadors of the Night, or similar liaisons. The creation of a Nightlife Commissioner role is a best practice in nightlife development.

Working with key nightlife sectors and stakeholders, Ottawa's Nightlife Commissioner will lead the implementation of Phase 2 of the Nightlife Economy Action Plan. The role requires a known, credible leader who can engage with the nightlife audience and businesses, liaise with City officials and regulators, and deliver the City's nightlife vision in collaboration with partners.

In 2023, City staff from Economic Development Services will work to establish the vision, mandate, roles and responsibilities, and operating and funding model for the Nightlife Commissioner Office.

#### **Recommendation 2 - Promote city-wide and neighbourhood-by-neighbourhood participation of residents, visitors and businesses in the nightlife economy**

A key strategic priority of the Nightlife Economy Action Plan is to promote and increase the participation of residents and businesses in the wide range of experiences and cultural activities that are central to the nightlife economy. As part of this recommendation, the City will collaborate with Ottawa Tourism, the Ottawa Coalition of Business Improvement Areas (OCOBIA) and others to identify, promote and increase awareness of nightlife businesses and experiences across the city. Specifically, the City will invest up to \$40,000 in funding, through existing resources, to support the development of marketing tools to promote nightlife businesses and experiences and will integrate nightlife messaging into City place branding initiatives.



### **Recommendation 3 - Consider amendments supportive of the nightlife economy while undertaking reviews of City by-laws, policies, procedures, and services**

The City's new Official Plan highlights a variety of objectives relating to intensification, economic development, and culture that also benefit nightlife through the principles of 15-minute neighbourhoods. Specifically, the cultural policies in the Official Plan that support nightlife include creating space and places for culture to live, grow and innovate; reinforcing neighbourhood and place identity through architecture and urban design; promoting the arts as an important element of placemaking; and strengthening the economic impact of creative and cultural industries. The Official Plan also intends to strengthen the role of Special Districts as places that are important to the city's identity and emphasize and increase their contribution to Ottawa's culture. City-defining Special Districts include the Parliament and Confederation Boulevard Special District, the Rideau Canal Special District, the ByWard Market Special District, the Lansdowne Special District and the Ottawa River Islands Special District.

Ottawa's nightlife businesses identified barriers that impede nightlife growth, sustainability, viability, and investments, and indicated a need to streamline procedures, and identify opportunities to support and encourage the city's nightlife. By considering amendments that are supportive of the nightlife economy while undertaking reviews of City by-laws, policies, and procedures, service delivery will be simplified and become more efficient for both the City and nightlife businesses. For example, By-Law and Regulatory Services have recently launched on-line permitting systems / applications which will greatly simplify processes for businesses.

The City will consider opportunities to support more night markets and food festivals, as well as consider the establishment of dedicated, outdoor, multi-use event spaces that incorporate permanent event elements, such as 'security by design' principles in lieu of temporary road closures, and other permanent interventions such as lighting, washrooms, furnishings, and hardscaping. The creation of Boushey Square, as part of the Elgin Street Revitalization Project, is a recent example of the creation of a multi-use space that transitions between parking, smaller events and patio extensions.

This work also aligns with the Zoning By-law review currently underway. Staff are committed to considering broadened permitted land uses that may increase nightlife activity such as food, beverage, events, music venues, and cultural spaces in the downtown area. Mainstreet Corridors and Hubs are intended as mixed-use areas featuring both residential and other commercial uses that may accommodate nightlife-supporting land uses. The Zoning By-law review will also explore opportunities to support nightlife uses in areas within, and outside of the downtown such as along

commercial corridors or in mixed-use industrial areas where they will not conflict with residential neighbourhoods.

## **Phase 2 Recommendations**

Phase 2 recommendations are proposed for implementation between 2024 and 2026 and will be led by the Nightlife Commissioner, pending Council's approval of the 2024 budget, and include:

Recommendation 4 - Establish a Nightlife Ambassador Council comprised of industry and community leaders to provide feedback and support to the Nightlife Commissioner Office;

Recommendation 5 - Develop an annual 'Nightlife Commissioner's Report' that highlights Nightlife Commissioner Office achievements and nightlife economy developments;

Recommendation 6 - Collaborate with Ottawa Tourism to promote nightlife experiences to visitors as part of destination marketing investments and advocate for the development of new nightlife experiences through the Destination Development Fund;

Recommendation 7 - Develop a city-wide Nightlife Safety and Security Plan for nightlife workers and participants;

Recommendation 8 - Facilitate, with partners, new and diverse cultural and placemaking activities;

Recommendation 9 - Develop a virtual nightlife resource centre of tools and resources for new and established nightlife businesses and event organizers to encourage diverse, sustainable, inclusive and compatible experiences, events, and businesses; and

Recommendation 10 - Identify opportunities to support the establishment of new mid-size venues (1,500-2,000 person capacities) for events and live music.

Ottawa's Nightlife Economy Action Plan addresses and builds upon the uniqueness and diversity of neighbourhoods and supports entrepreneurship, communities, equity and inclusion to create economic growth, prosperity and resilience.

In addition, the Nightlife Economy Action Plan provides an opportunity to build on the successes of the 2018-2020 Music Strategy. Music is an integral part of the nightlife economy and a vital contributor to Ottawa's brand and quality of life. Going forward, City support for the local music industry will be led and championed by the Nightlife Commissioner Office in collaboration with the Ottawa Music Industry Coalition.

With supportive City policies, and the leadership of a forward-thinking and collaborative Nightlife Commissioner, the Nightlife Economy Action Plan brings valuable economic and societal benefits, and cultural energy to the city.

## **RURAL IMPLICATIONS**

There are no specific rural implications associated with this report.

## **CONSULTATION**

A series of public consultations were held between January and March 2022. The consultations included one-one-one interviews, topic-based workshops, an online survey and a virtual 'what we heard' session.

A total of 41 one-on-one interviews were conducted. Participants included a wide range of business owners, major employers, and community partners and organizations engaged in the nightlife economy. Feedback was gathered on key opportunities, issues, and challenges, which provided intelligence to inform subsequent engagement activities.

65 individuals participated in nine topic-based workshops. Workshop participants included residents, community groups, City staff, private operators, arts and culture and tourism organizations, entertainment industry representatives, and elected officials. Participants were selected based on their ability to offer perspectives on the strengths and areas of opportunity for Ottawa's nightlife. Workshop discussions focused on key topics, including outdoor arts and culture, indoor arts and culture, neighbourhood and community perspectives, workforce supports, live music, food and drink, transportation, and operations.

Lastly, a public web-survey was used to validate information and ideas from interviews and workshops. It was distributed to a targeted representative sample of 400 Ottawa residents, and broadly through the City of Ottawa's website, social media, e-newsletters, and nightlife stakeholders' networks. 1,759 residents responded, with most residing in Ottawa and 9 per cent in the wider Ottawa-Gatineau CMA. Top priorities included, improving nightlife quality and variety, neighborhood access to activities, and late-night and early-morning options. Entertainment and Arts were also identified as areas needing improvement. Among the over 1,700 responses, the survey found that 88 per cent of residents agree that vibrant nightlife is highly important to Ottawa's quality of life.

The extensive consultation process, including engagement with pertinent City departments, identified a range of recommendations and suggestions considered in the development of the Nightlife Economy Action Plan.

**COMMENTS BY THE WARD COUNCILLOR(S)**

This is a City-wide report – not applicable.

**ADVISORY COMMITTEE(S) COMMENTS**

There are no advisory committee comments associated with this report.

**LEGAL IMPLICATIONS**

There are no legal impediments to approving the recommendations in this report.

**RISK MANAGEMENT IMPLICATIONS**

There are no risk implications associated with this report.

**ASSET MANAGEMENT IMPLICATIONS**

There are no asset management implications associated with this report.

**FINANCIAL IMPLICATIONS**

The Nightlife Economy Action Plan priority actions set for 2023 will be completed within existing resources. Additional operating resource requirements, including 1 FTE, will be brought forward for Council consideration through the 2024 Draft Operation Budget, subject to funding.

**ACCESSIBILITY IMPACTS**

Ottawa's Nightlife Economy Action Plan celebrates the uniqueness and diversity of neighbourhoods and supports entrepreneurship, communities, and equity and inclusion. A vibrant nightlife serves the needs of our diverse and growing community and creates economic growth, employment opportunities, prosperity, resilience and opportunities for enjoyment and celebration that can benefit people with disabilities. Staff will respect the City's Accessibility Policy, and will consult with the City's Accessibility Advisory Committee (AAC) and disability stakeholders, where applicable, when implementing the Nightlife Economy Action Plan, and integrate accessible event planning priorities and principles by applying an accessibility lens to amplify the requirements of people with disabilities in efforts to maximize equitable participation. Staff and the proposed Nightlife Commissioner's office will consult with the Accessibility Office as the Nightlife Economy Action Plan is implemented and further developed.

**ECONOMIC IMPLICATIONS**

Ottawa is experiencing significant growth. The city's population has increased 8.9 per

cent since 2016<sup>3</sup>, has surpassed one million people and is forecasted to grow to over 1.4 million by 2046. With greater population and visitor growth comes more opportunities for nightlife-related destination development.

A vibrant nightlife is highly important to Ottawa's overall quality of life. Developing the nightlife economy will support increased employment, visitor attraction and place branding. Nightlife is intertwined with the daytime economy, talent and student attraction, resident and visitor enjoyment, entertainment, culture, and joie de vivre.

The recommendations in 'Document 1', the Nightlife Economy Action Plan, will improve the vitality and reputation of Ottawa's nightlife, grow the local economy, and support Ottawa's vision to be the most liveable mid-size city in North America.

## **ENVIRONMENTAL IMPLICATIONS**

Ottawa is preparing for the impacts of climate change by protecting people's health and safety, their communities, infrastructure, economy and the natural environment. The report recommendations do not directly impact land, air and water quality, public health, green space, protected or environmentally sensitive areas, trees, habitat, resource use, energy use and greenhouse gas emissions. Nevertheless, outdoor events or infrastructure which may be developed in future will require compliance with City, Provincial and Federal environmental policies, standards, regulations, and legislation, such that residents and visitors can continue to live, work and play in all future climate conditions.

## **SUPPORTING DOCUMENTATION**

Document 1 Nightlife Economy Action Plan

## **DISPOSITION**

Upon approval of the report by Council, staff from Economic Development and Long-Range Planning will carry out the Nightlife Economy Action Plan recommendations, in collaboration with the internal and external partners as outlined in Document 1.

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<sup>3</sup> 2016 and 2021 Census data, Statistics Canada