NYC's Nightlife Economy
Impact, Assets, and Opportunities

Commissioned by The Mayor's Office of Media and Entertainment



NYC Media & Entertainment

ESI ECONSULT SOLUTIONS INC.

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URBANE DEVELOPMENT

About the Mayor's Office of Media and Entertainment

The Mayor's Office of Media and Entertainment encompasses the key economic and creative sectors of film, TV, theater, music, advertising, publishing, digital content and real estate as it relates to these industries. The office promotes New York City as a thriving center of creativity, issuing permits for productions filming on public property, and facilitating production throughout the five boroughs. In June 2017, Mayor Bill de Blasio announced that the Mayor's Office of Media and Entertainment (MOME), led by Commissioner Julie Menin, would support NYC's diverse nightlife community with a department dedicated to its management. The Office of Nightlife cements New York's position as a leader in this growing global movement that recognizes nightlife's value to cities, and represents the first time a NYC agency has been tasked with promoting an economically and culturally vibrant nightlife industry.

About the Consulting Team

The NYC Nightlife Economy report was conducted by a three-firm consulting team: The North Highland Company, Econsult Solutions, Inc. (ESI), and Urbane Development.

The North Highland Company

The North Highland Company is a global consulting organization serving multiple industries and functional areas. The Firm's Consumer, Media and Entertainment, Public Sector and Strategy practices contributed to this study.

Econsult Solutions, Inc.

Econsult Solutions, Inc. (ESI) provides businesses and public policy makers with economic consulting services in urban economics, real estate economics, transportation, public infrastructure, development, public policy and finance, community and neighborhood development, planning, as well as litigation support.

Urbane Development

Urbane Development (Urbane) is a community development venture and certified M/WBE based in New York City. Founded in 2008, Urbane cultivates innovative solutions to build dynamic neighborhoods and positively impact underserved communities.

Executive Summary

Throughout its long history, nightlife has been central to New York City's identity. The "city that never sleeps" is a destination for dreamers and doers and an epicenter of creativity. It boasts something for everyone once the sun sets, including opportunities for dining, dancing, performing, socializing, or building a career. Over many decades, New York nightlife has launched cultural and social movements that resonated far beyond the city's shores: from the social consciousness of beat poetry, folk music, and hip-hop, to the rhythms of jazz, salsa, disco, punk rock, and many more. New York nightlife has inspired artists and entertainers to push boundaries, and provided places for people to come together to find community, all of which contributes to the city's distinctive energy.



Not surprisingly, nightlife is a major economic, as well as cultural driver for New York City, with more than 25,000 nightlife establishments citywide. In 2016 (the most recent year where standardized data sets were available), the nightlife industry supported 299,000 jobs with $13.1 billion in employee compensation and $35.1 billion in total economic output. This annual economic impact also yielded $697 million in tax revenue for New York City.

The popularity of nightlife is reflected in economic activity that has outpaced New York City's overall economy, driven by a 2 percent annual growth rate in nightlife establishments between 2011 and 2016. The five-year annualized growth rate[1] for jobs in the nightlife industry was 5 percent, compared to the city's overall job growth of 3 percent. Nightlife wages have been rising at double the annual rate for the city, at 8 percent as compared to 4 percent citywide.

Defining the Nightlife Economy

NYC's nightlife comprises five subsectors, and the economic activity that occurs within those subsectors between the hours of 6PM and 6AM:

Food Service: Food Service, a subsector that encompasses full- and partial-service restaurants, cafes, and food trucks, is the backbone of NYC's nightlife industry, with 19,400 establishments across the five boroughs. The Food Service subsector directly supported 141,000 jobs, $4.2 billion in wages, and $12 billion in direct economic output. Fine dining is a notable contributor to this subsector; NYC is home to 72 Michelin-starred restaurants, more than any other U.S. city.

Bars: The Bars subsector, which includes drinking establishments that primarily serve alcoholic beverages, and nightclubs, comprises 2,100 establishments, and boasts a five-year annualized growth rate that outpaced the nightlife industry as a whole. The Bars subsector generated 13,400 direct jobs, $492 million in wages, and $2 billion in direct economic output.

Arts: The Arts subsector, which includes galleries, museums, live performing arts spaces, movie theaters, and Broadway, has 1,800 establishments. Most of the subsector's jobs and wages—75 percent and 90 percent—are clustered in Manhattan. However, Brooklyn has seen robust job and wage growth in this subsector (10 and 12 percent, respectively). Nightlife in the Arts subsector supported 18,300 direct jobs, $804 million in wages, and $3.1 billion in direct economic output.

Venues: The Venues subsector includes concert and entertainment venues, independent venues, informal cultural and performance spaces—commonly referred to as "do-it-yourself," or DIY venues. As of 2016, there were 2,400 establishments in this subsector throughout NYC. Notably, Queens' venues have grown by 10 percent in the last 5 years, in comparison to citywide growth of 4 percent. Venues operating at night generated 19,900 direct jobs, $373 million in wages, and $1.2 billion in direct economic output.[2]

Sports and Recreation: New York City offers no shortage of family-friendly nightlife, including arcades, amusement venues, billiards, bowling alleys, and spectator and participatory sports. The Sports and Recreation subsector represents the smallest component of NYC's nightlife industry, with 100 total establishments as of 2016. Nightlife's total impact in this subsector included 3,900 direct jobs, $352 million in wages, and $735 million in economic output.

Nightlife's Economic Impact

In total, the five subsectors that comprise NYC nightlife—**Food Service, Bars, Arts, Venues, and Sports and Recreation**—were responsible for a direct economic impact of 196,000 jobs, $6.2 billion in wages (or $7.4 billion in employee compensation), and $19.1 billion in economic output.

Beyond the economic impact of nightlife businesses themselves, the nightlife sector yields additional benefits for NYC's economy. The goods and services locally purchased by nightlife establishments have an indirect impact in the NYC economy of 25,000 jobs, $1.8 billion in employee compensation, and $5.1 billion in economic output. The induced economic impact of nightlife is the result of spending by those employed directly in the nightlife industry. In 2016, this amounted to more than 29,000 jobs with $1.7 billion in employee compensation and $4.9 billion in economic output.

There is also an ancillary impact on NYC's economy from additional spending on retail, transportation, lodging, and other services that happens only because of people enjoying New York City's nightlife. This ancillary spending supports 48,000 jobs, $2.3 billion in wages and $6.0 billion in economic output.

Finally, the nightlife industry generates a fiscal impact of $1.8 billion in tax revenues to New York City and New York State. This includes taxes from nightlife employees, sales, liquor and hotel taxes, totaling $697 million to the City and $1.1 billion to the State.

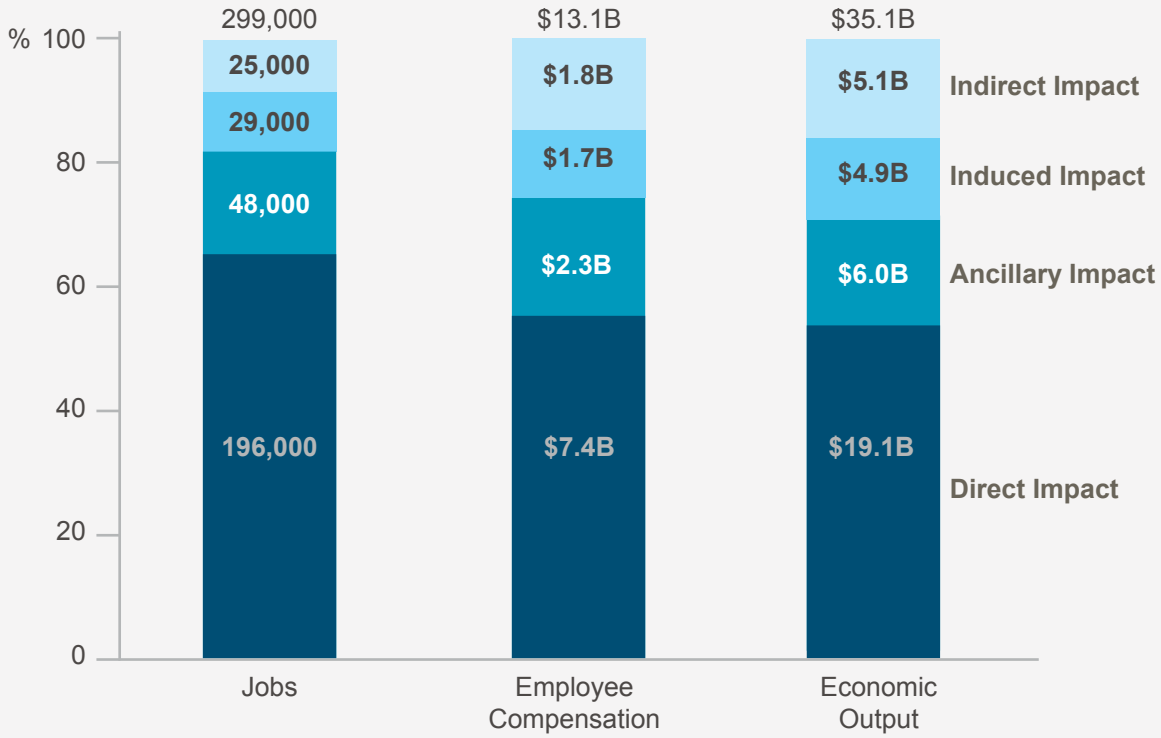
Exhibit 1.1: NYC Nightlife's Direct Economic Impact by Subsector

Subsector	Establishments	Jobs	Wages	Output
Food Service	19,400	141,000	$4.2B	$12.0B
Bars	2,100	13,400	$492M	$2.0B
Arts	1,800	18,300	$804M	$3.1B
Venues	2,400	19,900	$373M	$1.2B
Sports & Recreation	100	3,900	$352M	$735M
Total	**25,800**	**196,000**	**$6.2B**	**$19.1B**

Source: Bureau of Labor Statistics (2016), U.S. Census Bureau (2012), IMPLAN (2015), Econsult Solutions (2018)
Columns may not sum due to rounding.

Direct economic impact was modeled using direct wages from the Bureau of Labor Statistics. IMPLAN then estimates the employee compensation of these direct wages and calculates the portion of indirect and induced impacts', employee compensation and total output.

Exhibit 1.2: Direct, Ancillary, Induced, and Indirect Impact of NYC's Nightlife Economy



Source: Bureau of Labor Statistics (2016), U.S. Census Bureau (2012), IMPLAN (2015), Econsult Solutions (2018)
Columns may not sum due to rounding.

Nightlife's Citywide Reach

One of New York's many strengths is that every neighborhood has something different to offer, and New Yorkers' nightlife choices reflect this. Nightlife establishments are distributed throughout the city, generating economic activity and providing local jobs in all five boroughs:

The Bronx experienced a steady growth in nightlife establishments until 2015, when the growth reversed. As of 2016, there were 1,700 nightlife establishments in the Bronx, and the borough matched the city's overall annual growth rate of 2 percent. There were 7,600 direct nightlife jobs supporting $129 million in wages, with annualized growth rates of 7 and 9 percent, respectively. The Bronx experienced the highest growth in the Venues subsector (3 percent), but a decline in the Bars subsector (-2 percent). This data from the New York State Liquor Authority (SLA) shows an annualized growth rate for liquor licenses of 0.2 percent since 2000.

Brooklyn has witnessed the highest growth in nightlife, with 5,500 total establishments as of 2016, growing at an annual rate of 5 percent. There were 31,100 direct nightlife jobs supporting $608 million in wages, with annualized growth rates of 10 and 15 percent, respectively–double the citywide rate. Total liquor licenses have grown at an annualized rate of 4 percent since 2000, with 2,586 active licenses in 2018.

Manhattan had 13,000 nightlife establishments as of 2016, the highest across all five boroughs. Manhattan's nightlife establishments have seen modest growth of 2 percent annually, leveling off between 2015 and 2016. Manhattan nightlife supported 128,900 direct jobs with $4.8 billion in wages, with annualized growth of 4 and 7 percent, respectively. Total liquor licenses have grown at an annualized rate of 1.6 percent since 2000, with 6,011 active licenses across the borough as of 2018.

Queens had 4,800 nightlife establishments in 2016, and experienced annualized growth of about 3 percent

since 2011. Queens' venues spaces have grown by 10 percent in the last five years in comparison to NYC's venue growth of 4 percent. There were 24,900 direct nightlife jobs supporting $622 million in wages. The annualized growth rate for jobs and wages were 7 and 9 percent, respectively, outpacing nightlife growth citywide. Until the mid-2000s, Queens had more nightlife establishments and liquor licenses than Brooklyn—making it second to Manhattan. According to 2018 SLA data, the borough has 2,332 active licenses, which represents 1.7 percent annualized growth since 2000.

Staten Island had 800 nightlife establishments, down from 815 in 2015—the fewest establishments of any borough. It has experienced a decline in nightlife establishments across all subsectors over the last 5 years. There are 3,900 direct nightlife jobs supporting $64 million in wages, with annualized growth rates of 5 and 6 percent, respectively. SLA data show 404 active liquor licenses in the borough in 2018, an annualized growth of 0.6 percent since 2000.

Two additional historical analyses were completed to contextualize nightlife's economic impact—examining the retention rate of establishments with liquor licenses and the growth of taxi and For-Hire Vehicles (FHV) across NYC.

Data provided by SLA show that NYC had 11,961 active on-premises liquor licenses in 2018, a total that has grown at an annual rate of 2 percent since 2000, despite significant turnover. Tracking liquor license serial numbers over time demonstrated that 44 percent of licenses were still active after six years, 22 percent were still active after 12 years, and roughly 20 percent were still active after 18 years.

Data from the NYC Taxi and Limousine Commission (TLC) show that approximately 32 percent of all taxi and FHV trips are nightlife related. The rise of FHVs has contributed to increased activity across NYC, with an annualized growth rate for total taxi and FHV pick-ups during prime nightlife hours (12AM to 4AM) of 12 percent each year between 2013 and 2017. The growth of taxi and FHV trips is especially pronounced outside Manhattan:

- Brooklyn has seen an increase in the volume of taxi/FHV activity in Bushwick (92 percent annualized growth in 12AM to 4AM trips) and Williamsburg (33 percent annualized growth).
- In the Bronx, the greatest increase in taxi/FHV pick-ups were in: West Concourse (133 percent annualized growth), East Concourse (175 percent annualized growth), Co-op City (389 percent annualized growth), and Mott Haven (90 percent annualized growth).
- In Queens, neighborhoods with the greatest increase in the volume of taxi and FHV pick-ups include Jackson Heights (68 percent annualized growth in trips) and Astoria (34 percent annualized growth).

Exhibit 1.3: NYC Nightlife's Direct Economic Impact by Borough

	Establishment	Growth	Jobs	Growth	Wages	Growth
Bronx	1,700	2%	7,600	7%	$129M	9%
Brooklyn	5,500	5%	31,100	10%	$608M	15%
Manhattan	13,000	2%	128,900	4%	$4.8B	7%
Queens	4,800	3%	24,900	7%	$622M	9%
Staten Island	800	1%	3,900	4%	$64M	6%
Total	**25,800**	**2%**	**196,000**	**5%**	**$6.2B**	**8%**

Source: Bureau of Labor Statistics (2016), U.S. Census Bureau (2012), IMPLAN (2015), Econsult Solutions (2018)

Direct economic impact was modeled using direct wages from the Bureau of Labor Statistics. IMPLAN then estimates the employee compensation of these direct wages and calculates the portion of indirect and induced impacts', employee compensation and total output.

Nightlife Stakeholder Perspectives

To complement the economic impact analysis, more than 1,300 nightlife stakeholders—consumers/residents, owners/operators, artists/entertainers, and employees—participated in a survey about their experiences.

Owners/Operators: Of the 83 owners and operators surveyed, respondents operated restaurants (69 percent), bars (60 percent), and dance clubs (24 percent), among other types of establishments.

- **Revenue and profits:** Over the last 3 years, respondents reported modest revenue growth, with 35 percent stating that revenues had increased, 31 percent stating that revenues had stayed flat, and 24 percent reporting declining revenues over the last 3 years (the remainder were either unsure or preferred not to answer). Furthermore, 47 percent reported a decrease in profit over the same period, with 17 percent experiencing a decrease that exceeded 10 percent.
- **Outlook:** Sixty percent of respondents believe their businesses will be open in three years. Nearly 40 percent were either unsure or indicated that their businesses would not be open in three years. Thirty-five percent of owners anticipate expanding their business within New York City, while 41 percent plan to expand into other cities.
- **Challenges:** Eighty-seven percent of respondents indicated the rise of commercial rent prices is a challenge to varying degrees. For 68 percent of owners, regulations or red tape were cited as a challenge and 67 percent reported staffing their establishments as challenging.

Artists/Entertainers: Among the 187 artists and entertainers surveyed, respondents had an average tenure in their role exceeding 23 years. Over half of nightlife artists and entertainers (60 percent) are employed full-time in their craft; the balance (40 percent) work part-time in other non-related industries. Of artists surveyed, 28 percent reported performing at three to five establishments at the time they took the survey. Another 23 percent were performing at six or more establishments.

Where they work and live: A large majority of artists (80 percent) reported that they primarily perform in Manhattan, followed by 18 percent who focus on Brooklyn for their performances. Manhattan and Brooklyn were the most popular boroughs for residence, with 39 percent and 23 percent of artists living in these boroughs, respectively. Of the 22 percent who commute from outside New York City, the overwhelming majority live in New Jersey and other parts of New York.

- **Challenges:** Eighty percent of artists and entertainers cited lack of income stability as a moderate or major challenge. The lack of benefits and low wages were also cited as challenges. Competition for gigs remains a significant hurdle for performers, with 80 percent citing it as a moderate or major challenge. Sixty-eight percent of surveyed artists pointed out that establishment closures and reduced hours adversely impacted them.
- **Outlook:** Despite challenges, over three-fourths of respondents (79 percent) indicated they will still work in the NYC nightlife industry in three years.



Nightlife Employees: Nightlife is a source of employment across many roles: establishment managers, security, chefs and other food preparation roles, bartenders, hosts, service staff, and more. Among 106 survey respondents spanning these roles, the average tenure exceeded 18 years in the nightlife industry. The majority work full-time in their role (77 percent). Forty-two percent of employees surveyed indicated that they worked at one establishment, 23 percent worked in two locations and another 22 percent worked in three to five locations (the remainder indicated that they work in six or more establishments).

- **Where they work and live**: Those surveyed work predominantly in Manhattan (74 percent) and Brooklyn (21 percent). Employees reported living in Manhattan (39 percent) and Brooklyn (34 percent) most frequently. Twelve percent reported residence outside New York City.
- **Challenges:** Fifty-four percent of survey respondents cited the lack of benefits as a moderate or major obstacle of working in the nightlife industry. Close to half of employees surveyed (49 percent) indicated that income volatility is a challenge.
- **Outlook:** Despite challenges, a majority of employee respondents (65 percent) see themselves continuing to work in the nightlife industry within the next three years.

Consumers/Residents: Of the 864 nightlife consumers surveyed, 73 percent were NYC residents, while the balance (27 percent) were non-residents (commuters, day-trippers, tourists, business travelers). Most fell between the ages of 21-40 (66 percent), with 32 percent age 41 or older.

- **Where they go:** NYC's nightlife consumers most commonly enjoy restaurants (85 percent), bars and nightclubs (73 percent), and live music and concerts (56 percent).
- **Reasons they go out:** Consumers engage in nightlife to connect with friends/family (77 percent), to relax and unwind (69 percent) and to experience art and culture (64 percent). Non-residents also have a higher propensity for sightseeing at night (more than 50 percent compared to 22 percent for residents).
- **Influences shaping their choices:** Besides their personal preferences and tastes, the top factors that shape consumers' nightlife decisions are the opportunity to attend a unique experience or event (93 percent), price or affordability (89 percent), minimal wait time (84 percent), and accessibility via public transportation (83 percent).
- **Challenges:** Cost was a top consumer concern, with 66 percent of respondents agreeing that affordability is a challenge to participating in nightlife. For residents living in neighborhoods dense with nightlife establishments, quality of life concerns relating to noise, sanitation, and lack of retail diversity were major challenges cited.

New York City's nightlife is thriving, outpacing growth in the citywide economy, supporting 299,000 jobs and $35 billion in economic activity, and providing spaces for New Yorkers of all stripes to gather. However, the New Yorkers who rely on nightlife for their livelihood do face challenges, as do residents living in neighborhoods dense with nightlife establishments. The City's new Office of Nightlife is uniquely positioned to help mitigate these pressures and to ensure that the City's services and support systems that are available during the day are equally coordinated at night.

As the Office of Nightlife sets its policy agenda, it can improve the nightlife ecosystem by working across City agencies to reduce red tape; increase regulatory transparency; address quality of life concerns; and identify opportunities for investment in economic development and cultural retention, through partnerships with both City and non-City entities. These efforts will help not only those who work in New York City's nightlife, but also the millions of people who venture out, from near and far, to enjoy all the city offers when the sun goes down, as well as those who prefer the comforts of staying in.

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Introduction



Introduction

The City that never sleeps. New York City's famous nickname recognizes that nightlife is part of NYC's identity and history. NYC's nightlife is known globally for its diversity and innovation, which are a function of its defining characteristics:

- Long immigrant history drawing from cultures across the world;
- Diverse population and economic base;
- Destination for commuters and tourists;
- Epicenter for artists and creatives seeking to develop their craft and be discovered; and
- Cultural appetite that values history alongside the new, innovative, and unusual.

Throughout its long history, NYC's nightlife has incubated cultural and social trends with impact well beyond its five boroughs: beat poetry, pop art, disco, hip-hop, punk rock, jazz—the list goes on. From world-famous venues and concert halls such as Harlem's Apollo Theater, Staten Island's St. George Theater, Broadway theaters and Madison Square Garden, and underground venues at the cutting edge of culture—New York City's nightlife is second to none. New York attracts, and is home to, artists across all genres, who develop their talents and draw inspiration from across NYC's nightlife venues. Experience in New York City nightlife provides musicians, entertainers, and performing artists the chance to hone their craft and build demand for their talent. Throughout its history, New York City nightlife's contributions to economic, artistic, and cultural trends have been fueled by businesses, artists, employees, and nightlife patrons.

Across the globe, many cities have planned primarily for the daytime economy, with nightlife managed in a less formal manner. In recent years, many have now started to take a proactive approach to managing nightlife, including not only its economic effects, but also its social and cultural impacts.[3] These efforts have resulted in reductions in noise complaints, improved quality of life, and stronger nighttime economies. There are many case studies and ideas for proactive management, City agency cooperation, and creative solutions that New York can benefit from.

New York has now joined more than 40 cities around the world with so-called "nightlife leaders," such as Amsterdam, Berlin, London, and Paris as well as in American cities like Orlando, Pittsburgh, and San Francisco. In June 2017, Mayor Bill de Blasio announced that the Mayor's Office of Media and Entertainment (MOME),



led by Commissioner Julie Menin, would support NYC's diverse nightlife community with a department dedicated to its management. In August 2017, the City Council passed Local Law 178, and in September, Mayor de Blasio signed the bill, officially creating New York City's Office of Nightlife.

The Office of Nightlife cements New York's position as a leader in this growing global movement that recognizes nightlife's value to cities, and represents the first time a City agency has been tasked with promoting an economically and culturally vibrant nightlife industry.

To inform the work of the Office of Nightlife, and following the 2017 study *Economic Impact, Trends and Opportunities: Music in New York City,* MOME commissioned this study of the current economic and cultural dynamics of the nightlife industry, to provide recommendations to support and strengthen the nightlife community. The study summarizes its findings in the following sections:

- **Methodology Overview:** The approach, tools, and techniques used to analyze multiple data sources and draw insights from nightlife's many stakeholders;
- **Economic Impact of NYC's Nightlife:** The value of NYC's nightlife to the city's economy based on five categories of impact with summary views for each borough;
- **NYC's Nightlife Assets:** An understanding of NYC's nightlife assets beyond the economic impact numbers;
- **Nightlife Perspectives:** Perspectives of nightlife stakeholders, and the challenges they face, based on more than 1,300 surveys and interviews of consumers (NYC residents and non-residents), owners or operators of nightlife establishments, artists, and employees; and
- **Opportunities for the Future:** Opportunity areas for NYC's local government to address some of the challenges facing nightlife.

Methodology Overview[4]

This study used the following steps to assess the economic impact of NYC's nightlife:

- Reviewed nightlife trends and studies from cities across the world, as well as literature on NYC's nightlife, past and present.
- Analyzed economic indicators and metrics across relevant subsectors in NYC's five boroughs, including, but not limited to:
    - Employment and wages calculated by the Bureau of Labor Statistics;
    - Establishments data recorded by the Bureau of Labor Statistics;
    - The portion of economic activity attributable to nightlife, focusing on the hours between 6PM and 6AM.
- Quantified the economic impact of nightlife using IMPLAN, an industry-standard input-output economic modeling software.
- Surveyed 864 consumers who patronize NYC nightlife including NYC residents from all five boroughs, commuters, and tourists. The survey was designed to understand their nightlife preferences, economic activities, perceptions, and challenges.
- Surveyed 376 NYC nightlife professionals, including owners and operators of establishments, artists and performers, and employees of nightlife industries.
- Interviewed 65 people including including owners and operators of establishments, artists and performers, consumers (residents, tourists, commuters), public officials, policymakers, developers, activists, academics, and employees of nightlife industries.

The Nightlife Ecosystem

Urban nightlife ecosystems are complex—there are many moving parts and participants, including people who enjoy the night, who work at night, and who manage nighttime activities. These categories are not mutually exclusive; a student may be a frequent bar patron as well as a hospitality worker, or an emergency services worker may be a taxi passenger returning from an overnight shift managing public safety.

To specifically identify key trends and to examine the impact of the nightlife economy in New York City—defined as activity occurring between the hours of 6PM and 6AM—this study defines the nightlife ecosystem as five key subsectors with several sub-categories.[5]



Arts: Galleries, museums, live performing arts spaces, and movie theaters

Bars: Drinking establishments that primarily serve alcoholic beverages (and not food), as well as nightclubs

Food Service: Full- and partial-service restaurants, cafes, fast food and fast casual restaurants, venue food concessions, food trucks, and other food-related establishments

Sports and Recreation: Spectator sports and other recreational activities such as participatory sports, bowling, billiards, amusement arcades, other recreation

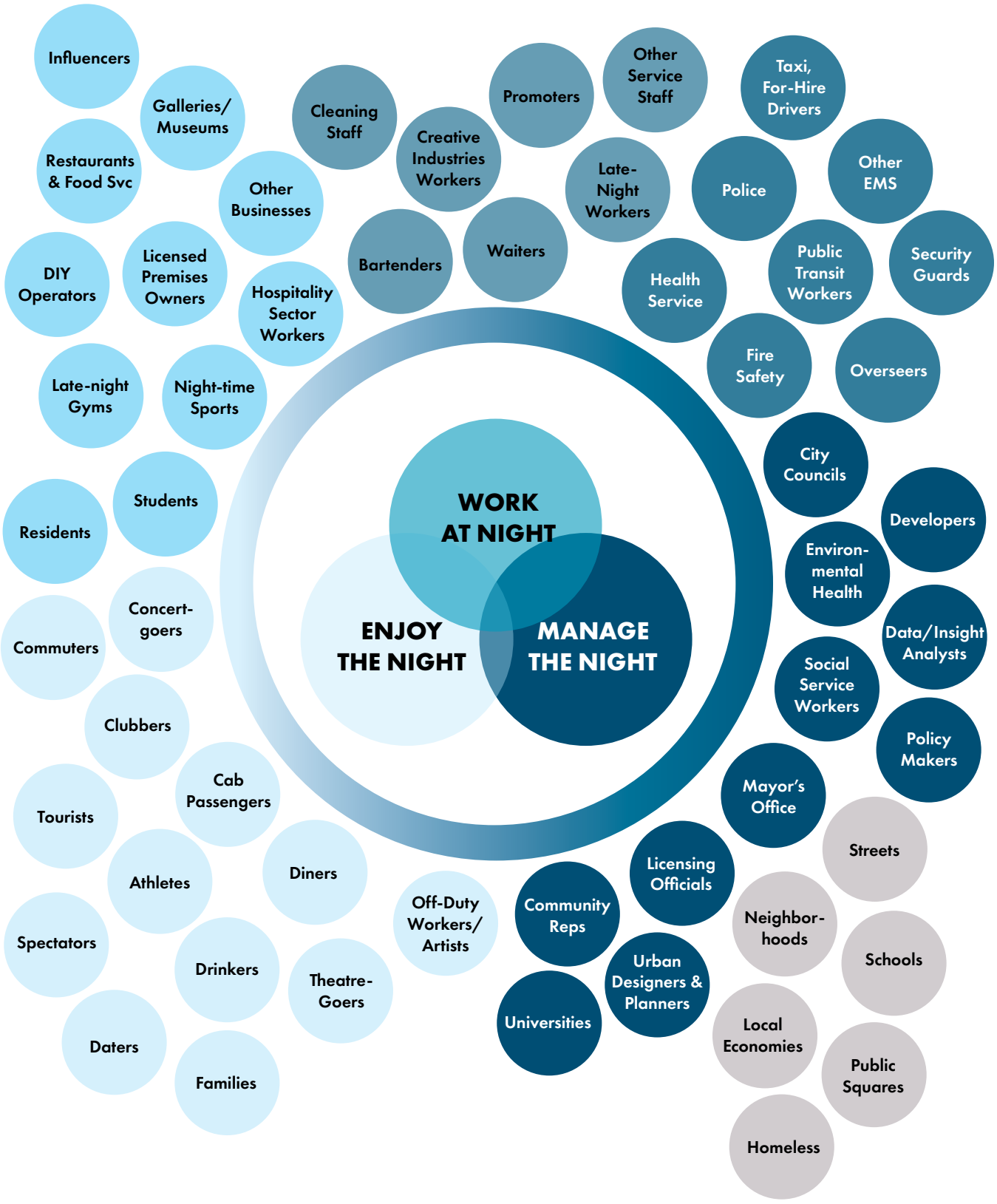
Venues: Music venues as well as independent and DIY spaces

Exhibit 2.1: Nightlife Economy Sub-Categories

Subsector	Industry Sub-Category
Arts	Live theatres and motion picture theatres
	Art galleries
	Other live performing arts
Bars	Bars
	Nightclubs
Food Service	Full-service and partial-service restaurants
	Fast food or fast casual restaurants
	Concessions and other food establishments
Sports & Recreation	Spectator sports
	Experiential activities (bowling, arcades, billiards, etc.)
Venues	Music venues
	Independent spaces

Source: Econsult Solutions (2018)

Exhibit 2.2: The Nightlife Ecosystem – Any/All Cities (Not Exhaustive)



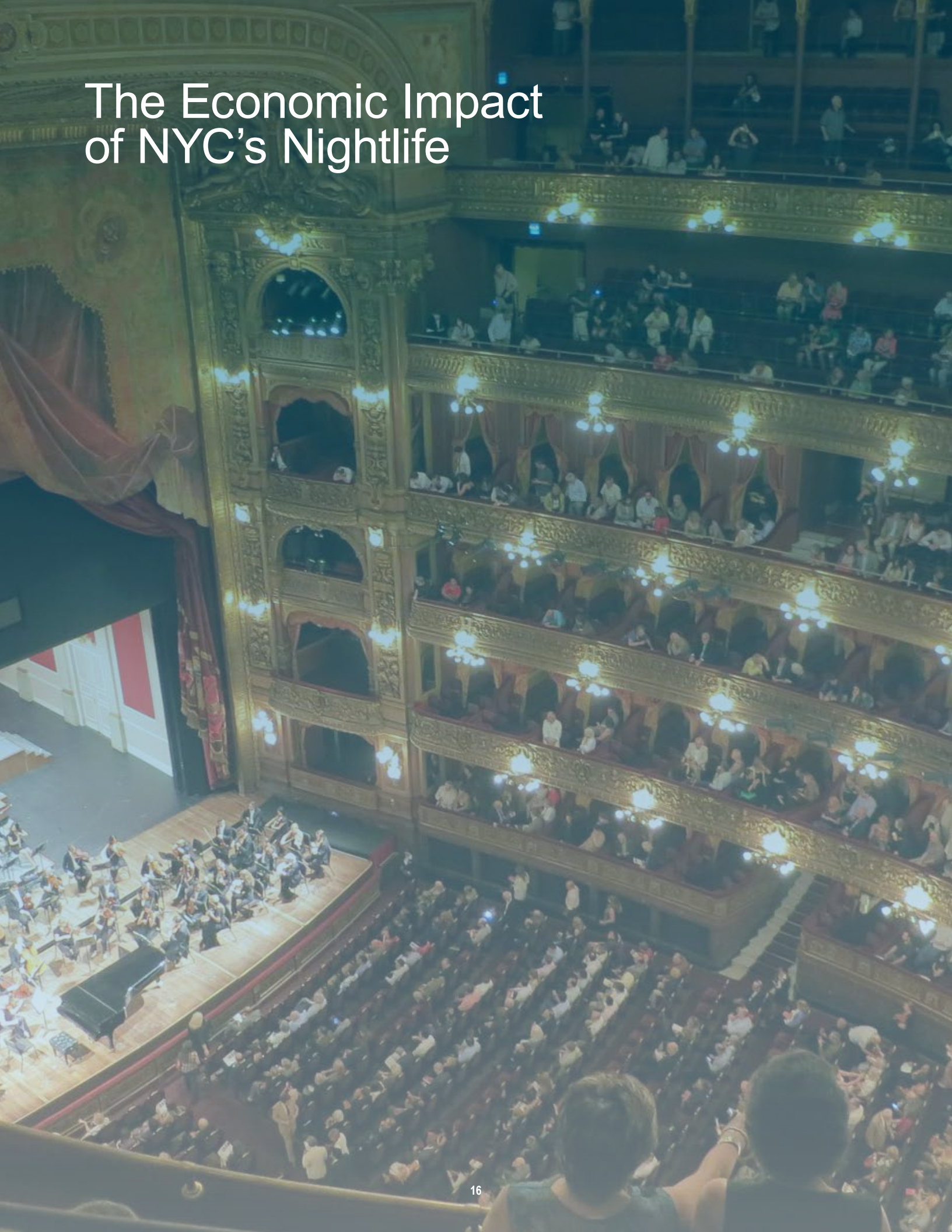
Source: North Highland Nightlife Archives, Research and Analysis



"Nightlife is indistinguishable from my craft as a DJ. Nightlife is not optional to my long-term profession and not separate from the art itself. Nightlife is the medium."

- NYC Nightlife Performer

The Economic Impact of NYC's Nightlife



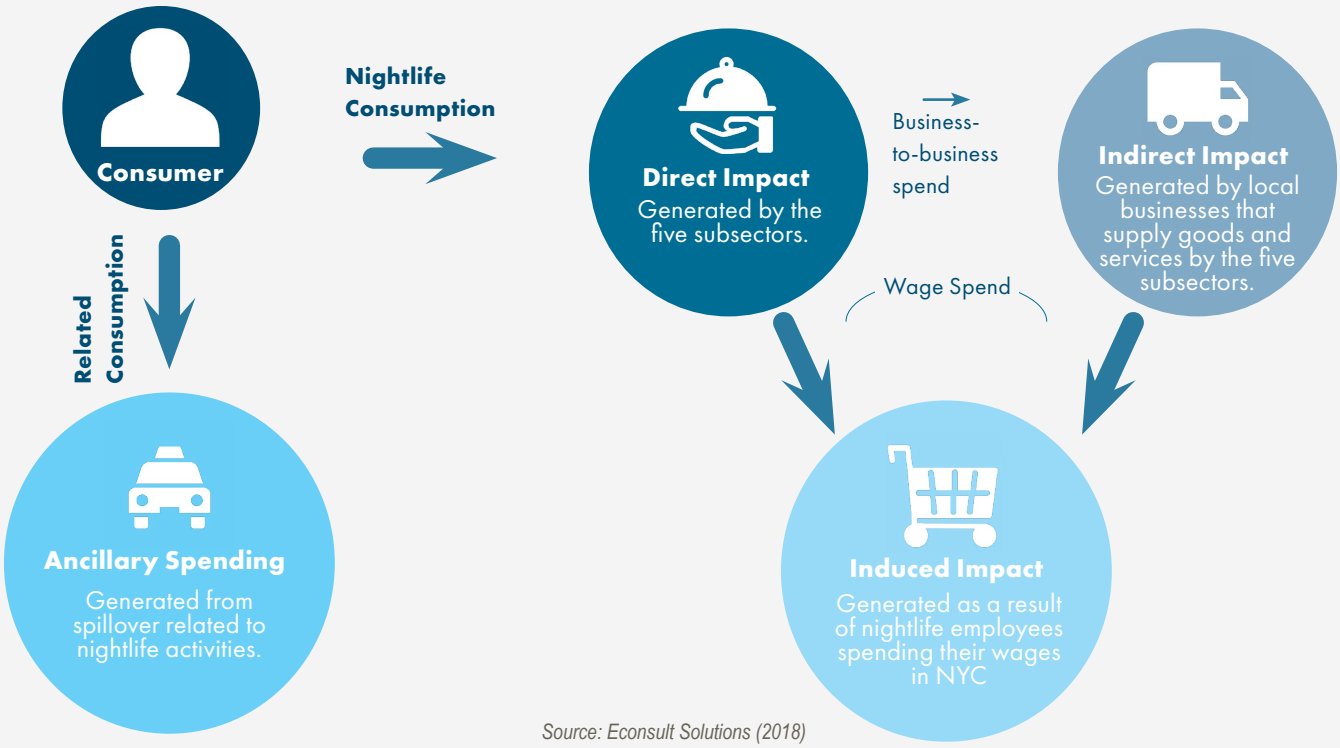
The Economic Impact of NYC's Nightlife

The overall economic impact of New York City's nightlife has five components:

- **Direct Impact:** The jobs and economic output generated by the five nightlife subsectors;
- **Indirect Impact:** The jobs and economic output generated by local businesses that supply goods and services to the five nightlife subsectors;
- **Induced Impact:** The jobs and economic output generated as a result of nightlife employees spending their wages in New York City;
- **Ancillary Impact:** The jobs and economic output generated from spillover spending related to nightlife activities. Examples include taxi and For-Hire Vehicles (FHV) taken to or from a nightlife destination and the non-nightlife spending of tourists visiting NYC specifically for nightlife purposes; and
- **Fiscal Impact**: The tax revenues generated for New York City and New York State from income, sales, and business taxes, as well as additional taxes.
    - **Note:** As a key economic metric, employee compensation is isolated and presented as its own indicator throughout this report

In addition to these types of economic impact, there is another unquantifiable category: nightlife as an economic catalyst. Major cities such as New York City compete for talent and jobs—and nightlife and cultural opportunities are two of the differentiating urban amenities that make NYC globally competitive. In a 21st century economy connected by communications and ease of travel, highly-skilled workers have many choices based on job opportunities and quality of life. The variety and depth of New York City's nightlife continues to drive interest and demand for the city as a place to live, learn, work, and socialize.

Exhibit 3.1: Types of Economic Impact From New York City Nightlife



Source: Econsult Solutions (2018)

Total Economic Impact

The nightlife industry makes a significant contribution to employment and economic growth in New York City. The total economic impact of this industry is the sum of its direct, indirect, and induced economic impacts, as well as the ancillary spending impacts that are adjacent to nightlife activity. In 2016 (the most recent year where standardized datasets were available), the nightlife industry supported **299,000 jobs with $13.1 billion in employee compensation and $35.1 billion in economic output.** This economic impact also yielded $697 million in tax revenue for New York City.

Direct Economic Impact by Sector

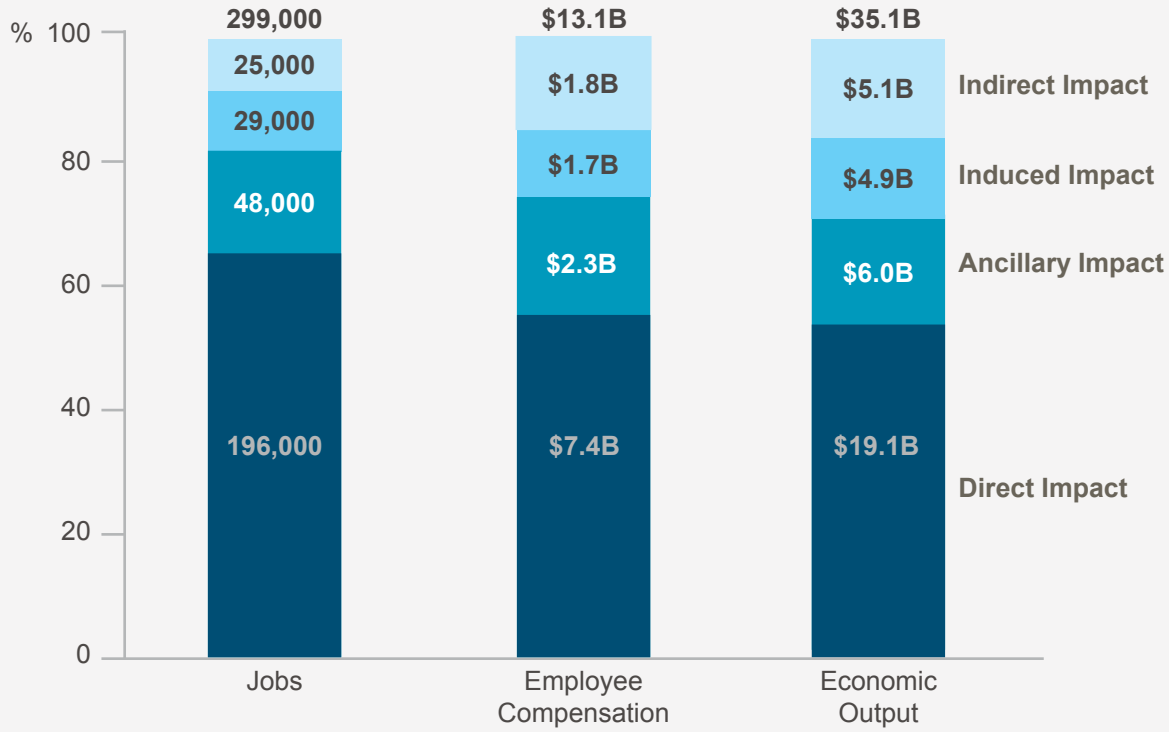
The five subsectors that make up New York City's nightlife industry directly generate economic output through revenues from nightlife consumers, and spending by nightlife establishments on goods and services. **In 2016, the five subsectors directly supported 196,000 jobs, $6.2 billion in wages (or $7.4 billion in employee compensation), and $19.1 billion in economic output.**[6] Throughout the report, wage reported by the Bureau of Labor Statistics is used to describe the direct impact from the nightlife industry, while employee compensation is used in describing the total economic impact of nightlife on the New York City economy.

The nightlife industry has shown significant growth in jobs and wages over the last five years, outpacing New York City's baseline economic growth. The five-year annualized growth rate (CAGR)[7] for jobs in the nightlife industry was 5 percent, compared to NYC's overall job growth rate of 3 percent. At the same time, nightlife wages rose at an annual rate of 8 percent, compared to the citywide rate of 4 percent.

The average annual wage in the nightlife industry was $32,000, with notable disparities among the five subsectors (explored in the following sections). While the industry overall has shown growth in total wages, the typical nightlife employee's salary may not grow at the same rate as the total.

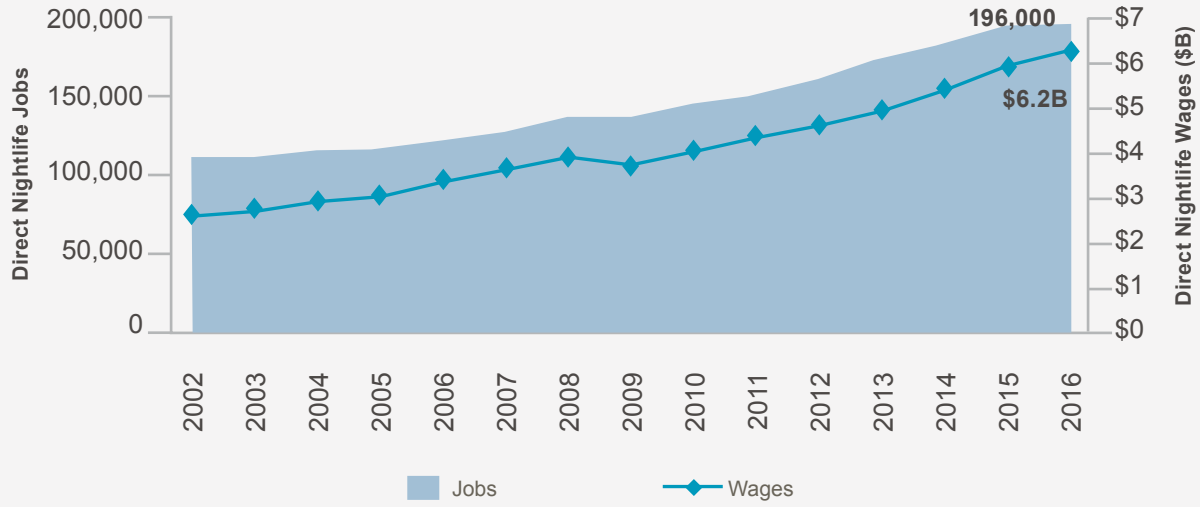
New York City's nightlife establishment count exceeds 25,000 and has grown at a rate of approximately 2 percent annually between 2011 and 2016. Growth in Brooklyn and Queens over that time period has been notable, at 5 percent and 3 percent, respectively.

Exhibit 3.2: Direct, Ancillary, Induced, Indirect Impact of NYC's Nightlife Economy



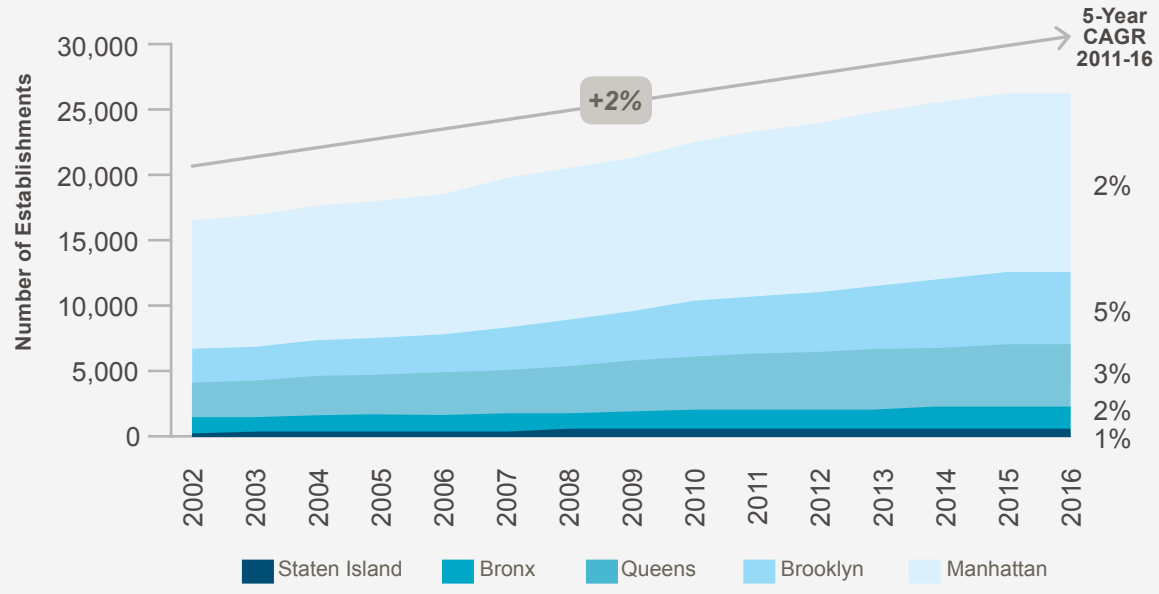
Source: Bureau of Labor Statistics (2016), U.S. Census Bureau (2012), IMPLAN (2015), Econsult Solutions (2018)
Columns may not sum due to rounding.

Exhibit 3.3: Total Direct Nightlife Jobs and Wage



Source: Bureau of Labor Statistics (2016), U.S. Census Bureau (2012), IMPLAN (2015), Econsult Solutions (2018)

Exhibit 3.4: Total Nightlife Establishments



Source: Bureau of Labor Statistics (2016), U.S. Census Bureau (2012), IMPLAN (2015), Econsult Solutions (2018)

The following subsections examine each subsector and their contributions to NYC's nightlife economy.

Food Service

Food service—a sector that encompasses full- and partial-service restaurants, cafes, and food trucks—is the backbone of NYC's nightlife industry. Whether going out for a long meal with friends, grabbing a quick bite before a show, or stopping for pizza in the late hours, a night out is nearly guaranteed to touch Food Service in some way. NYC is home to 72 Michelin-starred restaurants (all star tiers), more than any other U.S. city.[8]

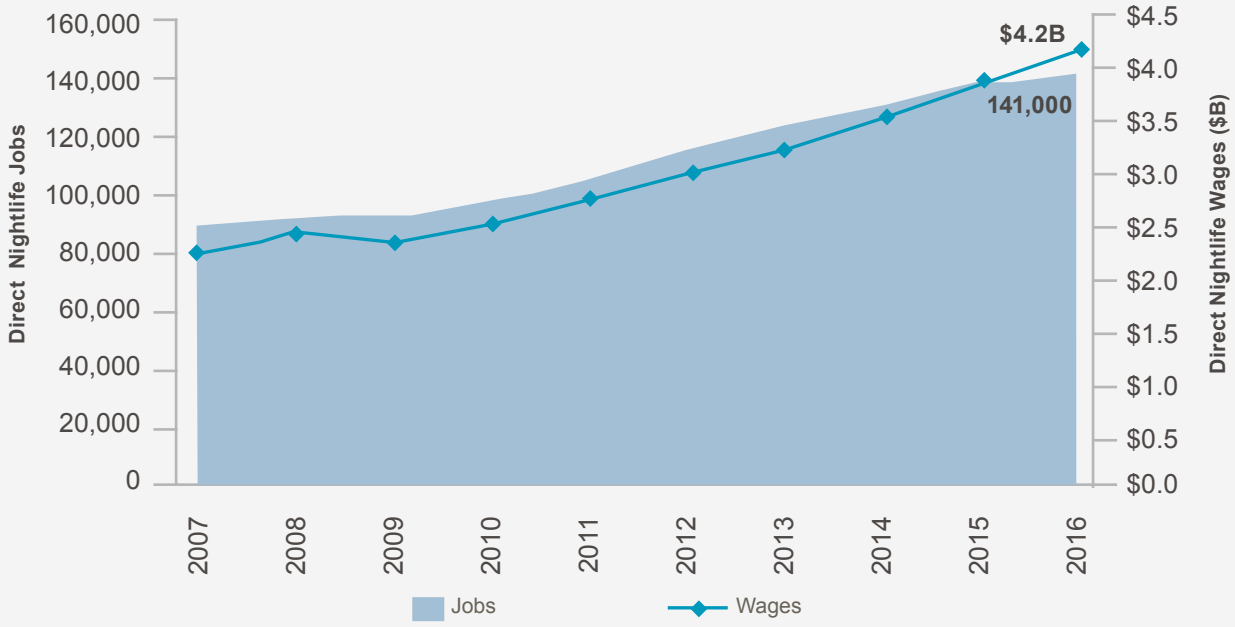
In 2016, Food Service supported 141,000 jobs, $4.2 billion in wages, and $12 billion in direct economic output. The largest portion of NYC's nightlife economy is captured by the Food Service sector, representing 72 percent of jobs and 67 percent of direct output. With the rising popularity of "dining as entertainment" and changes to eating habits, from fast casual to on-demand delivery service to food trucks, this industry continues to grow. The five-year annual growth rate of this subsector outpaced the nightlife industry as a whole, with 6 percent job growth and 9 percent wage growth as compared to the industry's annualized job growth of 5 percent and wage growth of 8 percent. As of 2016 there were 19,400 food service establishments across NYC.

Job and wage growth were especially significant in Brooklyn and Queens, where Food Service establishments have proliferated in recent years. Queens showed annualized job growth of 8 percent and wage growth of 11 percent between 2011 and 2016. Over the same period, Brooklyn's Food Service establishments grew at an annualized rate of 4 percent; wages grew at an annualized rate of 15 percent.

The average wage was one of the lowest within the nightlife industry at $29,700.[9] While part of that deficit can be explained by underreported wages and the part-time nature of some Food Service jobs, this low average annual salary represents a real challenge for the industry.



Exhibit 3.5: Direct Nightlife Jobs and Wages–Food Service



Source: Bureau of Labor Statistics (2016), U.S. Census Bureau (2012), IMPLAN (2015), Econsult Solutions (2018)

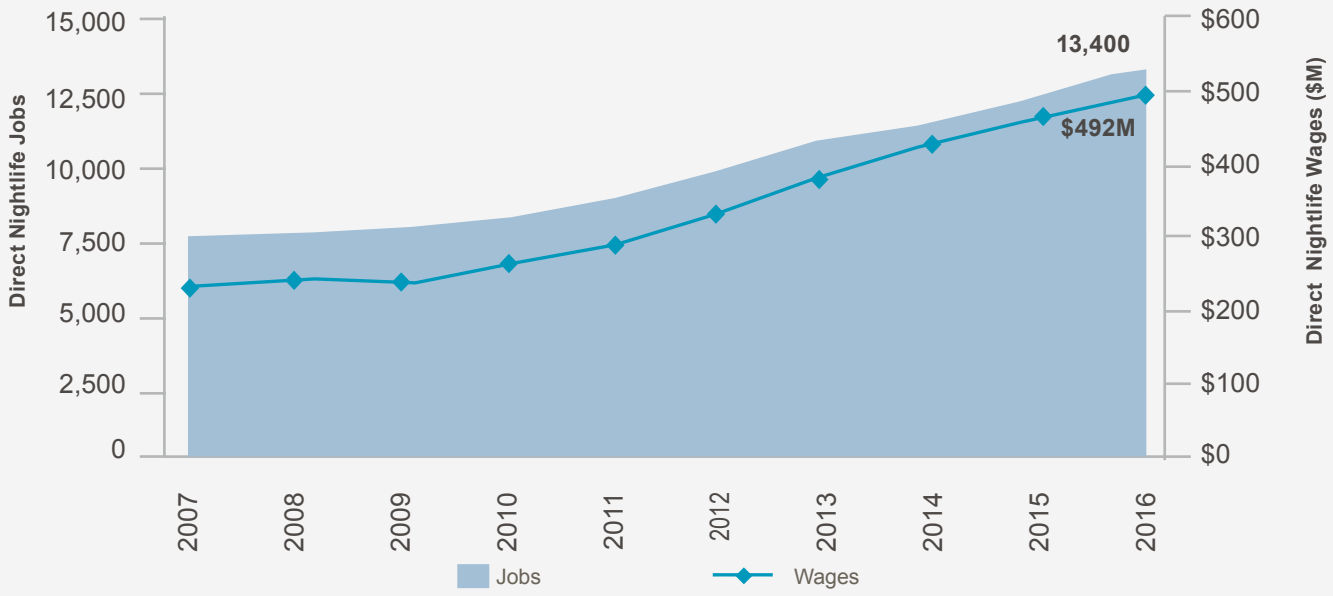
Bars

Globally, nightlife is synonymous with drinking establishments such as bars and nightclubs—and NYC is no different. In total, there were 2,100 bars and clubs in NYC in 2016. **The Bars subsector generated 13,400 jobs, $492 million in wages, and $2.0 billion in direct economic output.** The subsector's five-year annual growth rate also outpaced the nightlife industry as a whole with 7 percent growth in jobs and 9 percent growth in wages.

The growth in this subsector has been largely driven by growth in Brooklyn. Between 2011 and 2016, the annualized growth rate for the Bars subsector's jobs and wages in Brooklyn were 16 percent and 21 percent, respectively. The typical employee in the Bars subsector earns on average $36,800, a 24 percent higher wage than employees in the Food Service subsector.



Exhibit 3.6 Direct Nightlife Jobs and Wages–Bars



Source: Bureau of Labor Statistics (2016), U.S. Census Bureau (2012), IMPLAN (2015), Econsult Solutions (2018)

Understanding Turnover: Analysis of NYC's Liquor Licenses

To contextualize the economic analysis the volume of active on-premises (i.e. not takeout) liquor licenses in NYC was examined, tracking borough and establishment trends. Data were provided by the New York State Liquor Authority (SLA) in six year increments—2000, 2006, 2012, and 2018.[10,11] The City's total liquor license count stands at 11,961, with an annualized growth rate of 2 percent.[12] Exhibit 3.7 shows the distribution of liquor licenses by borough and the annualized rate of growth. Further analysis at a license-by-license level showed interesting trends in turnover over the last two decades. In each six-year period, roughly half of the active licenses are new. Tracking liquor license serial numbers over time revealed an average retention rate of 44 percent for licenses after six years and of 22 percent after 12 years. In 2018, the data show a retention rate of roughly 20 percent for all licenses that were active in 2000.

Exhibit 3.7: Number of On-Premise Liquor Licenses in NYC

Borough	2000	2006	2012	2018	Annual Growth (2000-2018)
Bronx	610	779	660	628	0.2%
Brooklyn	1,236	1,780	2,119	2,586	4.2%
Manhattan	4,498	5,205	5,621	6,011	1.6%
Queens	1,707	2,137	2,150	2,332	1.8%
Staten Island	361	392	406	404	0.6%
Total	**8,412**	**10,293**	**10,956**	**11,961**	**2.0%**

Source: New York State Liquor Authority (2018)
This data takes into account openings and closures over time.



While the dataset does not show the age of the 8,412 active liquor licenses that were active in 2000, it is possible to trace the typical success or closure of establishments (using active liquor licenses as a proxy) for those licenses added to the dataset in 2006 and 2012. Exhibit 3.8 illustrates the turnover of liquor licenses across these time periods, with the following retention rates:

By 2006

- 4,341 of the licenses from the 2000 were active, a 52 percent retention rate
- 5,952 new licenses were issued, representing 58 percent of all active licenses in 2006

By 2012

- 2,480 of the licenses active in 2000 were active, a 29 percent retention rate
- 2,620 of the licenses new in 2006 were active, a 44 percent retention rate
- 5,856 new licenses were issued since 2006, slightly less than in the previous six year period, representing 53 percent of all new licenses in 2012

By 2018

- 1,575 of the licenses active in 2000 were active, a 19 percent retention rate
- 1,312 of the licenses new in 2006 were active, a 22 percent retention rate
- 2,601 of the licenses new in 2012 were still active, a 44 percent retention rate (the same retention rate for licenses in the six-year period from 2006 to 2012)
- 6,473 new licenses were issued since 2012—the most in any of the six-year periods from 2000—representing 54 percent of all licenses active in 2018

For further detail on liquor license data at a borough level, refer to the following subsection on “The Nightlife Economy across New York City.”

Exhibit 3.8: NYC Active Liquor Licenses by Year



Source: New York State Liquor Authority (2018), Econsult Solutions (2018)

Arts

NYC is a global leader in arts and culture, with numerous art galleries, museums, Broadway theaters, performing arts spaces, and a historic role as a welcoming center for artists and entertainers. Today, many of the city's storied cultural institutions incorporate nightlife into their operations by offering evening programming, hosting live bands or DJs, or providing cocktail and bar services for guests. In total, the Arts subsector had 1,800 establishments throughout NYC in 2016. **This subsector generated 18,300 jobs, $804 million in wages, and $3.1 billion in direct economic output.**

Manhattan's arts-based nightlife activity accounts for 75 percent and 90 percent of the subsector's jobs and wages, respectively. That said, Arts establishments remain an essential component of the nightlife industry across the city, and have grown at a faster rate outside of Manhattan. In Brooklyn, jobs in the Arts account for 15 percent of NYC's total, and have seen an annualized growth rate of approximately 10 percent between 2011 and 2016. Wages in the Brooklyn Arts subsector have seen an annualized growth rate of 12 percent. Queens has also seen significant growth in this subsector with annualized growth rates of 6 percent for jobs and 7 percent for wages.

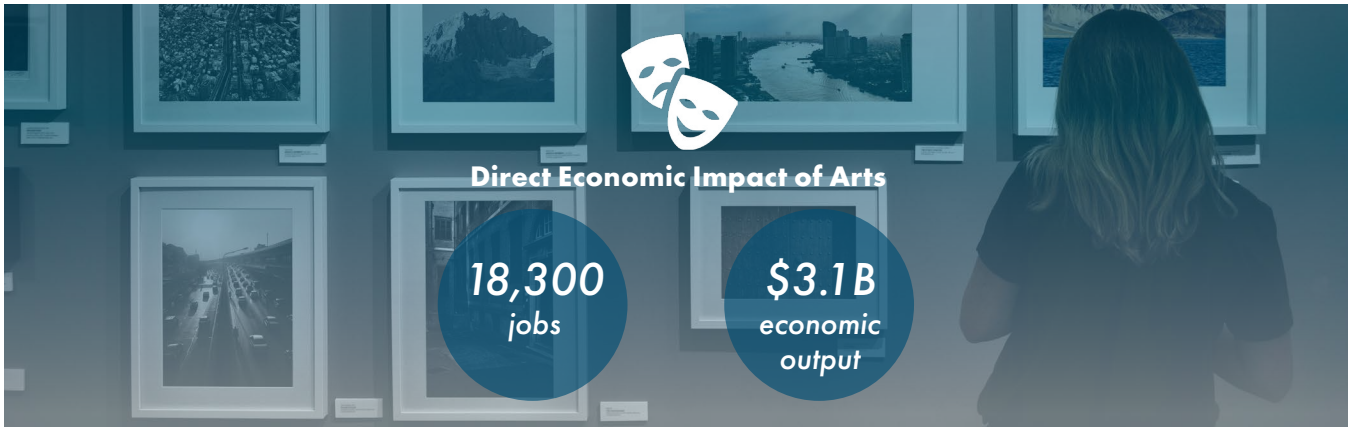
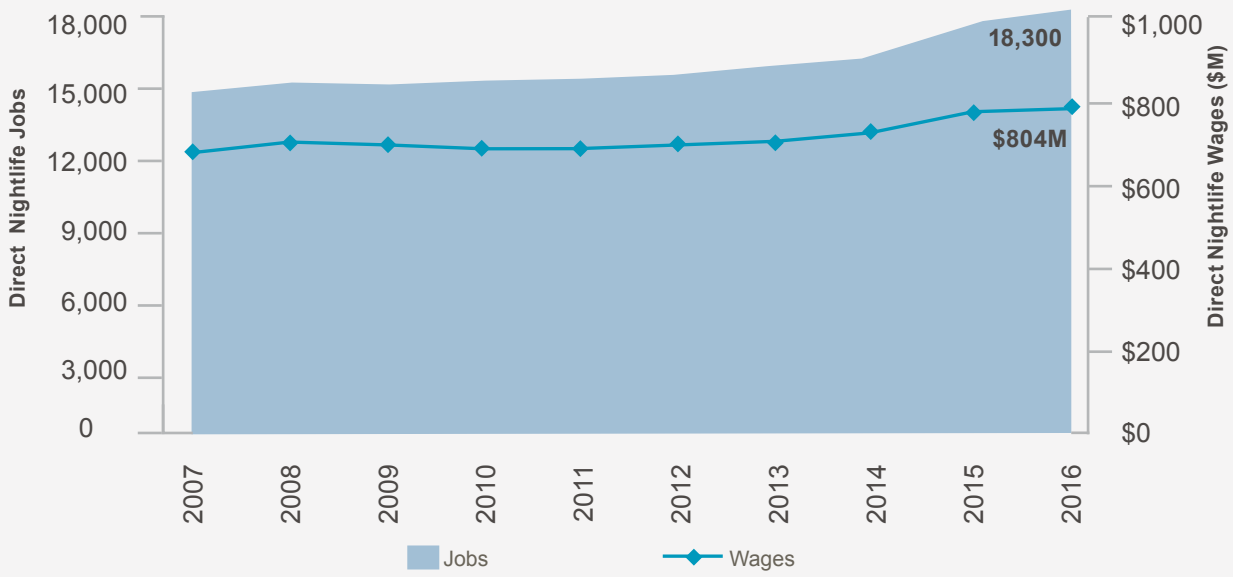


Exhibit 3.9: Direct Nightlife Jobs and Wages–Arts



Source: Bureau of Labor Statistics (2016), U.S. Census Bureau (2012), IMPLAN (2015), Econsult Solutions (2018)

Venues[13]

The vibrancy of New York City's nightlife is fueled by concert and entertainment venues, independent venues, and DIY spaces. As of 2016, there were 2,400 establishments in this subsector throughout NYC. **Venues generated 19,900 jobs, $373 million in employee compensation, and $1.2 billion in direct economic output.**[14]

While this is one of the smallest nightlife subsectors in terms of job volume, the total number of jobs related to Venues has grown at an annualized rate of 3 percent since 2011. While reported wages have grown at a more rapid rate, 9 percent over the same time period, the average annual wage for workers in this subsector is just $18,700. As in the case of Food Service, the low salaries are due (in part) to the part-time nature of several jobs in this sector.



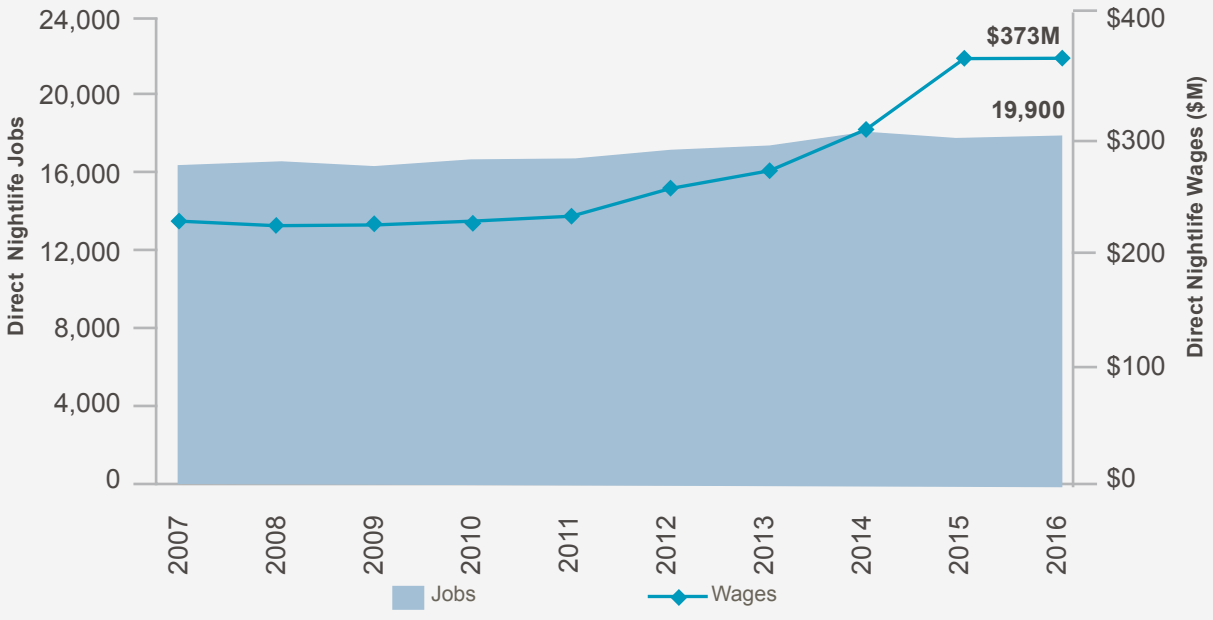
Sports and Recreation

New York City offers no shortage of family-friendly nightlife, including arcades, amusement venues, billiards, bowling alleys, and spectator and participatory sports. This subsector represents the smallest component of NYC's nightlife industry, with 100 total establishments as of 2016. **Sports and Recreation generated 3,900 jobs, $352 million in wages, and $735 million in direct economic output.**

Sports and Recreation represents the highest average paying jobs within the nightlife sector, averaging $90,000 in wages in 2016.[15] While these jobs represented slightly less than 2 percent of all nightlife jobs in NYC, their wages represent nearly 6 percent of the industry's wage base. Sports and Recreation wages grew at an annual rate of 5 percent between 2011 and 2016, which is a slightly lower rate than the industry (8 percent) but still faster than the citywide average. Queens has the largest share of Sports and Recreation-related nightlife jobs (44 percent) and total wages (50 percent).

New York City is home to some of the best sports teams in the country with world-renowned franchises and stadiums. In addition to major stadiums and

Exhibit 3.10: Direct Nightlife Jobs and Wages–Venues



Source: Bureau of Labor Statistics (2016), U.S. Census Bureau (2012), IMPLAN (2015), Econsult Solutions (2018)

arenas such as Yankee Stadium, Madison Square Garden, and Citi Field, NYC is also home to numerous secondary sports venues (e.g. Heritage Field in the Bronx, Staten Island's St. George Stadium, Coney Island's MCU Park) supporting spectator and nighttime play across all types of popular sports. In multiple cases, these sports venues anchor nightlife in the immediate vicinity, including dining, bars, amusement venues, retail, and exhibits that derive income from the crowds attending events.

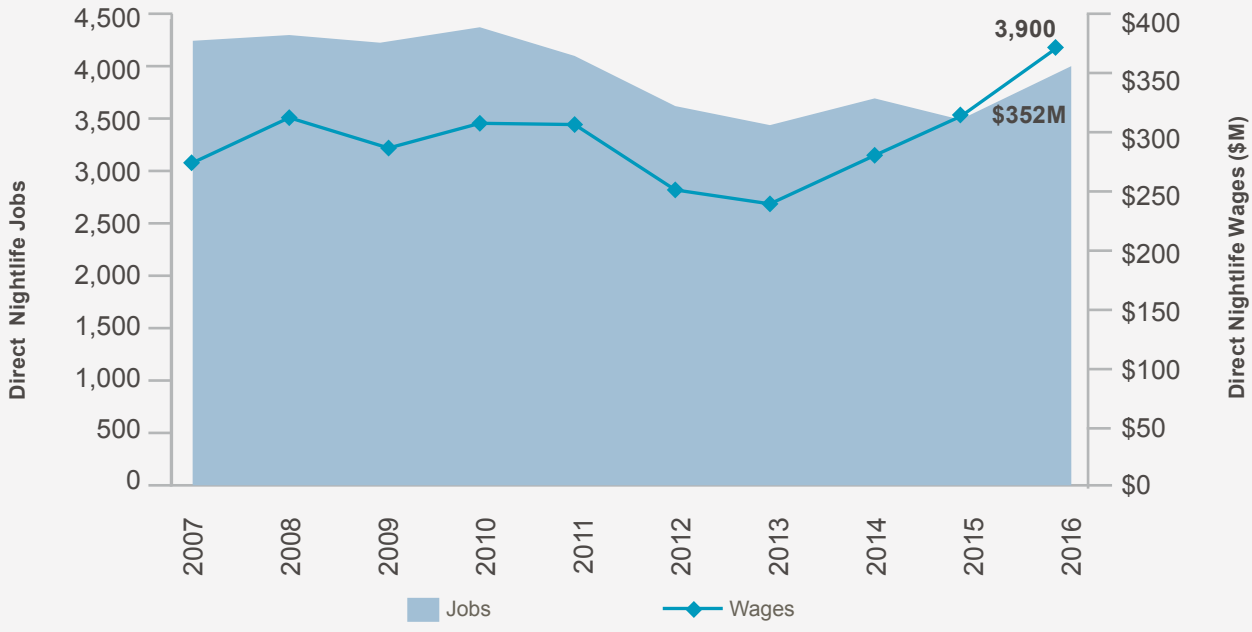
In addition to traditional recreational activity, electronic sports or eSports are becoming increasingly popular. Several establishments provide playing and viewing amenities for eSports tournaments, such as Community Gaming NYC, Waypoint Café, and Alien Gang NYC. In August 2015, Madison Square Garden was sold out for two straight nights hosting the North American League of Legends Championship Series Finals, the highest level of professional eSports league play. Global demand for eSports is expected to grow in the coming years, with 2018 revenues in the subsector estimated at $345 million across North America and growing at an annual rate of 27 percent over the next 5 years.[16]



Indirect Impact

The nightlife industry has an indirect economic impact on other industries. The core nightlife subsectors engage with suppliers and contractors from other industries to procure goods and services. As a result, to the extent these transactions happen with local businesses, these transactions generate jobs, wages, and output in NYC for the industries that support nightlife activities. **The indirect impact of New York City's nightlife amounts to 25,000 jobs, $1.8 billion in employee compensation, and $5.1 billion in economic output.** The amount of indirect impact and the top jobs impacted (as shown in Exhibit 3.12) are

Exhibit 3.11: Direct Nightlife Jobs and Wages–Sports and Recreation



Source: Bureau of Labor Statistics (2016), U.S. Census Bureau (2012), IMPLAN (2015), Econsult Solutions (2018)

particular to NYC. The indirect impact on industries highly interconnected with hospitality that have greater leakage outside of NYC, such as wholesale trade (i.e. food distribution) and transportation and logistics, are not analyzed in this study.

Induced Impact

Induced impact is generated when people employed directly within the five subsectors, or people in industries impacted by nightlife, spend their wages on local vendors in New York City. When direct and indirect nightlife employees spend their wages in NYC, this spending further generates jobs, wages, and output within the five boroughs. **The induced impact of New York City's nightlife amounts to more than 29,000 jobs with $1.7 billion in employee compensation, and $4.9 billion in economic output.** Similar to the indirect nightlife economics, the calculated induced value and the distribution of jobs (Exhibit 3.13) represent the impact of the nightlife industry specifically on the NYC economy.

Ancillary Impact

Ancillary impact is derived from additional spending on retail, transportation, lodging, and other expenditures resulting from participation in nightlife activities. This spending then translates into significant revenues for business owners in New York City. The influx of ancillary spending by nightlife consumers has a multiplier effect throughout New York City, **supporting 48,000 jobs with $2.3 billion in employee compensation and $6.0 billion in economic output.**

Exhibit 3.12: Industries Supported by Indirect Spending, by Share of Jobs

Top Industries	Percentage
Arts, Entertainment, and Recreation	27%
Administrative and Support Services	11%
Professional, Scientific, and Technical Services	11%
Real Estate and Rental and Leasing	9%
Management of Companies and Enterprises	7%
Other Services (except public administration)	4%
Wholesale Trader	4%
Accommodation and Food Service	3%
Transportation and Warehousing	3%
Information	3%
All other Industries	17%

Source: IMPLAN (2015), Econsult Solutions (2018)

Exhibit 3.13: Industries Supported by Induced Spending, by Share of Jobs

Top Industries	Percentage
Health Care and Social Assistance	28%
Retail Trade	14%
Other Services (Except Public Administration)	12%
Accommodation and Food Service	12%
Educational Services	5%
Finance and Insurance	5%
Administrative and Support Services	4%
Professional, Scientific, and Technical Services	4%
Real Estate and Rental and Leasing	3%
All other Industries	13%

Source: IMPLAN (2015), Econsult Solutions (2018)

Fiscal Impact

The nightlife industry generates substantial tax revenues for New York City and New York State. Nightlife activities increase the local tax base directly by employing workers who pay taxes, and indirectly via spending by nightlife vendors and employees. In addition to these taxes, nightlife contributes a significant portion of other taxes and fees (e.g. liquor and hotel taxes), specifically related to their activities and spending patterns. **In 2016 the total annual fiscal impact of New York City's nightlife summed to nearly $1.8 billion—approximately $697 million for the City and $1.1 billion for New York State**.

Exhibit 3.15: Fiscal Impact for New York City and New York State

Tax Type	New York City ($M)	New York State ($M)
Income Tax	$268.2	$741.0
Sales Tax	$198.6	$232.1
Business Tax	$107.9	$105.6
Alcohol Tax	$12.8	-
Hotel Tax	$109.8	-
Total Tax Revenue	**$697.3**	**$1,078.6**

Source: IMPLAN (2015), Econsult Solutions (2018)
**Columns may not sum due to rounding.*




"The extended hours of operation in NYC still make it one of the best places to go out."
- NYC Nightlife Consumer

Driving Nightlife: Calculating the Impact of Nightlife Taxi and FHV Trips

The nightlife and transportation sectors have complemented each other's development in recent years. Nightlife is instrumental to this sector's profitability and its ability to attract drivers. For-Hire Vehicles (FHVs, which include Uber, Lyft, and others) have enabled greater access to and within the five boroughs. Therefore, this report includes trips taken via taxi and FHV to travel to or from nightlife destinations as part of NYC's ancillary nightlife. The NYC Taxi and Limousine Commission (TLC) records the time and location of all pick-ups for taxis and FHVs; trips to and from nightlife destinations can be counted by aggregating all trips in a year, subtracting airport trips and evening commutes. Approximately 32 percent of all taxi and FHV trips are nightlife related. The value of those trips was included in the ancillary impact of NYC's nightlife economy.

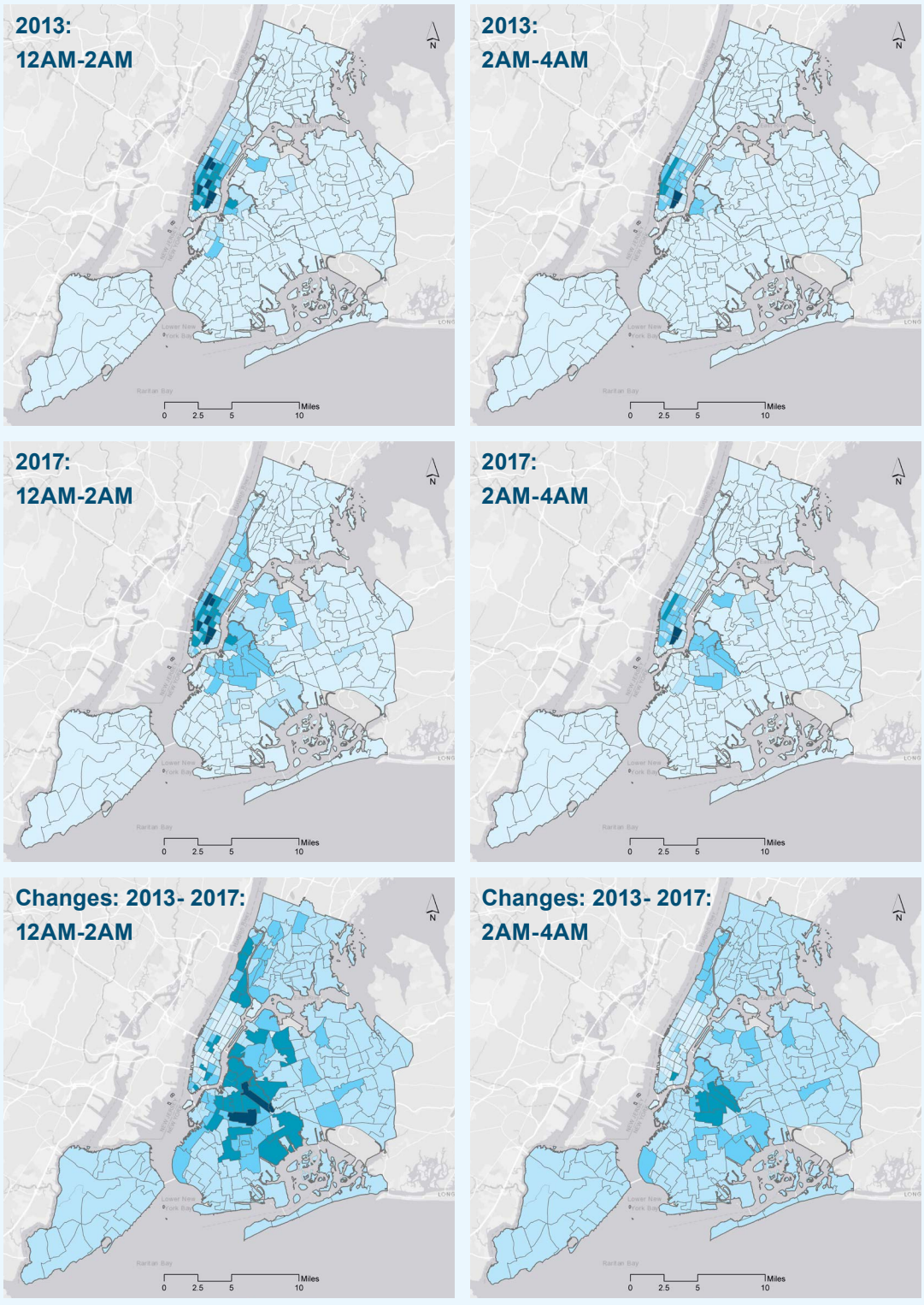
A comparative analysis of TLC data in 2013 and 2017 shows how concentrations of taxi and FHV pick-up locations at key nightlife times has changed over time.[17] The maps in Exhibit 3.14 show concentrations of increased taxi/FHV activity in areas of Bushwick and Williamsburg in Brooklyn, and Jackson Heights and Astoria in Queens. The proliferation of FHVs has, in part, enabled the above-average nightlife growth in Brooklyn and Queens. Borough-specific trends in taxi and FHV use are discussed in greater detail in *The Nightlife Economy Across New York City* section.

Looking forward, FHV services will continue to shape where future nightlife establishments choose to locate, and consequently the opportunities for nightlife workers and consumers. On the other hand, constraints on FHV services may also limit the potential growth in some areas, particularly those neighborhoods with limited public transportation alternatives.



Of the 317 million taxi and For-Hire Vehicle rides in New York City in 2017, an estimated 101 million (32 percent) are attributable to nightlife.

Exhibit 3.14: TLC Analysis - Changes in Taxi & FHV Pick-Ups (2013 vs. 2017)



Source: NYC Taxi and Limousine Commission (2018), Econsult Solutions (2018)

The Nightlife Economy Across New York City

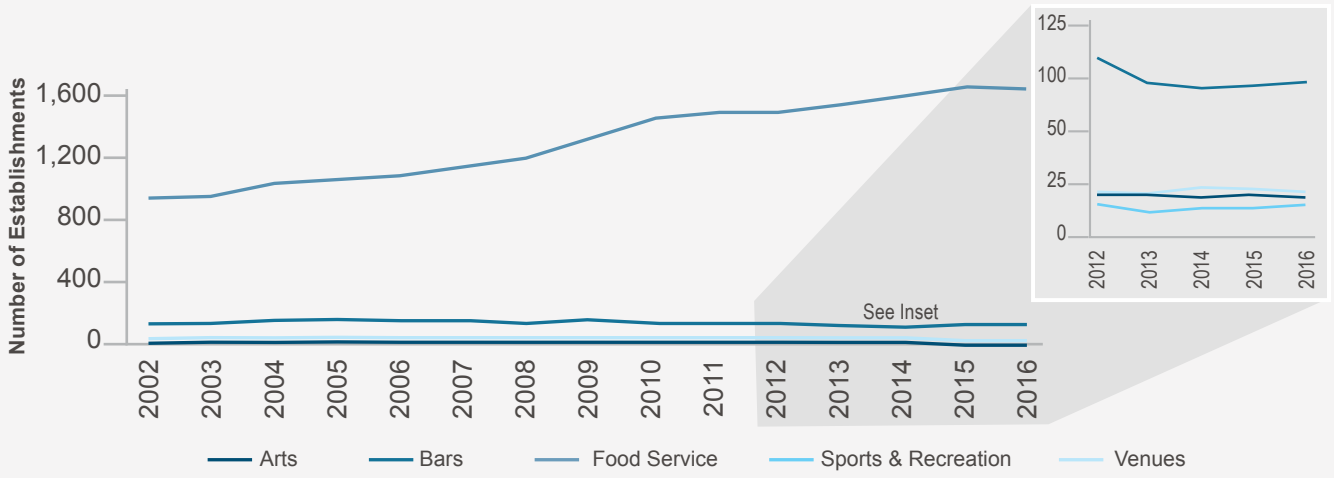
The Bronx

The Bronx experienced a steady growth in nightlife establishments until 2015, when that growth reversed. There were 1,700 nightlife establishments in the borough in 2016. The annualized growth rate between 2011 and 2016 was 2 percent, similar to the overall growth of nightlife establishments citywide. The Bronx experienced the highest growth in the Venues subsector at an annualized growth rate of 3 percent, but a decline in the Bars subsector at an annualized rate of -2 percent.

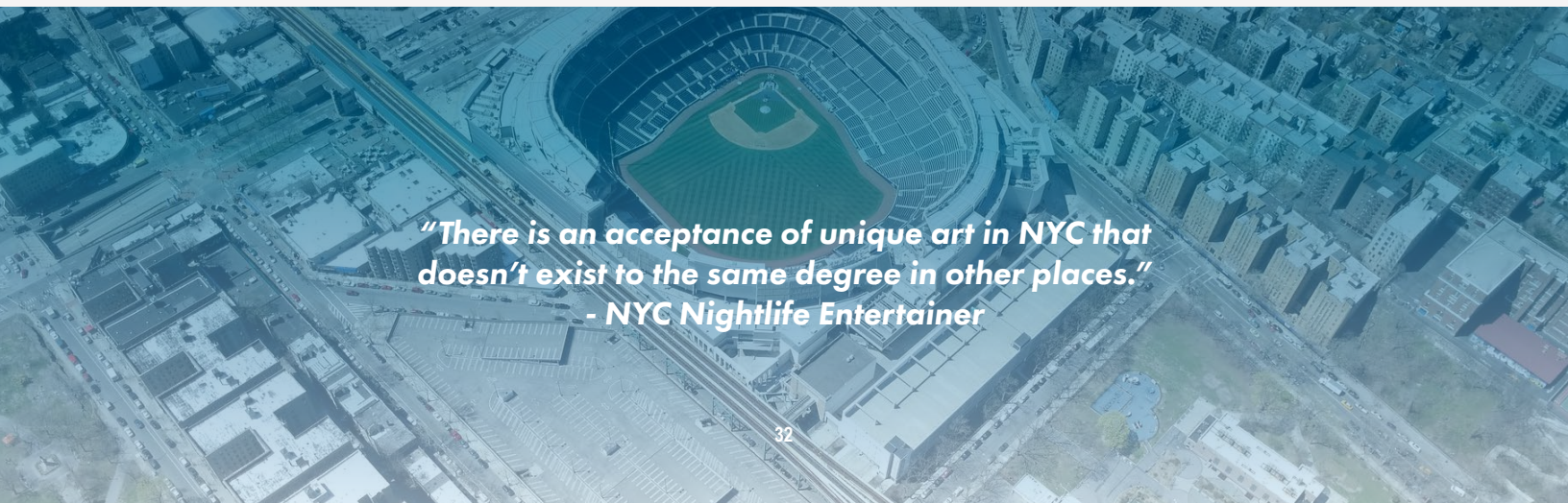
This decline in Bars establishments is reflected in a decline in liquor licenses in the Bronx over the last decade. Analysis of SLA data shows that the Bronx (currently home to 628 active liquor licenses) has an annualized growth rate of 0.2 percent since 2000.

A zip code level analysis shows that 10454 (Mott Haven, with 26 liquor licenses in 2018) and 10475 (Co-Op City, with 12 licenses) have experienced the greatest annualized growth in licenses (4 percent and 3 percent); by contrast, the zip codes 10473 (Castle Hill, with 3 licenses) and 10474 (Hunts Point, with 6 licenses) have each experienced an annualized decrease in active licenses, approximately 3 percent each.

Exhibit 3.16: Bronx Nightlife Establishments



Source: Bureau of Labor Statistics (2016), U.S. Census Bureau (2012), IMPLAN (2015), Econsult Solutions (2018)



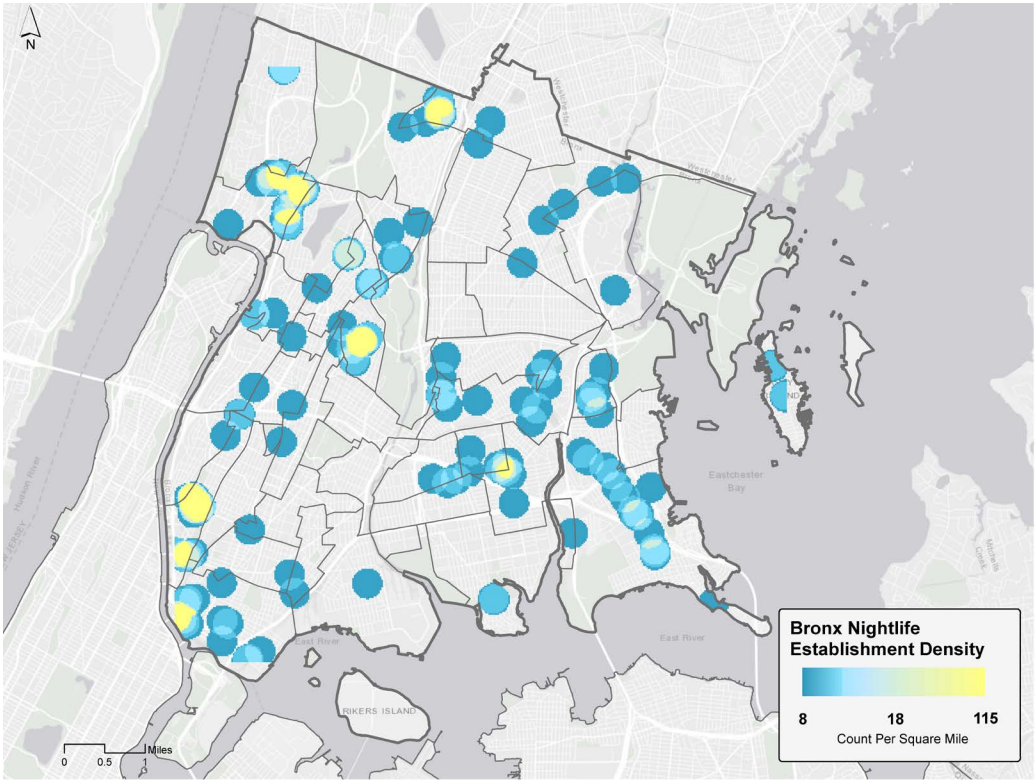
As of 2016 there were 7,600 total nightlife jobs supporting $129 million in wages in the Bronx's nightlife economy. The annualized growth rate for jobs is 7 percent and the annualized wage growth rate is 9 percent.

A heat map of the Bronx's nightlife establishments, compiled based on Yelp data, shows establishments scattered throughout the borough, with concentrations in neighborhoods like Woodlawn, Kingsbridge, and Concourse.[18]

Analysis of historic data from the NYC TLC shows that since the introduction of FHVs, the volume of nighttime trips (pick-ups between 12AM and 4AM) in the Bronx grew at an annual rate of 177 percent between 2013 and 2017. The greatest increase in taxi/FHV pick-ups has been in the following neighborhoods: West Concourse (an increase of 60,000 trips per year, or annualized growth of 133 percent), East Concourse (61,000 more trips, annualized growth of 175 percent), Co-op City (57,000 more trips, annualized growth of 389 percent), and Mott Haven (54,000 more trips, growth of 90 percent annually).



Exhibit 3.17: Bronx Nightlife Establishment Density Map



Source: Yelp (2018), Econsult Solutions (2018)

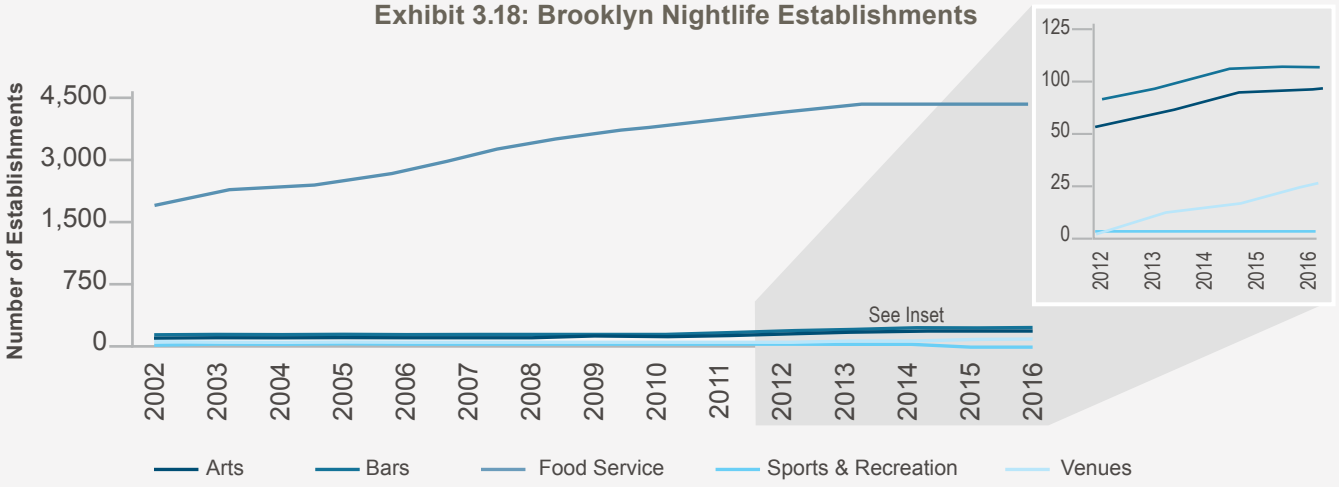
Brooklyn

Of the five boroughs, Brooklyn witnessed the greatest growth in nightlife establishments, with 5,500 total establishments as of 2016, a 5 percent annual growth rate compared to NYC's overall nightlife establishment growth rate of 2 percent.

In 2016, there were 31,100 total nightlife jobs supporting $608 million in wages in Brooklyn's nightlife economy. The annualized growth rate for jobs is 10 percent and the annualized growth rate for wages is 15 percent.

Brooklyn's nightlife saw an increase in active liquor licenses in the borough since 2000. SLA data show 2,586 active licenses throughout the borough in 2018, compared to 1,236 in 2000, an annualized growth rate of 4 percent. A zip code level analysis shows substantial annualized growth in 11249 (Williamsburg along the waterfront had 64 liquor licenses in 2018 and none in 2000), 11238 (Prospect Heights with 17 liquor licenses in 2000 and 139 in 2018, an annualized growth rate of 12 percent), and 11217 (the area along Flatbush Avenue and between Park Slope, Gowanus and Boerum Hill had 28 liquor licenses in 2000 and 140 in 2018, an annualized growth of 9 percent).

Exhibit 3.18: Brooklyn Nightlife Establishments



Source: Bureau of Labor Statistics (2016), U.S. Census Bureau (2012), IMPLAN (2015), Econsult Solutions (2018)



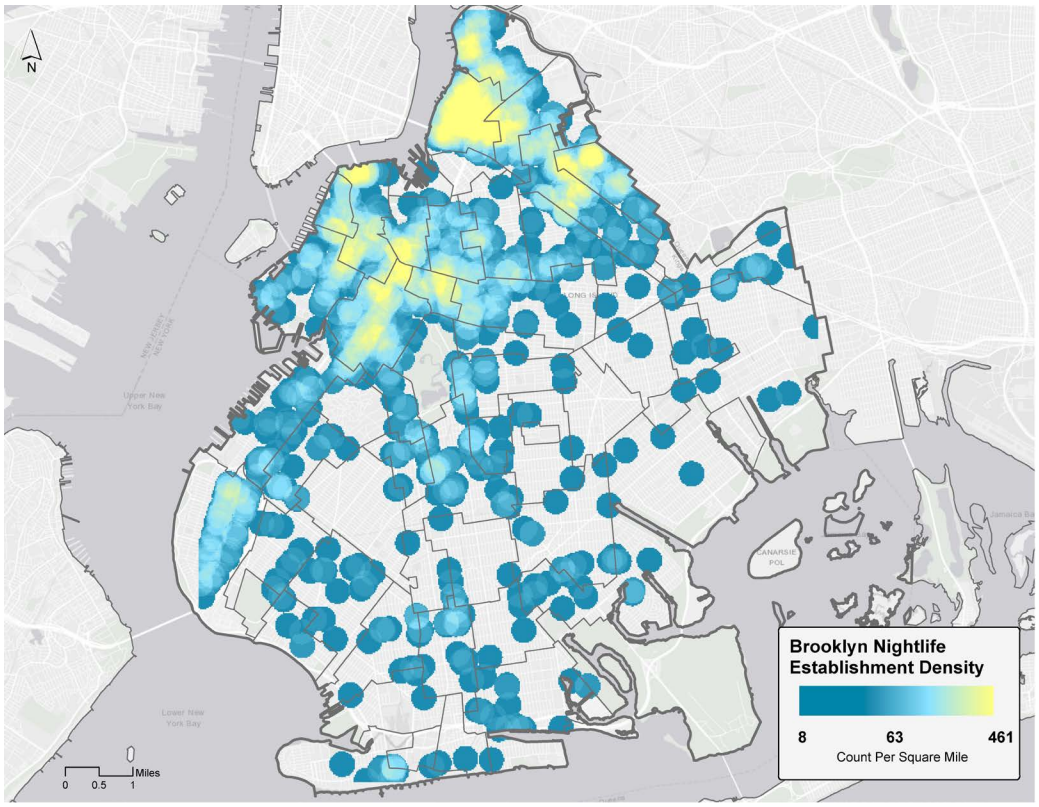
The liquor license story is not universal across Brooklyn—for example, active liquor licenses have decreased in 11236 (Canarsie, which has 8 liquor licenses and decreased at an annualized rate of 5 percent).

A heat map of Brooklyn's nightlife establishments shows the densest concentration around Williamsburg, moving into Greenpoint to the north and Bushwick to the east. DUMBO, Downtown Brooklyn, and Park Slope are other neighborhoods with significant nightlife concentration.

NYC TLC data from 2013 and 2017 demonstrate that the rise of FHVs in Brooklyn has coincided with an annualized growth rate of 46 percent in the number of taxi or FHV pick-ups between the hours of 12AM and 4AM. The neighborhoods with the greatest increase in trips originating in the borough during this time are Williamsburg (an increase of 442,000 total trips in a year, or annualized growth of 33 percent), Crown Heights (an increase of 305,000 trips, annualized growth of 117 percent), and Bushwick South and Bushwick North (an increase of 288,000 trips and annualized growth of 28 percent and 271,000 trips and annualized growth of 92 percent, respectively).



Exhibit 3.19: Brooklyn Nightlife Establishment Density Map



Source: Yelp (2018), Econsult Solutions (2018)

Manhattan

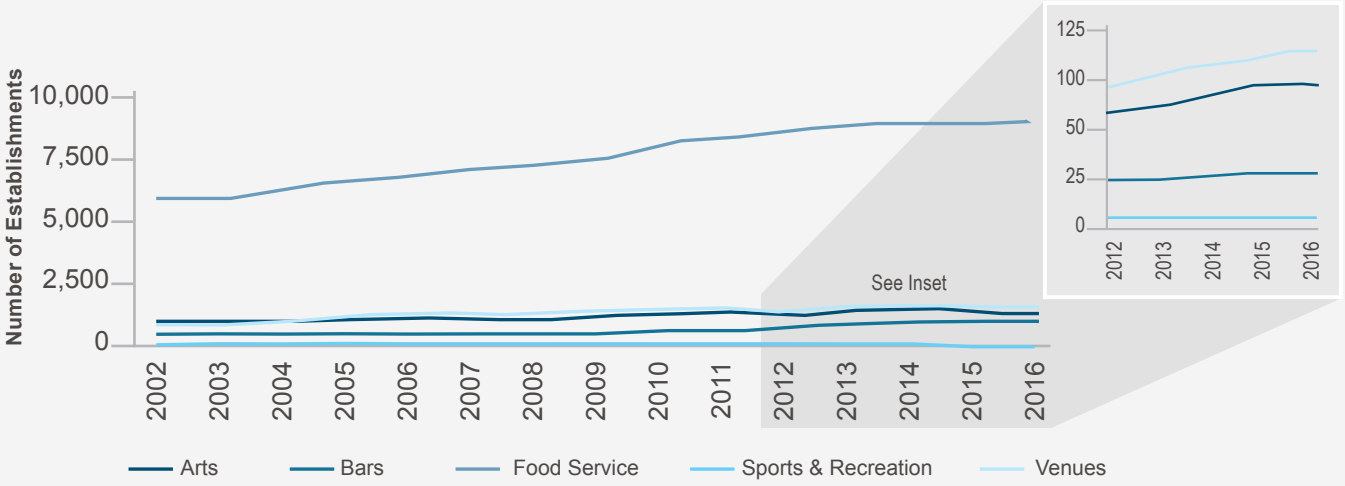
Manhattan is the epicenter of New York City's nightlife. There were 13,000 nightlife establishments in Manhattan in 2016, the highest among all five boroughs. Manhattan's nightlife establishments have seen modest growth of 2 percent from 2011 to 2016, on par with citywide growth. Establishment count, particularly in Food Service (the largest part of the nightlife economy in the largest borough), is showing signs of leveling off with the total volume of Food Service establishments dropping from 2015 to 2016 (8,683 to 8,574). Based on stakeholder interviews, these businesses face oversaturated competition and high operating expenses which could be contributing to this one year decrease.

In 2016, there were 128,900 total nightlife jobs supporting $4.8 billion in wages in Manhattan's nightlife economy. The annualized growth rate for jobs is 4 percent and the annualized growth rate for wages is 7 percent.

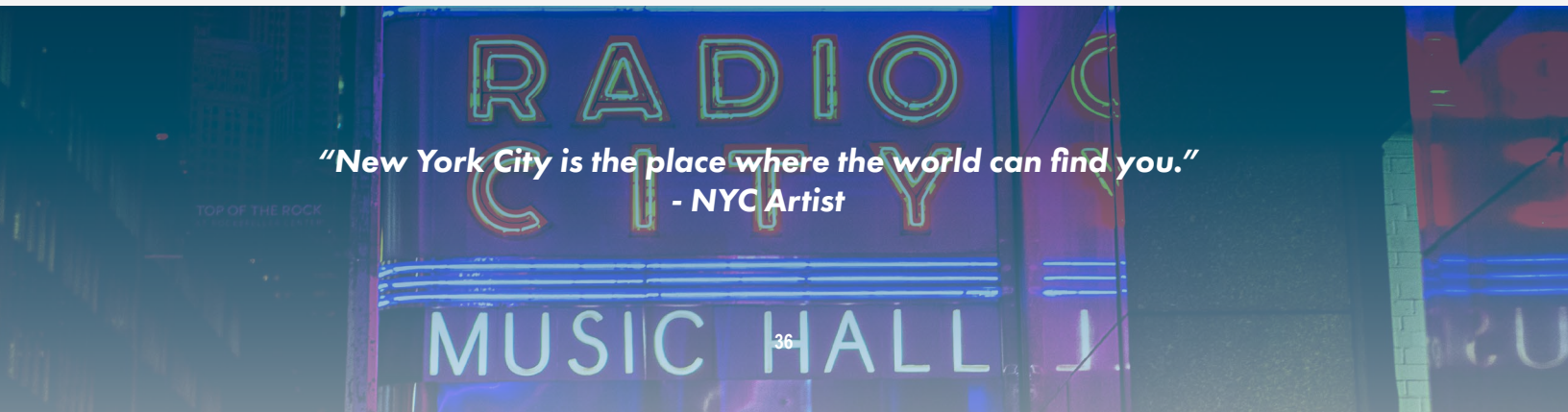
In Manhattan, total liquor licenses have grown at an annualized rate of 1.6 percent since 2000; SLA data show 6,011 active liquor licenses across the borough as of 2018. Zip codes with the greatest liquor license growth include 10065 (part of the Upper East Side with no active liquor licenses in 2000 and 69 in 2018), 10026 (part of Harlem with 5 liquor licenses in 2000 and 38 liquor licenses in 2018, an annualized growth of 12 percent), and 10002 (the Lower East Side, with 69 liquor licenses in 2000 and 287 in 2018, annualized growth of 8 percent).

A heat map of Manhattan's nightlife establishments shows that nightlife activity is significant throughout the borough. The densest concentrations of nightlife establishments are around Times Square, Chelsea, and Greenwich Village.

Exhibit 3.20: Manhattan Nightlife Establishments



Source: Bureau of Labor Statistics (2016), U.S. Census Bureau (2012), IMPLAN (2015), Econsult Solutions (2018)

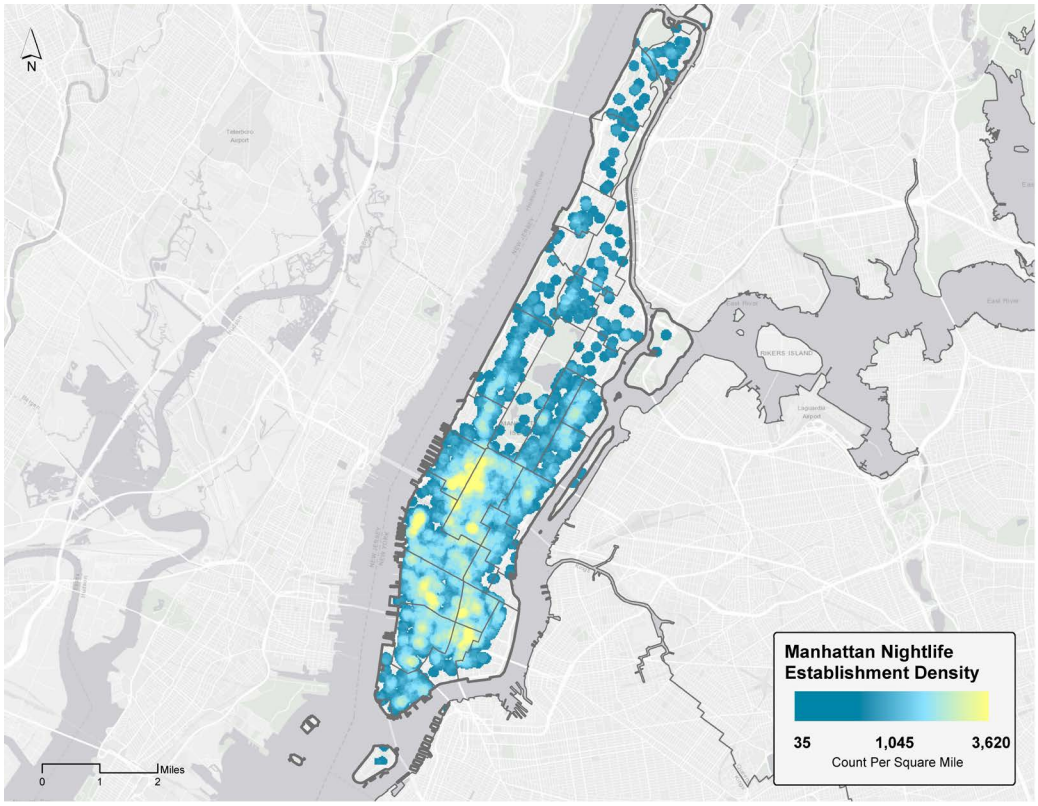


"New York City is the place where the world can find you."
- NYC Artist

Analysis of the changes in the volume of late-night taxi and FHV pick-ups shows a more nuanced story. While neighborhoods like the East Village and West Village continue to experience large volumes of pick-ups between 12AM and 2AM, they have not experienced the same level of growth as other parts of the borough during this timeframe. These neighborhoods saw a noticeable decrease in the volume of pick-ups between 2AM and 4AM from 2013 to 2017 (a decrease of 29,000 and 83,000 trips, or annualized declines of 1 percent and 3 percent, respectively). Among the neighborhoods in Manhattan with the greatest increase in taxi and FHV pick-ups between 12AM and 4AM were Midtown (366,000 more trips, with annualized growth of 4 percent), Central Harlem (308,000 more trips, annualized growth of 49 percent), and Washington Heights (223,000 more trips, annualized growth of 72 percent), demonstrating the increased transit accessibility that FHVs have created.



Exhibit 3.21: Manhattan Nightlife Establishment Density Map



Source: Yelp (2018), Econsult Solutions(2018)

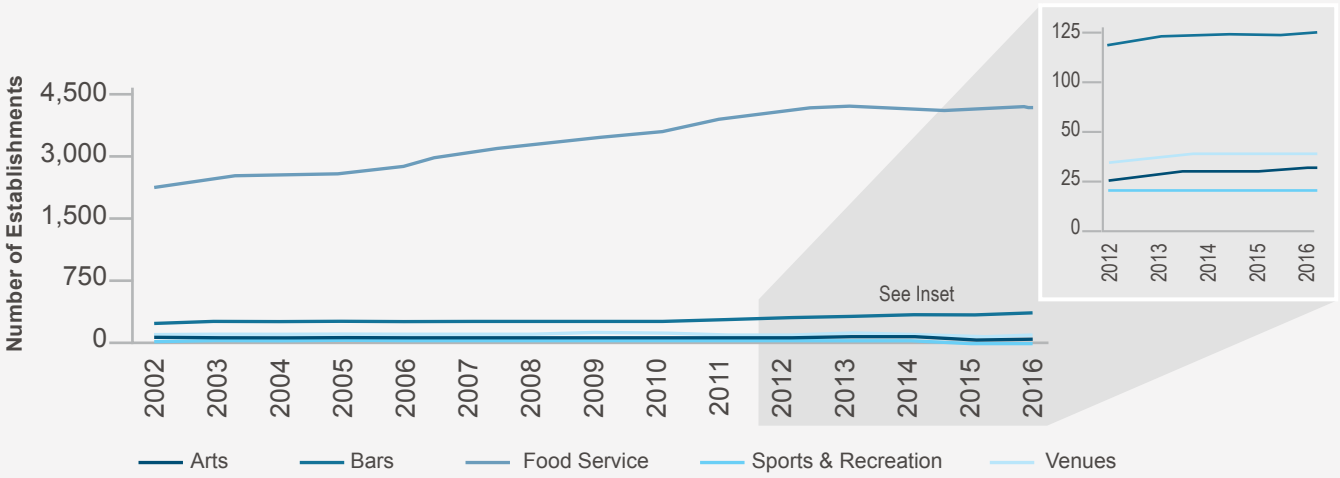
Queens

As of 2016, Queens had 4,800 nightlife establishments, and experienced annualized growth of about 3 percent since 2011, slightly higher than NYC's nightlife industry growth rate of 2 percent. The subsector with the greatest rate of growth was Venues. Queens' music venues and entertainment spaces have grown by 10 percent in the last five years in comparison to NYC's Venues growth of 4 percent. Not growing as fast, but comprising a larger base of the borough's nightlife scene, are Food Service establishments (4,200 as of 2016), growing at an annual rate of 3 percent.

In 2016, there were 24,900 total nightlife jobs supporting $622 million in wages in the Queens nightlife economy. The annualized growth rate for jobs was 7 percent and the annualized growth rate for wages was 9 percent.

Until the mid-2000s, Queens had more nightlife establishments and liquor licenses than Brooklyn—making it second to Manhattan. According to 2018 SLA data, the borough has 2,332 active licenses, which represents 1.7 percent annualized growth since 2000.

Exhibit 3.22: Queens Nightlife Establishments



Source: Bureau of Labor Statistics (2016), U.S. Census Bureau (2012), IMPLAN (2015), Econsult Solutions (2018)



A zip code level analysis shows that the neighborhoods with the greatest growth in active liquor licenses include 11364 (Oakland Gardens, which had 9 liquor licenses in 2000 and 22 licenses as of 2018, an annualized growth rate of 5 percent) and 11354 (Flushing, which had 82 liquor licenses in 2000 and 176 licenses in 2018, an annualized growth rate of 4 percent).

Queens' nightlife establishments are highly concentrated in Hunter's Point and Astoria, as demonstrated in the heat map.

Based on the comparative analysis of nightlife pick-ups via taxis and FHVs in 2013 and 2017, nighttime rides have increased at an annualized rate of 50 percent between the hours of 12AM and 4AM. The neighborhoods of Astoria, Hunters Point/ Long Island City, and Jackson Heights have seen the greatest increase in annual late-night pick-ups (219,000, 166,000, and 165,000 more trips each year, respectively in 2017 compared to 2013). The annualized growth rate of taxi and FHV pick-ups in Astoria was 34 percent; in Hunters Point/Long Island City 30 percent; and in Jackson Heights 68 percent.

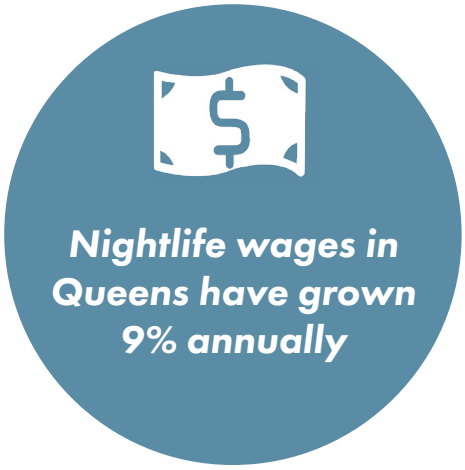
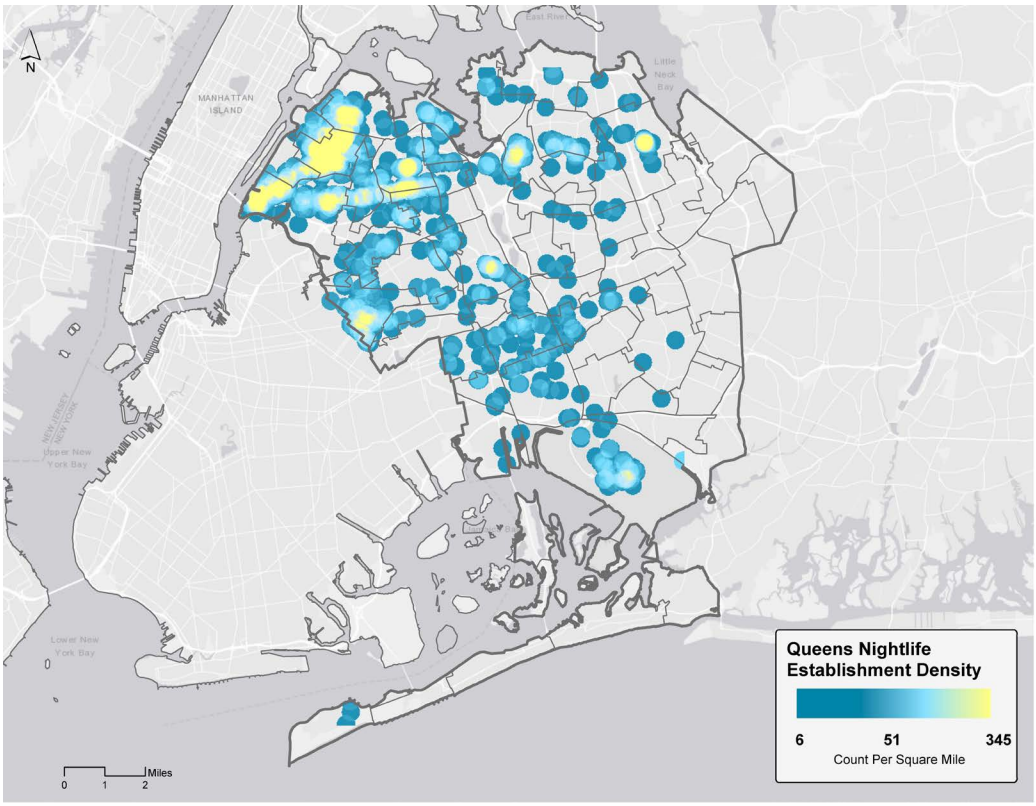


Exhibit 3.23: Queens Nightlife Establishment Density Map



Source: Yelp (2018), Econsult Solutions (2018)

Staten Island

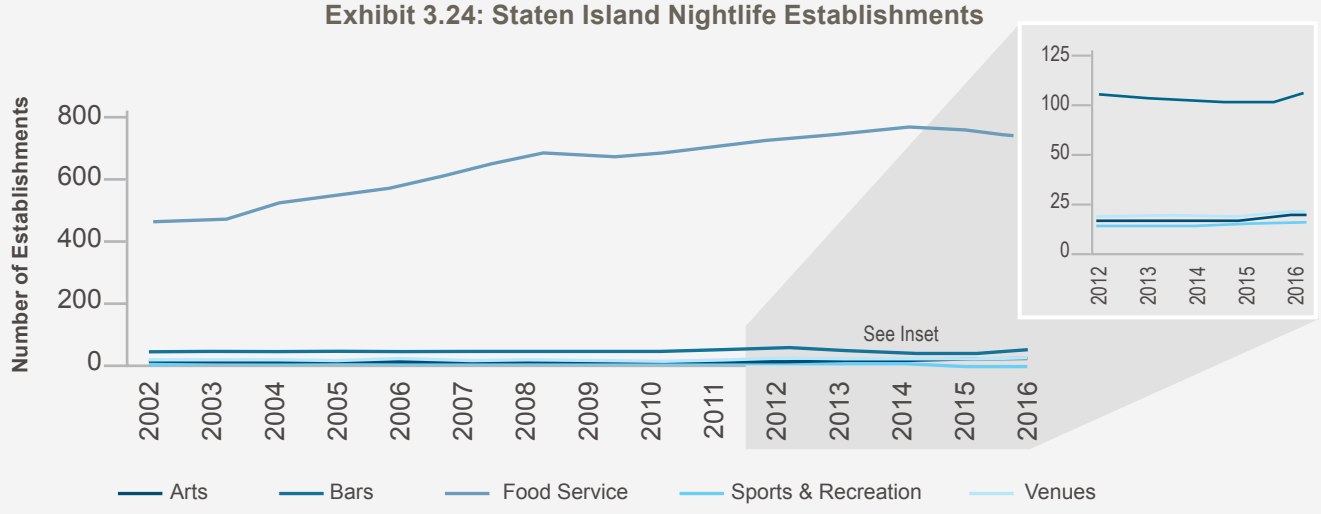
Staten Island has the fewest nightlife establishments of the five boroughs. There were 800 nightlife establishments in 2016 in Staten Island, down from 815 in 2015. The borough experienced a decline in nightlife establishments across all nightlife categories over the last five years.

SLA liquor license data show that there were 404 active licenses in the borough in 2018, an annualized growth of 0.6 percent since 2000. There are some neighborhoods with a greater volume of liquor license activity in Staten Island when analyzed at the zip code level. In 10307 (Tottenville) the annualized growth rate for liquor licenses was 4 percent (totaling 11 in 2000 and 21 in 2018), and in 10308 (Great Kills) the annualized growth rate was 3 percent (totaling 18 in 2000 and 33 in 2018).

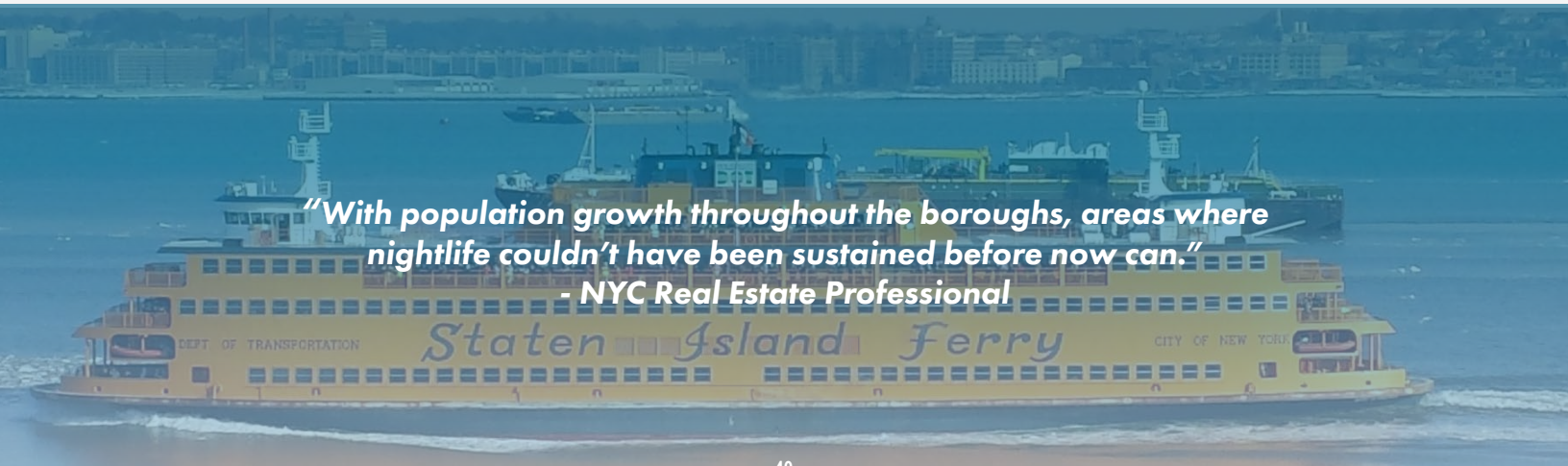
In 2016, there were 3,900 total nightlife jobs supporting $64 million in wages in Staten Island's nightlife economy. The annualized growth rate for jobs was 4 percent and the annualized growth rate for wages was 6 percent.

Nightlife establishments in Staten Island are scattered throughout the borough. The Yelp data show concentrations in St. George, in addition to parts of North Shore and South Shore.

Exhibit 3.24: Staten Island Nightlife Establishments



Source: Bureau of Labor Statistics (2016), U.S. Census Bureau (2012), IMPLAN (2015), Econsult Solutions (2018)



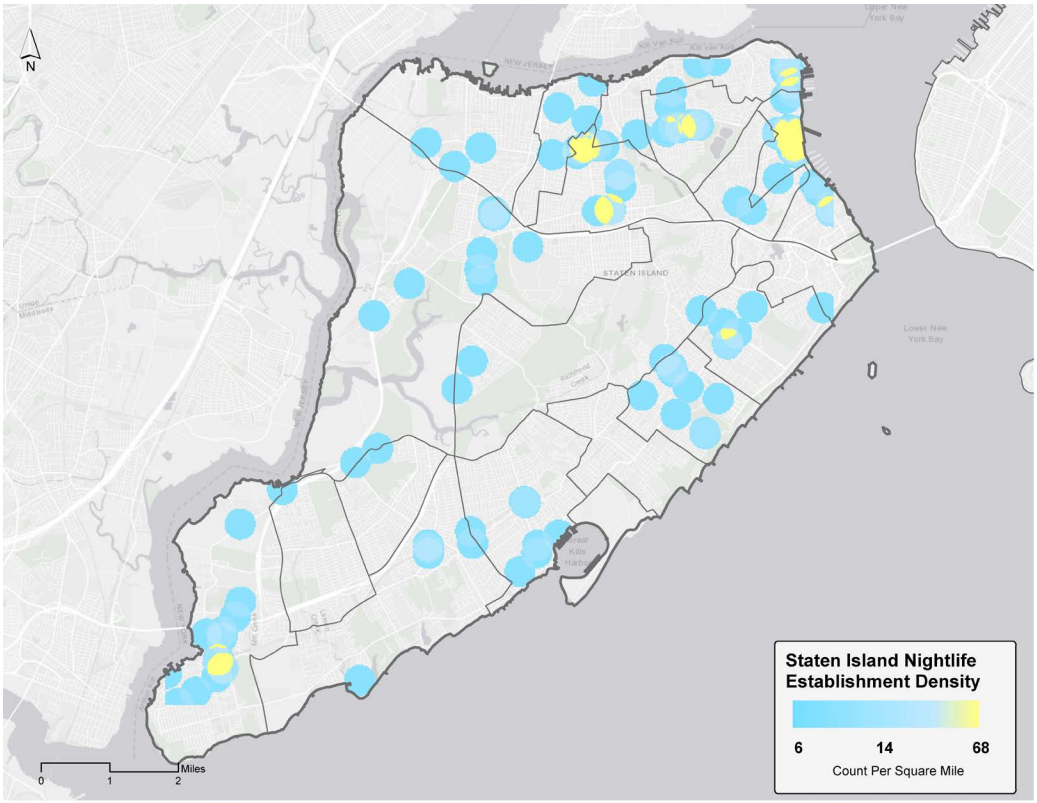
"With population growth throughout the boroughs, areas where nightlife couldn't have been sustained before now can."
- NYC Real Estate Professional

The expansion of FHV rides between 2013 and 2017 resulted in increased trips throughout Staten Island during nightlife hours—with 280 percent annualized growth—signifying greater accessibility and transportation options for borough residents. Analysis of nightlife establishments and late-night taxi and FHV pick-ups show pockets of increased activity between 12AM and 4AM in the neighborhoods of New Brighton (28,000 more trips throughout the year, or annualized growth of 528 percent), Grymes Hill/Clifton (12,000 more trips, or 297 percent annualized growth) and St. George (11,000 more trips, or 260 percent growth).

With the impending opening of the Empire Outlets in the borough, and the $1.2 billion investment in the St. George Waterfront redevelopment, Staten Island anticipates attracting more of the 2 million tourists that take the Staten Island Ferry to spend additional time in in the area. Due to the new visitors and proximity to the Staten Island Ferry Terminal, there is considerable potential for increased volumes of nightlife activity in the coming years.[19]



Exhibit 3.25: Staten Island Nightlife Establishment Density Map



Source: Yelp (2018), Econsult Solutions (2018)

NYC’s Nightlife Assets



NYC's Nightlife Assets

New York City's nightlife economy benefits from multiple assets and underlying infrastructure, which can be used to understand the drivers of economic growth and advance the development of NYC's nightlife. These include, but are not limited to:

- An identity that incorporates nightlife, appealing to patrons and professionals who constitute nightlife's talent;
- A diverse population that creates demand for nightlife across the five boroughs;
- An extensive 24/7 transportation infrastructure; and
- Historically low crime rates that enable patrons and professionals to engage safely in NYC's nightlife.

NYC's Nightlife Identity

New York City's nightlife has an identity that resonates among surveyed stakeholders and interviewees (as described in detail in the following section). The brand carries intangible value well beyond the economic impact quantified in this report.

Consumers: Among surveyed consumers who live outside the city, over 60 percent indicated that nightlife was a factor in their decision to visit New York City.[20]

Hospitality Professionals and Artists/Entertainers: Because of NYC's reputation as an epicenter of nightlife, it is a magnet and training ground for hospitality and entertainment professionals. With dozens of schools and educational programs spanning culinary skills, music, the arts, and hospitality around the tri-state area, NYC has a steady pipeline of professionals pursuing careers in hospitality and entertainment. Interviewees and surveyed professionals described how working in New York City's nightlife industry developed their artistic skills, professional networks, and personal brands, enabling them to find above-average salaries when working outside NYC. Owners and managers operating their establishments in the hyper-competitive NYC environment carry their experience into future ventures within the city and elsewhere. Interviewees across different musical and entertainment genres consistently describe the waves of innovation that New York City has incubated, catalyzed, and accelerated over the decades.



Diverse Population

NYC's nightlife variety reflects the diversity of its population—both residents and non-residents who visit the five boroughs.

Immigrants: With approximately 40 percent of NYC's population of 8.6 million being foreign-born, and a long history of immigration from across the world, New York City's ethnic diversity is reflected in food service, entertainment and other nightlife offerings.[21]

Tourists: As a magnet for tourism with over 62 million visitors in 2017, nightlife patrons visiting NYC create a constant demand for the city's offerings.[22]

LGBTQ: With an estimated LGBTQ population exceeding 750,000 (9 percent of the city's population), New York City has the largest LGBTQ population of any U.S. city.[23] Citing NYC nightlife as an industry that has historically been shaped by and welcoming of marginalized groups, interviewees for this study noted the LGBTQ community's contributions in shaping NYC nightlife over many years.

Students: Over 600,000 students spanning more than 100 NYC college and university campuses constitute an important sub-segment of the city's population as they provide a stable, if seasonal, population with a high demand for nightlife services.

Transportation Infrastructure

New York City boasts a 24/7 transportation network offering several options for nightlife patrons and professionals. NYC has a well-established tradition of nighttime transport, in contrast to many other major cities that often struggle with whether and how to operate night service at all. The city's transportation network includes:

- Over 665 miles of mainline subway tracks, nearly 800 bridges and tunnels, along with 6 ferry service lines connecting the five boroughs.[24] These are complemented by the 16 major bridges and tunnels operated by the Metropolitan Transportation Authority (MTA) and Port Authority of New York and New Jersey (PANYNJ) that connect the city to the tri-state area.[25]



- More than 3,500 yellow medallion taxis and an estimated 60,000 For-Hire Vehicles (FHV) working across the boroughs and venturing throughout the tri-state area.[26]
- Three major airports (John F. Kennedy, LaGuardia and Newark's Liberty), two of which are in Queens and the third only 30-45 minutes away from downtown Manhattan, in New Jersey. These are supported by multiple secondary airports outside the city's limits, but accessible to NYC in less than an hour. Collectively, these airports served more than 124 million passengers in 2015, and capacity is expected to grow as the airports are upgraded, enabling a growing tourism base in coming years.[27]

Historically Low Crime Rates

New York City has enjoyed significant improvements in public safety over the last two decades, and crime rates have reached record lows with a steady drop in violent crime. Although the population has grown from 8 million in 2000 to 8.6 million in 2018, crime has declined. Fewer than 300 murders were committed in the city in 2017, the lowest since 1951, and a substantial reduction from 2,245 in 1990.[28] The 96,658 crimes that occurred in the city in 2017, across seven major felony offense categories, were the lowest since the New York Police Department (NYPD) began tracking the data.[29] NYC's nightlife thrives today, in part, because it is relatively safe for patrons and professionals to venture out at night to participate in nightlife.



Nightlife Perspectives



Nightlife Perspectives

The research conducted across NYC's nightlife stakeholders, including 1,300 sources of input, elaborates what they value in New York City's nightlife scene and their behaviors that drive nightlife economics. This report summarizes findings from stakeholders in three overarching categories:

- 864 completed surveys of NYC nightlife consumers (including members of the community and people who live outside NYC);
- 376 completed surveys of nightlife professionals (including owners or operators of establishments, artists or entertainers, and nightlife employees); and
- 65 interviews with diverse nightlife stakeholders, including owners and operators of establishments, artists and performers, consumers (residents, tourists, commuters), public officials, policymakers, developers, activists, academics, and employees of nightlife industries.

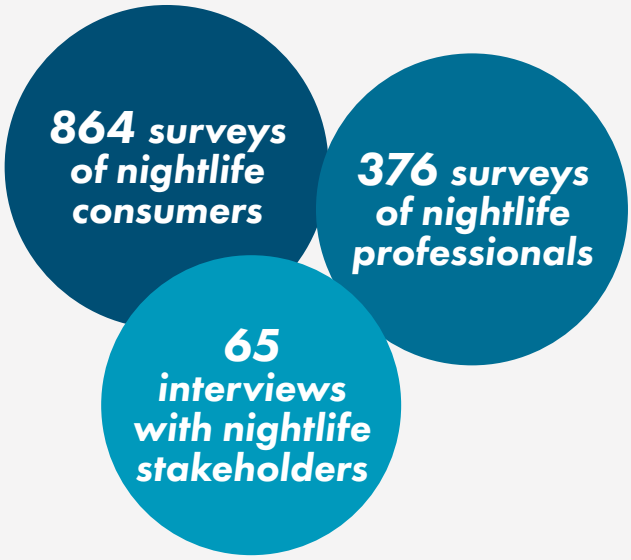
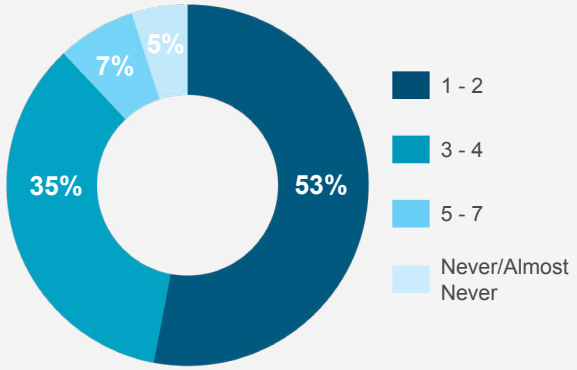


Exhibit 4.1 Frequency of Going Out to Engage in NYC's Nightlife (Days/Week)



Source: Urbane Development (2018)



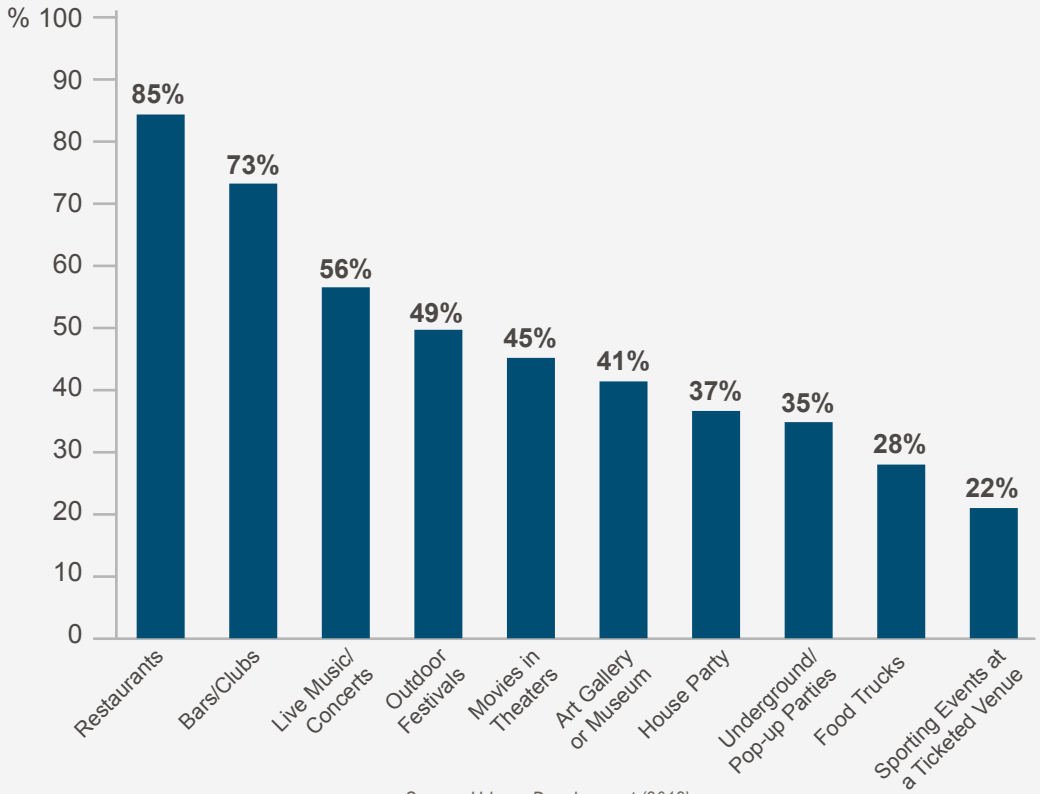
Consumers

Of the 864 nightlife consumers asked about their participation in NYC's nightlife, 73 percent were NYC residents while the balance (27 percent) were non-residents (commuters, day-trippers, tourists, or business travelers). Sixty-six percent fell in the age range of 21-40, with 32 percent reporting to be 41 or older. The survey addressed their spending patterns, preferences, and factors that influence their nightlife decisions.

How do they participate in NYC's nightlife?

- **Types of establishments frequented:** NYC's nightlife consumers most commonly enjoy restaurants (85 percent), bars and clubs (73 percent), and live music and concerts (56 percent). While cited with less frequency by consumers, survey respondents also reported attendance at house parties (37 percent) and underground or pop-up parties (35 percent), indicating that DIY nightlife continues to thrive in NYC.
- **Frequency of going out and typical days:** Surveyed respondents go out most frequently 1-2 times a week (53 percent), followed by 3-4 times a week). Thursday (61 percent), Friday (80 percent) and Saturday (86 percent) are the most common days to go out. Mondays are the least common day to enjoy nightlife, with only 19 percent of survey respondents selecting that day.
- **When they depart and return:** The most common time to depart for nightlife activities is between the hours of 6PM and 8PM (41 percent), with 31 percent departing between 8PM and 10PM. Thirty-two percent of respondents return home between 12AM and 2AM; 38 percent return home after 2AM.
- **Mode of transportation used:** Most nightlife consumers get to their nightlife activities by subway, bus or other public transportation (75 percent). The next most popular modes include taxis and FHV (car service, limo, or Uber/Lyft) (65 percent), and walking (34 percent).

Exhibit 4.2: Types of Establishments Frequented in a Typical Night Out in NYC



Source: Urbane Development (2018)

Why do they participate in NYC nightlife?

- **Why they typically go out:** Overall, nightlife consumers are usually engaging in nightlife to connect with friends or family (77 percent), to relax and unwind (69 percent), and to experience arts and culture (64 percent). Non-residents also have a higher propensity for sightseeing at night (over 50 percent versus 22 percent for residents).
- **Factors influencing their decisions:** Besides their personal preferences and tastes, the top factors that shape consumers' nightlife decisions are the opportunity to attend a unique experience or event (93 percent), price and affordability (89 percent), minimal wait time (84 percent), and accessibility via public transportation (83 percent).[30]

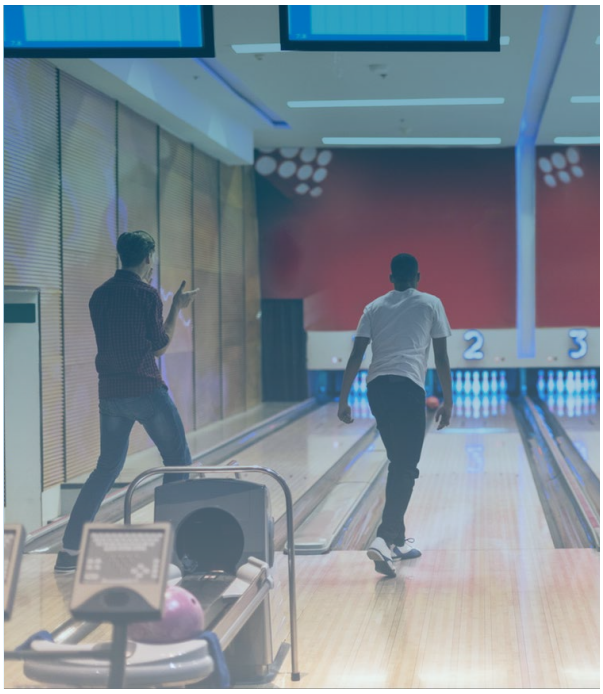
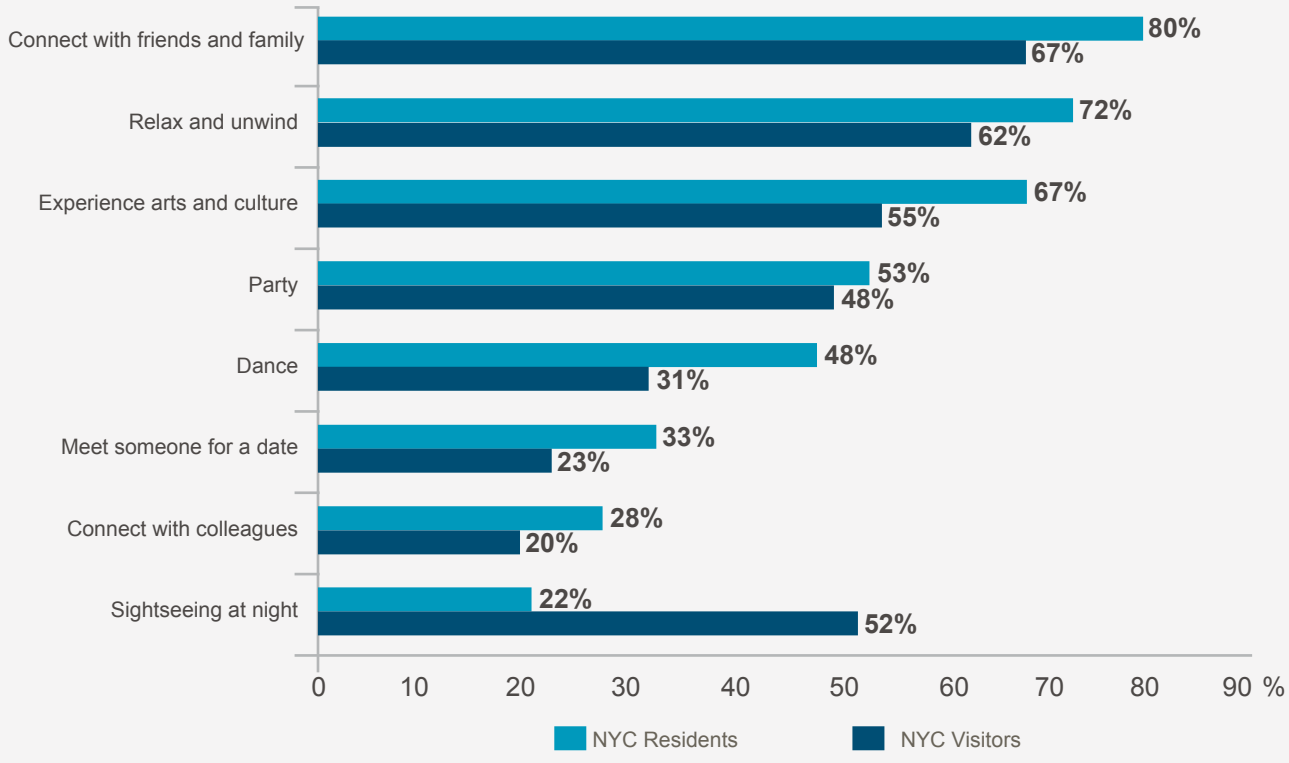


Exhibit 4.3: Reasons Consumers Typically Participate in NYC Nightlife



Source: Urbane Development (2018)
Note: Residents surveyed (n=629); visitors surveyed (n=235)

How do they contribute to NYC's nightlife economy?

- **Residents:** When NYC residents go out at night, they tend to spend the most money on drinks (39 percent will spend $30+ per person); however, overall, the majority of New Yorkers spend less than $30 per person on food, drinks, cover charges or tickets, or transportation in a given night (in each category of spend). Among residents, 21 percent spend over $30 per person on cover charges or tickets; 34 percent typically spend more than $30 per person on food. Only 9 percent of residents pay more than $30 for transportation.
- **Non-residents:** In comparison, non-residents of the city generally spend more. More than half of all non-resident respondents spend more than $30 per person on drinks when enjoying nightlife. Among non-residents, 35 percent pay over $30 per person on cover or tickets on a typical night out; 48 percent of non-residents pay more than $30 per person for food and 18 percent of non-residents pay more than $30 for transportation (twice the frequency of residents).

When asked to characterize New York City's nightlife, the most common adjectives used by consumers related to cost, variety, and enjoyment. Additionally, the most commonly cited areas to frequent included Bushwick, the Lower East Side, the East Village and the West Village.

Exhibit 4.4: Words Commonly Used by Consumers to Describe NYC's Nightlife



Comparative Nightlife Spending: NYC Residents vs. Non-Residents Based on Survey Responses

63% of New Yorkers and **54%** of non-residents spend less than **$15** on transportation on a typical night out

29% of New Yorkers and **20%** of non-residents don't pay cover when they engage in nightlife

40% of New Yorkers and **51%** of non-residents spend more than **$30** on drinks during a typical night out in NYC

34% of New Yorkers and **48%** of non-residents spend more than **$30** on food during a typical night out in NYC

What challenges do consumers see in NYC's nightlife?

- **Price and affordability:** The costs of NYC's nightlife was clearly the top issue amongst surveyed consumers; 66 percent of the respondents agreed in varying degrees that affordability is a challenge.
- **Safety concerns:** When highlighting NYC nightlife challenges, 44 percent of survey respondents cited safety concerns. Of those citing safety concerns, half (22 percent) somewhat agreed that safety is a challenge, 14 percent agreed and only 8 percent strongly agreed that it is a challenge. Notably, 54 percent of female respondents agreed that safety is a concern to some degree while only 36 percent of men indicated a concern.
- **Nightlife policing:** Twenty-four percent of survey respondents agreed or strongly agreed that nightlife policing is a challenge, while 18 percent somewhat agreed (total of 42 percent). Noticeable differences existed in survey responses based on race: 34 percent of African American respondents strongly agreed or agreed that policing is a challenge, compared to 22 percent for white respondents.
- **Transportation accessibility:** Forty-two percent of respondents perceived transportation accessibility to be a challenge.



- **Noise:** Forty-one percent indicated that noise is a challenge in NYC's nightlife (5 percent strongly agreed, 11 percent agreed, and 25 percent somewhat agreed). However, 59 percent disagreed that noise is a challenge (15 percent strongly disagreed, 26 percent disagreed, 18 percent somewhat disagreed). Given the spread in this data, as well as comments from survey respondents, this challenge is an impassioned issue for a minority of respondents.
- **Competing for consumer time:** When not going out to participate in NYC's nightlife, consumers participate in other leisure activities. Eighty-nine percent of respondents choose to watch TV/ movies/YouTube; 57 percent read or write; 53 percent cook; and 45 percent work out. Although not overtly identified by consumers as a challenge, these replacement activities represent a broader challenge to the nightlife economy: 83 percent anticipate that these alternative activities will increase (33 percent) or take up the same amount of time (50 percent) in the future.

Exhibit 4.5: What Challenges Do Consumers See in NYC's Nightlife?

Challenges	Percentage
Price/Affordability	66%
Safety Concerns	44%
Policing	42%
Accessibility via Public Transportation	42%
Noise	41%
Lack of Variety	37%
Hours of Operation	31%

Source: Urbane Development (2018)



Nightlife Professionals

NYC has a diverse community of nightlife professionals, which can be divided into 3 sub-groups: owners or operators of establishments, artists and entertainers, and employees.[31] There is notable overlap in employment across these groups as nightlife professionals may work multiple jobs across categories (e.g. entertainers who are also employees) or have transitioned in their careers (e.g. entertainers who have become establishment owners). Respondents were asked to provide their outlook based on their current professional role in NYC's nightlife industry.

Owners/Operators

Of the 83 survey respondents, the average establishment owner had almost 20 years of experience in the industry, including roles that pre-date their careers as owners. Most operators almost exclusively own and operate establishments in NYC (as opposed to establishments outside the five boroughs).

How do they contribute to NYC's nightlife economy?

- **Types of establishments:** The top types of establishments owned or operated by survey respondents included: restaurants (69 percent), bars (60 percent), and dance clubs (24 percent).
- **Establishment locations:** The majority of respondents owned or operated at least one establishment in Manhattan (76 percent) with the balance (24 percent) indicating they owned establishments in the other four boroughs.[32]
- **Patrons served:** The largest portion of establishments served 300+ customers a night (36 percent). The balance was split between establishments serving fewer than 100 customers (33 percent) and 101-300 customers (31 percent).
- **Liquor and live entertainment:** The provision of alcohol is a major element of the nightlife business for surveyed operators, as more than 95 percent of the respondents offer alcoholic beverages.[33] Live entertainment is also a focal point, with 71 percent of respondents providing music and other forms of entertainment: 53 percent of venues offer DJ entertainment, and 49 percent offer live music, making these the most popular forms of entertainment.
- **Number of employees:** Slightly more than half of the businesses (55 percent) employ 50 or fewer people (19 percent indicated 1-10 employees and 36 percent indicated 11-50 employees). Forty-five percent employ more than 50 individuals.[34]

Exhibit 4.6: What Type of Establishments Do Surveyed Owners/Operators Manage?

Establishment Type	Percentage[35]
Restaurant (full- and limited-service)	69%
Bars	60%
Dance Club or Other Club	24%
Live Music/Concert Venues	20%
Cabaret/Burlesque	11%
Performance Venue (theater, stage performance)	9%
Comedy Club	5%
Art Gallery or Museum	4%
Underground/Pop-up/DIY	4%
Outdoor Festival	1%
Strip Club	1%

Source: Urbane Development (2018)

How has business been in recent years?

- **Revenues**: Thirty-five percent of surveyed owners reported that revenues had increased over the last 3 years, with 65 percent of those seeing a revenue increase between 5 and 10 percent. Of those whose revenues decreased over the last 3 years (24 percent), 61 percent reported a decrease between 5 and 10 percent. Thirty-one percent indicated that revenues had stayed flat.
- **Profitability:** Almost 50 percent of surveyed owners (47 percent) reported a decrease in profit over the last 3 years. Of these, 36 percent experienced a decrease in profits that exceeded 10 percent and 46 percent saw a profit decrease between 5 and 10 percent. Eighteen percent indicated their profits had increased over this period while 23 percent indicated that profits had stayed flat.
- **Business confidence:** Sixty percent of respondents believe their businesses will be open in 3 years. Over 38 percent were either unsure or indicated that they would not be open in 3 years.
- **Plans to expand:** Thirty-five percent of owners anticipate expanding their business in New York City and 41 percent of operators plan to expand into other cities. Twenty-nine percent are unsure about future expansions and 30 percent reported they will not expand elsewhere.
- **Ideal customer attraction strategies:** Social media and other press publicity is the strategy that most owners and operators (57 percent) would like to use more to promote their establishment. Forty-six percent aim to increase advertising or marketing expenditures, and 42 percent of operators would like to use entertainment such as DJs, live music sets, or shows to attract customers.
- **Organizations/groups important for success:** Regarding organizations or entities helpful to ensure ongoing success, 77 percent of owners/operators cited an industry association, 64 percent pointed to the NYPD, and 61 percent highlighted their neighbors.

What is their employment outlook?

- **Employment trends:** Aside from addressing normal employee turnover, 40 percent of respondents indicate they will keep their staffs at the same level within the next 3 years—neither decreasing nor increasing staff count. Thirty-nine percent of surveyed owners intend to decrease their staffing number within the same timeframe.
- **Difficulty staffing and hiring:** Two-thirds (67 percent) of nightlife operators struggle to staff their establishments. The challenges that operators face in finding the right talent vary, but the majority feel that high wages (52 percent), including a high minimum wage (53 percent), are the biggest difficulties. Over half of the respondents (51 percent) feel that finding qualified candidates is also challenging. Close to half of owners/operators (48 percent) reported that competition from other establishments is a major barrier to hiring.

Exhibit 4.7: What Are Owner/Operators' Major Hiring Challenges in Staffing Their Establishments?

Hiring Challenge	Percentage
High minimum wage	53%
High wages (overall)	52%
Lack of qualified candidates	51%
Competition for employees with other establishments	48%
High turnover	36%
Healthcare costs	33%
Lack of proper documentation	17%
Other costs of benefits (non-healthcare)	13%
Hours of operation	10%
Physical demands of the job	7%
Language barrier	6%
Other	5%
Location not easily accessible to public transportation	5%
Safety concern of employees	4%
Lack of parking	4%

Source: Urbane Development (2018)

What operating challenges do they face?

- **Costs of running businesses:** Eighty-seven percent of respondents indicated that the rise of commercial rent prices is a challenge or major challenge.
- **Regulatory red tape:** Sixty-eight percent of owners reported regulations or red tape as a challenge while operating their business in NYC. When asked the degree to which they found red tape challenging (e.g. licensing, inspections, fines, and process uncertainties when opening or modifying an establishment), 50-74 percent of respondents rated them as moderate or major challenges.
- **Consumer challenges:** Beyond the operating difficulties, they also face consumer-related challenges. Sixty-three percent of owners cited fewer people going out to be a challenge, while 61 percent recognized that nightlife's pricing and affordability for consumers are challenges as well.

Exhibit 4.8: What Operating Challenges Do Owner/Operators Face?

Operating Challenge[37]	Percentage
Rising commercial rents	87%
Regulatory red tape	68%
Fewer people going out	63%
Price/affordability for customers	61%
Community board processes	49%

Source: Urbane Development (2018)



Exhibit 4.9: Words Commonly Used by Owners/Operators to Describe NYC's Nightlife[36]



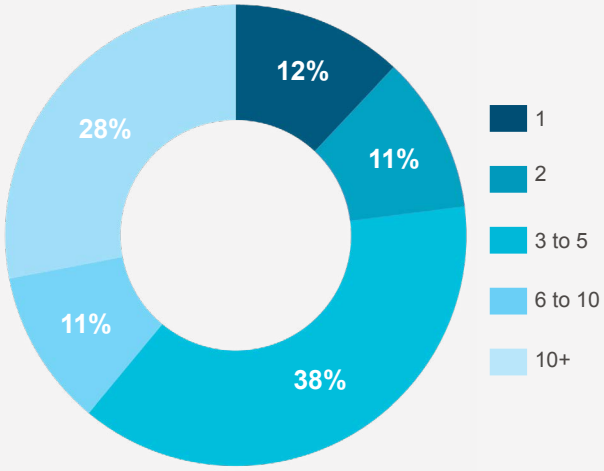
Artists/Entertainers[38]

Amongst the 187 surveyed artists and entertainers, their average tenure exceeds 23 years in their role.

How do they make a living?

- **Full-time vs. part-time employment:** Over half of nightlife artists and performers (60 percent) are employed full-time in their craft; the balance (40 percent) works part-time in other non-related industries. Artists working full-time in their craft indicated that they perform during the day and night, teach, and assume other roles that use their talent. Part-time artists and entertainers work a wide range of other jobs that do not necessarily take advantage of their skills.[39]
- **Number of performance venues:** Thirty-eight percent of surveyed artists reported working at 3 to 5 establishments at the time they took the survey. Thirty-nine percent performed at 6 or more establishments.
- **Where they work:** A large majority of artists (80 percent) primarily perform in Manhattan, followed by 18 percent who focus on Brooklyn for their performances.
- **Types of establishments:** Sixty-three percent of artists reported performing at live music or concert venues, followed by 55 percent who work at bars. Over half (52 percent) reported working in performance venues, including theaters, dance halls, or other stage performance centers.
- **Residence:** Manhattan and Brooklyn are the most common boroughs in which artists reside, with 39 percent and 23 percent of artists living in each, respectively. Of the 22 percent who commute from outside New York City, the overwhelming majority live in New Jersey and other parts of New York State.[40] Manhattan remains a large base for residence, but notable shifts have occurred from Manhattan to the outer boroughs, consistent with nightlife's expanding footprint.[41]

Exhibit 4.10: Number of Venues Surveyed Artists Perform in



Source: Urbane Development (2018)



What is their outlook on the future?

- **Future in nightlife:** Over three-fourths of respondents (79 percent) indicated they will still be working in NYC's nightlife industry in three years, while 16 percent are not sure of their future in the industry.
- **Factors influencing professional decisions:** Over 79 percent of artists choose to work in NYC's nightlife industry because it allows them to develop their talent or craft. Ninety-six percent indicated that they like the type of work they are doing, and that this was a factor in their decision to work in NYC nightlife. Seventy-two percent of surveyed artists reported they enjoy the opportunity to meet and work with different kinds of people. Nearly 70 percent of respondents cite an interest in this industry to make connections to pursue other professional opportunities. This was followed closely by 67 percent of respondents who cited the energy of the nightlife industry as a reason they like working in NYC nightlife.
- **Attracting customers:** Close to half of the surveyed artists (49 percent) indicated that entertainment, such as DJ performances, live music, and stage performances is a major attraction for customers. Forty-seven percent of performers cited that customers seek opportunities to attend unique experiences or events, followed by an interest in going dancing (36 percent).
- **Income instability:** Eighty percent of artists and entertainers cited lack of income stability as a moderate or major challenge of working in NYC's nightlife industry.
- **Competition:** Competition for gigs remains a significant hurdle for performers, with 79 percent of respondents citing competition as a moderate or major challenge.
- **Lack of benefits:** Seventy-three percent of respondents indicated the lack of benefits is an issue for them.
- **Low wages:** Seventy percent of respondents cited low wages as a challenge in their field. Moreover, 60 percent agreed that wage theft or withholding of wages was a moderate or major issue for them in their work.
- **Establishment closures:** Sixty-eight percent of surveyed artists pointed out that establishment closures and reduced hours adversely impacted them in a moderate or major way.

When describing nightlife, artists and entertainers use adjectives and descriptors that underscore their job satisfaction, sense of cultural diversity, and artistic freedom. They did not frequently cite economic motives and compensation in their responses (Exhibit 4.12).

Exhibit 4.11: What Challenges Do Artists/ Entertainers Working in NYC's Nightlife?

Artists Challenges	Percentage
Lack of stable income	80%
Competition for gigs	79%
Lack of benefits	73%
Low wages	70%
Establishments shutting down	68%
Inequitable payment practices (theft, withholding, pay to play, etc.)	60%
Negotiating contracts with employers	57%
Finding time to practice or develop my craft while working another job	44%
Access to affordable rehearsal space	43%
Access to workplace via public transportation	35%

Source: Urbane Development (2018)

Exhibit 4.12: Words Commonly Used by Artists and Entertainers to Describe NYC's Nightlife[42]



Nightlife Employees

Nightlife is a source of employment across many roles: establishment managers, security, chefs and other food preparation roles, bartenders, hosts, service staff, and more. The 106 survey respondents spanning these roles had an average tenure exceeding 18 years in the nightlife industry, with work experience ranging between 2 and 40 years (average tenure was 23 years).

How do they make a living?

- **Full-time vs. part-time employment:** Of employee survey respondents, the majority work full-time in their role (77 percent), although their hours may span daytime and nighttime hours.
- **Number of employment establishments:** Forty-two percent of surveyed employees work at one establishment. In cases where respondents work in multiple establishments, 23 percent of them work in 2, and another 22 percent work in 3 to 5 locations.
- **Boroughs in which they work:** When asked about their primary employment locations, employees in the nightlife industry work predominantly in Manhattan (74 percent) and Brooklyn (21 percent).
- **Establishment types:** The highest numbers of respondents reported working in bars (48 percent), full-service restaurants (34 percent), and live music or concert venues (33 percent).

What is their outlook for the future?

- **Future in nightlife:** A majority of employee respondents (65 percent) see themselves continuing to work in the nightlife industry within the next 3 years.
- **Factors influencing professional decisions:** Most employees report that they enjoy working in the nightlife industry because of the opportunity to meet and work with different kinds of people (71 percent). They also enjoy the NYC nightlife industry's energy (69 percent) and the social aspects of their employment (64 percent).
- **Attracting customers:** Respondents indicated that customers are typically attracted to the establishment in which they work because it provides the opportunity to attend a unique experience/event (54 percent), the entertainment it offers (50 percent), and the variety of its food and beverage options (39 percent).

What challenges do they face as employees in the nightlife industry?

- **Lack of benefits:** Fifty-four percent of survey respondents cited lack of benefits as a moderate or major obstacle of working in the nightlife industry.
- **Lack of stable income:** Close to half of employees surveyed (49 percent) indicated that income volatility remains a challenge for them in the nightlife sector.
- **Low wages:** Thirty-nine percent of surveyed employees considered low wages to be a moderate or major challenge. While only 12 percent of nightlife workers surveyed found wage theft to be issue, interviews with stakeholders suggested that the population most vulnerable to this type of employer abuse were less represented in the survey.[43] According to the NYC Department of Consumer Affairs, low-wage immigrant workers in NYC are more than twice as likely as other low-wage workers to experience minimum wage violations, are more likely to suffer poor treatment by their employers, and are less willing to confront their employer in abusive situations or reach out to government or legal support services.[44]

When describing nightlife, employees use adjectives and descriptors that fall into two categories. First, they underscore the fun, exciting culture and music that characterize nightlife. Their economic motives tied to work and wage earnings are also evident in the way they describe NYC's nightlife.

Exhibit 4.13: What Challenges Do Employees Face in the Nightlife Industry?

Employee Challenges	Percentage
Lack of benefits	54%
Lack of stable income	49%
Low wages	39%
Establishments shutting down	34%
Competition with others for jobs	18%
Safety concern	14%
Wage theft or withholding of wages	12%
Access workplace via public transportation	10%

Source: Urbane Development (2018)



Exhibit 4.14: Different Reasons Employees and Artists Enjoy Nightlife Work

Reason They Like Nightlife Work	% Employees (n=106)	% Artists (n=195)	Percentage Difference (Employees-Artists)
Ability to make connections to pursue other professional opportunities	55%	70%	-15%
Nature/Character of the Employer	46%	25%	+21%
Opportunity to develop my talent/craft	46%	79%	-33%
Opportunity to meet/work with people similar to me	56%	68%	-12%

Source: Urbane Development (2018)

Exhibit 4.15: Common Words Used by Employees to Describe NYC's Nightlife



Interviewee Themes Across Stakeholders

The survey results summarized above were reinforced by qualitative comments and interviews across stakeholders. Within the diversity of outlooks and opinions, there were common themes that consistently arose. Stakeholders agree that NYC's nightlife community can sustain and grow its economy by addressing the following areas:

- **Affordability:** Mitigating the pressures posed by the operating and personal expenses borne by all nightlife stakeholder groups.
- **Competition:** Enhancing opportunities for nightlife professionals to grow demand for their businesses and services in order to mitigate competitive pressures.
- **Regulations:** Enhancing regulatory transparency and consistency to mitigate the time and cost of compliance.
- **Transportation:** Supporting ongoing efforts for more user-friendly transportation so that nightlife professionals can manage the costs and demands of commuting for their work.
- **Collaboration:** Approaching nightlife collaboratively so that issues of enforcement and quality of life can be managed proactively.



Opportunities For The Future



Opportunities For The Future

While the nightlife sector is a driver of New York City's economy, it is impacted by broad social trends, norms, and challenges beyond the scope of what local government can address. That being said, New York City government can help to mitigate many challenges facing the small business owners, workers, artists, patrons, and residents who comprise New York's distinctive nightlife ecosystem.

The Office of Nightlife was established in 2017 within the Mayor's Office of Media and Entertainment (MOME) to coordinate existing services and develop new programs to promote safe and vibrant nightlife across New York City. Its toolkit of initiatives may include the following:

- Working across City agencies to improve the operating environment for nightlife establishments;
- Developing workshops and forums for industry professionals, advocates, and workers;
- Compiling new and existing educational resources for use by various stakeholders;
- Coordinating programs and services of other City agencies; and
- Developing economic development tools to support a diverse mix of nightlife offerings.

Based on the surveys and stakeholder interviews conducted for this report, there are three major strategic areas of opportunity for New York City's nightlife management:

Improve and Streamline the Regulatory Environment

Many nightlife operators have cited difficulty navigating the regulatory processes necessary to open and operate nightlife establishments. By coordinating the efforts of multiple City agencies involved in managing, regulating, and promoting nightlife, and by acting as a clearinghouse for regulatory information, the Office of Nightlife is well-positioned to improve the business environment for existing and prospective operators. These efforts could support a range of nightlife businesses, from food service establishments that comprise most of the nightlife sector, to informal venues and cultural spaces, which often lack resources to achieve full regulatory compliance.

Address Quality of Life and Public Safety Issues

Neighbors of nightlife establishments cited quality of life concerns related to noise, waste management, and public health and safety, especially in areas with a high concentration of nightlife activity. Other interviewees also raised concerns regarding common issues that affect patron safety and workplace safety. The City should ensure that continuing growth in the nightlife sector is met with corresponding policies and services to mitigate health and safety risks and potential adverse impacts to its workforce, its consumers, and its neighbors.

Promote Economic Development and Cultural Retention

Interviewees across all stakeholder groups expressed concerns related to costs of living and costs of doing business, which can result in disruptive effects such as establishment closures and out-migration of artists and creative professionals. Policies and services that reduce barriers to entry and operating costs for small and culturally significant nightlife businesses could help to limit displacement and sustain a diverse mix of businesses across all neighborhoods. The City should develop initiatives that promote economic development and support the retention of valued nightlife spaces as well as the people who work and perform in them.

OPPORTUNITIES FOR THE FUTURE



New York City's nightlife continues to evolve, fueling the city's economy and pushing culture forward locally and globally. The establishment of the Office of Nightlife presents an opportunity for the City of New York to manage that growth in a way that supports jobs and social cohesion while also mitigating nightlife's challenges. The nightlife stakeholders surveyed and interviewed for this report have surfaced trends and issues common across this sector that can help inform the Office of Nightlife's initiatives and policy recommendations going forward, toward a safe and vibrant nightlife economy that works for all New Yorkers.


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Appendix



Appendix

Appendix I: Methodology Details

This report is the result of both primary and secondary data collection and analyses. This engagement was divided into two primary research phases: a literature review of industry reports, white papers, and case studies to identify best practices in the nightlife industries; and an analysis of the size, dynamics, and impacts of the nightlife industry through qualitative and quantitative research methods, including stakeholder interviews and surveys of customer and industry contributors.

Literature Review

The consulting team conducted a literature review of relevant industry reports, academic papers, newspaper and journal articles, and white papers that seek to situate the nightlife industry within the context of the New York City's social, economic, and political landscape. More than 25 resources were reviewed, which pay special attention to best practices employed by comparable cities locally and nationally; challenges facing the nightlife industry; trends in nightlife vis-à-vis technology, policies, and demographics; public measures to increase access to nightlife venues and experiences, including safety and transportation; and the ways in which minority groups experience nightlife. Special attention was paid to Amsterdam, Austin, London, San Francisco, Seattle, and Sydney to provide a snapshot of initiatives that have successfully impacted the nightlife scene.

Economic Impact Projections

Economic impact estimates were generated by estimating the initial amount of direct activity occurring within each geographic area of interest and then using input-output models to translate this direct economic activity into the total amount of economic activity that it supports. Expenditures within a given geography give rise to "spillover" impacts when those dollars are recirculated to suppliers and to employees within the local and state economy. In so doing, they also support additional employment and earnings, and generate tax revenue for local and state governments. Econsult Solutions, Inc. (ESI) has constructed an input-output model of the city and state economy using IMPLAN software to estimate the total impact of these expenditures.

Defining Nightlife

The detail that follows explains how the direct economic output was calculated, the mechanics of using input-output modeling to estimate economic and employment impacts, and the fiscal model utilized to estimate tax revenue impacts to local and state government from New York City's nightlife activity.

In order to capture the diversity of what nightlife means to New Yorkers, we began by considering the variety of social activities that occur between 6PM and 6AM. Using the North American Industry Classification System (NAICS), the standard used by the public and private sector to classify business establishments according to sector, the industries that contribute to nightlife were identified. These fall into five subsectors: Food Service, Bars, Arts, Venues, and Sports and Recreation. This method captured the breadth of nightlife and the wide range of industries that contribute to it. While this approach is similar to the 2017 Music Study commissioned by the New York City Mayor's Office of Music and Entertainment (MOME), it is important to note that it is not additive in nature with that study due to of the potential overlap in economic activity between live music and the nightlife economy.

APPENDIX: METHODOLOGY

With the breadth and variety of New York City's nightlife economy, as well as the informal nature of certain aspects of the industry, it is difficult to capture all of the industry's economic activity. However by casting a wide net of industries that are part of the New York City nightlife economy and then taking research-based proportionate cuts to the activity that would not be attributable to nightlife, this study aimed to be representative of the inclusive nature of New York City and its nightlife sector, while still applying a conservative economic modeling approach. Data on jobs, wages, and establishments by NAICS is available from a variety of federal data sources. The Quarterly Census of Employment and Wages (QCEW), published by the Bureau of Labor Statistics, compiles counts of employment and wages as reported by employers covering more than 95 percent of U.S. jobs. To capture self-employed individuals, we utilized the U.S. Census Bureau's Nonemployer Statistics (NES), which covers businesses that have no paid employees (most nonemployers are self-employed individuals operating sole proprietorships). It is important to note that federal datasets used are self-reported. Wages can go un- or under-reported for various reasons, ranging from human error to vulnerable populations working informally. Another challenge of self-reported data is incorrectly identifying the sector in which a place of employment technically falls.

It would be an overestimation to attribute all of the economic activity in each of these industries to nightlife. To varying degrees, each of these industries conducts business outside the hours of 6PM and 6AM. And while it may be the case that heightened nighttime activity brings in the majority of a company's revenue, the purpose of this calculation is to quantify the economic activity that occurs during the nightlife hours. For example, while a restaurant may make most of its revenue after 6PM, effectively subsidizing lunch service, only the nightlife revenues are included in the direct impact calculated in this study. Therefore, for each industry that contributes to nightlife, the analysis captured the portion of economic activity attributable to nightlife. To do this we relied on expert opinions, research, and analysis of available data to understand the proportion of money spent by nightlife patrons at these institutions. We identified the following NAICS categories as having some portion of its economic activity as attributable to nightlife:

- **Food service:** full- and partial-service restaurants, cafes, and food trucks (NAICS codes 722310, 722320, 722330, 722511, 722513, 722514, 722515);
- **Bars:** drinking places and hotel bars (NAICS codes 721110, 722410);
- **Arts:** art dealers, galleries, museums, movie theaters, performing arts companies (NAICS codes 453920, 512131, 7111);
- **Venues:** independent artists and promoters (NAICS codes 7113 ,7115);
- **Sports and recreation:** spectator sports, bowling, arcades, and amusement parks (NAICS codes 7131, 7132, 71395, 7112).



While this methodology is similar to the MOME Music Study completed in 2017, the Venues subsector has been defined in different ways in each study. Specifically, Independent artists are included in nightlife's Venues analysis to account for their work at Venues. The music study has a separate category for the local artist community and only assigns promoters to the Venues subsector. A larger portion of these

artists' jobs was attributed to nightlife, accounting for non-music artists who participate in the nightlife economy. This definition of venues extends beyond the music industry and results in a higher overall jobs number for this subsector than the music study's methodology. Furthermore, the analysis was conservative in accounting for wages reported by independent artists so as not to overly attribute the wages of highly paid, world famous artists who live in New York but do not work full-time in the NYC nightlife industry specifically. This results in a lower annual wages impact for independent artists compared with to music study's evaluation, which was more inclusive of all music artists.

Types of Impact

The money that nightlife patrons spend at nightlife establishments between the hours of 6PM and 6AM is the direct impact of nightlife in the City. That impact is broken down into two types. First, nightlife establishments procure goods and services from other businesses, and to the extent that those businesses are located in New York City, the money spent with those businesses creates further economic impact that is felt in the City (indirect impact). Additionally, the employees of nightlife establishments and the local businesses from which they procure goods and services earn wages that, when spent locally, create induced impacts.

Input-output modeling, which maps the connections between industries within an economy, is used to quantify how activity in one industry ripples through the economy, creating indirect and induced impacts. The estimates of economic impact of the nightlife industry in this report are generated using IMPLAN, an industry-standard input-output modeling software. IMPLAN translates an initial amount of direct economic activity into the total amount of economic activity that it supports, which includes multiple waves of spillover impacts generated by spending on goods and services and by spending of labor income by employees.

Another category of impact comes from spending that would not have taken place but for patrons enjoying New York City's nightlife. For the purpose of this study we look at two significant sources of ancillary spending, transportation and visitor spending, though these do not represent the only spending driven by nightlife. New York City's taxis and For-Hire Vehicle (FHV) companies are integral to nightlife activity, allowing patrons to move around the city at all hours and to access areas not reliably served by public transit. The high percentage of all rides that occur between the hours of 6PM and 6AM demonstrates the importance of nightlife in supporting the taxi and FHV industries. Millions of people visit New York City each year and enjoy the City's nightlife. Nightlife spending by visitors is captured in the direct economic impact, but in the case of trips to the city where nightlife is the main reason for the visit, the full trip spending can be attributed to nightlife. These two categories of ancillary spending were estimated using the following methodology:



- The NYC Taxi and Limousine Commission collects data on the time and fare of taxi and FHV trips in the city. Using this data, the number of trips that occurred between 6PM and 6AM were estimated. To account for non-nightlife rides that occur during this period, adjustments were made for airport trips and commuters who take taxis or FHVs from their workplace to their home. To estimate the trips that were made by commuters (rather than people going to nightlife destinations), the number of trips during the morning commute, roughly between 6AM and 10AM in the morning, was subtracted from the number of trips in the

nightlife count. The fare spent on the resulting 100 million annual trips is the direct spending on transportation that occurs as a result of New York City nightlife.

- According to tourism data from NYC + Company studies, New York City has 7.2 million international and 15.8 million domestic overnight leisure visitors each year (23 million altogether). Some of those visitors are drawn to New York specifically for its nightlife offerings. Based on survey results asking visitors their main motivation for their trip, approximately 7.7 million of these visits (2.4 million international and 5.3 million domestic) are fully or partially attributable to New York City nightlife. Therefore their non-nightlife spending can be considered part of the ancillary impact of the nightlife economy. The spending profile of domestic and overseas travelers vary considerably, both in length of trip and spending profiles. With this in mind, we calculated the annual spending of domestic and overseas nightlife travelers, yielding the ancillary spending footprint of these visitors.

Together, the spending on transportation and nightlife travelers constitute the direct ancillary spending that is attributable to New York City's nightlife. In the same manner as the direct nightlife impact, this ancillary spending creates indirect and induced impacts through the city's economy. The direct, indirect, and induced impacts of the ancillary spending are in addition to the direct, indirect, and induced impacts of the spending with nightlife establishments. Together, this total constitutes a holistic accounting of the diversity of the nightlife industry and the impacts it generates throughout the New York City economy.

Tax Revenue Impact

The direct, indirect, and induced economic output from nightlife and ancillary activity increases the tax base, which in turn leads to increased tax revenue collections for New York City and the State of New York. To translate these increases in economic activity to additional tax revenue, the analysis used custom fiscal models based on the relationships between various types of economic activity and tax collections. Using these effective tax rates, the analysis estimated the effect of nightlife activity on tax revenue.

In addition to income, sales, and business taxes, certain nightlife activities generate tax revenue directly, including the alcoholic beverages tax and Hotel Room Occupancy Tax. Similar to the process of attributing industry sales to nightlife activity, the impact of alcoholic beverage sales was estimated by attributing a portion of the total revenue collected to nightlife. The Hotel Room Occupancy Tax revenue generated by nightlife visitors was estimated by applying the tax rate to the estimate of nightlife visitors' spending on hotel rooms.

Stakeholder Interviews

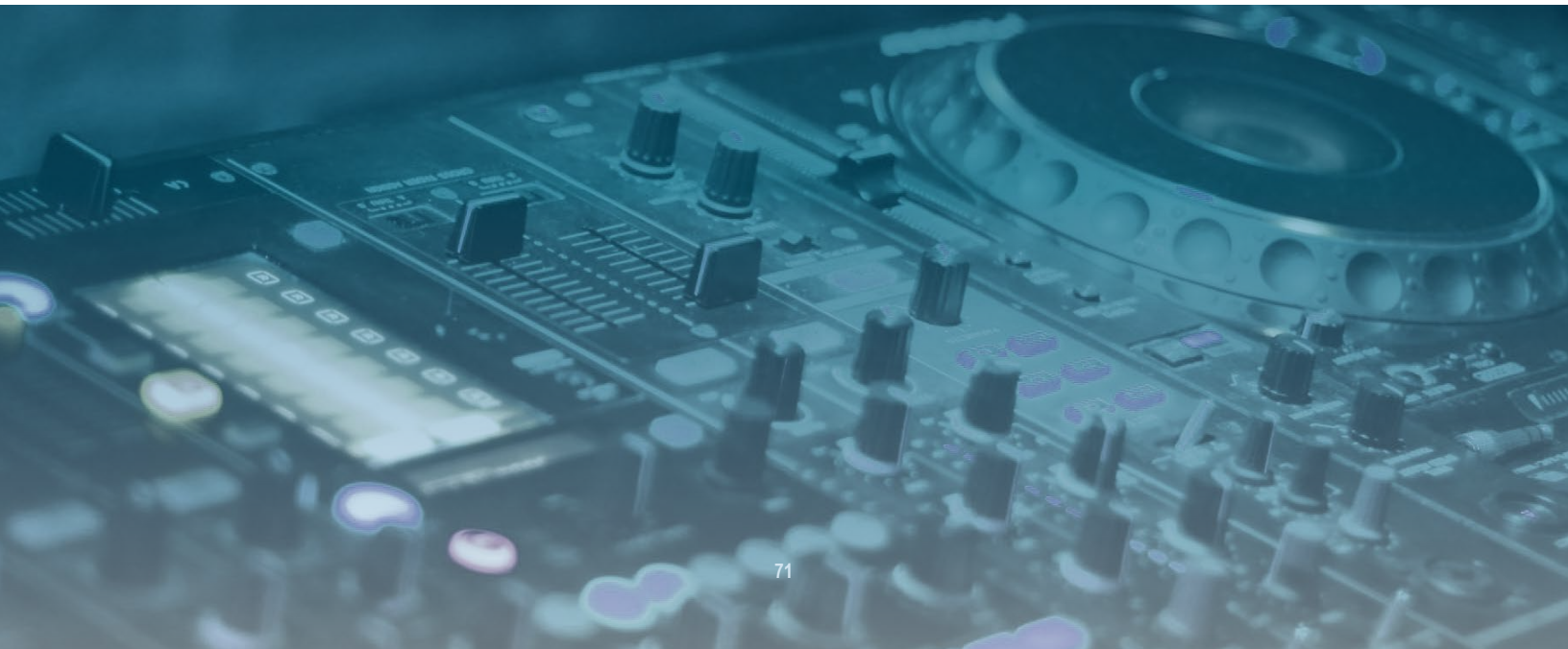
The consulting team conducted 65 interviews with experts and stakeholders to contextualize quantitative insights. Stakeholders represented the range of industries, professions, and persons involved in New York City's nightlife, including owners and operators of establishments, artists and performers, consumers (residents, tourists, commuters), public officials, policymakers, developers, activists, academics, and employees of nightlife industries. The interviews, which lasted approximately 45-60 minutes each, sought to understand the spectrum of experiences within the nightlife industry, with an eye towards New York City-specific challenges and opportunities. Although interview questions were tailored to fit the individual's expertise, all questions sought to identify what, in their experience, makes New York City's nightlife unique, the challenges it faces, how they envision the sector evolving over the next several years, and their recommendations for the future. All interviews were conducted confidentially, affording interviewees the opportunity to speak freely without reservation or hesitation.

APPENDIX: METHODOLOGY

Surveys

The consulting team designed, implemented, and analyzed two surveys—a consumer survey and an industry professional survey—to solicit additional insights on perceptions of New York City's nightlife. The survey ultimately reached over 1,240 people between the two survey instruments.

- Consumer Survey: The consumer survey, a combination of in-person and online data collection, collected over 864 responses that cut across the five boroughs. In this short survey, respondents were asked questions about the kinds of venues and locales frequented; the frequency of outings; transportation preferences; spending habits; challenges they face in participating in the city's nightlife, as well as general demographic questions.
- Industry Professional Survey: The industry professional survey sought insights from 376 owners and operators, artists and performers, and employees of nightlife industries, venues, events, and locales. The respondents cut across venue typologies and occupations and reflect their professional perspectives. Depending on the occupation and industry they identified, respondents were directed to a tailored set of questions relevant to their roles and experience. Analysis of the responses were done in aggregate and the basis of professional groupings: owners/operators, artists/entertainers, and employees.
- Owners and operators were asked how many establishments they operate and where they are located; the kinds of entertainment they offer; trends in business finances; and the challenge and opportunities they face to grow their footprint in New York City.
- Artists and musicians were asked to identify the kinds of establishments at which they perform; the reasons they choose to participate in New York City's nightlife; and the challenges they face.
- Nightlife establishment employees, such as waiters, hosts, chefs, bartenders, and security guards, were asked to identify the kinds of establishments at which they work; the benefits of working in New York City's nightlife; and the challenges they face as employees.



Appendix II: Endnotes

1 Compound annual growth rate (CAGR) is the mean annual growth rate over a specified period of time longer than one year. CAGR is expressed in annual percentage terms. Unless noted otherwise, this study uses growth rates within a five-year period from 2011 to 2016.

2 A portion of the economic activity includes DIY nightlife. Given the diversity of DIY as a venue category, and the use of open spaces and shared economy rentals for DIY nightlife, the venue estimate herein is deemed conservative.

3 "A Guide To Managing Your Night Time Economy," Sound Diplomacy and Andreina Seijas. Panel discussion at the Mayor's Office of Media Entertainment Nightlife Conference, June 8, 2018

4 See Appendix for an in-depth discussion of the methodology of the analyses used in this report.

5 Due to the nature of nightlife, there is a natural overlap in how establishments identify. To avoid double counting, establishments were categorized based on how they are identified by the Bureau of Labor Statistics (BLS). For example, a music venue that primarily presents shows and concerts but also has a bar would likely be categorized as a venue according to BLS data; a bar that occasionally has live music would still be categorized as a bar.

6 While the BLS provides data on employee wages, IMPLAN calculates employee compensation, which includes wage and salary, all benefits (e.g. health, retirement) and payroll taxes. Based on BLS wage data, the nightlife industry supports $6.2 billion in wages, which translates to $7.3 billion of employee compensation (IMPLAN's measure of income estimates gross pay as opposed to strictly wages). Throughout this report, the total employee compensation impact of the nightlife industry is shown, which is inclusive of the direct wages described in the Direct Impact section of this report.

7 Compound annual growth rate (CAGR) is the mean annual growth rate over a specified period of time longer than one year. CAGR is expressed in annual percentage terms. Unless noted otherwise, this study uses growth rates within a five-year period from 2011 to 2016.

8 Sutter, Ryan. "New York City's Michelin Stars Announced for 2018," *Eater* by Ryan Sutton, October 30, 2017

9 Data based on BLS total jobs and total wages in a year. Therefore, average wage is based on reported income for that particular job, and does not include second or third jobs that a food service employee might work.

10 The SLA is a state-run agency responsible for issuing liquor licenses citywide. On premises liquor licenses are broken into multiple categories, including to serve specifically beer or wine and another for liquor. For full liquor license applications (beer, wine and liquor being served) there is a statewide rule that does not allow more than three establishments with full licenses to be within 500-feet of each other. According to the SLA the 500 foot law requires consultation with the community board and a hearing to determine whether the public interest would be served by issuing the license, though the final decision is in the hands of the SLA.

11 The SLA provided data for four points in time: 2000, 2006, 2012, and 2018. Data labeled 2000 has a license expiration data from 2000 to 2005; 2006 has expirations from 2006 to 2011; 2012 has license expirations from 2012 to 2015, and 2018 data has expirations from 2018 onward. Establishments that existed in 2000 and were still in operation would be in each of the four datasets, identified by its license serial number.

12 Because of the data provided, CAGR for liquor licenses was calculated between 2000 and 2018.

13 It is important to note that this subsector represents some of the same economic impact that was quantified in the 2017 Music in New York City study commissioned by the Mayor's Office of Media and Entertainment. Because the economic activity related to local artists' and live performances are a significant dynamic of the New York nightlife experience, this economic activity has been included in this report.

14 This subsector aggregates a portion of the local artist community and the mass music consumption categories calculated in that report and this analysis should be viewed as complementary, rather than additive.

15 Does not include professional athlete salaries. Athlete salaries are not attributable to nightlife and are a function of market and competitive dynamics beyond nighttime economics. However, this subsector's higher than usual average wage is representative of some portion of back of office spectator sports jobs, which pay higher salaries than a typical nightlife-related job.

16 Data provided by NewZoo, a leading e-sports market analytics firm.

APPENDIX: ENDNOTES

17 While FHVs were first introduced to NYC in 2011, TLC data for trips starts in 2015. Comparing 2017 and 2013 (only taxi data) is purposeful in showing the change in transportation access for less centralized NYC neighborhoods.

18 Data from *Yelp* as of May 18, 2018. Establishments that identified as restaurants, performing arts spaces, music venues, bars, clubs, and sports recreational establishments were compiled to develop a geospatial snapshot of nightlife across New York City.

19 Jones-Gorman, Jessica. "St. George update: Empire Outlets set to open this fall; development of NY Wheel still being finalized." *Staten Island Business Trends*. 10 August 2018.

20 Total survey sample (N=225); In several instances, those surveyed had visited the City during the day, supporting the daytime, as well as the nighttime, economy.

21 New York City Mayor's Office of Immigrant Affairs, 2018.

22 NYC & Company, 2018

23 "New York Still Has More Gay Residents Than Anywhere Else in US," *New York Times* citing Gallup study, March 23, 2015

24 MTA website. Does not include non-revenue tracks typically used for purposes other than rider transport

25 NYC Department of Transportation (2018).

26 "Uber and Lyft cars now outnumber yellow cabs in NYC 4 to 1," *Curbed New York*, January 17, 2017

27 "NYC's Airports Had More Passengers Than Ever in 2015," *Curbed New York*, February 3, 2016. Total passengers – not only those going to NYC or participating in nightlife.

28 Katerasky, Aaron. "New York City records fewest murders, lowest crime rate in decades," *ABC News*, January 5, 2018."

29 New York City Police Department, Citywide Seven Major Felony Offenses 2000-2017.

30 Survey respondents somewhat agree, agree or strongly agree to these factors as being influential, reflecting the top 3 box responses on a 6 point scale.

31 Survey responses: Owner/Operator (n=83), Artists/Entertainers (n=187), Employees (n=106). Partial responses to selective questions may cause response rates to be lower as noted in relevant endnotes

32 Respondents could select "all that apply". Thus, percentages add up to more than 100 percent

33 This distribution reflects the overall establishment breakdown between Manhattan and. the other boroughs

34 N=74 with 9 respondents not answering the question regarding alcohol service.

35 N=69. See the discussion regarding employment for the surveyed breakdown of full-time vs. part-time employees.

36 Percentage of respondents who rated in the top two boxes as being a challenge or a major challenge.

37 Note that word size correlates to frequency of word use as a descriptor

38 N=187. Surveys administered to artists occurred in two waves. The first wave entailed an open, online distribution of the survey. The average tenure for working in the nightlife industry was 15.6 years for this group. The second wave was more focused on musicians who play live music, with the support of the Associated Musicians of Greater New York/American Federation of Musicians Local 802, "the largest local union of professional musicians in the world." The average tenure for working in the nightlife industry was 29 years for this group.

39 Of those surveyed, 73 were part-time artists

40 Of those surveyed, 163 were out of town commuters

41 Florida, Richard. "NYC Has More Artists Than Ever," CityLab, July 25, 2017.

42 Note that word size correlates to frequency of word use as a descriptor

43 For multiple reasons including language barriers, low inclination to respond to government-related surveys, partial access to survey tools, etc. To compensate, the study purposefully conducted interviews with people who could knowledgeably address the nightlife experiences of such employees.

44 New York City Department of Consumer Affairs.

Appendix III: Economic Impact Tables

Exhibit 6.1: Direct Economic Impact - Jobs

	2002	2006	2011	2016	Annualized Growth (2002-2016)	Annualized Growth (2006-2016)	Annualized Growth (2011-2016)
Food Service	71,700	81,900	105,900	141,000	5%	6%	6%
Bars	7,700	8,000	9,500	13,400	4%	5%	7%
Arts	13,800	13,600	14,800	18,300	2%	3%	4%
Venues	13,800	16,200	17,500	19,900	3%	2%	3%
Sports & Recreation	3,300	3,000	3,300	3,900	1%	3%	3%
Total	**110,300**	**122,700**	**151,000**	**196,500**	**4%**	**5%**	**5%**

Source: Bureau of Labor Statistics (2016), U.S. Census Bureau (2012), IMPLAN (2015), Econsult Solutions (2018)
**Columns may not sum due to rounding*

Exhibit 6.2: Direct Economic Impact - Wages ($M)

	2002	2006	2011	2016	Annualized Growth (2002-2016)	Annualized Growth (2006-2016)	Annualized Growth (2011-2016)
Food Service	1,537.5	2,034.2	2,783.6	4,189.0	7%	7%	9%
Bars	192.3	229.1	312.9	492.1	7%	8%	9%
Arts	523.4	582.7	683.9	803.9	3%	3%	3%
Venues	160.5	261.8	244.7	372.8	6%	4%	9%
Sports & Recreation	197.1	249.4	276.9	352.1	4%	4%	5%
Total	**2,610.8**	**3,357.1**	**4,301.1**	**6,209.9**	**6%**	**6%**	**8%**

Source: Bureau of Labor Statistics (2016), U.S. Census Bureau (2012), IMPLAN (2015), Econsult Solutions (2018)
**Columns may not sum due to rounding*

Exhibit 6.3: Direct Economic Impact - Output ($M)

	2002	2006	2011	2016	Annualized Growth (2002-2016)	Annualized Growth (2006-2016)	Annualized Growth (2011-2016)
Food Service	4,304.6	5,677.4	7,754.1	11,977.1	8%	8%	9%
Bars	744.0	883.4	1,357.0	2,019.4	7%	9%	8%
Arts	2,494.9	2,475.2	2,942.8	3,132.6	2%	2%	1%
Venues	471.6	760.1	930.1	1,218.9	7%	5%	6%
Sports & Recreation	411.8	515.3	572.1	734.0	4%	4%	5%
Total	**8,426.9**	**10,311.4**	**13,556.2**	**19,082.2**	**6%**	**6%**	**7%**

Source: Bureau of Labor Statistics (2016), U.S. Census Bureau (2012), IMPLAN (2015), Econsult Solutions (2018)
**Columns may not sum due to rounding*

Exhibit 6.4: Indirect Economic Impact by Direct Category - Jobs

	2002	2006	2011	2016	Annualized Growth (2002-2016)	Annualized Growth (2006-2016)	Annualized Growth (2011-2016)
Food Service	6,200	7,200	8,500	11,900	5%	5%	7%
Bars	800	900	1,200	1,600	5%	6%	6%
Arts	8,700	8,300	9,100	8,900	0%	1%	0%
Venues	1,500	2,100	2,400	2,700	4%	3%	2%
Sports & Recreation	400	400	400	400	0%	0%	0%
Total	**17,600**	**18,900**	**21,600**	**25,500**	**3%**	**3%**	**3%**

Source: Bureau of Labor Statistics (2016), U.S. Census Bureau (2012), IMPLAN (2015), Econsult Solutions (2018)
**Columns may not sum due to rounding*

Exhibit 6.5: Indirect Economic Impact by Direct Category - Employee Compensation ($M)

	2002	2006	2011	2016	Annualized Growth (2002-2016)	Annualized Growth (2006-2016)	Annualized Growth (2011-2016)
Food Service	$421.2	$551.2	$709.7	$1,072.7	7%	7%	9%
Bars	$57.8	$67.9	$101.0	$145.3	7%	8%	8%
Arts	$281.2	$292.3	$347.1	$371.2	2%	2%	1%
Venues	$75.4	$114.6	$141.2	$175.8	6%	4%	4%
Sports & Recreation	$23.7	$27.8	$30.2	$37.7	3%	3%	4%
Total	**$859.4**	**$1,053.9**	**$1,329.2**	**$1,802.6**	**5%**	**6%**	**6%**

Source: Bureau of Labor Statistics (2016), U.S. Census Bureau (2012), IMPLAN (2015), Econsult Solutions (2018)
**Columns may not sum due to rounding*

Exhibit 6.6: Indirect Economic Impact by Direct Category - Output ($M)

	2002	2006	2011	2016	Annualized Growth (2002-2016)	Annualized Growth (2006-2016)	Annualized Growth (2011-2016)
Food Service	$1,172.9	$1,564.3	$2,020.4	$3,038.7	7%	7%	9%
Bars	$154.8	$184.4	$273.1	$391.5	7%	8%	7%
Arts	$862.9	$904.2	$1,067.5	$1,147.2	2%	2%	1%
Venues	$189.9	$289.7	$358.6	$442.6	6%	4%	4%
Sports & Recreation	$55.7	$66.4	$73.57	$92.1	4%	3%	5%
Total	**$2,436.3**	**$3,009.1**	**$3,793.2**	**$5,112.1**	**5%**	**5%**	**6%**

Source: Bureau of Labor Statistics (2016), U.S. Census Bureau (2012), IMPLAN (2015), Econsult Solutions (2018)
**Columns may not sum due to rounding*

Exhibit 6.7: Induced Economic Impact by Direct Category - Jobs

	2002	2006	2011	2016	Annualized Growth (2002-2016)	Annualized Growth (2006-2016)	Annualized Growth (2011-2016)
Food Service	8,400	9,900	12,300	17,200	5%	6%	7%
Bars	1,200	1,300	1,700	2,400	5%	6%	7%
Arts	4,100	4,000	4,300	4,500	1%	1%	1%
Venues	1,600	2,300	2,100	2,900	4%	2%	7%
Sports & Recreation	1,000	1,200	1,200	1,500	3%	2%	5%
Total	**16,300**	**18,700**	**21,600**	**28,500**	**4%**	**4%**	**6%**

Source: Bureau of Labor Statistics (2016), U.S. Census Bureau (2012), IMPLAN (2015), Econsult Solutions (2018)
**Columns may not sum due to rounding*

Exhibit 6.8: Induced Economic Impact - Employee Compensation ($M)

	2002	2006	2011	2016	Annualized Growth (2002-2016)	Annualized Growth (2006-2016)	Annualized Growth (2011-2016)
Food Service	$382.0	$503.9	$677.4	$1,029.9	7%	7%	9%
Bars	$56.2	$66.5	$92.8	$144.8	7%	8%	9%
Arts	$184.7	$201.4	$238.1	$268.1	3%	3%	2%
Venues	$70.8	$116.7	$117.3	$174.2	7%	4%	8%
Sports & Recreation	$47.2	$58.7	$64.5	$90.7	5%	4%	7%
Total	**$741.0**	**$947.1**	**$1,190.0**	**$1,707.7**	**6%**	**6%**	**7%**

Source: Bureau of Labor Statistics (2016), U.S. Census Bureau (2012), IMPLAN (2015), Econsult Solutions (2018)
**Columns may not sum due to rounding*

Exhibit 6.9: Induced Economic Impact - Output ($M)

	2002	2006	2011	2016	Annualized Growth (2002-2016)	Annualized Growth (2006-2016)	Annualized Growth (2011-2016)
Food Service	$1,101.8	$1,446.2	$1,951.6	$2,974.4	7%	7%	9%
Bars	$162.2	$190.8	$267.3	$418.2	7%	8%	9%
Arts	$532.8	$578.1	$686.2	$774.5	3%	3%	2%
Venues	$204.2	$335.0	$338.2	$503.5	7%	4%	8%
Sports & Recreation	$136.1	$168.4	$186.0	$261.9	5%	5%	7%
Total	**$2,137.1**	**$2,718.5**	**$3,429.3**	**$4,932.4**	**6%**	**6%**	**8%**

Source: Bureau of Labor Statistics (2016), U.S. Census Bureau (2012), IMPLAN (2015), Econsult Solutions (2018)
**Columns may not sum due to rounding*

Exhibit 6.10: Indirect Economic Impact by Industry Category- Jobs

	2002	2006	2011	2016	Annualized Growth (2002-2016)	Annualized Growth (2006-2016)	Annualized Growth (2011-2016)
Arts, Entertainment, and Recreation	6,000	6,100	6,700	6,800	1%	1%	0%
Administrative and Support Services	1,800	2,000	2,300	2,900	3%	4%	5%
Professional, Scientific, and Technical Services	1,900	2,000	2,300	2,800	3%	3%	4%
Real Estate and Rental and Leasing	1,500	1,600	1,900	2,400	3%	4%	5%
Management of Companies and Enterprises	1,000	1,100	1,300	1,800	4%	5%	7%
Other	5,400	6,100	7,100	8,800	4%	4%	4%
Total	**17,600**	**18,900**	**21,600**	**25,500**	**3%**	**3%**	**3%**

Source: Bureau of Labor Statistics (2016), U.S. Census Bureau (2012), IMPLAN (2015), Econsult Solutions (2018)
**Columns may not sum due to rounding*

Exhibit 6.11: Indirect Economic Impact by Industry Category- Employee Compensation ($M)

	2002	2006	2011	2016	Annualized Growth (2002-2016)	Annualized Growth (2006-2016)	Annualized Growth (2011-2016)
Arts, Entertainment, and Recreation	$99.8	$118.4	$137.0	$160.3	3%	3%	3%
Administrative and Support Services	$82.7	$101.5	$127.8	$169.4	5%	5%	6%
Professional, Scientific, and Technical Services	$156.7	$191.6	$238.0	$316.2	5%	5%	6%
Real Estate and Rental and Leasing	$47.9	$59.1	$75.1	$102.3	6%	6%	6%
Management of Companies and Enterprises	$147.5	$190.5	$244.1	$360.1	7%	7%	8%
Other	$324.7	$392.8	$507.2	$694.3	6%	6%	6%
Total	**$859.4**	**$1,053.9**	**$1,329.2**	**$1,802.6**	**5%**	**6%**	**6%**

Source: Bureau of Labor Statistics (2016), U.S. Census Bureau (2012), IMPLAN (2015), Econsult Solutions (2018)
**Columns may not sum due to rounding*

Exhibit 6.10: Indirect Economic Impact by Industry Category- Output

	2002	2006	2011	2016	Annualized Growth (2002-2016)	Annualized Growth (2006-2016)	Annualized Growth (2011-16)
Arts, Entertainment, and Recreation	$329.1	$398.2	$477.7	$554.8	4%	3%	3%
Administrative and Support Services	$155.3	$186.6	$230.1	$302.4	5%	5%	6%
Professional, Scientific, and Technical Services	$296.0	$365.8	$445.0	$586.9	5%	5%	6%
Real Estate and Rental and Leasing	$445.4	$551.8	$683.2	$947.9	6%	6%	7%
Management of Companies and Enterprises	$211.5	$307.4	$410.9	$582.3	8%	7%	7%
Other	$999.0	$1,199.3	$1,546.3	$2,137.8	6%	6%	7%
Total	**$2,436.3**	**$3,009.1**	**$3,793.2**	**$5,112.1**	**5%**	**5%**	**6%**

Source: Bureau of Labor Statistics (2016), U.S. Census Bureau (2012), IMPLAN (2015), Econsult Solutions (2018)
**Columns may not sum due to rounding*

Appendix IV: Sources and Acknowledgements

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- Julie Menin - Commissioner
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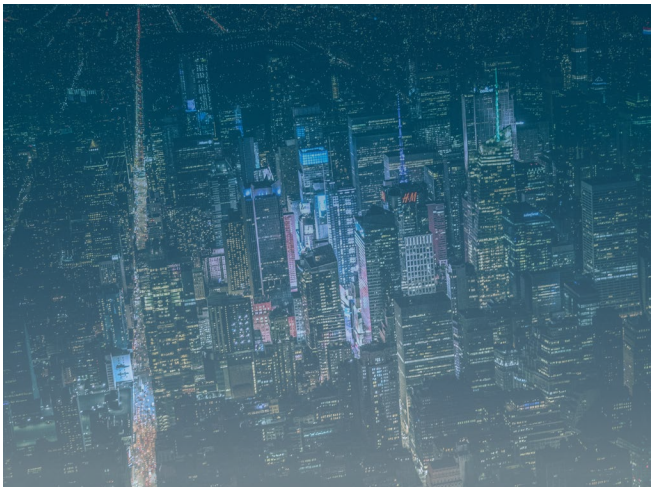
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James Johnson-Piett, Principal and CEO, focuses on strengthening small businesses operating in underserved communities through market intelligence, technical assistance, and access to capital. He has participated in several consumer-related studies within urban environments leveraging local leaders and communities to drive study results.

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