

## 2008 BUDGET BRIEFING NOTE

### Nuit Blanche

#### Background:

- Toronto Special Events (TSE) first produced Nuit Blanche in September 2006 as a one-time event. The success of the event resulted in the decision to make Nuit Blanche an annual signature event. The continuation of Nuit Blanche was included in the Council Priorities.

#### *2006 to 2008 Budget and Outcomes:*

\$000s	2006 Approved Budget	2007 Approved Budget	2008 Recommended Budget	Change 2008 Recommended vs 2007 Approved	Incremental Outlook 2009
<b>Gross Expenditures:</b>					
Program costs	1,040	1,121	1,626	505	59
<b>Total Gross Expenditure</b>	<b>1,040</b>	<b>1,121</b>	<b>1,626</b>	<b>505</b>	<b>59</b>
<b>Funding Sources</b>					
City	682	621	1,126	505	59
Tourism Toronto		100	100		
Sponsorship	358	400	400		
<b>Total Funding Sources</b>	<b>1,040</b>	<b>1,121</b>	<b>1,626</b>	<b>505</b>	<b>59</b>
<b>Dedicated Positions*</b>	3	3	6	3	
<b>Number of installations</b>	132	195	195		
<b>Attendance</b>	425,000	800,000	1,600,000	800,000	

\* with support from other program staff as required

- Toronto's second annual Nuit Blanche took place on September 29, 2007 featuring a 45% increase in projects/installations, a 55% increase in community participation and close to double the audience attendance. A survey conducted by Enigma Research indicated that 11% of the audience was from out of town. Based on an attendance estimate of 800,000 this represents 88,000 non-locals and an economic impact derived from non-local spending of \$4.9 million.

## Key Points:

- Despite the tremendous success of Nuit Blanche, a number of significant areas of concerns were identified as part of the planning, execution and evaluation of the 2007 edition of the event which must be addressed as part of the planning and execution of the 2008 event. Additional financial and staff resources are required to address these concerns.
- As a comparator, Nuit Blanche Paris has an operating budget of \$2.3 million, which is a combined total of the City of Paris' contribution of \$1.6 million and sponsorship funding of \$0.700 million. The Paris Nuit Blanche team has 6 dedicated full time staff, 10 nine month contract positions and 35 technicians on two month contracts, plus a press and communications team.
- The 2008 Recommended Operating Budget for Economic Development Culture and Tourism includes \$0.505 million of New Enhanced funding for Nuit Blanche and an additional \$0.059 million for 2009.
  - Enhanced programming cost of \$ 0.165 million for increased scale of projects due to the massive attendance at the event; the scale of the individual projects/installations must grow significantly in order to be accessible to a mass audience.
  - Increased staffing cost of \$ 0.177 million for 3 positions for 9 months in 2008 (\$0.059 million additional to annualize cost in 2009 ). The current 12 month planning cycle does not provide sufficient time for the production of an event of this scale. An 18 month planning cycle is required. The planning cycles of consecutive editions will overlap by 6 months, requiring a team of staff to begin working on the 2009 edition of Nuit Blanche 6 months prior to the execution of the 2008 edition of the event.
  - Additional temporary contract staff cost of \$ 0.078 million to provide technical support for the venues.
  - Additional pedestrian plan/road closures cost of \$0.040 million for additional road closures in order to enhance the event experience, as well as to ensure the safety and security of the large pedestrian audience. The enhanced costs for road closures including barricading, re-routing, signage, notification , excluding policing costs.
  - Additional Information/onsite direction cost of \$0.020 million to assist participants in navigating the various zones. To address this issue, Toronto Special Events will produce a quick onsite reference guide map for each zone.
  - \$0.025 million increased cost for securing artwork. The enhancement of security services is required to protect the security of the installations due to crowding at the event, the location of the event in public space and the timing of the event. This funding increase assumes in-kind services from Police, TTC, and EMS will continue to be delivered at no cost to the event.

## **Questions & Answers:**

*Q: Can increased corporate sponsorship offset the costs listed above?*

A: There are a number of core challenges that prevent Toronto Special Events from offsetting the additional expenditures outlined above through sponsorship revenues:

- There is a definite cap on the number of sponsors that Nuit Blanche can attract and support. The event is only 12 hours in duration over one night and contemporary art provides limitations to “branding” opportunities that do not exist in other areas such as sporting or popular entertainment events.
- Sponsor revenues can only offset costs related to enhancement of projects, not to offset costs associated with staffing and operations such as security and road closures.
- The growth in sponsorship revenues is directly linked to the growth in the event. In order to maximize sponsorship revenue over the long term, event growth must precede the growth in sponsorship revenue. As the City invests in the event and new sponsors will see the enhanced outcomes and increased benefits of supporting the event.
- Growth in sponsorship should be seen as a long term strategy for event development. Public funding must provide the foundation for early development of the event to ensure stability and sustainability.

*Q : Can the event continue to be produced at its current level without additional growth?*

A: Research shows that without growth and ongoing renewal, the life-cycle of events is limited. In order to maximize the benefits of producing Nuit Blanche, the City must commit to a long term strategy to grow the event in scale, scope and caliber. The potential of Nuit Blanche is expansive in terms of international profile, economic impact, and community inclusion. The event has already been hailed by members of the contemporary art community as Canada’s most significant cultural event. This ranking will not last unless there is a solid commitment for increased financial and staff resources to support future development.

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**Prepared by & Further Information :** Jaye Robinson, Director of Special Events,  
Economic Development, Culture & Tourism,  
(416) 395-7310; jrobinso@toronto.ca

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