

Not back to normal for waterfront businesses

2023 SUMMER VISITATION RECAP

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Prepared by the Waterfront Business Improvement Area
September 11, 2023



WATERFRONT
BIA

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FURTHER ADVOCACY REQUIRED

Conditions on the waterfront this summer suggested we are not back to full-strength or consistent growth after the pandemic. This recap is a quick look at end-of-summer indicators on our waterfront.

Pedestrian counts in August were down 27% compared to 2019 on Queens Quay (Pg. 03). Offices remain half full compared to pre-pandemic. Sporadic weather, forest fire smoke, interest rates and a limited supply of hotel rooms all did not help, as seen in the next pages.

We were not alone here. Comparables for other Canadian cities shown on the final pages indicate that other downtowns are struggling, too.

Further support, investment and commitments to our waterfront, downtowns across Canada, and our businesses of all sizes will be needed to maximize the economic performance of destinations like ours.

Relief and support for businesses still struggling to survive

We heard from numerous businesses on our waterfront that with another slow summer post-pandemic, the struggle to survive continues. The most vulnerable businesses must be heard by all levels of government, including in forgiving and extending CEBA loans for those not yet able to re-pay.

East-west wayfinding and signage improvements on Queens Quay

We continue to hear a number of concerns that signage is lacking significantly along the expanding east-west corridor of Queens Quay, especially in pointing people toward the popular Ferry Terminal. The BIA will continue to work with partners to add more signage and wayfinding.

Investment in key destinations and attractions, public transit connectivity, and a safe and welcoming downtown

There are significant challenges in safety and security, and in encouraging people back on public transit and into the office. Here specifically at our waterfront, we need to continue emphasizing the importance of government investment in the Waterfront East LRT that will add 150,000 new residents just to our east. To become the premier destination waterfront we know we can become, this will include more ambitious investment in events and attractions, both for temporary visits and in taking advantage of the long-term destination potential with new signature buildings and parks.

A positive sign on the waterfront? The water itself.

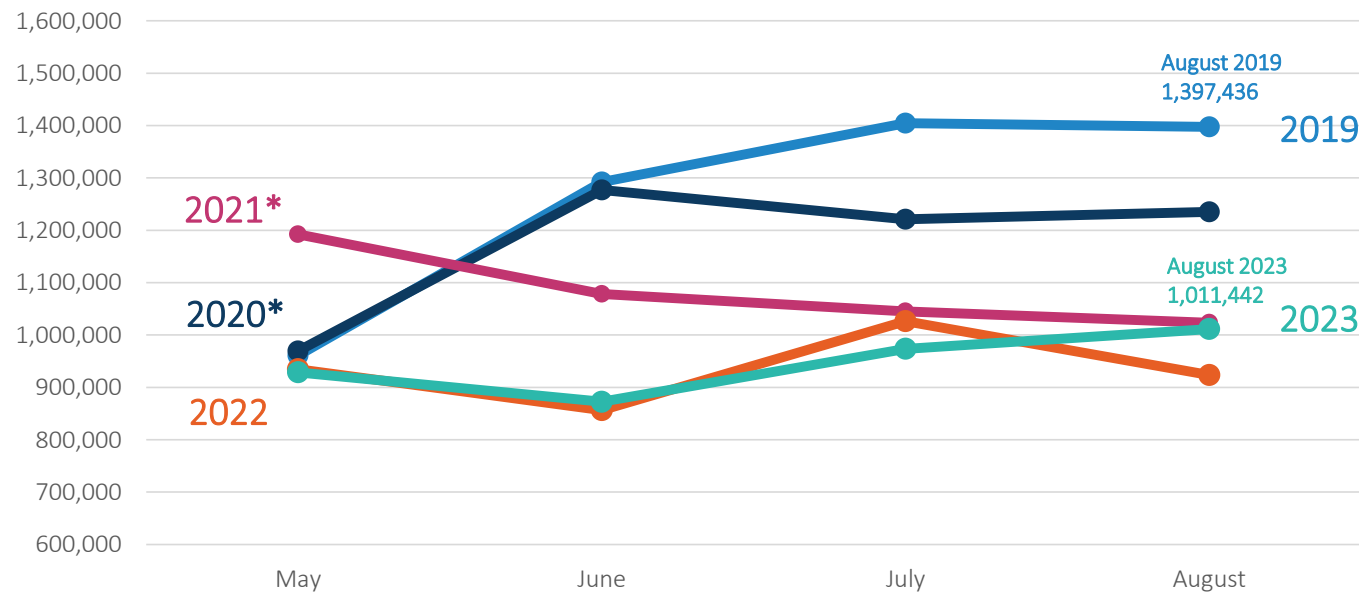
A positive note in this recap is that ferry and boat tours appear to be as strong or even expanding compared to pre-pandemic. *See Pg. 04.* We know the waterfront has the potential for higher visitation if opportunities are fully supported and invested in by all levels of government.

PEDESTRIAN COUNTS ON QUEENS QUAY

27% lower than 2019 in August

Cumulative pedestrians and cyclists at York, Rees and Spadina

(May-August, south side of Queens Quay)



*2020 and 2021 Summers had COVID restrictions in place.

August comparison

by intersection (in thousands)

	<u>York</u>	<u>Rees</u>	<u>Spadina</u>
2023	416	304	291
2022	379	257	286
...			
2019	670	360	366

Note on info source

Pedestrian counts are from devices the Waterfront BIA maintains. We share a summary monthly on our website. We are evaluating additional options for area counts that we can provide to business members monthly starting next year, including sources based on cell phone data.

NORTH-SOUTH and on the water

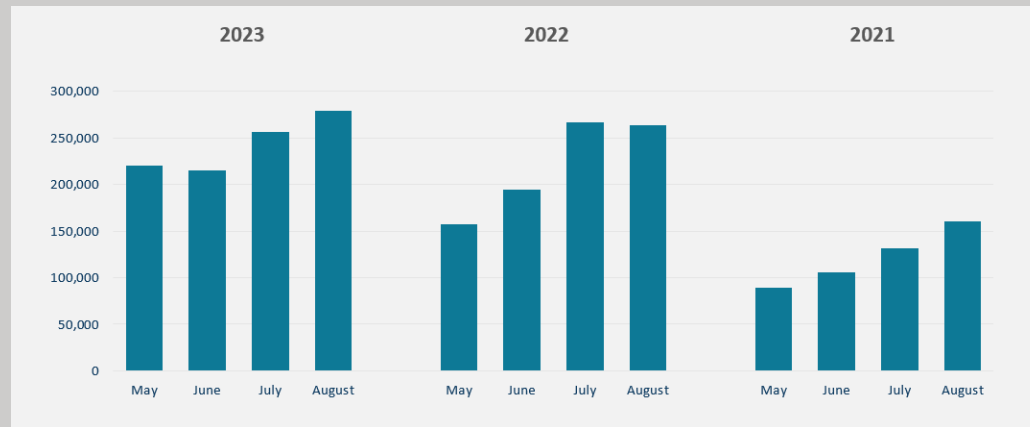
A more optimistic summary came from north-south visits. Our Bay Street counter measuring north-south pedestrians was the only count higher than last year.

Both the Ferry Terminal as well as public boat trips (water taxis and commercial boat tours in the harbour) have reported strong years. Charter boats and events however are not back to pre-pandemic levels.

We hope this is a positive signal that visits to the water itself are trending upward. During the pandemic and restricted travel, more Torontonians likely discovered opportunities on the water.



Bay Street pedestrians, north-south



Ferry Terminal

Ticket redemptions:

2023: 1,164,226 (year-to-date to Aug. 28)
 2022: 1,349,778
 2021: 773,040
 2020: 374,546
 2019: 1,278,505

Parks management indicated they anticipate activity through Labour Day and year's end will be comparable or slightly above 2022 and 2019.

Boat operations

From 2019 to last year, the commercial boat industry has grown in size. Water taxis reported 200,000 passengers in 2019 and 500,000 last year (+150%). Employment by boat operators grew by 20% from 450 to 600 employees.

Another positive was that a boat tour by City Cruises was added to the "Toronto CityPass" for the first time this year. Many public boat operators indicated they were above or ahead of previous years, with some reporting their best years ever in 2023.

While these public boat trips have increased, it must be noted that charter boats and events on boats have not been strong compared to pre-pandemic levels.

WEATHER and smoke...

Rain was highlighted by businesses as a reason for numerous slow days this year. This was confirmed by weather summaries compared to previous years.

Forest fire smoke, and varying patterns of odd weather were also a factor this year, as seen in a collection of media clips about Toronto's weather.

Rain compared to previous years

Total days with 15mm rain or more (May-August)

2023	11 (7 in July)
2022	0
2021	4
2020	4
2019	2

Source: EcoCounter



Global pattern upheaval triggers come-and-go summer for Canada

CTV NEWS

TORONTO | News

Toronto air quality warning ends after 4 straight days of smoky conditions

Global NEWS

WORLD

July 2023 set to be world's hottest month ever record: scientists



Rain-filled July in Toronto sees city rack up most wet days in the month



Toronto Star  @TorontoStar · 25m ...

Toronto didn't hit 30 C once this August. What does that mean for September weather?



LONG WEEKENDS

*Only one long weekend this year was comparable or busier than pre-pandemic 2019.

Victoria Day weekend

2023	113k*
2022	105k
2021	180k
2020	96k
2019	110k

Canada Day single day

2023	42k
2022	39k
2021	50k
2020	66k
2019	81k

August Civic weekend

2023	104k
2022	125k
2021	127k
2020	113k
2019	172k

Labour Day weekend

2023	125k
2022	98k
2021	142k
2020	137k
2019	135k

Source: All #'s are cumulative from EcoCounter pedestrians at York, Rees and Spadina.

ADDITIONAL AREA OBSERVATIONS

Notes from area businesses or stakeholders regarding this year's visitation and levels of activity.

Negative press about downtown with media focused on a number of negative downtown Toronto stories related to safety and security on transit, [traffic congestion](#) and [construction](#), 'Wild West on the Harbour,'

Forest fire smoke was a significant detractor in early summer weekends.

Many took major destination vacations after saving up money through the last few years (Europe, Japan, etc).

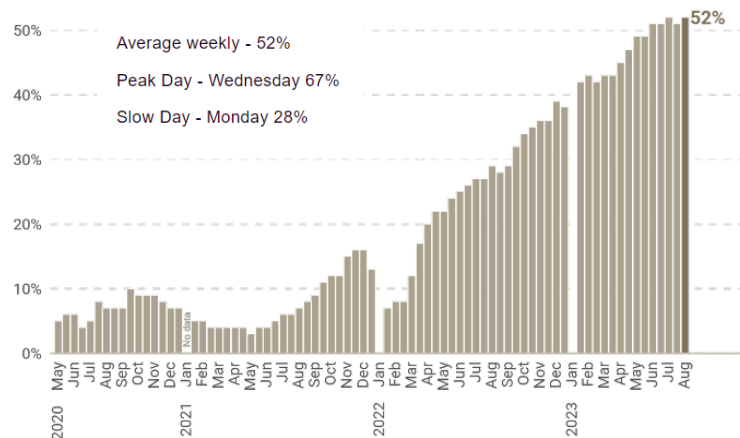
High interest rates meant less disposable income for local or regional spending.

Harbourfront Centre indicated they were back to regular amounts of summer programming. However, significant construction on the site and the Amsterdam Bridge remaining closed may have had an impact on east-west visits.

Smorgasburg food festival increased from eight Saturdays to 12 this year. However, the first four weekends were heavily impacted by three rainy Saturdays and by forest fire smoke warnings. Weekly attendance was not at similar levels as last year.

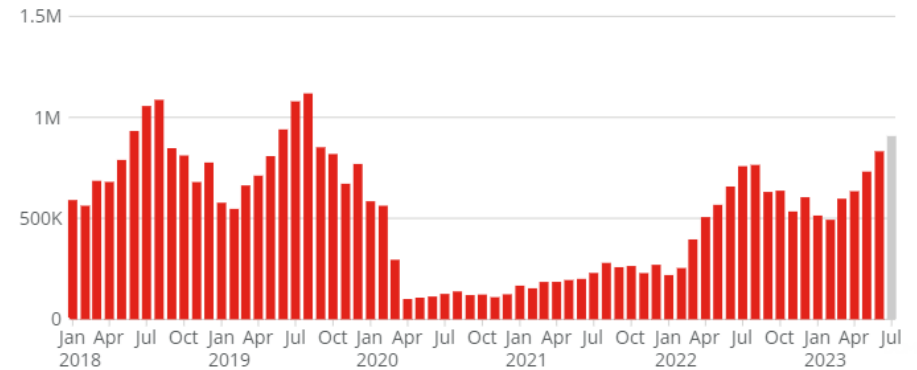
DOWNTOWN AND CITY-WIDE

Downtown office occupancy
remains low compared to pre-pandemic levels



Source: SRRA [Office Occupancy tracked since COVID](#)

Visitor arrivals to Toronto
not back to pre-pandemic levels



Source: Destination Toronto [Market Performance Dashboard](#)

HOTELS AND CANADA-WIDE COMPARISONS

Many heard that hotel prices were high this year. Unfortunately, room revenues were partly due to a decrease in room supply. Many who may have wanted to visit Toronto could not find a room, or could not afford the rooms available.

As seen at far right, Toronto is not the only city experiencing slow performance post-pandemic. This was confirmed in a recent Canada Urban Institute call with downtown associations across the country – none highlighted strong summer performance or post-pandemic returns.

Hotels in Toronto

Year-to-date through September 2, 2023

	2023	YOY	Since 2019
Occupancy	72%	+16%	-6.1%
Revenue per room	\$198	+35.3%	+20.2%
Room nights sold	4.3 million	+15.9%	-13.4%

Hotels, major cities

July only

City	Room Nights Sold		
	Jul-23	YoY %Chg	Yo4Y %Chg
Winnipeg	209,662	1.0	18.9
Brampton	53,547	11.3	16.6
Mississauga	236,664	6.0	12.7
Calgary	495,294	9.7	6.9
Edmonton	283,665	0.7	5.9
Vancouver	466,449	8.2	-8.7
Ottawa	259,530	4.3	-9.0
Quebec City	268,714	-0.2	-10.7
Montreal	609,592	0.9	-17.4
Toronto	780,519	5.3	-18.7

Source: Destination Toronto [Market Performance Dashboard](#)

Spending, major cities

Year-over-year to July 2023

Halifax	+ 3.4%
Vancouver	+ 0.9%
Calgary	+ 0.7%
Montreal	- 0.2%
Toronto	- 1.3%
Winnipeg	- 2.6%
Ottawa	- 10.9%

Source: Canadian Chamber of Commerce [Local Spending Tracker](#)



ABOUT US

The Waterfront Business Improvement Area (BIA) is committed to supporting the continued growth of the waterfront as a premier destination that is well-connected to the rest of the city and is beautiful, clean and vibrant year-round.

We support businesses, engage the community and unify the waterfront with programs and initiatives, including: representing the area on key policy and advocacy issues, making targeted public realm improvements, and highlighting the area's vibrancy with activations and daily promotion online.

Our annual funding levy is received from all non-residential properties along Queens Quay south of the Gardiner Expressway ([map](#)).

www.WaterfrontBIA.com



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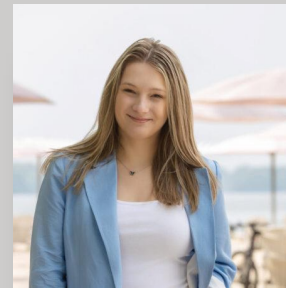
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