

City of  
Philadelphia

# PHILADELPHIA AFTER DARK

KEY DRIVERS AND TRENDS IN  
THE NIGHTTIME ECONOMY  
2025

*Photo of South Broad Street, Center City Philadelphia by Heidi Kaden for Unsplash.com*

# The nighttime economy is energizing Philadelphia.

This project has been made possible through the efforts of the following Philadelphia leaders:

## CITY OF PHILADELPHIA

**Honorable Cherelle Parker**  
Mayor

**Alba Martinez**  
Director of Commerce

**Dawn Summerville**  
Deputy Commerce Director  
Business Development

**Raheem Manning**  
Nighttime Economy Director

**Emeka Anusionwu**  
Nighttime Economy Manager

**Center City District**

**Visit Philly**

**Michael Fichman**  
Associate Professor of Practice  
University of Pennsylvania  
Weitzman School of Design

# WHAT IS THE NIGHTTIME ECONOMY?

## NIGHT SHIFT INDUSTRIES

Night shift activities keep the city's economic gears turning 24/7. Behind the scenes, manufacturing and logistics sectors work tirelessly to keep the city's heartbeat around the clock.

## ESSENTIAL SERVICES

Essential services keep the city running through the night, ensuring seamless access to healthcare, transportation, public safety, and utilities.

## FOOD, BEVERAGE & HOSPITALITY

The food, beverage and hospitality sector drives the nighttime economy by providing diverse dining experiences, nightlife entertainment, and welcoming places to stay.

## SPORTS & RECREATION

Sports and recreation activities energize the nighttime economy with evening games, fitness classes, and recreational activities.

## ARTS & CULTURE

The arts and culture sector thrives at night, offering vibrant performances, exhibitions, and events that enrich the city's cultural landscape.

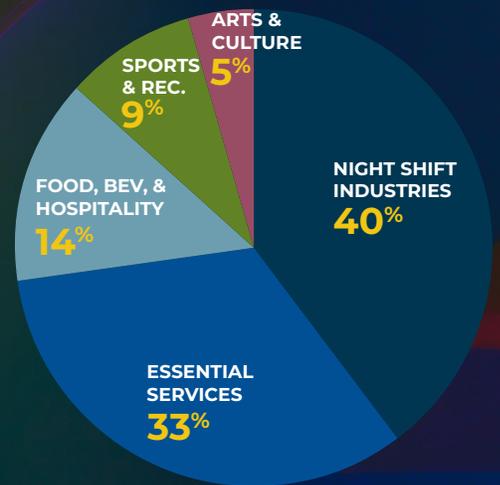
## 13% OF JOBS

in Philadelphia are part of the nighttime economy.

The nighttime economy is an increasingly important driver of urban growth, cultural vibrancy, and economic resilience. As cities across the world adapt to changing economic conditions, shifts in work patterns, and the demands of a 24-hour society, the focus on industries that operate beyond traditional business hours has become essential.

Philadelphia's nighttime economy is a dynamic and multifaceted ecosystem composed of industries and services that operate between 6 p.m. and 6 a.m., contributing significantly to the city's economic prosperity. While much of the public associates nighttime economic activity primarily with nightlife

SIZE OF THE PHILADELPHIA NIGHTTIME ECONOMY BY SECTOR, 2023



The nighttime economy wraps in nearly all sectors that make Philadelphia pulse with energy.

and entertainment, the ecosystem extends far beyond these industries to include essential services, hospitality, arts and culture, and other sectors where night shifts are integral to operations. Together, these industries keep Philadelphia functioning around the clock, creating jobs, generating revenue, and enriching the city's cultural and social fabric.

Philadelphia's embrace of its nighttime economy reflects a broader national and global trend. Cities around the world are increasingly recognizing the value of a robust nighttime economy as a key to economic diversification and cultural expansion.

# WHAT HAPPENS IN PHILLY AT NIGHT?

## ECONOMIC FOOTPRINT OF NIGHTTIME ECONOMY SECTORS\*

### ARTS & CULTURE

BY THE NUMBERS

|  |                              |                      |                        |                         |
|--|------------------------------|----------------------|------------------------|-------------------------|
| Performing Arts Companies<br>Promoters of Performing Arts, Sports & Similar Events<br>Motion Picture Theaters<br>Independent Artists, Writers & Performers | <b>280</b><br>ESTABLISHMENTS | <b>5,600</b><br>JOBS | <b>\$0.2B</b><br>WAGES | <b>\$0.7B</b><br>OUTPUT |
|--|------------------------------|----------------------|------------------------|-------------------------|

### FOOD, BEVERAGE & HOSPITALITY

BY THE NUMBERS

|   |                                |                       |                        |                         |
|---|--------------------------------|-----------------------|------------------------|-------------------------|
| Hotels (except Casino Hotels) & Motels<br>Caterers<br>Drinking Places (Alcoholic Beverages)<br>Full-Service Restaurants | <b>3,920</b><br>ESTABLISHMENTS | <b>25,700</b><br>JOBS | <b>\$0.8B</b><br>WAGES | <b>\$2.2B</b><br>OUTPUT |
|---|--------------------------------|-----------------------|------------------------|-------------------------|

### SPORTS & RECREATION

BY THE NUMBERS

|  |                              |                      |                        |                         |
|--|------------------------------|----------------------|------------------------|-------------------------|
| Spectator Sports<br>Gambling Industries<br>Fitness & Recreational Sports Centers | <b>200</b><br>ESTABLISHMENTS | <b>3,600</b><br>JOBS | <b>\$0.9B</b><br>WAGES | <b>\$1.4B</b><br>OUTPUT |
|--|------------------------------|----------------------|------------------------|-------------------------|

### ESSENTIAL SERVICES

BY THE NUMBERS

|  |                                |                       |                        |                         |
|--|--------------------------------|-----------------------|------------------------|-------------------------|
| Waste Collection<br>Supermarkets & Other Grocery Retailers (except Convenience Retailers)<br>General Medical & Surgical Hospitals<br>Police Protection | <b>1,360</b><br>ESTABLISHMENTS | <b>25,900</b><br>JOBS | <b>\$1.8B</b><br>WAGES | <b>\$5.2B</b><br>OUTPUT |
|--|--------------------------------|-----------------------|------------------------|-------------------------|

### NIGHT SHIFT INDUSTRIES

BY THE NUMBERS

|  |                                |                       |                        |                         |
|--|--------------------------------|-----------------------|------------------------|-------------------------|
| Construction<br>Transportation & Warehousing<br>Colleges, Universities & Professional Schools<br>Manufacturing | <b>5,250</b><br>ESTABLISHMENTS | <b>33,600</b><br>JOBS | <b>\$1.9B</b><br>WAGES | <b>\$6.2B</b><br>OUTPUT |
|--|--------------------------------|-----------------------|------------------------|-------------------------|

\*This list provides examples of sectors included in the analysis. The full list of industries is on page 11.

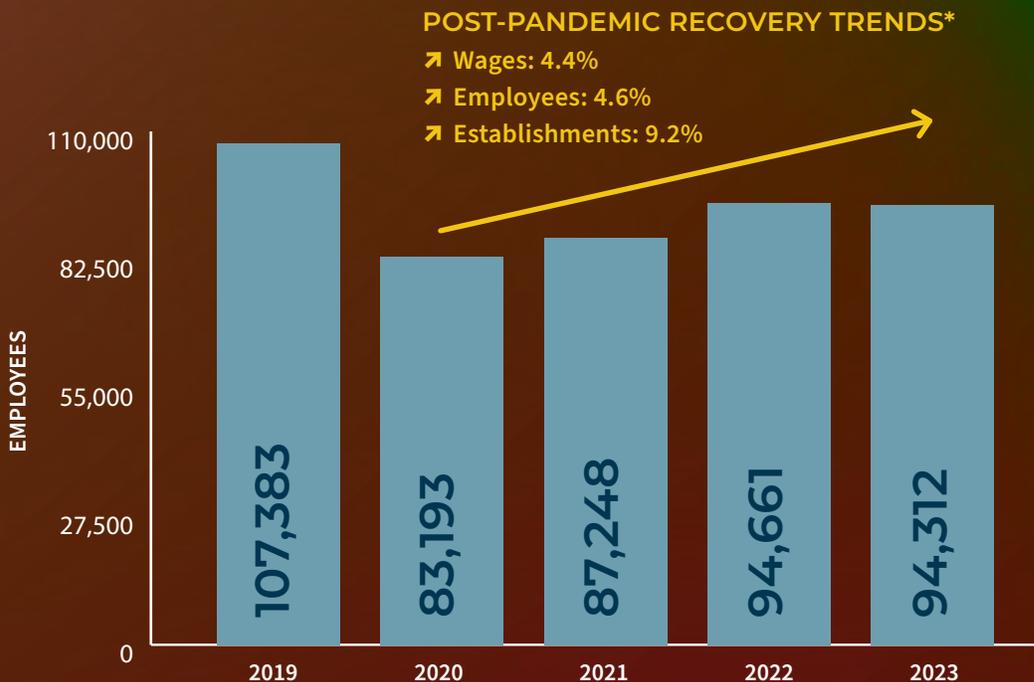
# HISTORIC SNAPSHOT OF THE NIGHTTIME ECONOMY

As was the case for the overall economy, Philadelphia’s nighttime economy was severely impacted by the COVID-19 pandemic. Employment and wages within nighttime industries saw a steep decline from 2019 to 2020, a direct result of public health mandates and widespread layoffs.

The recovery of the nighttime industry over the past four years has demonstrated the city’s overall, yet sometimes inconsistent, economic resilience. Establishments operating during nighttime hours, for example, has grown significantly in the aftermath of the pandemic, boasting annual growth of 9 percent since 2020. Meanwhile, the overall number of businesses in Philadelphia declined slightly during the same period.

Wages and total workers have also risen consistently since 2020 within Philadelphia’s nighttime economy, though the different industries have recovered at different speeds. In 2022, overall wages outpaced employment, which can be partly attributed to The Great Resignation and tightness in the labor market that led to significant demand for labor and competition in wages. Though employment within most sectors of the nighttime economy has yet to reach 2019 levels.

## TRENDS IN NIGHTTIME JOBS AND WAGE



\*Compound Annual Growth Rate

# THE ECONOMIC IMPACT OF THE NIGHTTIME ECONOMY

## WHAT IS ECONOMIC IMPACT?

Philadelphia’s nighttime economy isn’t just a local powerhouse at night, it is a dynamic engine of economic vitality that reverberates throughout the day—and the region.

The vibrant mix of industries that come alive after dark generates impressive output, creates thousands of jobs, and drives substantial wage growth, but the story doesn’t end there. The ripple effects of the city’s nighttime scene extend beyond its boundaries and into the daytime, leading to job creation and wage increases in other sectors. From urban centers to rural areas, the economic benefits of Philadelphia’s nighttime economy are felt everywhere, showcasing its crucial role in the broader economic landscape.

### Direct Impact

The jobs and economic output generated by nighttime economy subsectors.

### Indirect Impact

The jobs and economic output generated by local businesses that supply goods and services to the nighttime economy subsectors.

### Induced Impact

The jobs and economic output generated as a result of nighttime economy employees spending their wages locally.

### Fiscal Impact

The tax revenues generated for Philadelphia and Pennsylvania from income, sales, and businesses taxes, as well as additional taxes.

## TYPES OF ECONOMIC IMPACT FROM PHILLY’S NIGHTTIME ECONOMY



# THE NIGHTTIME ECONOMY IN PHILADELPHIA IS A BILLION DOLLAR INDUSTRY

Based on 2023 data, the nighttime economy in the City of Philadelphia, including its direct, indirect, and induced impacts, produces approximately \$26.1 billion in total annual output. The economic benefits of Philadelphia’s nighttime economy, however, are not confined to the city. Thanks to the “spillover effects” that lead to spending beyond the city’s borders, Philadelphia’s nighttime economy has a total economic impact of \$30.4 billion annually across Pennsylvania. This total economic impact is generated from the nighttime economy’s multiple sectors; the largest share is attributable to Night Shift Industries, which provides nearly 40 percent of total impact.

## TOTAL NIGHTTIME ECONOMIC OUTPUT BY SECTOR

### Arts & Culture

Philadelphia \$1.1B  
Pennsylvania \$1.2B

### Food, Beverage & Hospitality

Philadelphia \$3.7B  
Pennsylvania \$4.2B

### Sports & Recreation

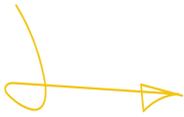
Philadelphia \$2.7B  
Pennsylvania \$3.1B

### Essential Services

Philadelphia \$8.3B  
Pennsylvania \$9.8B

### Night Shift Industries

Philadelphia \$10.4B  
Pennsylvania \$12.2B



### Total Output

Philadelphia \$26.1B  
Pennsylvania \$30.4B

### Total Employment

Philadelphia 132K  
Pennsylvania 151K

### Wages

Philadelphia \$9.0B  
Pennsylvania \$10.2B

## SUPPORTING CITY SERVICES THROUGH SIGNIFICANT TAX REVENUE

The nighttime economy generates approximately **\$358 million annually in tax revenue for the City of Philadelphia**, with the largest portion coming from wage taxes totaling \$247 million. Philadelphia nighttime industries contribute approximately \$570 million in annual tax revenue for the Commonwealth of Pennsylvania

|                               | City of Philadelphia | Commonwealth of Pennsylvania |
|-------------------------------|----------------------|------------------------------|
| Wage/Income (\$M)             | \$247.2              | \$214.4                      |
| Sales (\$M)                   | \$40.0               | \$255.2                      |
| Business (\$M)                | \$71.6               | \$100.6                      |
| <b>Total Tax Impact (\$M)</b> | <b>\$358.8</b>       | <b>\$570.2</b>               |

# WHEN AND WHERE PHILADELPHIA THRIVES AFTER DARK

## PHILADELPHIA'S NIGHTLIFE IS NOT A MONOLITH

Philadelphia's nightlife changes based on time and location. Examining mobile data from Placer.ai for 26 commercial corridors across Philadelphia, patterns reveal core characteristics regarding time and place of the city's nighttime economy.

### October Leads with 6 Million Visitors

Cooler temperatures, cultural celebrations, and sporting events (MLB playoffs, start of NFL, NHL, and NBA seasons) all contribute to October's status as the busiest month last year for nighttime activity.

### Winter and Early Spring Activity Remains Stable

From November through March, activity stabilizes, with a slight increase in January due to post-holiday events and renewed engagement.

### Spring Marks Growth

Warmer weather in April and May drives an upward trend, making this a key period for outdoor events and increased nighttime participation.

## VISITATION TRENDS BY MONTH



Placer.ai data provided by Center City District

## WEEKEND VISITATION DRIVES NIGHTTIME ACTIVITY

### WEEKEND NIGHTS

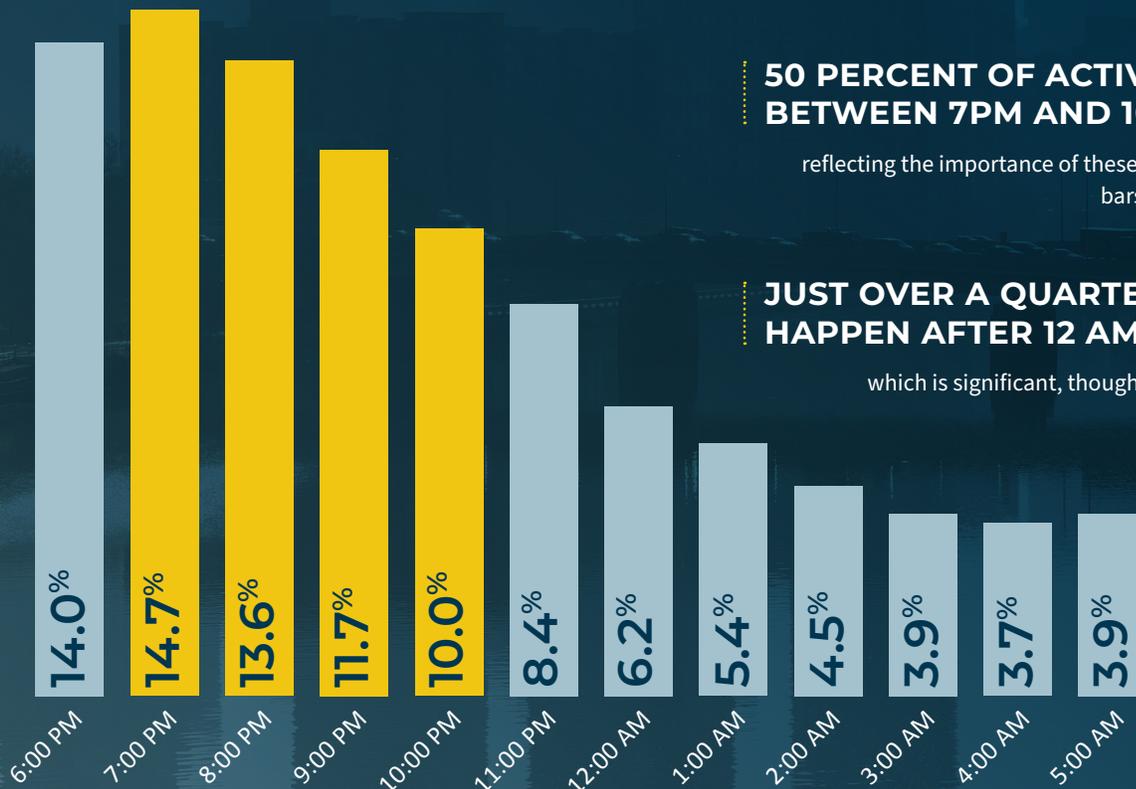
(Friday and Saturday) dominate visitation, accounting for nearly **40 percent of weekly visits.**

### SATURDAY

**sees double the visitors** compared to Monday, driven by nightlife attraction, dining, and events.



## NIGHTTIME ACTIVITY CENTRALIZES IN THE EVENING



### 50 PERCENT OF ACTIVITY OCCURS BETWEEN 7PM AND 10PM

reflecting the importance of these hours for restaurants, bars, and cultural venues.

### JUST OVER A QUARTER OF VISITS HAPPEN AFTER 12 AM

which is significant, though comparably less than the evening hours.

Placer.ai data provided by Center City District

# THE GEOGRAPHIC DISTRIBUTION OF NIGHTTIME VISITS

Nighttime activity happens throughout the city, from clubs in Center City to beloved hidden gems right off the corner of residential blocks. This analysis focuses on a sample of the City's full nighttime activity, examining a selection of 26 prominent commercial corridors to give a sense of where Philadelphia's nighttime activity is concentrated.



Nighttime visitation is concentrated in specific commercial corridors, with Center City and Lower North Philadelphia emerging as the key hubs of activity, accounting for more than half (67%) of yearly visitors across all observed commercial corridors.

Placer.ai data provided by Center City District

# STRATEGIC RECOMMENDATIONS FOR ENHANCING PHILADELPHIA'S NIGHTTIME ECONOMY

Philadelphia's nighttime economy presents significant opportunities for growth, supported by data-driven insights and lessons from global best practices. To ensure sustainable, equitable, and safe development, these five strategic recommendations are proposed.



## EXPLORE EXTENDED NIGHTLIFE OPERATING HOURS IN COLLABORATION WITH THE COMMONWEALTH

A citywide program for extended nightlife hours could generate **\$1.5–2 million in additional annual liquor tax revenue** while fostering cultural and economic growth. The program, which would require coordination with state-level policymakers, should prioritize safety, geographic balance, and robust monitoring to maximize benefits while mitigating risks.



## EXPLORE ENHANCED NIGHTTIME WORKER RESOURCES

Dedicated resources may be critical for managing the growth and programs of Philadelphia's nighttime economy. The City should explore how expanded staffing focused on the nighttime economy could support business **assistance**, **safety coordination**, and **policy implementation**.



## COMPREHENSIVE SAFETY PROGRAM

Continued advancement of safety measures, such as the **Liberty Bell Safe Certification Program** and improved street lighting, will protect patrons and promote confidence in nightlife venues, supporting both visitors and businesses.



## TARGETED BUSINESS SUPPORT PROGRAMS

Identifying growth corridors and tailoring support to specific business needs will expand Philadelphia's nighttime economy. **Simplified processes and technical assistance programs** will help businesses adapt and thrive, ensuring equitable growth citywide.



## DATA-DRIVEN GOVERNANCE

A **standardized data framework** will enable the city to monitor foot traffic, economic contributions, and safety trends. **Regular reporting and evaluation** of pilot programs will ensure resources are effectively allocated and strategies remain adaptable.

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# 1. Introduction

Philadelphia does not have a closing time. The city's economy operates well beyond traditional business hours, with many industries active from evening through early morning. These businesses—ranging from restaurants, bars, and entertainment venues to healthcare, transportation, and logistics—are essential to the city's overall economic vitality. The nighttime economy sustains thousands of jobs, attracts visitors, and supports Philadelphia's cultural vibrancy. This activity is not just a supplement to the daytime economy; it plays a crucial role in keeping the city competitive, adaptable, and prosperous. Whether it's through the excitement of the City's nightlife or the essential services provided to citizens around the clock, these industries ensure that Philadelphia remains a dynamic 24-hour city, with their contributions rippling across all sectors and benefiting residents and visitors alike.

This report aims to provide a comprehensive snapshot of Philadelphia's nighttime economy, focusing on the industries that drive economic activity from 6 p.m. to 6 a.m. It analyzes the number of establishments operating at night, the jobs they generate, and the wages paid to workers in these sectors. By shedding light on this sometimes overlooked portion of the economy, the report supports informed decision-making and highlights the businesses and workers that are essential to Philadelphia's ongoing success. Understanding the scale and impact of the nighttime economy is crucial as the city continues to evolve into a fully realized overnight hub of economic activity and cultural engagement.

## Why Focus on the Nighttime Economy?

The nighttime economy is an increasingly important driver of urban growth, cultural vibrancy, and economic resilience. As cities across the world adapt to changing economic conditions, shifts in work patterns, and the demands of a round-the-clock society, the focus on industries that operate beyond traditional business hours has become essential.<sup>1</sup> The core sectors that make up the nighttime economy—Arts and Culture, Essential Services, Food, Beverage and Hospitality, Night Shift Industries, and Sports and Recreation—contribute significantly to employment, tourism, and the overall quality of life. However, these sectors face unique challenges, such as safety concerns, regulatory hurdles, and limited access to services, making targeted support for them crucial to sustaining their growth and potential.<sup>2</sup>

Philadelphia's embrace of its nighttime economy reflects a broader national and global trend. Cities around the world are increasingly recognizing the value of a robust nighttime economy as a key to economic diversification and cultural expansion. Global cities like London, Berlin, and New York have recognized the importance of fostering a constantly functioning economy. Many of these cities have appointed "night mayors" or similar roles to coordinate policy efforts, address challenges, and advocate for the businesses and workers operating during late hours.<sup>3</sup> This leadership model pioneered in cities like

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<sup>1</sup> Andreina Seijas, Jody Barnett, and Saiful Salihudin, "Rethinking 24-Hour Cities: Night-Time Strategies to Address Urban Challenges and Thrive," *World Economic Forum*, January 9, 2024, <https://www.weforum.org/agenda/2024/01/24-hour-cities-night-time-strategies-urban-challenges/>.

<sup>2</sup> "Global Nighttime Recovery Plan," accessed September 19, 2024, <https://www.nighttime.org/recoveryplan/>.

<sup>3</sup> Inna Zhuravlova et al., "The Outlook on Nighttime Economy," Fraunhofer Institute for Industrial Engineering IAO, 2020, <https://publica-rest.fraunhofer.de/server/api/core/bitstreams/11f6ee81-ed1-4925-a3bd-a6aad1397c02/content>.

Amsterdam with the appointment of the world's first night mayor in 2014, has spread globally as cities strive to make their nighttime economies safer, more inclusive, and more sustainable.<sup>4</sup> These positions are designed to bridge the gap between government, businesses, and residents, ensuring that the needs of the nighttime economy are heard and addressed at the highest levels of city governance.

In the U.S., cities such as New York and Washington, D.C. have created similar roles and initiatives to develop their nighttime economies. These cities understand that the value of nighttime industries extends beyond economic benefits—it also enhances the city's appeal and helps diversify job opportunities. For many workers, particularly those in hospitality, healthcare, and logistics, the nighttime economy offers flexible, non-traditional employment that supports livelihoods.

Philadelphia's Nighttime Economy Initiative is part of this global movement, aiming to make the city a vibrant 24-hour hub. By addressing issues like public safety, business sustainability, and regulatory complexity, the initiative seeks to create an environment where nighttime businesses and workers can thrive. This focus on the nighttime economy not only drives economic growth but also promotes inclusivity, offering opportunities to underserved communities. As cities across the world embrace the benefits of a constant economy, Philadelphia is positioning itself to stay competitive and dynamic.

## About Philadelphia's Nighttime Economy Initiative

Philadelphia's Nighttime Economy Initiative represents a forward-looking approach to enhancing the city's economic and cultural landscape. Launched in 2022, this initiative aims to establish Philadelphia as a true 24-hour



city by recognizing and supporting the vital industries that operate beyond traditional business hours. Central to the initiative's creation was the appointment of Philadelphia's first Nighttime Economy Director, a position established within the Department of Commerce to lead public engagement, coordinate policy efforts, and address the challenges unique to nighttime businesses and workers. One of the director's first actions was to conduct a citywide listening tour, covering more than 180 stops, to gather input from business owners, workers, and residents.<sup>5</sup> This engagement has been crucial in shaping the initiative's priorities to ensure it is grounded in the needs and concerns of the community.

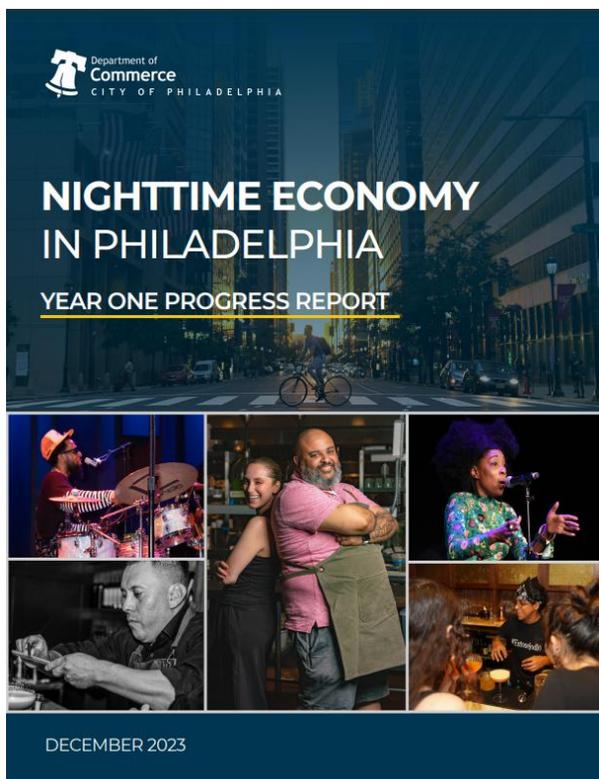
The initiative also established the Nighttime Economy Advisory Council, a diverse group of business owners, city officials, and residents who play a critical role in advising on policies and advocating for reforms. The council focuses on key issues such as public safety, business support, and regulatory challenges.

This work builds upon previous, successful efforts and increased attention to bolster nighttime services in Philadelphia. For example, one early success has been the Philly Streetlight Improvement Project, which

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<sup>4</sup> Natalie Delgadillo, "The Rise of the 'Night Mayor' in America," *Governing*, August 9, 2017, <https://www.governing.com/archive/gov-night-mayor-economy-america.html>.

<sup>5</sup> Philadelphia Department of Commerce, "Nighttime Economy in Philadelphia – Year One Progress Report," December 21, 2023, [https://www.phila.gov/media/20231221120215/Nighttime-Economy-Report-2023\\_Department-of-Commerce.pdf](https://www.phila.gov/media/20231221120215/Nighttime-Economy-Report-2023_Department-of-Commerce.pdf).



*Philadelphia's Year One Nighttime Economy Progress Report, December 2023*

recognition that the workers who power this economy—many of whom come from historically underserved communities—must be supported, protected, and valued. The initiative is designed to address these needs by fostering policies that ensure both the economic vitality of businesses and the well-being of the workforce.

Looking ahead, the initiative is positioned to play a transformative role in Philadelphia's long-term economic strategy, helping to shape the city into a more inclusive, dynamic, and prosperous nonstop hub. By focusing on improving public safety, simplifying regulations, and providing targeted support for nighttime businesses, the Nighttime Economy Initiative sets the foundation for a more sustainable and thriving Philadelphia.

## Defining the Nighttime Economy Ecosystem

Philadelphia's nighttime economy is a dynamic and multifaceted ecosystem composed of industries and services that operate between 6 p.m. and 6 a.m., contributing significantly to the city's economic prosperity. While much of the public associates nighttime economic activity primarily with nightlife and entertainment, the ecosystem extends far beyond these industries to include essential services,

saw the upgrade of 120,000 streetlights to energy-efficient LEDs.<sup>6</sup> This effort has significantly improved visibility and safety in key areas of the city, benefiting both nighttime workers and patrons. In addition, the City of Philadelphia has created novel tools like the Permit Navigator to streamline complex processes around zoning and licensing, making it easier for businesses to comply with regulations and operate more effectively within the legal framework.<sup>7</sup> These tools and initiatives align with Mayor Parker's "PHL Open for Business" Executive Order 10-2024, which aims to improve the ease of doing business in Philadelphia.<sup>8</sup>

At its core, the Nighttime Economy Initiative seeks to create a more supportive environment for businesses and workers alike. The initiative recognizes that nighttime businesses are not only a crucial part of the city's economic engine but also contribute to its cultural fabric, drawing in residents and visitors who fuel Philadelphia's tourism and hospitality sectors. Equally important is the

<sup>6</sup> "Philadelphia Streetlight Improvement Project," accessed September 20, 2024, <https://www.phillystreetlightimprovement.com/>.

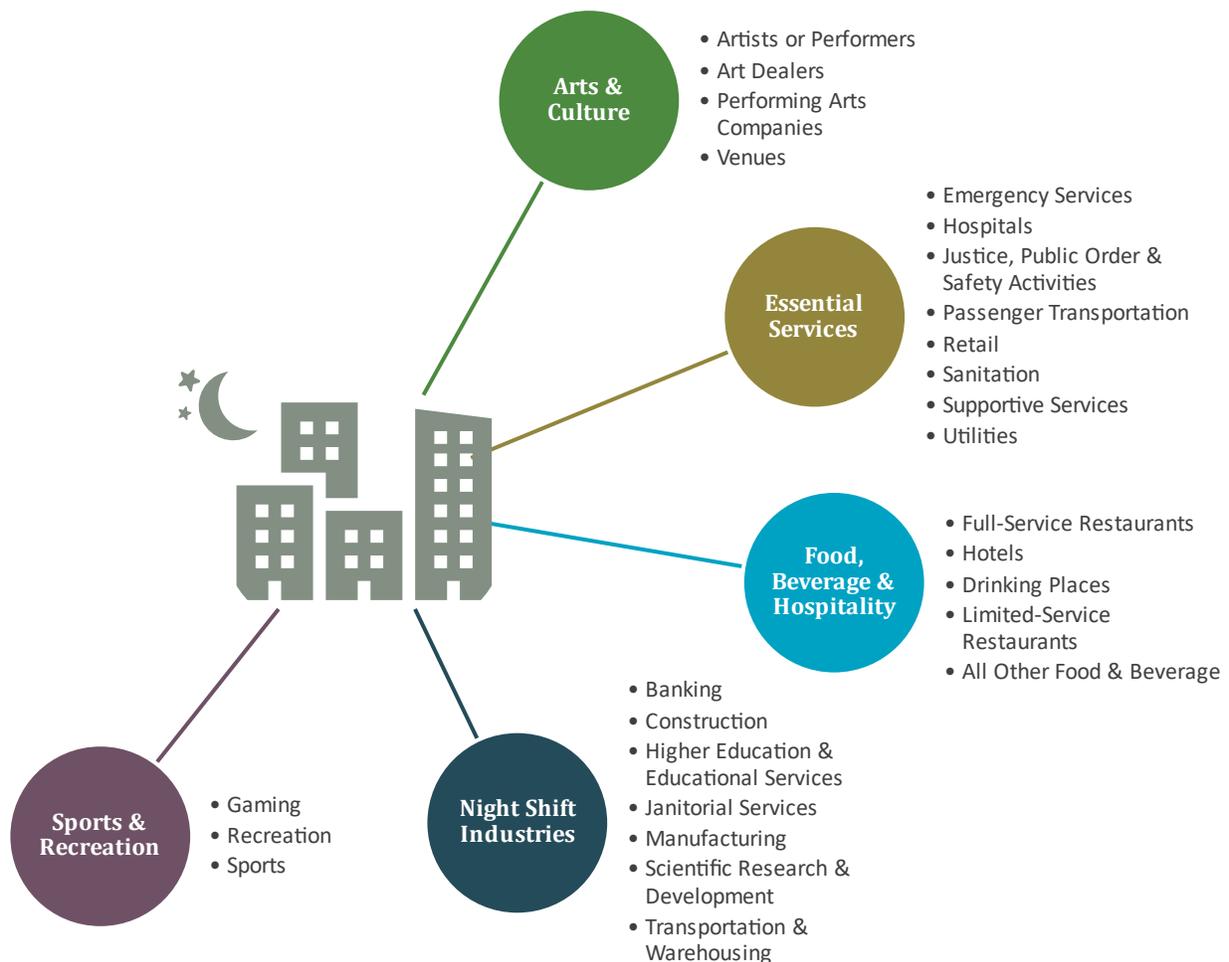
<sup>7</sup> "Philadelphia Permitting Portal," accessed September 20, 2024, <https://permits.phila.gov/>.

<sup>8</sup> "Executive Order No.24 – PHL Open for Business," accessed November 13, 2024, <https://www.phila.gov/media/20240415123732/Executive-Order-2024-10.pdf>.

hospitality, transportation, and other sectors where night shifts are integral to operations. Together, these industries keep Philadelphia functioning around the clock, creating jobs, generating revenue, and enriching the city's cultural and social fabric. These industries can be broadly grouped within the following nighttime economy sectors, which are explored extensively throughout this report: Arts and Culture; Essential Services; Food, Beverage, and Hospitality; Night Shift Industries; and Sports and Recreation.

These sectors form a complex ecosystem that is vital to Philadelphia's identity as a 24-hour city. The nighttime economy provides opportunities for employment across a wide range of skill levels and industries, supports cultural enrichment, and enhances the quality of life for residents. By analyzing and understanding the full scope of these industries, this report aims to highlight the importance of Philadelphia's nighttime economy and provide insights into how it can be further developed and supported.

Figure 1.1: Philadelphia's Nighttime Economy Ecosystem



Source: Econsult Solutions, Inc. (2025)

## Study Methodology

This report begins with a broad evaluation of the structure and role of Philadelphia's nighttime economy within the city's overall economy. It identifies relevant industries, key economic drivers, and the workforce involved, while also providing a historical analysis of the nighttime economy over the past decade. Trends in employment, wages, and revenues are examined using quantitative data from federal sources alongside qualitative insights gathered through stakeholder engagement. Provided below is a summary of key methodological components of the study, with additional data and explanation found in the appendices.

### Data Collection and Analysis

Data for this analysis is sourced from the U.S. Census Bureau, Bureau of Labor Statistics (BLS), and Placer.ai to comprehensively measure the size, patterns, and economic impact of Philadelphia's nighttime economy. U.S. Census Bureau data and BLS statistics are used to estimate the scale of the nighttime economy by analyzing business counts, employment levels, and economic outputs across key sectors such as hospitality, entertainment, healthcare, transportation, and logistics. All monetary values in this report are expressed in 2023 dollars.

Placer.ai complements this analysis by providing mobile device tracking data, which offers detailed insights into nighttime activity patterns. The granularity of Placer.ai data used in this study allows for identification of trends in nighttime activity levels in specified commercial corridors. By integrating these data sources, the report demonstrates how the nighttime economy is active across Philadelphia's neighborhoods and corridors.

### Economic Impact Assessment

The study employs the IMPLAN input-output model to estimate the economic impact of the nighttime economy, focusing on output, employment, and wages. Additionally, an industry distribution analysis highlights the contributions of specific sectors. Tax revenues generated by nighttime businesses are evaluated using ESI's proprietary fiscal impact model, presenting the overarching fiscal benefits associated with nighttime economic activity, focusing on income/wage taxes, business taxes and sales taxes.

### Promising Practices and Strategic Recommendations

The report highlights successful practices from other cities, examining how they address challenges such as public safety, regulatory frameworks, and workforce development within their nighttime economies. These examples showcase strategies to drive growth, attract talent, and enhance quality of life, offering Philadelphia actionable insights for its own 24-hour economic framework.

Based on these findings, the report provides strategic recommendations tailored to Philadelphia's unique needs. These recommendations focus on improving public safety, supporting business sustainability, simplifying regulatory processes, and enhancing the economic output of nighttime industries. Combining local data and lessons from other cities, the proposals outline concrete steps to strengthen Philadelphia's nighttime economy, ensuring its continued growth and contribution to the city's economic and cultural vitality.

## 2. Trends and Existing Conditions: Sizing Philadelphia's Nighttime Economy

Philadelphia's nighttime economy is a dynamic and crucial component of the city's overall economic landscape, contributing significantly to employment, tax revenue, and cultural vibrancy. This section provides a detailed examination of the current scale and structure of the city's nighttime industries, focusing on businesses and activities that operate between 6 p.m. and 6 a.m. Analysis is also presented regarding trends and changes in the nighttime economy and its sectors over the past five years.

### Identifying Nighttime Industries and Determining Nighttime Coefficients

To fully capture the nighttime economy in Philadelphia, this study considers a broad range of industries operating in the nighttime.<sup>9</sup>

Figure 2.1: Complete List of Industries Included in the Analysis of Philadelphia's Nighttime Economy

| <u>Arts &amp; Culture</u>                   | <u>Essential Services</u>                                | <u>Food, Beverage &amp; Hospitality</u> | <u>Night Shift Industries</u>                   | <u>Sports &amp; Recreation</u>   |
|---|--|---|---|----------------------------------|
| - Performing Arts Companies                 | - Electric Power Generation, Transmission & Distribution | - Hotels & Motels                       | - Construction                                  | - Spectator Sports               |
| - Promoters of Performing Arts, Sports      | - Urban Transit Systems                                  | - Food Service Contractors              | - General Freight Trucking                      | - Amusement Parks & Arcades      |
| - Art Dealers                               | - Other Transit & Ground Passenger Transportation        | - Caterers                              | - Specialized Freight Trucking                  | - Gambling Industries            |
| - Motion Picture Theaters                   | - Waste Collection                                       | - Mobile Food Services                  | - Investigation & Security Services             | - Fitness & Recreational Centers |
| - Independent Artists, Writers & Performers | - Community Food & Housing Other Relief Services         | - Drinking Places                       | - Technical & Trade Schools                     |                                  |
|   | - Supermarkets & Other Grocery Retailers                 | - Full-Service Restaurants              | - Other Schools & Instruction                   |                                  |
|   | - Limousine Service                                      | - Limited-Service Restaurants           | - Physical, Engineering & Life Sciences         |                                  |
|   | - Convenience Retailers                                  | - Cafeterias, Grill Buffets & Buffets   | - Professional & Management                     |                                  |
|   | - Interurban & Rural Bus Transportation                  | - Snack & Nonalcoholic Beverage Bars    | - Commercial Banking                            |                                  |
|   | - Taxi & Ridesharing                                     |   | - Janitorial Services                           |                                  |
|   | - Charter Bus Industry                                   |   | - Junior Colleges                               |                                  |
|   | - Ambulance Services                                     |   | - Colleges, Universities & Professional Schools |                                  |
|   | - General Medical & Surgical Hospitals                   |   | - Educational Support Services                  |                                  |
|   | - Psychiatric & Substance Abuse Hospitals                |   | - Manufacturing                                 |                                  |
|   | - Police Protection                                      |   | - Transportation & Warehousing                  |                                  |
|   | - Fire Protection  |   |   |                                  |

Source: U.S. Census Bureau (2021–2022), Econsult Solutions, Inc. (2025)

<sup>9</sup> For a full list of industry NAICS codes, their nighttime coefficients, and associated details, see Appendix Figure A.1.

After identifying these industries, ESI evaluated how much of each industry's economic activity occurred in the night. ESI developed a rigorous mixed methods approach for assessing the percentage of activities and their economic contributions that occur during nighttime hours, referred to throughout this report as 'nighttime coefficients.' To develop nighttime economic coefficients across various industries, ESI defined nighttime activities as those occurring between 6 p.m. and 6 a.m. The analysis used worker schedules, event times, business hours, and time series economic indicators to distinguish nighttime activities from daytime activities.<sup>10</sup>

## Size and Scale of the Nighttime Economy Ecosystem

Based on the identified sectors and the nighttime coefficient approach, ESI projects that Philadelphia's nighttime economy supports \$15.7 billion in direct economic output annually, employs more than 94,000 people, and supports approximately \$5.6 billion in wages to workers (see Figure 2.2). Those jobs represent approximately 13 percent of the city's workforce (see following section for more information about the nighttime economy in context to the city's overall economic performance).

While individual sectors contribute distinctly, they collectively provide a wide range of essential services and experiences for both residents and visitors, making the nighttime economy a critical driver of employment and economic activity. See Appendix A1 for a list of all industries included in this analysis by NAICS and their respective report sector categorization.

Figure 2.2: Current Size of the Nighttime Economy in Philadelphia by Sector, 2022

| Nighttime Economy Sector     | Establishments | Employment    | Wages (\$B)  | Direct Output (\$B) |
|------------------------------|----------------|---------------|--------------|---------------------|
| Arts & Culture               | 280            | 5,600         | \$0.2        | \$0.7               |
| Essential Services           | 1,360          | 25,900        | \$1.8        | \$5.2               |
| Food, Beverage & Hospitality | 3,920          | 25,700        | \$0.8        | \$2.2               |
| Night Shift Industries       | 5,250          | 33,600        | \$1.9        | \$6.2               |
| Sports & Recreation          | 200            | 3,600         | \$0.9        | \$1.4               |
| <b>Total</b>                 | <b>11,010</b>  | <b>94,400</b> | <b>\$5.6</b> | <b>\$15.7</b>       |

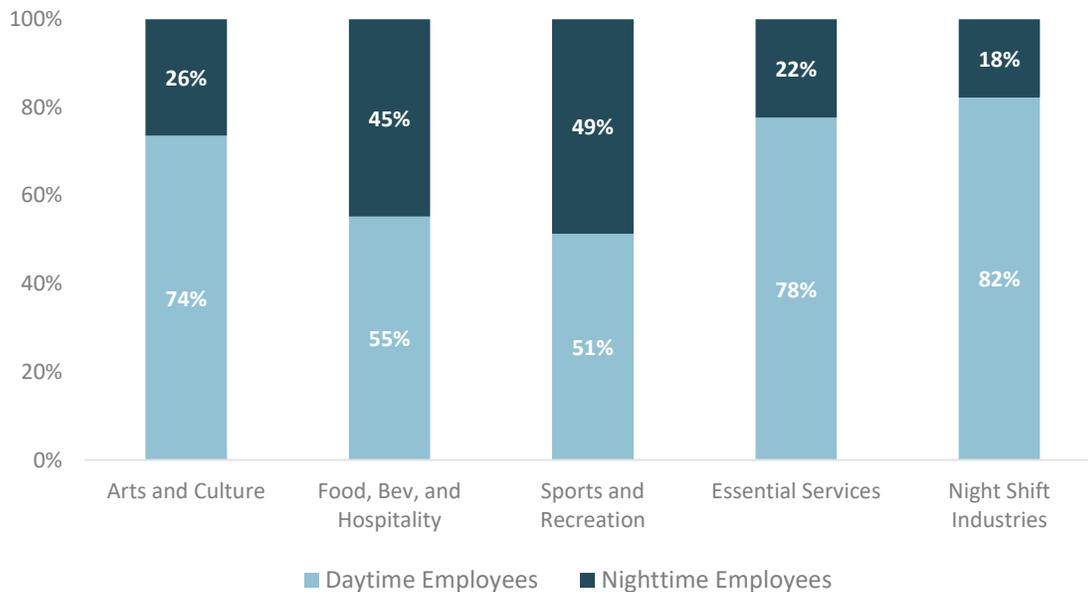
Source: U.S. Census Bureau (2021–2022), IMPLAN (2022), Econsult Solutions, Inc. (2025)

Within the nighttime economy, nearly half of the economic activity in two of its five sectors takes place between 6 p.m. and 6 a.m., with 49 percent of Sports and Recreation employees and 45 percent of Food, Beverage, and Hospitality employees. This is a promising indicator of growth of the nighttime economy's impact, given that the Sports and Recreation sector has been the fastest-growing sector over the past five years and is poised for further growth as Philadelphia prepares to host major international events in the coming years.

<sup>10</sup> The nighttime coefficient methodology was developed in collaboration with Michael Fichman, Associate Professor of Practice at the University of Pennsylvania Weitzman School of Design.

While the sector-by-sector percentage of nighttime activity is an important aspect of the characteristics of the nighttime economy, it does not tell the full story of the sectors' economic activity. **The Night Shift Industries sector, for instance, has the lowest proportion of nighttime employment in comparison to the share of daytime employment. However, the Night Shift's overall size and economic activity represents thar largest portion of wages and output within the Philadelphia nighttime economy.**

Figure 2.3: Proportion of Nighttime Workers by Sector, 2022



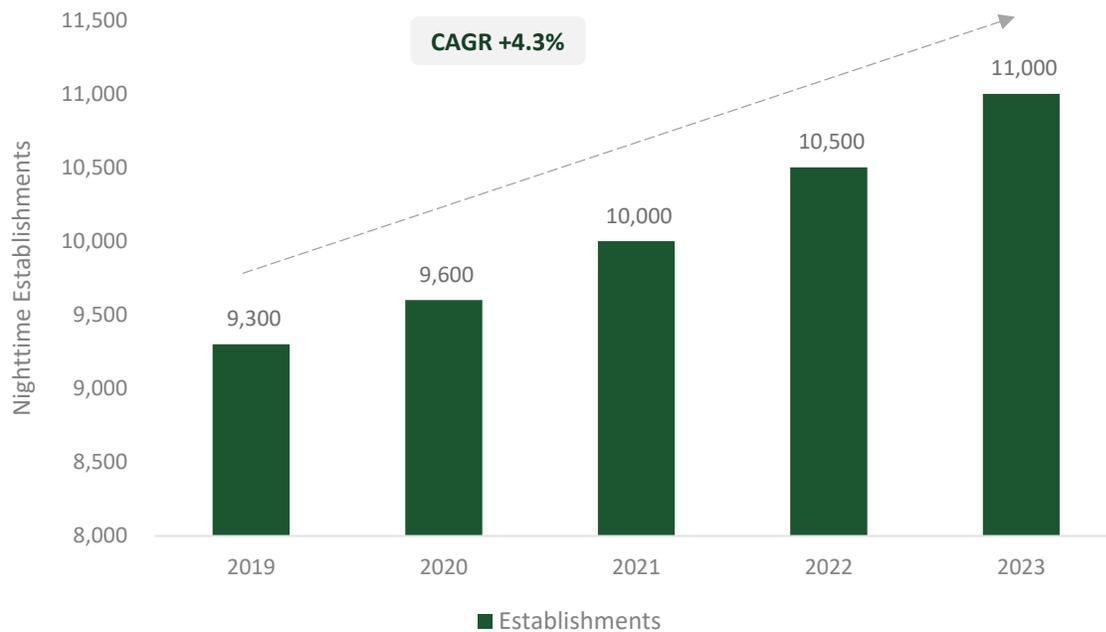
Source: US Census Bureau (2021-2022)

## Recent Trends and Activity

Over the past five years, the number of establishments in Philadelphia operating during the nighttime has experienced consistent growth (see Figure 2.4). For the number of businesses operating within nighttime industries, a compound annual growth rate (CAGR) of 4 percent is notable, especially when evaluated in the context of the overall Philadelphia economy, which has seen a slight decrease in establishments over the same period. This growth equates to around 300 new or existing businesses operating each year from 2019 to 2023, representing significant growth, even across the onset of the COVID-19 pandemic and its associated challenges.<sup>11</sup>

<sup>11</sup> See Figure 2.4. Using BLS data from 2019 to 2023, Philadelphia experienced year-over-year growth of approximately 300 or more establishments in nighttime economy sectors.

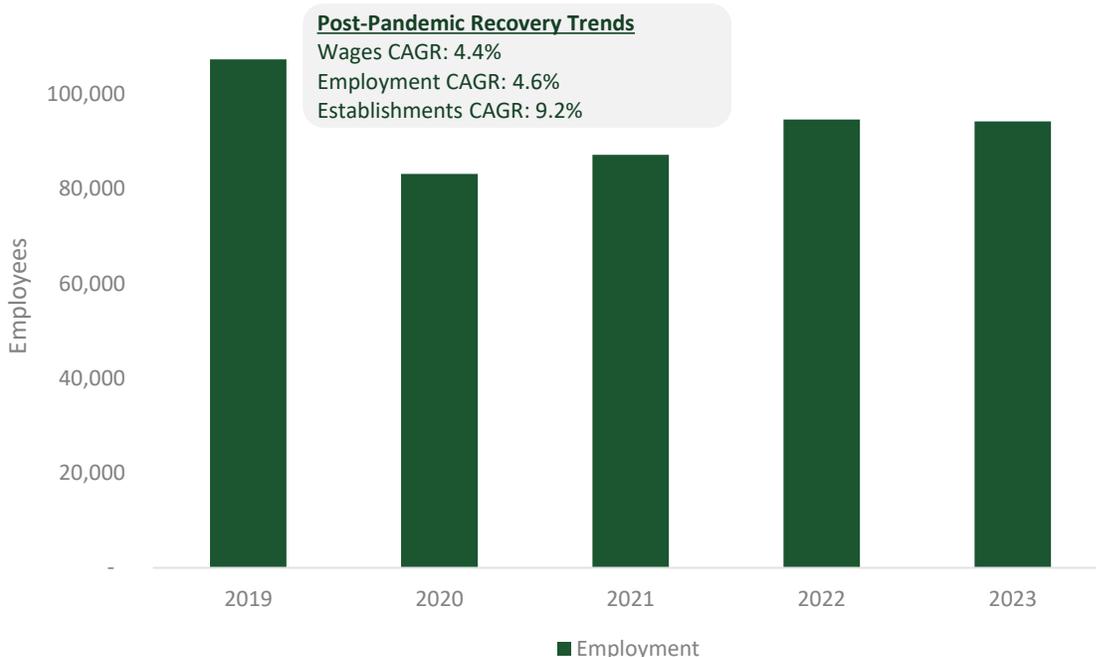
Figure 2.4: Growth of Nighttime Economy-Supporting Establishments in Philadelphia, 2019–2023



Source: Bureau of Labor Statistics (2019–2023), U.S. Census Bureau (2021–2022), Econsult Solutions, Inc. (2025)

Whereas the overall count of businesses operating within the nighttime economy has consistently increased, employment within the nighttime economy's sectors has been more dynamic, likely due in some part to differences in conditions and available relief experienced by business owners and employees during the early phase of the COVID-19 pandemic. Both nighttime employment and wages faced a significant decline between 2019 and 2020, as industries within the nighttime economy faced the same challenges as other industries – and sometimes greater – associated with social distancing and quarantining efforts that triggered widespread layoffs. The nighttime economy's rebound started in 2021, and its trajectory has been positive since.

Figure 2.5: Growth of Nighttime Employment and Wages in Philadelphia, 2019–2023



Source: Bureau of Labor Statistics (2019–2023), U.S. Census Bureau (2021–2022), Econsult Solutions, Inc. (2025)

In 2022, wages started growing faster than employment, which can be partly attributed to The Great Resignation in 2021 and 2022 and tightness in the labor market that led to significant demand for labor and competition in wages. Some sectors were impacted more than others, such as the retail trade and the leisure and hospitality sectors, which had significantly higher quit rates during that time.<sup>12</sup>

Figure 2.6: Growth by Nighttime Sector in Philadelphia, 2020–2023

| NTE Sector              | Employment |        |      | Wages (\$B) |        |      |
|-------------------------|------------|--------|------|-------------|--------|------|
|                         | 2020       | 2023   | CAGR | 2020        | 2023   | CAGR |
| Arts and Culture        | 4,000      | 5,600  | 12%  | \$0.13      | \$0.17 | 10%  |
| Essential Services      | 27,300     | 25,900 | -2%  | \$1.64      | \$1.84 | 4%   |
| Food, Bev & Hospitality | 16,600     | 25,700 | 16%  | \$0.39      | \$0.77 | 26%  |
| Night Shift Industries  | 33,100     | 33,600 | 1%   | \$1.61      | \$1.91 | 6%   |
| Sports and Recreation   | 2,100      | 3,600  | 20%  | \$0.53      | \$0.91 | 20%  |

Source: Bureau of Labor Statistics (2019–2023), U.S. Census Bureau (2021–2022)

For most sectors of the nighttime economy, employment has yet to reach 2019 levels, though there are more Sports and Recreation sector employees as of 2023 than before the pandemic. Nighttime Arts & Culture employment trails its 2019 levels most significantly, driven by a particularly low growth in independent artists, writers, and performers. Total wages within nighttime economy sectors, with their

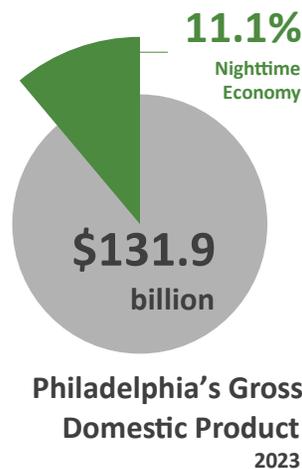
<sup>12</sup> Ryan Michaels, "What Explains the Great Resignation?" Federal Reserve Bank of Philadelphia, 2024, <https://www.philadelphiafed.org/the-economy/what-explains-the-great-resignation>.

additional macroeconomic influences, have risen to exceed 2019 levels for all sectors but Arts & Culture, which is likely a product of the lower level of overall employment.

## Philadelphia's Nighttime Industry in the Context of Philadelphia's Overall Economy

Philadelphia's nighttime economy makes a notable contribution to the city's overall economy—representing approximately 13 percent of jobs (94,300) and 11 percent of Philadelphia's overall gross domestic product (GDP).<sup>13</sup>

Figure 2.7: Philadelphia's Overall GDP and Nighttime Economy Contribution, 2023



Source: IMPLAN (2022), U.S. Bureau of Economic Analysis (2023)

Beyond the proportion of the economy that the city's nighttime economy represent, recent growth and recovery trends on comparison to the city's overall economy are relevant.

Wages within the nighttime economy demonstrate a notable trend, growing at a robust CAGR of 9.2 percent since 2020, outpacing the 1.3 percent growth seen across the broader city economy. This substantial wage increase underscores the economic value generated by nighttime operations and implies a potential bright spot to leverage in the coming years.

<sup>13</sup> Philadelphia's nighttime economy represents approximately \$14.6 billion in value add to the Philadelphia economy. In economic impact terms, GDP is considered a comparison to Value Added, as GDP is defined as the total market value of all final goods and services produced within a region. <https://blog.implan.com/understanding-implan-measures-of-gdp>

Figure 2.8: Nighttime and City-Wide Economies' Comparison, 2020-2023

|                | Overall       |       | Nighttime Economy |      |
|----------------|---------------|-------|-------------------|------|
|                | Key Indicator | CAGR  | Key Indicator     | CAGR |
| Establishments | 102,300       | -0.6% | 11,000            | 4.6% |
| Employees      | 711,400       | 3.1%  | 94,300            | 4.3% |
| Wages (\$B)    | \$148.9       | 1.3%  | \$5.6             | 9.2% |

Source: Bureau of Labor Statistics (2019 – 2023), Econsult Solutions, Inc. (2025)

Taken together, these trends highlight the potential of Philadelphia's nighttime economy for growth and resilience. While the broader city economy has faced stagnating business counts and modest wage gains, the nighttime economy has demonstrated a sustained expansion in establishments and wages, positioning it as a strategic avenue for economic growth, resilience, and increased contributions to Philadelphia's economy.

## 3. Measuring the Economic Impact of Philadelphia's Nighttime Economy

The sectors that make up Philadelphia's nighttime economy generate significant economic output, support substantial employment, and contribute to robust wage growth, both in the city and across Pennsylvania. The Philadelphia nighttime sectors' \$15.7 billion in direct economic activity generates approximately \$26.1 billion in total annual output within the City. When considering the economic activity that spills over into the rest of Pennsylvania, that impact rises to \$30.4 billion annually across the commonwealth. This output is spread across several key industry subsectors that contribute to the vibrancy and sustainability of the nighttime economy.

### The Economic Footprint of Nighttime Industry Employment & Wages

The total economic output from Philadelphia's nighttime economy consists of direct, indirect, and induced impacts, all of which play a critical role in the broader economic landscape.

- **Direct impacts** are the immediate contributions from nighttime businesses—such as restaurants, entertainment venues, healthcare services, and logistics companies—which generate revenue, create jobs, and provide wages within these industries. This activity not only supports workers directly but also contributes directly to Philadelphia's overall economic health.
- **Indirect impacts** occur through supply chain interactions, as businesses operating at night require goods and services from various suppliers, such as food vendors, equipment providers, and transportation services. These interactions create additional economic activity and jobs outside the core nighttime industries.
- **Induced impacts** come from the spending power of employees working in nighttime industries, who use their wages on housing, groceries, entertainment, and other necessities. This increased consumer spending further stimulates local economic growth, generating demand across a wide range of sectors and supporting additional businesses throughout the city and state.

The majority of the economic impacts generated by Philadelphia's nighttime economy occur within the city itself; however, there are notable “spillover” effects that extend beyond city boundaries, benefiting businesses, workers, and suppliers across Pennsylvania. As illustrated in Figure 3.1, the total economic impact consists of **direct impacts**—spending that occurs at nighttime businesses in Philadelphia—and **spillover impacts**, which include both *indirect impacts* and *induced impacts*. Indirect impacts arise from purchases of goods and services by nighttime businesses, which often come from suppliers across the state. Induced impacts result from employees in nighttime industries spending their wages on goods and services, further supporting economic activity and jobs statewide. Together, these impacts demonstrate how Philadelphia's nighttime economy generates substantial value locally while also contributing to Pennsylvania's broader economy. See Appendix Figure A.8 Economic Impact Methodology for additional details on the economic impact model used for this analysis.

Figure 3.1: Components of the Nighttime Economy’s Economic Impact



Source: Econsult Solutions, Inc. (2025)

## Total Economic Impact of Philadelphia’s Nighttime Economy

As shown in Figure 3.2, the \$15.7 billion in direct economic activity from nighttime industry employment and operations results in a total annual output of \$26.1 billion for Philadelphia. This economic activity supports nearly 132,000 jobs and contributes \$9 billion in employee compensation.

Statewide, Philadelphia’s nighttime economy produces more than \$30 billion in total output, supporting 151,000 jobs, and generating over \$10 billion in wages and compensation. These figures highlight how Philadelphia’s nighttime industries not only play a critical role in driving the city’s economy but also make a meaningful contribution to the economic well-being of the entire Commonwealth.

Figure 3.2: Annual Economic Impact of Nighttime Industries, Overall, 2022

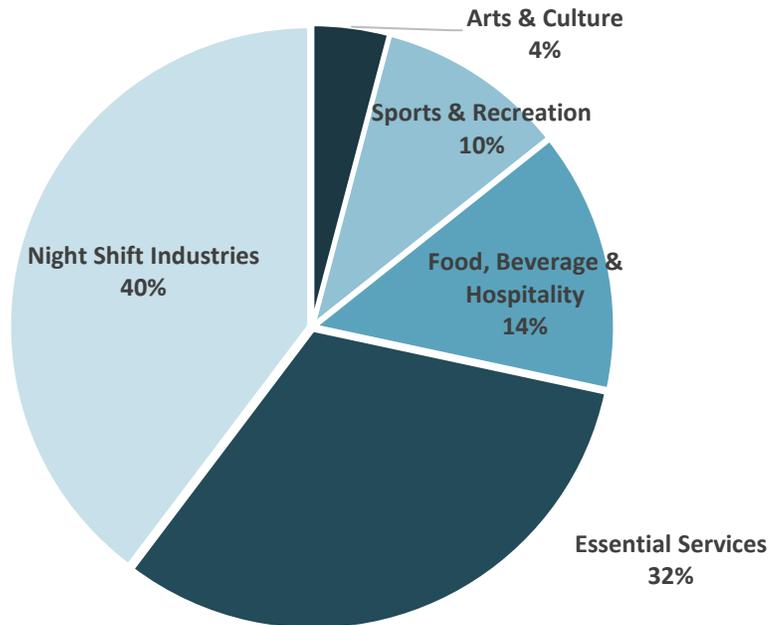
| Overall                         | Philadelphia  | Pennsylvania  |
|---------------------------------|---------------|---------------|
| Direct Output (\$B)             | \$15.7        | \$15.7        |
| Indirect & Induced Output (\$B) | \$10.4        | \$14.8        |
| <b>Total Output (\$B)</b>       | <b>\$26.1</b> | <b>\$30.4</b> |
| Total Employment (FTE)          | 132,000       | 150,800       |
| Employee Compensation (\$B)     | \$9.0         | \$10.2        |

Source: U.S. Census Bureau (2021–2022), IMPLAN (2022), Econsult Solutions, Inc. (2025)

The distribution of economic impacts across Philadelphia’s nighttime economy sectors closely reflects the proportion each sector’s size, as shown in the figure below.<sup>14</sup>

<sup>14</sup> See Appendix Figure A.1 for a list of all industries included in this analysis.

Figure 3.3: Sector Share of Annual Total Economic Output in Philadelphia from the Nighttime Economy, 2022<sup>15</sup>



Source: U.S. Census Bureau (2021–2022), IMPLAN (2022), Econsult Solutions, Inc. (2025)

## Nighttime Sector Economic Impacts: Arts and Culture

The Arts and Culture industries are at the heart of Philadelphia's nighttime economy, contributing not only to leisure and entertainment but also to the city's identity as a creative hub. This sector includes a wide range of businesses and activities, such as art galleries, performing arts companies, live music venues, and event spaces, all of which attract residents and visitors alike. These institutions drive foot traffic to other sectors of the economy, such as hospitality, dining, and retail, making them essential to the broader economic ecosystem that operates after dark. The role of this sector extends beyond providing entertainment—it enhances the city's cultural appeal, fostering community engagement and enriching the urban experience well into the night.

Through its combination of direct, indirect, and induced effects, the Arts and Culture sector makes up a smaller, but nonetheless, critical driver of both economic and cultural vitality in Philadelphia, playing a key role in supporting the broader economy. *Note that the impacts articulated here and the following sections present the nighttime portions of these sectors and not the entire economic activity of the sector.*

- **Philadelphia:** Approximately \$1.1 billion in total annual economic output, supporting around 6,300 direct, indirect, and induced jobs accounting for \$280 million in employee compensation.

<sup>15</sup> The distribution of economic impact across key sectors is similar within Pennsylvania ( $\pm 1$  percentage point).

- Pennsylvania:** Close to \$1.2 billion in total annual output, supporting around 6,800 direct, indirect, and induced jobs and over \$310 million in employee compensation.

Figure 3.4: Annual Economic Impact of Nighttime Industries, Arts & Culture Sector, 2022

| Arts and Culture                | Philadelphia | Pennsylvania |
|---------------------------------|--------------|--------------|
| Direct Output (\$B)             | \$0.71       | \$0.71       |
| Indirect & Induced Output (\$B) | \$0.37       | \$0.47       |
| <b>Total Output (\$B)</b>       | <b>\$1.1</b> | <b>\$1.2</b> |
| Total Employment (FTE)          | 6,300        | 6,800        |
| Employee Compensation (\$B)     | \$0.28       | \$0.31       |

Source: U.S. Census Bureau (2021–2022), IMPLAN (2022), Econsult Solutions, Inc. (2025)

## Nighttime Sector Economic Impacts: Essential Services

The Essential Services sector forms a critical part of Philadelphia's nighttime economy, comprising industries that operate during overnight hours to maintain the city's core functions. From first responders and hospital staff providing critical care, to sanitation workers maintaining public cleanliness, these services are fundamental to the continuous operation of the city. Public transportation and utilities, such as power and water, keep the city moving and ensure that businesses, residents, and visitors have the resources they need during nighttime hours. Without these services, the city's nighttime economy would be unable to operate effectively, as they underpin the infrastructure that supports other industries.

As detailed in Figure 3.5, the Essential Services sector produces significant economic activity across both Philadelphia and Pennsylvania.

- Philadelphia:** Approximately \$8.3 billion in total annual economic output, supporting around 37,600 direct, indirect, and induced jobs accounting for \$2.9 billion in employee compensation.
- Pennsylvania:** About \$9.8 billion in total annual output, supporting around 43,800 direct, indirect, and induced jobs and contributing \$3.2 billion in employee compensation.

Figure 3.5: Annual Economic Impact of Nighttime Industries, Essential Services Sector, 2022

| Essential Services              | Philadelphia | Pennsylvania |
|---------------------------------|--------------|--------------|
| Direct Output (\$B)             | \$5.2        | \$5.2        |
| Indirect & Induced Output (\$B) | \$3.2        | \$4.6        |
| <b>Total Output (\$B)</b>       | <b>\$8.3</b> | <b>\$9.8</b> |
| Total Employment (FTE)          | 37,600       | 43,800       |
| Employee Compensation (\$B)     | \$2.9        | \$3.2        |

Source: U.S. Census Bureau (2021–2022), IMPLAN (2022), Econsult Solutions, Inc. (2025)

## Nighttime Sector Economic Impacts: Food, Beverage, and Hospitality

The Food, Beverage, and Hospitality sector plays a central role in Philadelphia's nighttime economy, contributing to the city's economic activity well after traditional business hours. Restaurants, bars,

hotels, and other food service establishments cater to both local residents and tourists, offering dining, entertainment, and accommodations throughout the evening and into the night. These businesses serve as key attractions in Philadelphia's nightlife districts, drawing people into the city center and its surrounding neighborhoods. The diverse range of food and beverage options, from full-service restaurants to bars and late-night eateries, drives significant foot traffic, making these establishments integral to the broader nighttime economy.

Through its combination of direct, indirect, and induced effects, the Food, Beverage, and Hospitality sector is integral to the broader nighttime economy and represents a large portion of the city's nightlife sector, with notable economic impacts throughout the city and state.

- **Philadelphia:** Approximately \$2.2 billion in total annual economic output, supporting about 26,300 direct, indirect, and induced jobs accounting for \$1.2 billion in employee compensation.
- **Pennsylvania:** About \$4.2 billion in total annual output, supporting around 28,700 direct, indirect, and induced jobs and \$1.4 billion in employee compensation.

Figure 3.6: Annual Economic Impact of Nighttime Industries, Food, Beverage & Hospitality Sector, 2022

| <b>Food, Beverage &amp; Hospitality</b> | <b>Philadelphia</b> | <b>Pennsylvania</b> |
|---|---------------------|---------------------|
| Direct Output (\$B)                     | \$2.2               | \$2.2               |
| Indirect & Induced Output (\$B)         | \$1.4               | \$2.0               |
| <b>Total Output (\$B)</b>               | <b>\$3.7</b>        | <b>\$4.2</b>        |
| Total Employment (FTE)                  | 26,300              | 28,700              |
| Employee Compensation (\$B)             | \$1.2               | \$1.4               |

Source: U.S. Census Bureau (2021–2022), IMPLAN (2022), Econsult Solutions, Inc. (2025)

## Nighttime Sector Economic Impacts: Night Shift Industries

Less visible but highly impactful, Night Shift Industries operate behind the scenes to keep the engine of Philadelphia's economy running all day. These sectors, including manufacturing, logistics, banking, construction, and janitorial services, play a crucial role in ensuring that daytime operations across the city remain efficient. Night shifts allow industries like transportation and warehousing to maintain supply chains, delivering goods and services throughout Philadelphia and beyond. Additionally, institutions such as higher education and scientific research centers often require night shifts to keep research and operational activities ongoing. Together, these industries provide essential services that support the continuous flow of business, commerce, and critical infrastructure in Philadelphia.

As a subset of some of the core industries sustaining Philadelphia's overarching economic base, night shift industries support a large workforce who drive Philadelphia's economy during the night.

- **Philadelphia:** Approximately \$10.4 billion in total annual economic output, supporting close to 52,300 direct, indirect, and induced jobs accounting for \$3.2 billion in employee compensation.
- **Pennsylvania:** Over \$12 billion in total annual output, supporting around 59,700 direct, indirect, and induced jobs and \$3.7 billion in employee compensation.

Figure 3.7: Annual Economic Impact of Nighttime Industries, Night Shift Sector, 2022

| Night Shift Industries          | Philadelphia  | Pennsylvania  |
|---------------------------------|---------------|---------------|
| Direct Output (\$B)             | \$6.2         | \$6.2         |
| Indirect & Induced Output (\$B) | \$4.2         | \$6.0         |
| <b>Total Output (\$B)</b>       | <b>\$10.4</b> | <b>\$12.2</b> |
| Total Employment (FTE)          | 52,300        | 59,700        |
| Employee Compensation (\$B)     | \$3.2         | \$3.7         |

Source: U.S. Census Bureau (2021–2022), IMPLAN (2022), Econsult Solutions, Inc. (2025)

## Nighttime Sector Economic Impacts: Sports and Recreation

The Sports and Recreation sector plays a growing role in Philadelphia’s nighttime economy, as noted in the trends section of this report, and provides a wide range of entertainment and leisure activities that attract both locals and visitors. Sporting events, in particular, bring in large crowds, creating a ripple effect across various industries. The influx of attendees at games, performances, and events boosts demand for nearby dining, lodging, transportation, and retail services, amplifying the overall economic impact of this sector. Venues for recreation, including gyms, fitness centers, and casinos, also contribute to this steady flow of nighttime economic activity, serving as regular destinations for residents and tourists alike.

The economic impact of the Sports and Recreation sector of the nighttime economy are presented below.

- **Philadelphia:** Approximately \$2.7 billion in total annual economic output, supporting close to 9,600 direct, indirect, and induced jobs accounting for \$1.4 billion in employee compensation.
- **Pennsylvania:** Over \$3.1 billion in total annual output, supporting around 11,800 direct, indirect, and induced jobs and \$1.5 billion in employee compensation.

Figure 3.8: Annual Economic Impact of Nighttime Industries, Sports & Recreation Sector, 2022

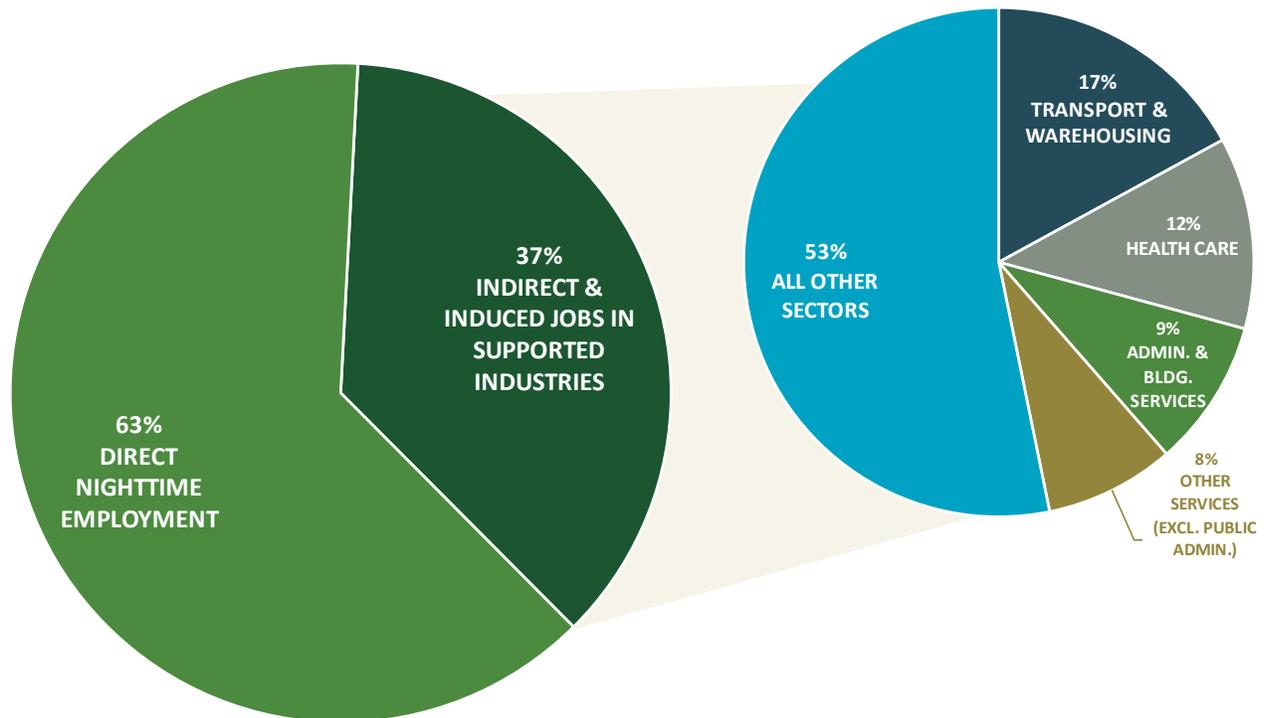
| Sports & Recreation             | Philadelphia | Pennsylvania |
|---------------------------------|--------------|--------------|
| Direct Output (\$B)             | \$1.4        | \$1.4        |
| Indirect & Induced Output (\$B) | \$1.3        | \$1.7        |
| <b>Total Output (\$B)</b>       | <b>\$2.7</b> | <b>\$3.1</b> |
| Total Employment (FTE)          | 9,600        | 11,800       |
| Employee Compensation (\$B)     | \$1.4        | \$1.5        |

Source: U.S. Census Bureau (2021–2022), IMPLAN (2022), Econsult Solutions, Inc. (2025)

## Industry Distribution Analysis

Philadelphia’s nighttime economy supports a wide range of industries, generating employment across various sectors, distributed between direct, indirect, and induced impacts. Direct nighttime employment accounts for 63 percent of total employment supported (83,530), while the remaining 37 percent represents indirect and induced jobs in supporting industries (48,460). Figure 3.9 details the distribution of total employment impacts.

Figure 3.9: Industry Distribution of Citywide Employment Impacts from Philadelphia's Nighttime Economy



Source: U.S. Census Bureau (2021–2022), IMPLAN (2022), Econsult Solutions, Inc. (2025)

## Tax Revenues Generated by the Nighttime Economy

This section examines the various streams of tax revenue that arise at both a city and state level from industries operating between 6 p.m. and 6 a.m., including sales taxes, property taxes, and income taxes.<sup>16</sup> The taxes generated by the nighttime economy are not limited to the businesses themselves, as the indirect and induced economic activity generated through employee wages, consumer spending, and the supply chain activities also generate tax revenues. Understanding the tax impact of the nighttime economy provides a clearer picture of its broader economic impact, as these fund vital city services, infrastructure improvements, public safety, and other government initiatives.

## Fiscal Impacts Across Nighttime Industries

The annual fiscal contributions of Philadelphia's nighttime economy generate revenues for both the City of Philadelphia and the Commonwealth of Pennsylvania and reflect a combination of direct spending by nighttime sectors during nighttime hours (6 p.m. to 6 a.m.) and the indirect and induced activity it instigates in the broader economy (not limited to the night). The nighttime economy generates annually approximately \$358.8 million in total tax revenues for the City of Philadelphia, with the largest portion

<sup>16</sup> Note: Additional tax categories, such as Philadelphia's Amusement Tax—set at 5 percent of admission charges for ticketed events like movies and concerts as of December 2024—are not reflected in the above totals. While these excluded categories are smaller in scale, they further underscore the diverse fiscal contributions of the city's nighttime economy.

coming from income taxes totaling \$247.2 million (see Figure 3.10). This is followed by business taxes at an estimated \$71.6 million and sales taxes at an estimated \$40 million.

For the Commonwealth, the economic activity driven by Philadelphia's nighttime industries contributes annually approximately \$570.2 million in total tax revenue. This consists of \$255.2 million in sales taxes, \$214.4 million in income taxes, and \$100.6 million in business taxes. These tax revenues highlight the significant role that the nighttime economy plays not only in supporting Philadelphia but also in contributing to the broader fiscal health of Pennsylvania. The diverse range of sectors, from Essential Services and Night Shift Industries to Arts and Culture and Sports and Recreation, all feed into these substantial fiscal impacts.<sup>17</sup>

Figure 3.10: Annual Fiscal Impact of Nighttime Industries, Overall, 2022

| <b>Overall</b>                | <b>City of Philadelphia</b> | <b>Commonwealth of Pennsylvania</b> |
|-------------------------------|-----------------------------|-------------------------------------|
| Income/Wage (\$M)             | \$247.2                     | \$214.4                             |
| Sales (\$M)                   | \$40.0                      | \$255.2                             |
| Business (\$M)                | \$71.6                      | \$100.6                             |
| <b>Total Tax Impact (\$M)</b> | <b>\$358.8</b>              | <b>\$570.2</b>                      |

Source: IMPLAN (2022), Commonwealth of Pennsylvania Office of Budget (2023), City of Philadelphia Budget Office (2023), ESI (2025)

## Potential Incremental Fiscal Impact from Extending Operating Hours

Extending nightlife operating hours beyond the current 2 a.m. closing time presents both opportunities and challenges for Philadelphia. Studies are mixed on the potential broader impacts of extended bar and nightlife activities.<sup>18</sup> On the one hand, extended hours can enhance the city's appeal by giving patrons more time to enjoy nightlife amenities, attracting out-of-town visitors, conferences, and nightshift workers. On the other hand, research indicates potential risks to public health and safety if extended hours are not paired with robust collaboration among public safety, transportation, and public health stakeholders.<sup>19</sup>

One potential benefit of extended operating hours is the opportunity to increase economic activity and generate additional tax revenue. To assess this, ESI developed a model to estimate the potential impact of extended hours on Philadelphia's by-the-drink Liquor Tax revenue, which supports the School District of Philadelphia, and Wage Tax.

<sup>17</sup> Additional taxes not included in this analysis, such as the city's Amusement Tax imposed on admission charge for venues and events, may be relevant additional sources of revenue for the City associated with Philadelphia's nighttime economy sectors.

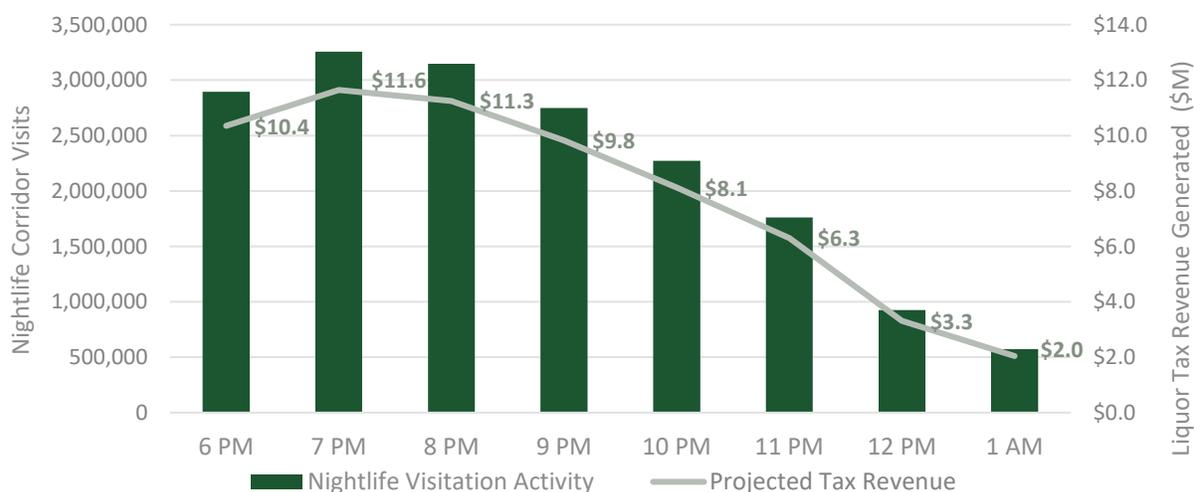
<sup>18</sup> Minnesota Department of Revenue, "State Tax Impacts of Allowing the Sale of Alcoholic Beverages until 2 a.m.," 2005, [https://www.revenue.state.mn.us/sites/default/files/2011-11/research\\_reports\\_content\\_bar\\_study\\_05.pdf](https://www.revenue.state.mn.us/sites/default/files/2011-11/research_reports_content_bar_study_05.pdf).

<sup>19</sup> Robert A. Hahn et al., "Effectiveness of policies restricting hours of alcohol sales in preventing excessive alcohol consumption and related harms," *American Journal of Preventive Medicine*, vol. 39,6 (2010), <https://pmc.ncbi.nlm.nih.gov/articles/PMC3712516/>.

### Projected Fiscal Impact on Liquor Tax Revenue

Based on FY 2024 data, Liquor Tax revenue generates approximately \$90 million annually, with an estimated 70 percent derived from nighttime activity.<sup>20</sup> Using visitation patterns from major nightlife corridors, ESI estimated the distribution of liquor revenues by hour of operation (see Figure 3.11).<sup>21</sup>

Figure 3.11: Hourly Distribution of Nightlife Activity and Liquor Tax Revenue in Key Corridors, 2023



Source: Placer.ai (2024), School District of Philadelphia (2024), Econsult Solutions, Inc. (2025)

Liquor Tax revenue from the 1 a.m. to 2 a.m. hour is approximately \$2 million annually.<sup>22</sup> To estimate revenue beyond 2 a.m., ESI applied a conservative model assuming a similar rate of decline in visitation seen between midnight and 1 a.m. The projections shown in Figure 3.12 suggest that extending operating hours by one or two hours could generate between \$1.5 million and \$2 million in additional annual Liquor Tax revenue. While this estimate does not account for potential increases in other revenue sources, such as wages, sales, or business taxes, or broader visitation growth from tourism or events, it provides a baseline for understanding the fiscal potential of extended hours.

<sup>20</sup> The School District of Philadelphia, "School District Revenue Collections, May 2024 Report," <https://www.phila.gov/media/20241008113457/School-District-revenue-collections-May-2024-report.pdf>.

<sup>21</sup> The sample of key nightlife corridors identified are Fishtown-Kensington Area Business, South Street, East Passyunk, Old City, and 2nd Street, based on visitation data from Placer.ai. This sample does not represent all nightlife visitors across the city, though can be used proportionally to estimate the hour-by-hour changes in foot traffic across the city that generates the total Liquor Tax revenues.

<sup>22</sup> The School District of Philadelphia, "School District Revenue Collections, May 2024 Report."

Figure 3.12: Projected Incremental Liquor Tax Revenue from Extended Operating Hours, 2023

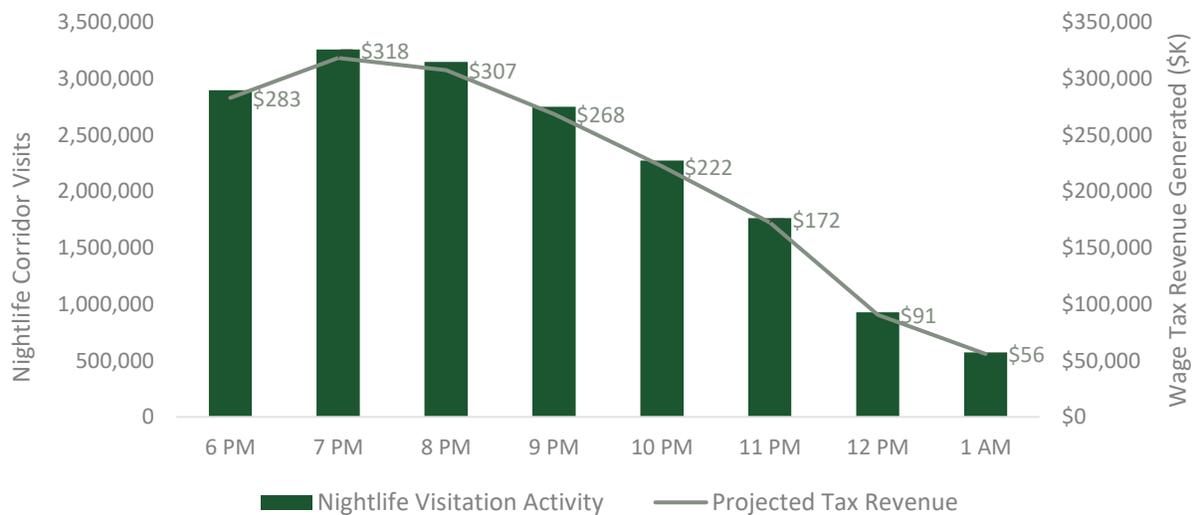
| Hour of Operation                                     | Est. Distribution of Liquor Tax Revenues (\$M) | Hourly Change in Visitation |
|---|--|-----------------------------|
| 6:00 PM   | \$10.35  | —                           |
| 7:00 PM   | \$11.64  | 12.5%                       |
| 8:00 PM   | \$11.25  | -3.4%                       |
| 9:00 PM   | \$9.83   | -12.7%                      |
| 10:00 PM  | \$8.13   | -17.3%                      |
| 11:00 PM  | \$6.30   | -22.5%                      |
| 12:00 PM  | \$3.31   | -47.4%                      |
| 1:00 AM   | \$2.04   | -38.4%                      |
| <b>Projected Incremental Liquor Tax Revenue (\$M)</b> |  |                             |
|   | <b>(Low)</b>                                   | <b>(High)</b>               |
| 2:00 AM   | \$1.02   | \$1.26                      |
| 3:00 AM   | \$0.51   | \$0.78                      |
| <b>Total Add'l Revenue (\$M)</b>                      | <b>\$1.53</b>                                  | <b>\$2.04</b>               |

Source: Placer.ai (2024), School District of Philadelphia (2024), Econsult Solutions, Inc. (2025)

### Projected Fiscal Impact on Wage Tax Revenue

Extending nightlife operating hours beyond 2 a.m. has the potential to additionally generate wage tax revenues for Philadelphia, particularly from employees in bars and nightclubs.<sup>23</sup> Based on 2023 data, Wage Tax revenue generated by the nighttime activity of this industry is approximately \$1.7 million annually and can similarly be distributed by hour of operation using visitation patterns from major nightlife corridors.

Figure 3.13: Hourly Distribution of Nightlife Activity and Wage Tax Revenue of Drinking Establishments in Key Corridors, 2023



Source: Placer.ai (2024), City of Philadelphia (2023), Econsult Solutions, Inc. (2025)

Using the same model as the Liquor Tax analysis, projections indicate that extending operating hours by one additional hour could generate between \$28,000 and \$34,000 annually in wage tax revenue during the 2 a.m. to 3 a.m. hour (Figure 3.14). Adding a second hour, from 3 a.m. to 4 a.m., could generate an additional \$14,000 to \$21,000 annually. Cumulatively, extending operating hours by two hours could result in additional wage tax revenues ranging from \$42,000 to \$56,000 annually.

Figure 3.14: Projected Incremental Wage Tax Revenue from Extended Operating Hours, 2023

| Hour of Operation                                   | Est. Distribution of Wage Tax Revenues (\$K) | Hourly Change in Visitation |
|---|--|-----------------------------|
| 6:00 PM   | \$282.8                                      | –                           |
| 7:00 PM   | \$318.2                                      | 12.5%                       |
| 8:00 PM   | \$307.4                                      | -3.4%                       |
| 9:00 PM   | \$268.5                                      | -12.7%                      |
| 10:00 PM  | \$222.1                                      | -17.3%                      |
| 11:00 PM  | \$172.1                                      | -22.5%                      |
| 12:00 PM  | \$90.5                                       | -47.4%                      |
| 1:00 AM   | \$55.8                                       | -38.4%                      |
| <b>Projected Incremental Wage Tax Revenue (\$K)</b> |  |                             |
|   | <b>(Low)</b>                                 | <b>(High)</b>               |
| 2:00 AM   | \$27.9                                       | \$34.4                      |
| 3:00 AM   | \$14.0                                       | \$21.2                      |
| <b>Total Add'l Revenue (\$K)</b>                    | <b>\$41.9</b>                                | <b>\$55.6</b>               |

Source: Placer.ai (2024), City of Philadelphia (2023), Econsult Solutions, Inc. (2025)

As with Liquor Tax projections, these estimates do not account for potential increases in broader economic activity, such as additional job creation or spending driven by higher nighttime visitation, but rather provide a baseline for understanding the potential wage tax contributions from such policy changes.

Not accounted for in these analyses are the potential costs associated with extended hours, such as increased public safety, health and wellness services, policing, or transportation needs. Additionally, since Liquor Tax revenues are earmarked for the School District of Philadelphia, they do not directly fund the City's General Fund, leaving city departments without additional resources to address the risks or engagement efforts tied to this policy change.

To address this funding gap, the introduction of an extended-hours liquor license fee could provide a mechanism to support both risk mitigation and the expansion of nighttime governance. Such a fee could allow for a pilot program to test extended hours while ensuring that additional revenue is directed toward managing the implications of extended operations. Further details on this approach are provided in the recommendations section of this report.

<sup>23</sup>This analysis utilizes employee data from "Drinking Establishments" industry defined by NAICS.

## 4. The 'When and Where' of Philadelphia Nighttime Economy

The city's activity at night is not a monolith, but rather varies across time and location. The following section utilizes mobile data in order to identify and analyze temporal and geographical trends within Philadelphia.

In order to understand localized impacts across Philadelphia, ESI collaborated with Center City District (CCD) to collect and examine mobile data via the Placer.ai platform. The parameters for data collected included the following:

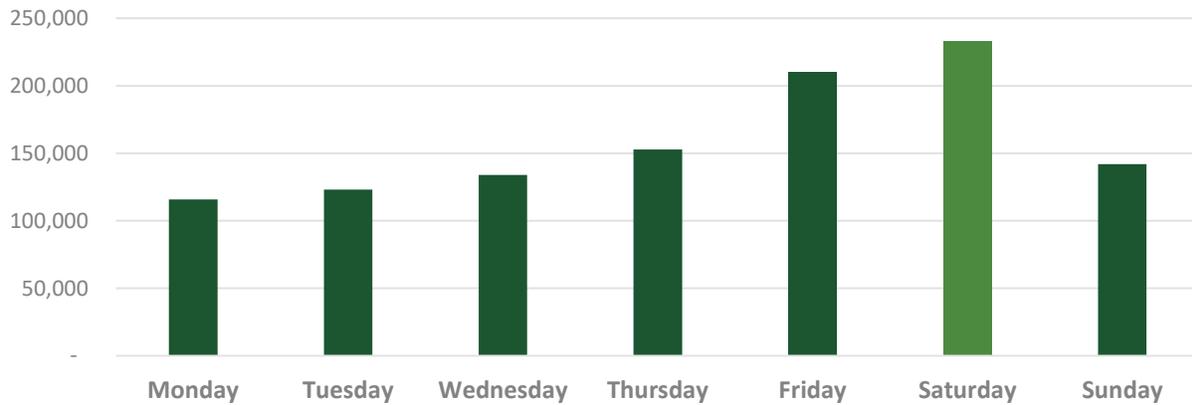
- A twelve-month period from May 1, 2023, to April 30, 2024;
- Visitors (not employees or residents), as determined by the unique location patterns of each data point;
- Visits recorded from 6:00 p.m. to 11:59 p.m. or from 12:00 a.m. to 6:00 a.m.; and
- Visit durations of 30 minutes or longer.

In collaboration with the Department of Commerce, ESI identified 26 commercial corridors across Philadelphia to examine their visitation patterns and concentrations of activity (see Appendix Figure A.14 for full list). These corridors have a diversity of characteristics, including those focused on nightlife (e.g., bars, restaurants, culture and amusements), shopping districts, and those focused on personal goods and services.

### Temporal Trends Across Philadelphia

In observed commercial corridors, nighttime activity is noticeably higher leading up to and during weekend nights. The number of nighttime visitors on Saturday nights is double that of Monday nights, and Friday and Saturday nights account for nearly 40 percent of average weekly visitors.

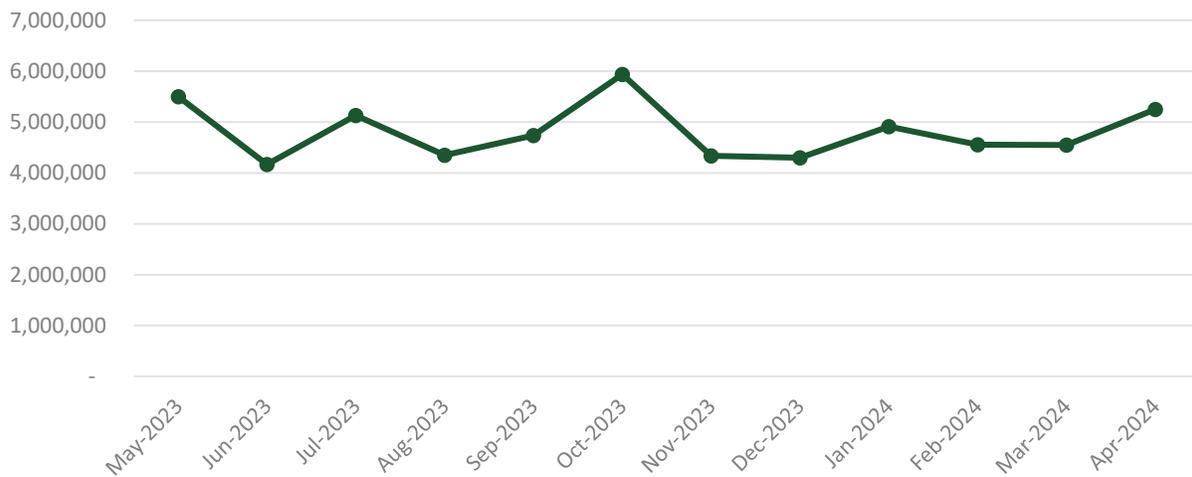
Figure 4.1: Average Daily Nighttime Visit Across Selected Corridors in Philadelphia by Day of the Week, May 2023 – April 2024



Source: Placer.ai (2024), Econsult Solutions, Inc. (2025)

The number of visitors within the identified corridors varies month-to-month. From May 2023 to April 2024, October had the highest activity with nearly 6 million nighttime visitors, which may be attributable to cooler temperatures following the summer heat, high volume of cultural and seasonal events with nighttime-focused celebrations, and a concentration of sporting events with the NFL season and MLB playoffs. Following October, visitation from November to April is fairly stable, with a bump in January and then an upward trend as spring and warm weather approach.

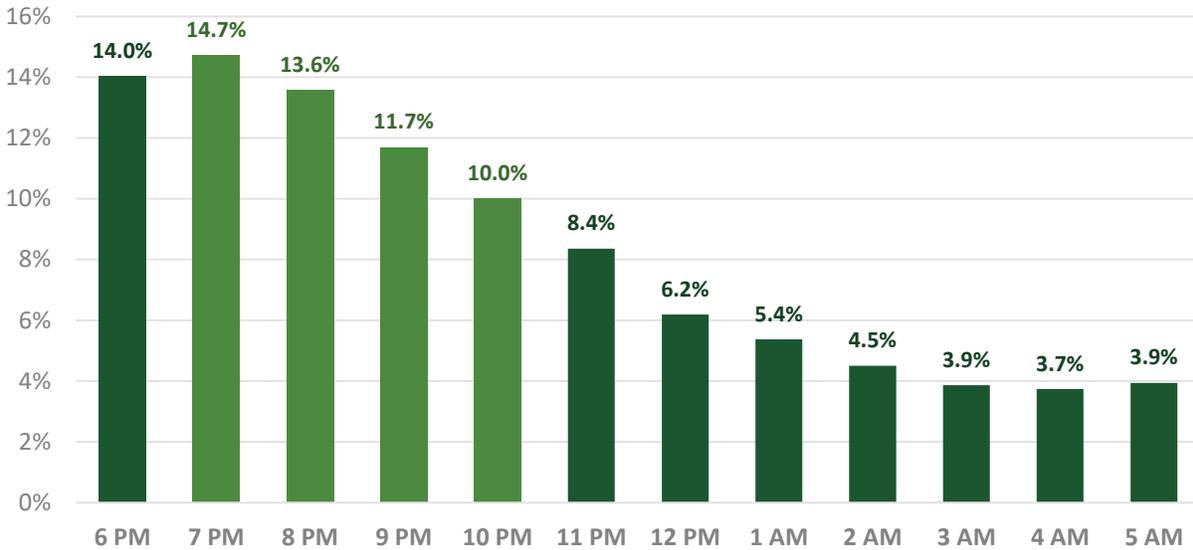
Figure 4.2: Monthly Nighttime Visit Across Selected Commercial Corridors in Philadelphia



Source: Placer.ai (2024), Econsult Solutions, Inc. (2025)

ESI also examined the concentration of nightlife-specific visitation activity in corridors where nightlife activity (arts and culture, bars, and restaurants) is most pronounced. The largest volume of nightlife activity within these key corridors is between 7 p.m. and 10 p.m., with activity notably reducing after midnight.

Figure 4.3: Time Distribution of Nightlife Visitation Activity Across Philadelphia Nightlife Corridors, May 2023 – April 2024<sup>24,25</sup>



Source: Placer.ai (2024), Econsult Solutions, Inc. (2025)

## Geographic Trends Across Corridors and Neighborhoods

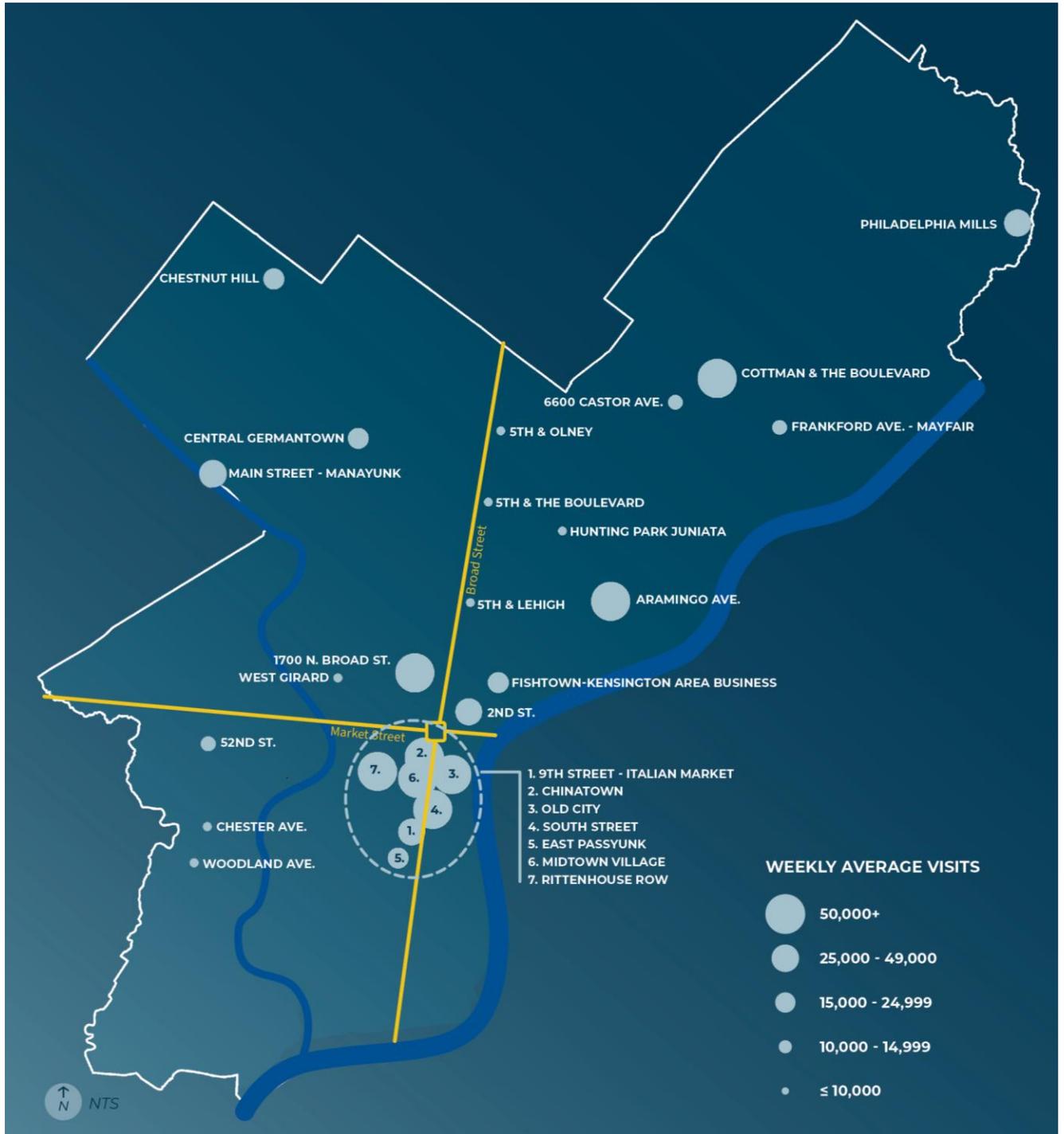
As one would expect given the diverse characteristics, amenities, and business clusters of Philadelphia's neighborhoods and commercial corridors, there is significant variation in the location of nighttime visitations across the city. This analysis examines a representative sample of corridors across the city, selected in collaboration with the Department of Commerce, to understand visitation patterns. While not comprehensive of all nighttime business activity citywide, the selected corridors provide valuable insights into visitation trends across Philadelphia's diverse commercial areas.

Among the sample of selected commercial corridors, there is a high concentration of activity within Center City and Lower North, explained by a high number of restaurants, bars and cultural centers.

<sup>24</sup> The key nightlife corridors used are Fishtown-Kensington Area Business, South Street, East Passyunk, Old City and 2nd Street.

<sup>25</sup> The hour in this analysis represents the full hour (i.e. 6:00 p.m.-6:59 p.m.) and aggregates visitors during that period.

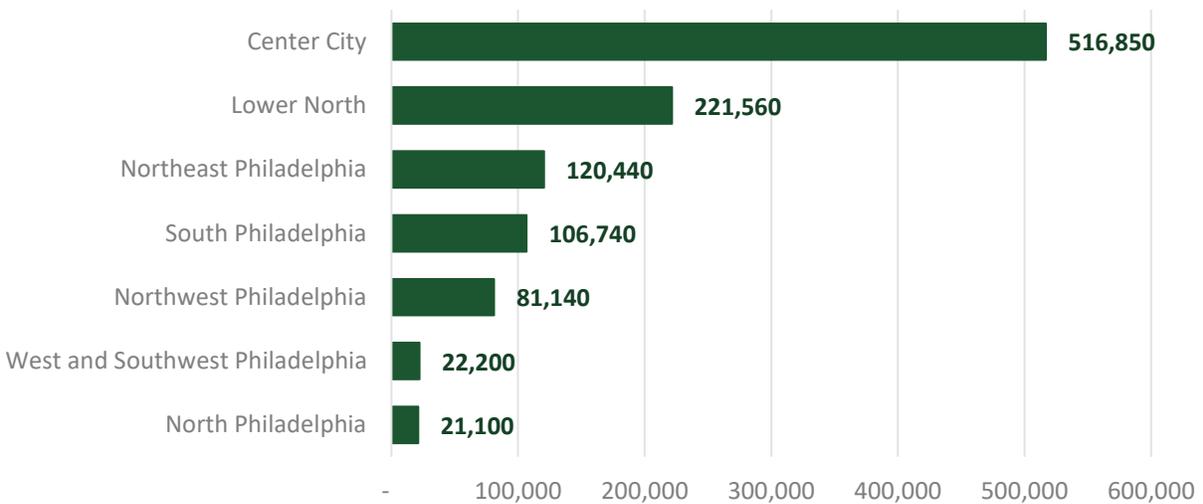
Figure 4.4: Nighttime Average Weekly Visits of Selected Commercial Corridors in Philadelphia, May 2023 – April 2024



Source: Placer.ai (2024), Econsult Solutions, Inc. (2025)

Rittenhouse Row, Midtown Village, 1700 N. Broad Street (part of North Broad Renaissance), and Old City, all corridors within Center City or Lower North, account for more than half of yearly nighttime economy-related visitors across all observed commercial corridors. Their geographical proximity contributes to higher average weekly visits – someone who travels to one of these corridors can easily visit another nearby. Central City and Lower North capture 47 percent and 20 percent of average weekly visits, respectively.

Figure 4.5: Average Weekly Nighttime Visits to Selected Commercial Corridors in Philadelphia by Neighborhood, May 2023-April 2024



Source: Placer.ai, Econsult Solutions, Inc. (2025)

Beyond these regions, the bottom half of observed POIs (from Central Germantown to Chester Avenue) represents only 12 percent of total annual visitors within the selected corridors, demonstrating the geographic concentration of Philadelphia's nightlife.

## 5. Promising Practices: Nighttime Policies & Programs

This section examines key promising practices related to the governance and programming of the nighttime economy. In recent decades, cities around the world have increasingly acknowledged the significant cultural, economic, and social impact of nighttime activities, prompting the development of policies and governance mechanisms to support these evolving economies.<sup>26</sup> These approaches include strategies for improving safety, enhancing transportation, engaging communities, and establishing governance frameworks that sustain a dynamic nighttime environment. By studying the approaches and techniques used by other cities, Philadelphia's nighttime economy stakeholders can more effectively balance fostering economic growth with ensuring that nighttime spaces remain accessible, safe, and inclusive for all residents and visitors. While this chapter highlights numerous policies or interventions from across the globe, it is not exhaustive and does not examine or recommend feasibility in Philadelphia. Further exploration into the evolution of nighttime administration and governance will be crucial for ensuring this sector remains a vital and growing component of the city's economy. See Appendix 0 for a list of all cities evaluated for promising practices.

### Safety Initiatives and Harm Reduction

Safety initiatives are vital for creating a thriving and sustainable nighttime economy, ensuring the well-being of both patrons and workers. Cities worldwide have implemented a range of strategies to improve public safety, reduce crime, and address local challenges associated with nighttime activities.<sup>27</sup> These efforts not only protect individuals but also contribute to economic vitality by encouraging greater participation in nighttime events, driven by the knowledge that safety is a priority.

In the U.S., cities like **Austin** and **Dallas** have developed targeted initiatives. Austin's **Safer 6th Street Initiative** launched in 2022 focuses on preventing violence in the city's popular entertainment district by training bar staff in conflict de-escalation, overdose prevention, and active shooter preparedness.<sup>28</sup> Similarly, Dallas' **Safe Night Out** program, part of the Good Neighbor Initiative, trains nightlife businesses, municipal agencies, and law enforcement to collaborate on safety improvements.<sup>29</sup> The **Copper Star**

#### Local Resource: Safe Bars Philly

Founded by Lauren Taylor in the early 2010s, this [initiative](#) trains staff at bars and restaurants in bystander intervention to prevent sexual harassment and assault. By creating safer environments for patrons and employees, venues can achieve Safe Bars certification, promoting their commitment to safety and respect within the nightlife scene.

<sup>26</sup> Alejandro Seijas and Morelle M. Gelders, "Governing the Night-Time City: The Rise of Night Mayors as a New Form of Urban Governance After Dark," *Urban Studies* 58, no. 2 (2021): 316–34, <https://doi.org/10.1177/0042098019895224>.

<sup>27</sup> Evon Burton and Michael Fichman, "How to Make Philadelphia Nightlife Safer for Everyone," *The Philadelphia Inquirer*, July 11, 2022, <https://www.inquirer.com/opinion/commentary/philadelphia-nightlife-arts-culture-public-safety-20220711.html>.

<sup>28</sup> John Krinjak, "Austin Police, 6th Street Bars Team Up to Make Entertainment District Safer," *Fox 7 Austin*, June 17, 2024, <https://www.fox7austin.com/news/austin-police-6th-street-bars-team-up-make-entertainment-district-safer>.

<sup>29</sup> 24HourDallas, "Good Neighbor Initiative," accessed September 26, 2024, <https://24hourdallas.org/good-neighbor-initiative/>.

**Certification** recognizes businesses that go beyond compliance, fostering inclusivity and community engagement.

Internationally, **Bristol's harm reduction strategy**, part of the **Bristol Nights** initiative, focuses on addressing risks related to substance use.<sup>30</sup> The program provides training for venue staff to manage drug and alcohol-related incidents and offers a drug-checking service.<sup>31</sup> Coupled with campaigns like anti-drink spiking and the **Women's Safety Charter**, Bristol's approach emphasizes inclusivity and safety.<sup>32</sup> **Amsterdam's Rembrandtplein Pilot Project**, launched in 2015, is another example of effective urban planning and public-private partnerships. By hiring safety stewards, the project helped reduce nuisance reports by 40 percent and violence by 20 percent, showing how security improvements can mitigate nighttime risks.<sup>33</sup>

Other global examples include **Ireland's "All Right, All Night" campaign**, which promotes safer nightlife through collaboration between venues, public health agencies, and patrons.<sup>34</sup> The campaign emphasizes harm reduction and safety measures to ensure vibrant yet responsible nightlife. Similarly, **Bogotá's Sello Seguro (Safe Seal) certification program** rewards venues for meeting safety standards by allowing extended operating hours and offering marketing support.<sup>35</sup> This program inspired Philadelphia's **Liberty Bell Safe Certification Program**, which provides free training to nightlife venues on best practices for patron and employee safety.<sup>36</sup>

## Licensing and Governance

Regulation, licensing, and governance are critical elements in creating a supportive environment for the nighttime economy that balances the interests of businesses, residents, and the broader community. Effective governance frameworks ensure that the needs of various stakeholders are met while fostering a sustainable nightlife. Key to this is the development of policies that both protect existing businesses and accommodate new developments, alongside the implementation of transparent and efficient regulatory processes. By establishing clear guidelines and governance structures, cities can mitigate potential conflicts, support business growth, and maintain the dynamic nighttime economy.

In **San Francisco**, the **Limited Live Performance (LLP) Permit**, launched in 2023, aims to support smaller venues by easing the licensing process for live performances.<sup>37</sup> This approach not only simplifies the regulatory burden but also allows businesses to integrate live entertainment without needing full-fledged entertainment permits. By streamlining these requirements, the city has promoted cultural activities

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<sup>30</sup> Bristol Nights, "Harm Reduction," accessed September 20, 2024, <https://www.bristolnights.co.uk/projects/harm-reduction>.

<sup>31</sup> The Loop, "City Centre Drug Checking," accessed September 20, 2024, <https://wearetheloop.org/city-centre-drug-checking/>.

<sup>32</sup> Bristol Nights, "Women's Safety Charter," accessed September 20, 2024, <https://www.bristolnights.co.uk/projects/womens-safety-charter>.

<sup>33</sup> Alejandro Seijas and Morelle M. Gelders, "Governing the Night-Time City: The Rise of Night Mayors as a New Form of Urban Governance After Dark," 324.

<sup>34</sup> University College Cork, "All Right All Night," accessed September 26, 2024, <https://www.ucc.ie/en/allright-allnight/>.

<sup>35</sup> Andreina Seijas J., "Nocturnal Cities: Governance and Culture in Europe's Cities at Night," December 2018, [https://www.live-dma.eu/wp-content/uploads/2019/02/ENG-NocturnalCities\\_VFinal\\_Single\\_WEB-1.pdf](https://www.live-dma.eu/wp-content/uploads/2019/02/ENG-NocturnalCities_VFinal_Single_WEB-1.pdf).

<sup>36</sup> Nagiarry Porcena-Meneus, "Apply for the Liberty Bell Safe Certification Program," *City of Philadelphia*, September 5, 2024, <https://www.phila.gov/2024-09-05-apply-for-the-liberty-bell-safe-certification-program/>.

<sup>37</sup> Ben Van Houten, "Looking Back on 2023: Nighttime Economy Management Trends & Accomplishments," *Nitecap*, accessed September 26, 2024, <https://www.nite-cap.org/bs/looking-back-on-2023%3A-nighttime-economy-management-trends-%26-accomplishments->.

while maintaining strict oversight of safety and noise concerns, allowing nightlife businesses to thrive without excessive barriers.

In **Austin**, significant changes to the zoning code in 2023 dramatically reshaped the city's approach to live music venues. By **distinguishing live performance spaces from bars and nightclubs**, the reform expanded the number of properties available for live music venues outside of downtown by 685 percent, supporting the growth of the creative sector.<sup>38</sup> This reform enables venues to serve alcohol and host live events without the zoning restrictions typically placed on bars, encouraging the development of the city's iconic music scene in a more manageable way.<sup>39</sup>

On the international front, **New South Wales** introduced the **Demerit Points System** through the 2020 Liquor Amendment (Night-time Economy) Act.<sup>40</sup> This approach replaced older punitive systems with a more integrated and incentivized model, encouraging venues to comply with safety and licensing regulations while promoting responsible nightlife management. The system ties into broader efforts to create a safer and more dynamic nighttime economy by rewarding compliant venues and offering more flexibility in their operations.<sup>41</sup>

## Agent of Change Policies & Nighttime Sound Management

The Agent of Change principle is a crucial tool for balancing urban development with the preservation of vibrant nightlife economies. By placing the responsibility for noise mitigation on new developments rather than existing venues, this policy ensures that growing cities can expand residential areas without undermining their cultural and economic vitality. Cities like San Francisco and Austin have adopted this approach to protect their nightlife scenes while accommodating urban growth.

San Francisco was one of the first U.S. cities to formalize this concept in 2016, requiring new residential developments near nightlife venues to incorporate soundproofing measures. These proactive measures were intended to ensure that the city's thriving entertainment venues are not displaced or hampered by new residents' noise complaints.

More recently, Austin has sought to update its Agent of Change policy, mandating that developers building within 600 feet of outdoor music venues, or 300 feet of performance spaces conduct sound assessments and implement soundproofing. Introduced in early 2024, Austin has also proposed a mapping tool to help future residents understand their proximity to music-related businesses, managing expectations and preventing future conflicts.

<sup>38</sup> Ben Van Houten, "Looking Back on 2023: Nighttime Economy Management Trends & Accomplishments,"

<sup>39</sup> In Philadelphia similar legislation has been proposed to redefine "nightclubs" and establish new commercial districts for nightlife. The legislation aims to clarify distinctions between various entertainment venues, allowing restaurants to host DJs or live music without being classified as nightclubs. This change is part of broader efforts to enhance flexibility for businesses and tailor regulations more accurately to different types of establishments, ultimately supporting the local nightlife economy.

Anna Orso, "How Should Philadelphia Define a Nightclub?" and Other Things Philly City Council Considered This Week," *The Philadelphia Inquirer*, November 2, 2023, <https://www.inquirer.com/politics/philadelphia-city-council-roundup-nightclubs-20231102.html>.

<sup>40</sup> Office of the 24-Hour Economy Commissioner, *NSW 24-Hour Economy Strategy*, September 2024, <https://www.nsw.gov.au/sites/default/files/noindex/2024-09/24-hour-economy-strategy.pdf>.

<sup>41</sup> New South Wales Government, "Vibrancy Reforms," accessed September 24, 2024, <https://www.nsw.gov.au/business-and-economy/24-hour-economy/vibrancy-reforms#toc-streamlined-contemporary-licensing>.

## Expanding Nightlife Hours

Cities around the world are increasingly experimenting with extended operating hours for nightlife venues as a way to boost their nighttime economies and manage urban challenges like overcrowding in central areas. This trend has led to a variety of approaches, from permanent licensing changes to pilot programs aimed at enhancing flexibility for businesses while addressing public safety and quality of life for residents.

**Amsterdam** pioneered this approach with the introduction of its **24-hour license**, a key initiative developed by the city's Night Mayor. Initially launched as a five-year pilot in 2013, the program allowed select venues, particularly those located on the outskirts of the city, to remain open around the clock.<sup>42</sup> The goal was to reduce overcrowding in the city center by encouraging nightlife activities in less saturated areas. Following the pilot's success, the license was made permanent in 2017. The policy has been credited with helping to distribute nightlife more evenly across Amsterdam, fostering economic growth in outlying districts, and offering greater operational flexibility to venues. Additionally, it has alleviated pressure on central neighborhoods, balancing nightlife expansion with residents' quality of life.

**Montreal** is following in Amsterdam's footsteps with plans to introduce a **24-hour zone** in a downtown neighborhood as part of an effort to bolster its nightlife economy.<sup>43</sup> Currently, bars and clubs in the city close at 3 a.m., but the new initiative would allow certain establishments to remain open around the clock.<sup>44</sup> This move reflects a broader global trend seen in cities like Berlin, which have successfully implemented similar 24-hour policies to enhance their nighttime economies. Montreal's plan also includes streamlining the process for businesses seeking extended hours, promoting a more flexible and dynamic urban nightlife environment.<sup>45</sup>

In the U.S., efforts to expand nightlife hours have been more cautious. **San Francisco** explored the idea of **extended alcohol-serving hours** through Senate Bill 930, which proposed a pilot program allowing bars and nightclubs to stay open until 4 a.m. on weekends and holidays, and until 3 a.m. on other days.<sup>46</sup> While this bill garnered support from some business leaders eager to boost the city's nightlife economy, it was ultimately defeated in 2022 due to concerns over increased drunk driving and public safety risks.<sup>47</sup> The bill's failure highlights the challenges that U.S. cities face when trying to balance economic opportunities with other concerns. Despite these setbacks, the debate in San Francisco underscored the potential economic benefits of extended hours, while also pointing to the regulatory frameworks that need to be in place for such policies to succeed.

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<sup>42</sup> Alejandro Seijas and Morelle M. Gelders, "Governing the Night-Time City: The Rise of Night Mayors as a New Form of Urban Governance After Dark," 324.

<sup>43</sup> Teresa Xie, "Montreal Joins Global Nightlife Push for 24-Hour Bars, Restaurants, Transit," *Bloomberg*, February 22, 2024, <https://www.envoy.cirrus.bloomberg.com/news/articles/2024-02-22/montreal-joins-global-nightlife-push-for-24-hour-bars-restaurants-transit?srnd=citylab-culture>.

<sup>44</sup> "Projet de politique de la vie nocturne montréalaise," January 2024, [https://portail-m4s.s3.montreal.ca/pdf/1262-03politique-vie-nocturne-document\\_v4.pdf](https://portail-m4s.s3.montreal.ca/pdf/1262-03politique-vie-nocturne-document_v4.pdf).

<sup>45</sup> "Montreal to Be Canada's First City with 24-Hour Bars and Clubs to Boost Local Economy," *VCPPost*, August 5, 2024, <https://www.vcpost.com/articles/128316/20240805/montreal-to-be-canada-s-first-city-with-24-hour-bars-and-clubs-to-boost-local-economy.htm>.

<sup>46</sup> Evan Symon, "Extended Alcohol Serving Hours Bill Killed in Assembly Again," *California Globe*, August 25, 2022, <https://californiaglobe.com/fr/extended-alcohol-serving-hours-bill-killed-in-assembly-again/>.

<sup>47</sup> Lauren Toms, "California Senate Bill Could Keep San Francisco, Oakland Bars Open Until 4 A.M.," *CBS News*, August 23, 2022, <https://www.cbsnews.com/sanfrancisco/news/last-call-4am-california-senate-sb930-san-francisco-oakland-bars-open/>.

## Nighttime Infrastructure and Mobility

Reliable transportation and well-designed public spaces are critical to the success of a nighttime economy, ensuring that workers, patrons, and residents can move safely and efficiently during late hours. Cities worldwide have implemented various infrastructure and mobility initiatives to reduce congestion, enhance safety, and streamline transportation during nighttime hours, boosting both economic activity and public confidence in nighttime spaces.

**London's Night Tube**, which provides overnight service on key Underground lines during weekends, has been instrumental in allowing late-night workers and patrons to travel safely, contributing an estimated £190 million annually to the city's economy.<sup>48</sup> In the U.S., **Washington, D.C.** implemented **Pick-Up/Drop-Off (PUDO) zones**, designated areas for rideshare services like Uber and Lyft, to reduce traffic congestion and enhance safety during busy nighttime hours.<sup>49</sup> This approach has also been trialed in other cities, such as **Orlando**, where the **Rideshare Hub program** centralized rideshare pick-up locations, helping to organize the chaotic exodus from downtown nightlife areas.<sup>50</sup> While Orlando's program was discontinued during the pandemic, its model highlights how focused interventions can reduce congestion and improve public safety in nightlife districts.<sup>51</sup>

Internationally, initiatives like **Mexico's "Calles Seguras: Caminemos Unidas"** focus on enhancing public spaces through infrastructure improvements such as better street lighting and enhanced public transportation.<sup>52</sup> This approach complements broader efforts in cities like **Amsterdam**, which extended club hours and relocated taxi stands as part of its **Rembrandtplein Pilot Project**, reducing congestion and improving safety in nightlife areas by making transportation more accessible and organized.<sup>53</sup>

## Community Engagement and Collaboration

A thriving nighttime economy relies not only on the businesses and workers that operate after dark but also on the active involvement of the broader community. Engaging local stakeholders—ranging from business owners and workers to residents and marginalized groups—helps ensure that the benefits of the nighttime economy are distributed equitably, while also addressing potential conflicts between nightlife and everyday life. Cities that prioritize community engagement and collaboration are able to foster a more inclusive, resilient, and sustainable nighttime economy.

**London's Night Surgery Initiative** and **Philadelphia's Listening Tour** exemplify efforts to engage directly with those affected by the nighttime economy. In London, the **Night Surgery** involves meeting with

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<sup>48</sup> "The Night Tube," Transport for London, accessed August 29, 2024, <https://tfl.gov.uk/campaign/tube-improvements/what-we-are-doing/night-tube>.

<sup>49</sup> District Department of Transportation, "Temporary Permit for Restaurant Pick-Up/Drop-Off Zones," accessed September 26, 2024, <https://ddot.dc.gov/page/temporary-permit-restaurant-pick-drop-zones>.

<sup>50</sup> "City to Try Designated Rideshare Hubs for Downtown Drinkers," *Bungalower*, March 20, 2019, <https://bungalower.com/2019/03/20/city-to-try-designated-rideshare-hubs-for-downtown-drinkers/>.

<sup>51</sup> Brendan O'Connor, "Downtown Nighttime Economy Programs Slowly Fading Away," *Bungalower*, October 5, 2021, <https://bungalower.com/2021/10/05/downtown-nighttime-economy-programs-slowly-fading-away/>.

<sup>52</sup> Secretaría de Desarrollo Agrario, Territorial y Urbano (SEDATU), *Calles Seguras: Caminemos Unidas*, accessed September 26, 2024, <https://www.gob.mx/sedatu/documentos/calles-seguras-caminemos-unidas?state=published>.

<sup>53</sup> Alejandro Seijas and Morelle M. Gelders, "Governing the Night-Time City: The Rise of Night Mayors as a New Form of Urban Governance After Dark," 324.

nighttime workers, patrons, and business owners to hear their concerns and gather input on how to improve policies affecting the nightlife sector.<sup>54</sup> This hands-on, bottom-up approach ensures that policies are informed by the voices of those working and socializing at night. Similarly, in Philadelphia, the Nighttime Economy Director's **Listening Tour** has been instrumental in reaching out to diverse communities, including informal nightlife operators, third-shift workers, and even unhoused individuals.<sup>55</sup> By gathering a wide range of perspectives, these initiatives have helped shape policies that better reflect the needs of all stakeholders involved in nighttime activities, fostering inclusivity and collaboration.

Conflict management is a recurring challenge in urban nightlife, but cities like **Paris** and **Toronto** have developed innovative solutions to address tensions between nightlife venues and local residents. **Paris's Les Pierrots de la Nuit** uses a unique approach, employing performers to engage with nighttime crowds and raise awareness about noise control in lively nightlife areas.<sup>56</sup> In addition, the organization provides mediation services during the day to resolve conflicts between residents and nightlife venues, ensuring that nightlife remains active without disrupting local communities. **Toronto's Good Neighbour Guide for Late Night Businesses** serves a similar purpose by offering best practices for nightlife establishments to minimize their impact on nearby residents.<sup>57</sup> Recommendations such as soundproofing venues, conflict resolution training for staff, and maintaining cleanliness help reduce tensions and foster positive relationships between businesses and residents. Both cities demonstrate that creative and proactive conflict management can strike a balance between the needs of nightlife operators and the quality of life for residents.

## Economic Inclusivity and Support

Cities around the world are increasingly focusing on economic inclusivity and cultural revitalization within their nighttime economies, recognizing that supporting small businesses and creative industries can lead to broader community benefits. By implementing targeted programs, cities are empowering local entrepreneurs, preserving landmarks, and creating safe, and inclusive spaces for residents and visitors alike.

In **Austin**, the city introduced the **Iconic Venue Fund** to support its renowned live music sector. The fund, part of the broader **Austin Cultural Trust**, issued its first grant of \$1.6 million to the Hole in the Wall, a longstanding music venue, to provide rental assistance and secure a 20-year lease.<sup>58,59</sup> Both cities demonstrate a commitment to preserving and revitalizing local culture by providing businesses with the resources they need to thrive. This focus on strengthening the local business ecosystem mirrors efforts in **Sydney**, where the city launched two significant capacity-building programs—**Reboot** and the **Business Innovation Program**—to help small businesses in the retail, hospitality, and tourism sectors adapt and

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<sup>54</sup> Greater London Authority, "Night Surgeries," accessed September 12, 2024, <https://www.london.gov.uk/programmes-strategies/arts-and-culture/24-hour-london/night-surgeries>.

<sup>55</sup> Ariana Perez-Castells, "Philly's 'Night Mayor' Has Had the Job for a Year. Here's What He's Learned," *The Philadelphia Inquirer*, December 21, 2023, <https://www.inquirer.com/business/night-time-economy-raheem-manning-department-commerce-20231221.html>.

<sup>56</sup> *Les Pierrots de la Nuit*, accessed September 24, 2024, <https://www.lespierrotsdelanuit.org/>.

<sup>57</sup> City of Toronto, "Night Economy," accessed September 24, 2024, <https://www.toronto.ca/business-economy/industry-sector-support/tourism/night-economy/>.

<sup>58</sup> Austin Economic Development Corporation, "Cultural Trust," accessed September 26, 2024, <https://www.austinedc.org/cultural-trust>.

<sup>59</sup> "Hole in the Wall Dodges Closure, Secures 20-Year Lease with \$1.6M from City," *Austin Monitor*, August 15, 2023, <https://www.austinmonitor.com/stories/2023/08/hole-in-the-wall-dodges-closure-secures-20-year-lease-with-1-6m-from-city/>.

innovate.<sup>60</sup> These programs, developed as part of Sydney's post-pandemic recovery strategy, equipped over 3,600 businesses with digital and entrepreneurial tools, with 92 percent of participants in the Reboot program reporting that the skills gained would help their businesses grow.<sup>61</sup>

In parallel, **London** and **Boston** have focused on fostering local business growth through initiatives aimed at enhancing the activity of nightlife areas. London's **Night Time Enterprise Zones** are designed to revitalize high streets after dark by hosting events like night markets, cultural festivals, and fitness workshops. These zones have successfully doubled foot traffic after 6 p.m. and increased local spending by up to 70 percent, all while fostering collaboration between councils and small businesses.<sup>62</sup> Similarly, **Boston's Wake Up the Night grant program** offers financial support of up to \$10,000 for businesses and organizations to expand late-night activities, promote cultural events, and enhance the city's nighttime economy.<sup>63</sup> Both initiatives illustrate how cities are leveraging grants and infrastructure improvements to foster economic inclusivity and create vibrant nightlife scenes that benefit both residents and businesses.

**Montreal** also contributes to this trend with the Financial Assistance Program for the Soundproofing of Bars and Restaurant program for small performance venues, offering up to \$100,000 for soundproofing improvements.<sup>64</sup> This initiative aims to simplify the process for businesses that wish to operate late into the night, helping to sustain a diverse landscape. Like London and Boston, Montreal's focus on supporting smaller venues underscores the importance of economic inclusivity in the nightlife economy, ensuring that businesses of all sizes can thrive while contributing to the city's cultural and economic vitality.

## Data Collection and Monitoring

Effective data collection and monitoring have become essential tools for cities aiming to develop and sustain an active nighttime economy. By gathering detailed insights on venue performance, public safety, economic indicators, and cultural activities, cities can make informed decisions to support business growth while ensuring safety and inclusivity. Cities worldwide are increasingly using data-driven approaches to refine their nighttime economy strategies, ensuring that policies remain responsive and effective.

In the U.S., **Sacramento** and **New Orleans** have also embraced data collection as part of their nighttime economy strategies. Sacramento's **Sociable City Assessment**, conducted by the Responsible Hospitality Institute, provided an in-depth analysis of the city's social economy, identifying strengths, challenges, and opportunities.<sup>65</sup> Similarly, the Sacramento **Music Census** offered insights into the local live music scene, resulting in recommendations to streamline regulations and create multiple levels of entertainment

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<sup>60</sup> Anna Edwards and Andrew License, *Measuring the Australian Night Time Economy 2021-22*, October 2023, 67–71, <https://www.lordmayors.org/wp-content/uploads/2023/10/Measuring-the-Australian-NTE-2022-FINAL-201023-1.pdf>.

<sup>61</sup> Ibid.

<sup>62</sup> Greater London Authority, *Night Time Enterprise Zones Evaluation: Summary Report*, February 2024, [https://www.london.gov.uk/sites/default/files/2024-02/240228\\_NTEZ-Summary-Report.pdf](https://www.london.gov.uk/sites/default/files/2024-02/240228_NTEZ-Summary-Report.pdf).

<sup>63</sup> Mike Chen, "Boston Mayor Michelle Wu Launches 'Wake Up the Night' Grants to Revitalize City's Nightlife," *Hoodline*, April 24, 2024, <https://hoodline.com/2024/04/boston-mayor-michelle-wu-launches-wake-up-the-night-grants-to-revitalize-city-s-nightlife/>.

<sup>64</sup> Joe Bongiorno, "Sound Decision: Montreal to Protect Music Venues from Noise Complaints," *The Toronto Star*, September 25, 2024, [https://www.thestar.com/news/canada/quebec/sound-decision-montreal-to-protect-music-venues-from-noise-complaints/article\\_4f2271b1-dea8-5d16-9a26-6304b4d4bea85.html](https://www.thestar.com/news/canada/quebec/sound-decision-montreal-to-protect-music-venues-from-noise-complaints/article_4f2271b1-dea8-5d16-9a26-6304b4d4bea85.html).

<sup>65</sup> City of Sacramento, *Sacramento Sociable City Assessment*, City Council, November 28, 2023, [https://sacramento.granicus.com/MetaViewer.php?view\\_id=21&event\\_id=4872&meta\\_id=756516](https://sacramento.granicus.com/MetaViewer.php?view_id=21&event_id=4872&meta_id=756516).

permits.<sup>66</sup> This data-driven approach has helped Sacramento identify targeted strategies for improving nightlife management while supporting the arts and culture sector.

Like Sacramento, New Orleans has launched a **Music Census** through the Mayor's Office of Nighttime Economy.<sup>67</sup> This initiative gathers comprehensive feedback from musicians and music-related businesses to better understand the local music ecosystem. The goal is to use the collected data to address regulatory barriers, improve support for the industry, and enhance the city's live music scene. Similar efforts have been made in **Minneapolis** and **Washington, D.C.**, where cities are using data-driven assessments to identify ways to boost local music economies and support live entertainment. These initiatives focus on gathering the necessary data to ensure that local music scenes can thrive while addressing issues such as venue regulations, noise control, and financial sustainability.

Internationally, cities like **Sydney** and **London** have also embraced data collection to shape their nighttime economy strategies. **Sydney's 24-hour economy strategy** uses data on venue performance, public safety, and economic activity to guide policy decisions, allowing the city to make timely adjustments to licensing, operating hours, and outdoor activity regulations. Similarly, **London's Night Audits**, conducted by the Greater London Authority, assess the economic, social, and cultural aspects of the city's nighttime activities.<sup>68</sup> These audits provide critical insights into employment, business operations, and public safety, helping to shape policies that promote London's 24-hour economy while addressing challenges like transportation and noise.

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<sup>66</sup> Tina Lee Vogt, "Sacramento's Nightlife Renaissance: A Safer, Livelier Scene," *Nitecap*, accessed September 26, 2024, <https://www.nitecap.org/bs/sacramento-s-nightlife-renaissance%3A-a-safer%2C-livelier-scene>.

<sup>67</sup> "Music Census Launches, Help Shape New Orleans Music Policy," *OffBeat Magazine*, May 10, 2024, <https://www.offbeat.com/news/music-census-launches-help-shape-new-orleans-music-policy/>.

<sup>68</sup> Greater London Authority, *Tips for Night Audits*, April 9, 2024, [https://www.london.gov.uk/sites/default/files/2024-04/240409\\_Tips-for-Night-Audits.pdf](https://www.london.gov.uk/sites/default/files/2024-04/240409_Tips-for-Night-Audits.pdf).

## 6. Strategic Recommendations

Based on this analysis of Philadelphia's nighttime economy and examination of successful practices from other cities, this report recommends five key strategies to enhance the City's nighttime economy while ensuring sustainable, safe, and equitable growth.

### Explore Extended Nightlife Operating Hours With the Commonwealth

Given its potential positive fiscal and cultural impacts, extension of nightlife operating hours in Philadelphia should be explored in collaboration with the Commonwealth of Pennsylvania. The analysis presented in “Potential Incremental Fiscal Impact from Extending Operating Hours” demonstrates the potential tax revenue benefits for both the City and the School District of Philadelphia, and examples from other cities demonstrate how extended nightlife hours have led to positive cultural and economic impacts. As liquor licenses and operating hours are regulated at the state-level, such changes would require buy-in and coordination with state officials.

While positive impacts are associated with extended operating hours, the literature on extended nightlife hours also identifies possible safety risks associated with later access to bars and alcohol, emphasizing the need for strong safety measures and oversight to mitigate potential challenges.

Strategies associated with extension of nightlife operating hours could include the following components:

- **Safety and Operational Requirements:** Clear safety regulations must be established, including mandatory staff training, compliance audits, and enhanced security protocols to mitigate risks to public health and safety.
- **Geographic Distribution:** Venues across Philadelphia should be dispersed across the city to avoid concentration in a single neighborhood or corridor, which could lead to overcrowding or adverse impacts. A geographically balanced approach in the early stages of any policy shifts has been proven to assist in other cities that have extended hours, such as Amsterdam.
- **Robust Monitoring and Evaluation:** Key data points should be decided upon and monitored across the city. Metrics such as noise complaints, and public safety incidents will be important to understand possible negative impacts associated with extended operating hours. In addition, tracking venue performance, participation levels and compliance will be useful in monitoring progress and economic activity. Data collection can be done through surveying of community members, businesses and patrons.
- **Dedicated Revenue Generation:** While projections indicate \$1.5–2 million in additional annual Liquor Tax revenue for the School District and some revenue for the City through Wage taxes, an extended-hours liquor license fee should be considered. This fee would support any additional

administrative work, help track participation, and generate funding for nighttime governance and oversight.

By advocating for a carefully designed pilot program with clear goals, safeguards, and ongoing evaluation, Philadelphia can work with the Commonwealth to responsibly explore the potential for extended nightlife hours. Such a program would balance economic and cultural benefits with the necessary oversight to mitigate risks and ensure positive outcomes for businesses, residents, and visitors alike.

## Comprehensive Safety Program

Ensuring a safe nightlife experience benefits Philadelphians, visitors, businesses, and the overall culture surrounding the City's nighttime economy. Building on its existing nighttime safety initiatives, the City of Philadelphia should implement coordinated safety and infrastructure improvements focused on protecting patrons and supporting the growth of nighttime economic activity.

- **Expansion of the Liberty Bell Safe Certification Program:** Philadelphia's Liberty Bell Safe Certification Program shows promise and can be expanded to better align with community needs. Examples from other cities offer models to emulate. For instance, Bogotá's *Sello Seguro* (Safe Seal) certification program allows nighttime businesses that complete safety training to extend their operating hours. This concept aligns with recommendations for piloting extended nightlife hours and could serve as an incentive for businesses to prioritize safety measures.
- **Infrastructure Enhancements for Safe Travel:** Improved infrastructure can promote safe nighttime mobility. Mexico City's *Calles Seguras* program successfully upgraded street lighting in underserved nightlife areas, enhancing visibility and safety. Similarly, cities like Washington, D.C., and Orlando have implemented designated pick-up and drop-off zones (PUDO zones and Rideshare Hubs) to reduce congestion and minimize traffic accidents in nightlife districts. Philadelphia could adopt similar strategies to improve transportation efficiency and safety in and around key nightlife centers.

As Philadelphia's nighttime economy continues to evolve, safety programs must adapt to emerging needs. Well-administered safety measures will not only protect patrons but also inspire confidence among businesses, residents, and visitors, facilitating safe and efficient nighttime activity throughout the city.

## Continued Development of Business Support Programs

While Philadelphia's nighttime economy, particularly nightlife, is concentrated in specific corridors, businesses operating at night exist throughout the city. Building an inclusive ecosystem that provides tailored support to all businesses and corridors will ensure that neighborhoods with significant nighttime growth potential are well-positioned for success.

- **Identifying Growth Corridors and Support Needs:** Pinpointing neighborhoods and corridors with growing nighttime activity will enable a targeted assessment of where and what type of

support is most needed. As detailed in “The ‘When and Where’ of Philadelphia Nighttime Economy,” various data can help identifying corridors with growth potential.

- **Tailored Support for Diverse Needs:** Given the diversity of businesses, locations, and needs, there is unlikely a one-size-fits-all structure that any growing corridor needs to follow. Supporting growing businesses by helping them identify their needs – whether those are significant, formal frameworks such as entertainment districts or business improvement districts (BIDs) or more targeted technical supports – will ensure supports are efficient and effective. For instance, Dallas's Good Neighbor Initiative provides a strong model for encouraging collaboration between businesses and local communities, focusing on proactive communication, conflict resolution, and responsible operations.
- **Technical Assistance for Adaptation and Innovation:** Implementing technical assistance programs can play a vital role in supporting and expanding the nighttime economy by providing businesses with the tools and resources they need to adapt and innovate. Programs such as Sydney's Reboot and Business Innovation initiatives offer valuable models for such support by bringing business owners together to learn from each other. Continuing to build out the networks facilitated so far by the Department of Commerce will ensure businesses have the practical skills, new technologies, and strategies for modernizing their operations to meet evolving demands.
- **Simplifying Regulatory Processes:** Beyond individualized supports, ensuring that citywide processes are simple and accessible, such as licensing framework for nighttime venues, can significantly reduce barriers to entry and foster a thriving nightlife ecosystem. Drawing inspiration from San Francisco's Limited Live Performance Permit, which streamlines the process for small venues to host live entertainment, such a framework can encourage more businesses to participate in the nighttime economy.

By identifying corridors in need of support, providing individualized support, and ensuring regulation is as simple as possible, Philadelphia can expand its already-thriving ecosystem.

## Data Driven Governance Framework

A data-based governance structure can help identify emerging trends, address challenges, and inform decision-making. The current data-forward practices of the Department of Commerce, demonstrated by its *Nighttime Economy in Philadelphia – Year One Report* and this follow-up study, should be embraced and expanded, ensuring that evidence is driving the growth of Philadelphia's nighttime economy.

- **Establishing a Standardized Data Collection Framework:** A consistent framework for collecting and analyzing data is essential for evaluating and managing the nighttime economy. Examples from other cities offer valuable insights. London's Night Audits, for example, monitor nighttime activity, including metrics such as foot traffic, economic contributions, and public safety. Sydney's 24-hour economy strategy leverages key metrics to identify commercial areas for

improvement. A comprehensive data framework can help set benchmarks for economic and social success and diagnose issues at both a city-wide and local level.

- **Regular Monitoring and Reporting:** Ongoing data collection and reporting enable policymakers to measure the effectiveness of initiatives, allocate resources efficiently, and adapt strategies to meet evolving needs. This approach also fosters accountability and transparency, helping to build trust among stakeholders, including business owners, residents, and local authorities. Such practices can also be applied to evaluating pilot programs, such as the expanded nightlife operating proposed in this report.

A robust, data-driven governance framework is essential for the sustainable growth of Philadelphia's nighttime economy. By standardizing data collection, continuing regular monitoring and reporting, and applying best practices from other cities, the City can ensure evidence-based decision-making that proactively addresses challenges, measures success, and allocates resources effectively. These practices will build trust among stakeholders, set benchmarks for economic and social outcomes, and position Philadelphia's nighttime economy for continued innovation, resilience, and growth.

## Explore Enhanced Nighttime Economy Staff Resources

Given the scale of both Philadelphia's existing nighttime economy and its potential for continued growth, significant resources may be needed to effectively manage and expand nighttime economy initiatives. To implement the recommendations of this report and ensure Philadelphia's nighttime economy grows with safety, sustainability, and equity in mind, the City should explore expanding its dedicated nighttime economy staff resources.

- **Establishment of an Office of Nighttime Economy:** Currently, there are two staff members focused on the nighttime economy, embedded within the Department of Commerce. The creation of an Office of Nighttime Economy with an expanded staff complement should be explored, following successful models from cities like New York and Berlin.
- **Specialized Roles and Responsibilities:** Expanded staff resources could be responsible for business assistance, policy implementation, and community engagement, and could include specialized roles focused on areas such as safety coordination and data analysis. They could ensure that expanded programs like the Liberty Bell Safe Certification Program and new pilot initiatives around extended operating hours received the attention necessary for success.

The scale and economic importance of Philadelphia's nighttime economy may warrant additional resources to meet current needs and unlock future growth. Investing in expanded staffing and a dedicated office may be what it takes to ensure the city's nighttime economy reaches its full potential, benefiting businesses, residents, and visitors alike.

# Appendix

## Study Methodology and Comprehensive Data

Assessing Philadelphia's nighttime economy involves a comprehensive, multi-layered approach to understanding the economic size, impact, and dynamics of industries operating between 6 p.m. and 6 a.m. from multiple angles. This study employs a mix of primary data collection, econometric modeling, and secondary research to conduct a thorough evaluation of the contributions that nighttime business activity has on the city's economic and social fabric.

### Identifying Nighttime Industries and Determining Nighttime Coefficients

To fully capture the nighttime economy in Philadelphia, this study considers a broad range of industries operating in the nighttime. Initial discussions with the City of Philadelphia Department of Commerce provided preliminary insights into identifying nighttime industries, and additional research was conducted to identify additional relevant sectors operating during nighttime hours.<sup>69</sup>

After identifying these industries, ESI evaluated how much of each industry's economic activity occurred in the night. ESI developed a rigorous methodology for assessing the percentage of activities and their economic contributions that occur during nighttime hours, referred to throughout this report as 'nighttime coefficients'. By integrating standardized methods, sampling, and insider data, ESI aimed to develop coefficients that accurately reflect the diverse range of nighttime activities, providing a holistic view of Philadelphia's nighttime economy.

To develop nighttime economic coefficients across various industries, ESI defines nighttime activities as those occurring between 6 p.m. and 6 a.m. The analysis uses worker schedules, event times, business hours, and time series economic indicators to distinguish nighttime activities from daytime activities. Three distinct methods are used, the selection of which for each industry is tailored to the characteristics of that individual industry and available relevant data.

**Method A, the employee survey method,** sources data from IPUMS, which provides work schedule variables from the American Time Use Survey, and PUMS, which includes Census Public Use Microdata with worker arrival times. In this method, nighttime workers are identified within an industry based on

#### A Note on Geography & Data Standardization

For this analysis, the geographic focus is on the city of Philadelphia. To maintain clarity and consistency, we capitalize the names of governing entities. For example, we write 'City of Philadelphia' and 'Commonwealth of Pennsylvania' when referring to the respective governments.

Additionally, to maintain comparability and accuracy in financial analysis over time, all monetary values in this report have been adjusted to 2023 dollars. Converting historical data into 2023 dollars accounts for inflation and ensures that the economic impact estimates presented here reflect the real purchasing power and economic conditions of the most recent data year. This adjustment is critical in accurately comparing economic outputs, employment compensation, and overall impact across different years, preventing misleading conclusions that could arise from unadjusted figures.

<sup>69</sup> For a full list of industries, their assigned categories, and associated details, see Figure A.2 in the Appendix.

survey responses indicating they either worked or arrived to work within the range of 6 p.m. to 6 a.m.<sup>70</sup> The analysis then calculates the percentage of nighttime workers within the industry category, resulting in nighttime coefficients based on these percentages.

**Method B, the sampling method,** collected representative business hours or events to estimate the percentage of activities occurring in the nighttime, for example assessing portion of nighttime economic activity based on operating hours for retail establishments or event start times for galleries and theaters. By sampling activities directly, this method provides focused insights into nighttime economic patterns within specific industries.

**Method C, the industry data method,** involves collecting data directly from industry reports, relevant studies, and other sources. In cases where local data is unavailable, national trends are utilized. In some cases, these data supported refinement of nighttime percentages estimated through the other data-driven methods.

Ultimately, the coefficients generated by these methods are evaluated through a decision-making framework that compares results across methods. The most appropriate coefficient is selected based on a series of rules and qualitative judgment, ensuring a rigorous and reliable approach to capturing nighttime economic impacts.

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<sup>70</sup> The IPUMS: American Time Use dataset provides a work schedule variable, while the PUMS: Census Public Use Microdata Sample provides a worker arrival time variable.

Figure A.1 Complete List of Industries Included in the Analysis of Philadelphia's NTE by NAICS Code

| Sector                  | NAICS Description  | 2022 NAICS Code | IMPLAN Code | Phila. NTE Coefficient | Phila. NTE Employees | Phila. NTE Wage (\$M) |
|-------------------------|--|-----------------|-------------|------------------------|----------------------|-----------------------|
| Arts & Culture          | Performing Arts Companies  | 7111            | 496         | 0.74                   | 1,210                | \$56.0                |
| Arts & Culture          | Promoters of Performing Arts, Sports & Similar Events                | 7113            | 500         | 0.15                   | 2,000                | \$52.8                |
| Arts & Culture          | Art Dealers  | 459920          | 412         | 0.06                   | 10                   | \$0.5                 |
| Arts & Culture          | Motion Picture Theaters (except Drive-Ins)                           | 512131          | 429         | 0.70                   | 170                  | \$3.4                 |
| Arts & Culture          | Independent Artists, Writers & Performers                            | 711510          | 499         | 0.39                   | 2,250                | \$53.3                |
| Essential Services      | Electric Power Generation, Transmission & Distribution               | 2211            | 47          | 0.23                   | 350                  | \$49.3                |
| Essential Services      | Urban Transit Systems  | 4851            | 418         | 0.32                   | 2,910                | \$217.7               |
| Essential Services      | Other Transit & Ground Passenger Transportation                      | 4859            | 418         | 0.32                   | 370                  | \$14.5                |
| Essential Services      | Waste Collection   | 5621            | 479         | 0.20                   | 50                   | \$3.9                 |
| Essential Services      | Community Food & Housing & Emergency & Other Relief Services         | 6242            | 495         | 0.12                   | 310                  | \$14.6                |
| Essential Services      | Supermarkets & Other Grocery Retailers (expt. Convenience Retailers) | 44511           | 406         | 0.23                   | 2,800                | \$78.8                |
| Essential Services      | Limousine Service  | 48532           | 418         | 0.32                   | 20                   | \$0.8                 |
| Essential Services      | Convenience Retailers  | 445131          | 406         | 0.33                   | 580                  | \$12.5                |
| Essential Services      | Interurban & Rural Bus Transportation                                | 485210          | 418         | 0.32                   | 210                  | \$5.0                 |
| Essential Services      | Taxi & Ridesharing Services  | 485310          | 418         | 0.26                   | 3,320                | \$108.9               |
| Essential Services      | Charter Bus Industry   | 485510          | 418         | 0.32                   | 20                   | \$0.7                 |
| Essential Services      | Ambulance Services   | 621910          | 489         | 0.42                   | 360                  | \$13.2                |
| Essential Services      | General Medical & Surgical Hospitals                                 | 622110          | 490         | 0.19                   | 11,590               | \$1,073.2             |
| Essential Services      | Psychiatric & Substance Abuse Hospitals                              | 622210          | 490         | 0.17                   | 450                  | \$26.1                |
| Essential Services      | Police Protection  | 922120          | 534         | 0.31                   | 1,780                | \$152.3               |
| Essential Services      | Fire Protection  | 922160          | 534         | 0.31                   | 760                  | \$65.5                |
| Food, Bev & Hospitality | Hotels (except Casino Hotels) & Motels                               | 721110          | 507         | 0.16                   | 820                  | \$40.0                |
| Food, Bev & Hospitality | Food Service Contractors   | 722310          | 511         | 0.17                   | 1,080                | \$37.4                |
| Food, Bev & Hospitality | Caterers   | 722320          | 511         | 0.25                   | 820                  | \$28.0                |
| Food, Bev & Hospitality | Mobile Food Services   | 722330          | 511         | 0.25                   | 180                  | \$4.5                 |
| Food, Bev & Hospitality | Drinking Places (Alcoholic Beverages)                                | 722410          | 511         | 0.79                   | 2,260                | \$62.5                |
| Food, Bev & Hospitality | Full-Service Restaurants   | 722511          | 509         | 0.70                   | 14,460               | \$449.3               |
| Food, Bev & Hospitality | Limited-Service Restaurants  | 722513          | 510         | 0.36                   | 4,980                | \$126.2               |
| Food, Bev & Hospitality | Cafeterias, Grill Buffets & Buffets                                  | 722514          | 511         | 0.33                   | 80                   | \$2.0                 |
| Food, Bev & Hospitality | Snack & Nonalcoholic Beverage Bars                                   | 722515          | 511         | 0.23                   | 1,000                | \$21.3                |
| Night Shift Industries  | Construction   | 23              | 62          | 0.05                   | 1,080                | \$85.0                |
| Night Shift Industries  | General Freight Trucking   | 4841            | 417         | 0.35                   | 2,110                | \$197.8               |
| Night Shift Industries  | Specialized Freight Trucking   | 4842            | 417         | 0.35                   | 280                  | \$13.4                |
| Night Shift Industries  | Investigation & Security Services                                    | 5616            | 475         | 0.25                   | 2,560                | \$75.5                |
| Night Shift Industries  | Technical & Trade Schools  | 6115            | 482         | 0.10                   | 60                   | \$3.2                 |
| Night Shift Industries  | Other Schools & Instruction  | 6116            | 482         | 0.10                   | 210                  | \$6.6                 |
| Night Shift Industries  | Research & Development in the Physical, Engineering & Life Sciences  | 54171           | 464         | 0.03                   | 160                  | \$26.6                |
| Night Shift Industries  | Professional & Management Development Training                       | 61143           | 482         | 0.10                   | 40                   | \$3.4                 |
| Night Shift Industries  | Commercial Banking   | 522110          | 441         | 0.04                   | 220                  | \$19.5                |
| Night Shift Industries  | Janitorial Services  | 561720          | 476         | 0.20                   | 1,230                | \$35.8                |
| Night Shift Industries  | Junior Colleges  | 611210          | 481         | 0.10                   | 20                   | \$1.1                 |
| Night Shift Industries  | Colleges, Universities & Professional Schools                        | 611310          | 481         | 0.10                   | 6,600                | \$455.4               |
| Night Shift Industries  | Educational Support Services   | 611710          | 482         | 0.10                   | 90                   | \$6.1                 |
| Night Shift Industries  | Manufacturing  | 31-33           | 391         | 0.12                   | 2,220                | \$154.4               |
| Night Shift Industries  | Transportation & Warehousing   | 48-49           | 422         | 0.32                   | 16,670               | \$823.8               |
| Sports & Recreation     | Spectator Sports   | 7112            | 497         | 0.81                   | 1,720                | \$865.2               |
| Sports & Recreation     | Amusement Parks & Arcades  | 7131            | 502         | 0.27                   | 90                   | \$2.1                 |
| Sports & Recreation     | Gambling Industries  | 7132            | 503         | 0.27                   | 520                  | \$21.4                |
| Sports & Recreation     | Fitness & Recreational Sports Centers                                | 713940          | 505         | 0.43                   | 1,220                | \$23.3                |
| Sports & Recreation     | Bowling Centers  | 713950          | 506         | 0.19                   | 40                   | \$1.0                 |

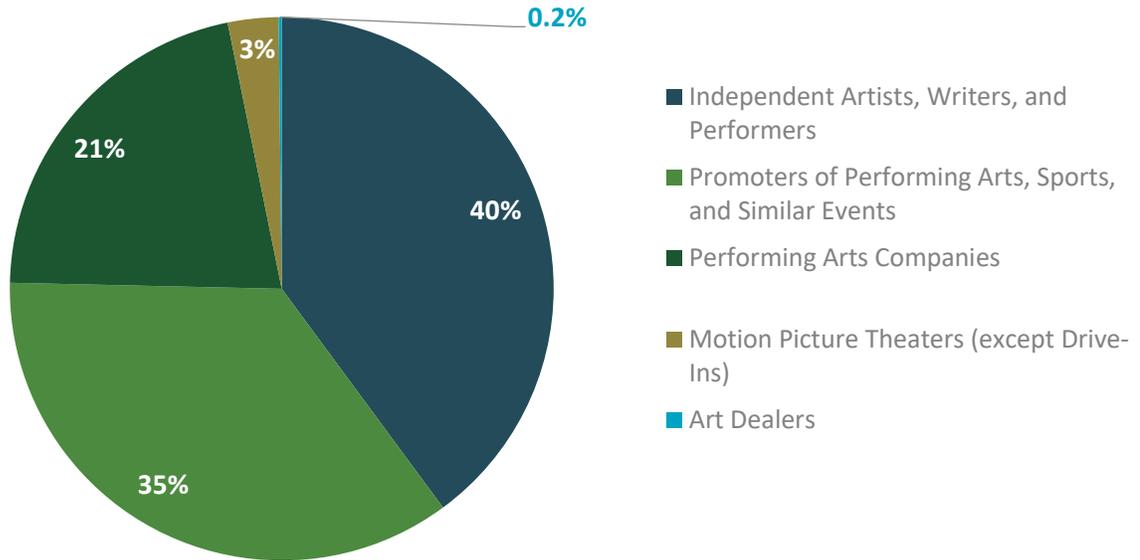
Source: U.S. Census Bureau (2022–2023), Econsult Solutions, Inc. (2025)

Figure A.2 Complete List of Industries Included in the Analysis of Philadelphia's NTE by NTE Wages

| Sector                  | NAICS Description  | 2022 NAICS Code | IMPLAN Code | Phila. NTE Coefficient | Phila. NTE Employees | Phila. NTE Wage (\$M) |
|-------------------------|--|-----------------|-------------|------------------------|----------------------|-----------------------|
| Essential Services      | General Medical & Surgical Hospitals                                 | 622110          | 490         | 0.19                   | 11,590               | \$1,073.20            |
| Sports & Recreation     | Spectator Sports   | 7112            | 497         | 0.81                   | 1,720                | \$865.20              |
| Night Shift Industries  | Transportation & Warehousing   | 48-49           | 422         | 0.32                   | 16,670               | \$823.80              |
| Night Shift Industries  | Colleges, Universities & Professional Schools                        | 611310          | 481         | 0.1                    | 6,600                | \$455.40              |
| Food, Bev & Hospitality | Full-Service Restaurants   | 722511          | 509         | 0.7                    | 14,460               | \$449.30              |
| Essential Services      | Urban Transit Systems  | 4851            | 418         | 0.32                   | 2,910                | \$217.70              |
| Night Shift Industries  | General Freight Trucking   | 4841            | 417         | 0.35                   | 2,110                | \$197.80              |
| Night Shift Industries  | Manufacturing  | 31-33           | 391         | 0.12                   | 2,220                | \$154.40              |
| Essential Services      | Police Protection  | 922120          | 534         | 0.31                   | 1,780                | \$152.30              |
| Food, Bev & Hospitality | Limited-Service Restaurants  | 722513          | 510         | 0.36                   | 4,980                | \$126.20              |
| Essential Services      | Taxi & Ridesharing Services  | 485310          | 418         | 0.26                   | 3,320                | \$108.90              |
| Night Shift Industries  | Construction   | 23              | 62          | 0.05                   | 1,080                | \$85.00               |
| Essential Services      | Supermarkets & Other Grocery Retailers (expt. Convenience Retailers) | 44511           | 406         | 0.23                   | 2,800                | \$78.80               |
| Night Shift Industries  | Investigation & Security Services                                    | 5616            | 475         | 0.25                   | 2,560                | \$75.50               |
| Essential Services      | Fire Protection  | 922160          | 534         | 0.31                   | 760                  | \$65.50               |
| Food, Bev & Hospitality | Drinking Places (Alcoholic Beverages)                                | 722410          | 511         | 0.79                   | 2,260                | \$62.50               |
| Arts & Culture          | Performing Arts Companies  | 7111            | 496         | 0.74                   | 1,210                | \$56.00               |
| Arts & Culture          | Independent Artists, Writers & Performers                            | 711510          | 499         | 0.39                   | 2,250                | \$53.30               |
| Arts & Culture          | Promoters of Performing Arts, Sports & Similar Events                | 7113            | 500         | 0.15                   | 2,000                | \$52.80               |
| Essential Services      | Electric Power Generation, Transmission & Distribution               | 2211            | 47          | 0.23                   | 350                  | \$49.30               |
| Food, Bev & Hospitality | Hotels (except Casino Hotels) & Motels                               | 721110          | 507         | 0.16                   | 820                  | \$40.00               |
| Food, Bev & Hospitality | Food Service Contractors   | 722310          | 511         | 0.17                   | 1,080                | \$37.40               |
| Night Shift Industries  | Janitorial Services  | 561720          | 476         | 0.2                    | 1,230                | \$35.80               |
| Food, Bev & Hospitality | Caterers   | 722320          | 511         | 0.25                   | 820                  | \$28.00               |
| Night Shift Industries  | Research & Development in the Physical, Engineering & Life Sciences  | 54171           | 464         | 0.03                   | 160                  | \$26.60               |
| Essential Services      | Psychiatric & Substance Abuse Hospitals                              | 622210          | 490         | 0.17                   | 450                  | \$26.10               |
| Sports & Recreation     | Fitness & Recreational Sports Centers                                | 713940          | 505         | 0.43                   | 1,220                | \$23.30               |
| Sports & Recreation     | Gambling Industries  | 7132            | 503         | 0.27                   | 520                  | \$21.40               |
| Food, Bev & Hospitality | Snack & Nonalcoholic Beverage Bars                                   | 722515          | 511         | 0.23                   | 1,000                | \$21.30               |
| Night Shift Industries  | Commercial Banking   | 522110          | 441         | 0.04                   | 220                  | \$19.50               |
| Essential Services      | Community Food & Housing & Emergency & Other Relief Services         | 6242            | 495         | 0.12                   | 310                  | \$14.60               |
| Essential Services      | Other Transit & Ground Passenger Transportation                      | 4859            | 418         | 0.32                   | 370                  | \$14.50               |
| Night Shift Industries  | Specialized Freight Trucking   | 4842            | 417         | 0.35                   | 280                  | \$13.40               |
| Essential Services      | Ambulance Services   | 621910          | 489         | 0.42                   | 360                  | \$13.20               |
| Essential Services      | Convenience Retailers  | 445131          | 406         | 0.33                   | 580                  | \$12.50               |
| Night Shift Industries  | Other Schools & Instruction  | 6116            | 482         | 0.1                    | 210                  | \$6.60                |
| Night Shift Industries  | Educational Support Services   | 611710          | 482         | 0.1                    | 90                   | \$6.10                |
| Essential Services      | Interurban & Rural Bus Transportation                                | 485210          | 418         | 0.32                   | 210                  | \$5.00                |
| Food, Bev & Hospitality | Mobile Food Services   | 722330          | 511         | 0.25                   | 180                  | \$4.50                |
| Essential Services      | Waste Collection   | 5621            | 479         | 0.2                    | 50                   | \$3.90                |
| Arts & Culture          | Motion Picture Theaters (except Drive-Ins)                           | 512131          | 429         | 0.7                    | 170                  | \$3.40                |
| Night Shift Industries  | Professional & Management Development Training                       | 61143           | 482         | 0.1                    | 40                   | \$3.40                |
| Night Shift Industries  | Technical & Trade Schools  | 6115            | 482         | 0.1                    | 60                   | \$3.20                |
| Sports & Recreation     | Amusement Parks & Arcades  | 7131            | 502         | 0.27                   | 90                   | \$2.10                |
| Food, Bev & Hospitality | Cafeterias, Grill Buffets & Buffets                                  | 722514          | 511         | 0.33                   | 80                   | \$2.00                |
| Night Shift Industries  | Junior Colleges  | 611210          | 481         | 0.1                    | 20                   | \$1.10                |
| Sports & Recreation     | Bowling Centers  | 713950          | 506         | 0.19                   | 40                   | \$1.00                |
| Essential Services      | Limousine Service  | 48532           | 418         | 0.32                   | 20                   | \$0.80                |
| Essential Services      | Charter Bus Industry   | 485510          | 418         | 0.32                   | 20                   | \$0.70                |
| Arts & Culture          | Art Dealers  | 459920          | 412         | 0.06                   | 10                   | \$0.50                |

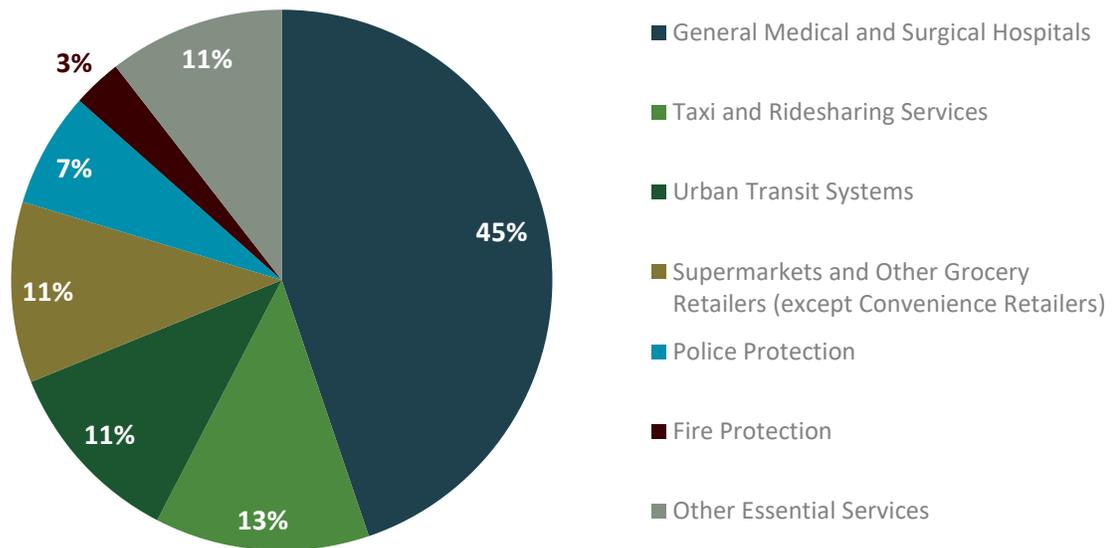
Source: U.S. Census Bureau (2022–2023), Econsult Solutions, Inc. (2025)

Figure A.3 Nighttime Employment from the Arts & Culture NTE Sector by NAICS Description



Source: U.S. Census Bureau (2021–2022), Econsult Solutions, Inc. (2025)

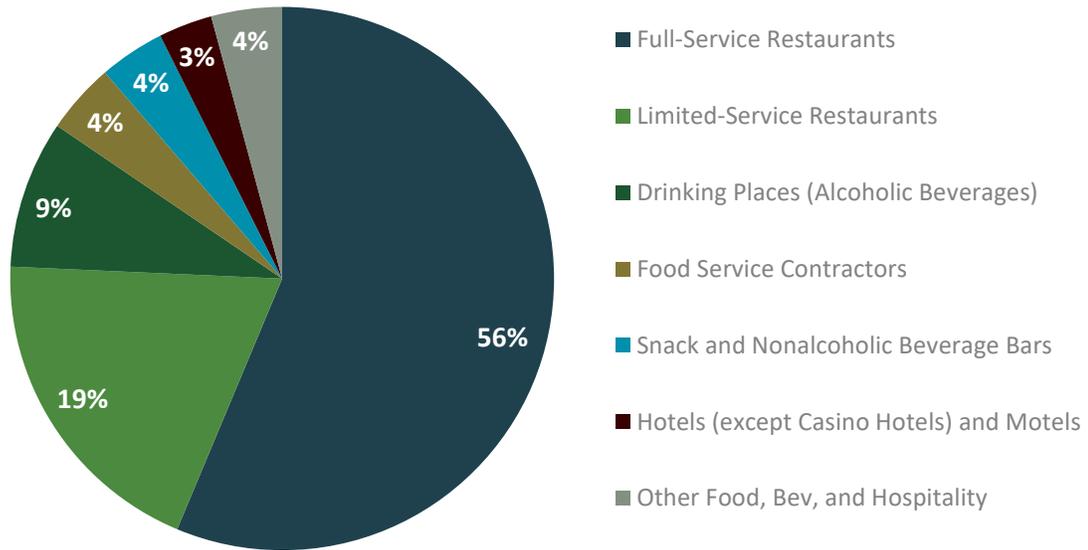
Figure A.4 Nighttime Employment from the Essential Services NTE Sector by NAICS Description<sup>71</sup>



Source: U.S. Census Bureau (2021–2022), Econsult Solutions, Inc. (2025)

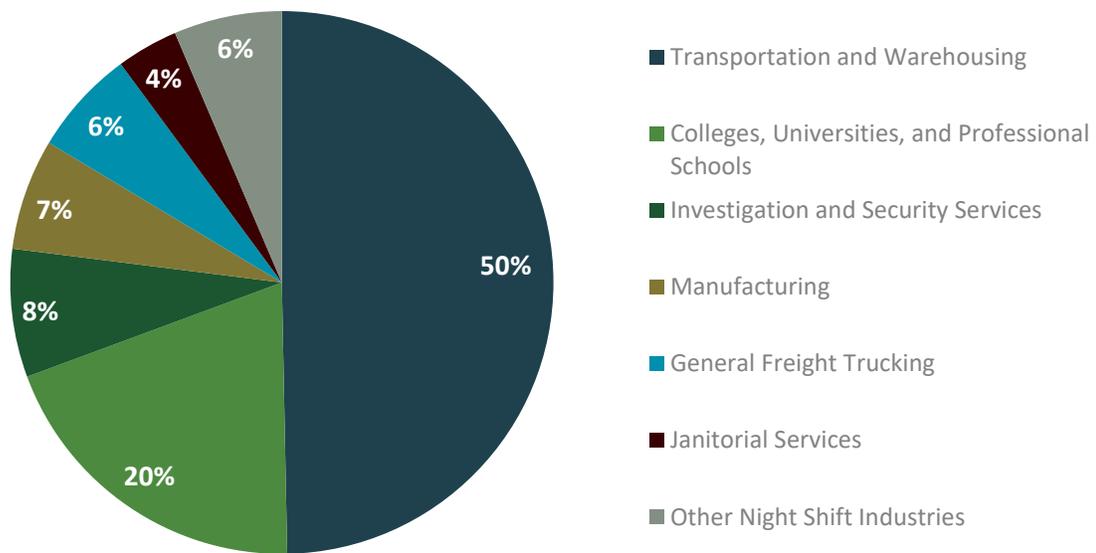
<sup>71</sup> Other Essential Services includes the following NAICS industries: Convenience Retailers; Psychiatric and Substance Abuse Hospitals; Other Transit and Ground Passenger Transportation; Ambulance Services; Electric Power Generation, Transmission, and Distribution; Community Food and Housing, and Emergency and Other Relief Services; Interurban and Rural Bus Transportation; Waste Collection; Limousine Service; and Charter Bus Industry.

Figure A.5 Nighttime Employment from the Food, Beverage & Hospitality NTE Sector by NAICS Description<sup>72</sup>



Source: U.S. Census Bureau (2021–2022), Econsult Solutions, Inc. (2025)

Figure A.6 Nighttime Employment from the Night Shift Industries NTE Sector by NAICS Description<sup>73</sup>

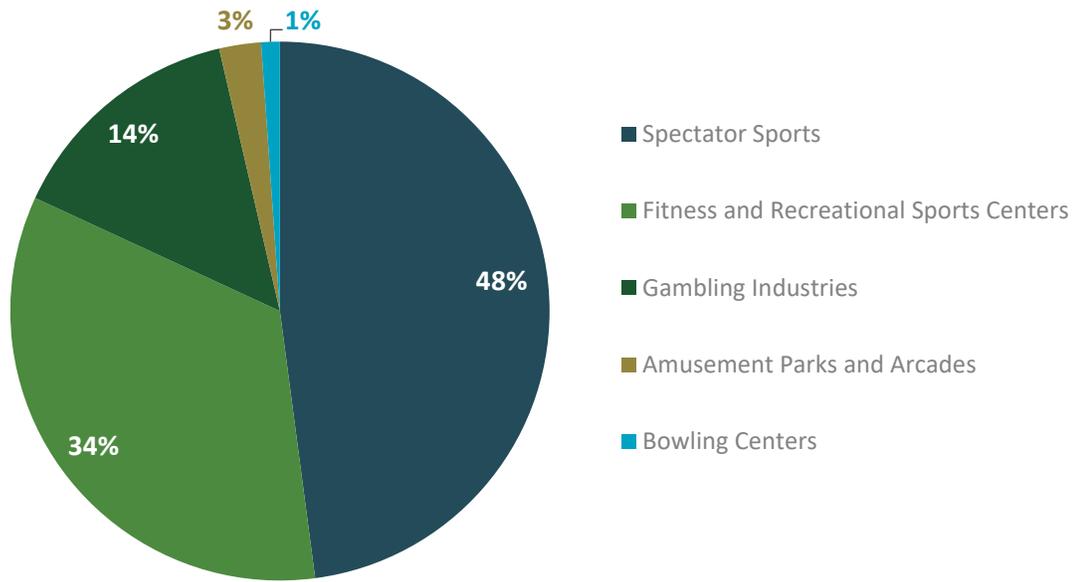


Source: U.S. Census Bureau (2021–2022), Econsult Solutions, Inc. (2025)

<sup>72</sup> Other Food, Beverage & Hospitality includes the following NAICS industries: Caterers; Mobile Food Services; and Cafeterias, Grill Buffets, and Buffets.

<sup>73</sup> Other Night Shift Industries includes the following NAICS industries: Construction; Specialized Freight Trucking; Commercial Banking; Other Schools and Instruction; Research and Development in the Physical, Engineering, and Life Sciences; Educational Support Services; Technical and Trade Schools; Professional and Management Development Training; and Junior Colleges.

Figure A.7 Nighttime Employment from the Sports & Recreation NTE Sector by NAICS Description



Source: U.S. Census Bureau (2021–2022), Econsult Solutions, Inc. (2025)

## Economic and Fiscal Impact Analysis

In this report, the economic and fiscal impacts of Philadelphia's nighttime economy are evaluated across several key categories to provide a comprehensive view of its contributions to both the local and state economies. The analysis incorporates *direct*, *indirect*, and *induced* impacts, offering a holistic perspective on how nighttime industries drive economic activity and generate public revenues. The report utilizes industry-standard input-output modeling techniques and multipliers, drawing from publicly available data, as well as proprietary data sources to ensure accuracy and credibility.<sup>74</sup>

The key categories used to measure economic and fiscal impacts in this report include:

- **Industry Operations and Employment:** The *direct* economic contributions of businesses operating in nighttime industries, including their expenditures on wages, goods, and services. This category captures the impact of sectors such as hospitality, arts and culture, essential services, and transportation on Philadelphia's economy.
- **Supply Chain and Supporting Services:** The *indirect* economic effects that result from nighttime businesses' procurement of goods and services from suppliers, ranging from food and beverage suppliers to maintenance and logistics companies. These impacts represent the broader network of businesses that benefit from the demand generated by nighttime industries.
- **Employee and Consumer Spending:** The *induced* impacts that occur when workers in nighttime industries spend their wages on housing, food, healthcare, and other local services, as well as when consumers and visitors spend on activities such as dining and entertainment. This spending further stimulates the local and regional economy.
- **Tax Revenues Generated:** The fiscal contributions from nighttime economic activities, including income, sales, and business taxes. These revenues are crucial for supporting public services and infrastructure in both Philadelphia and the Commonwealth of Pennsylvania.

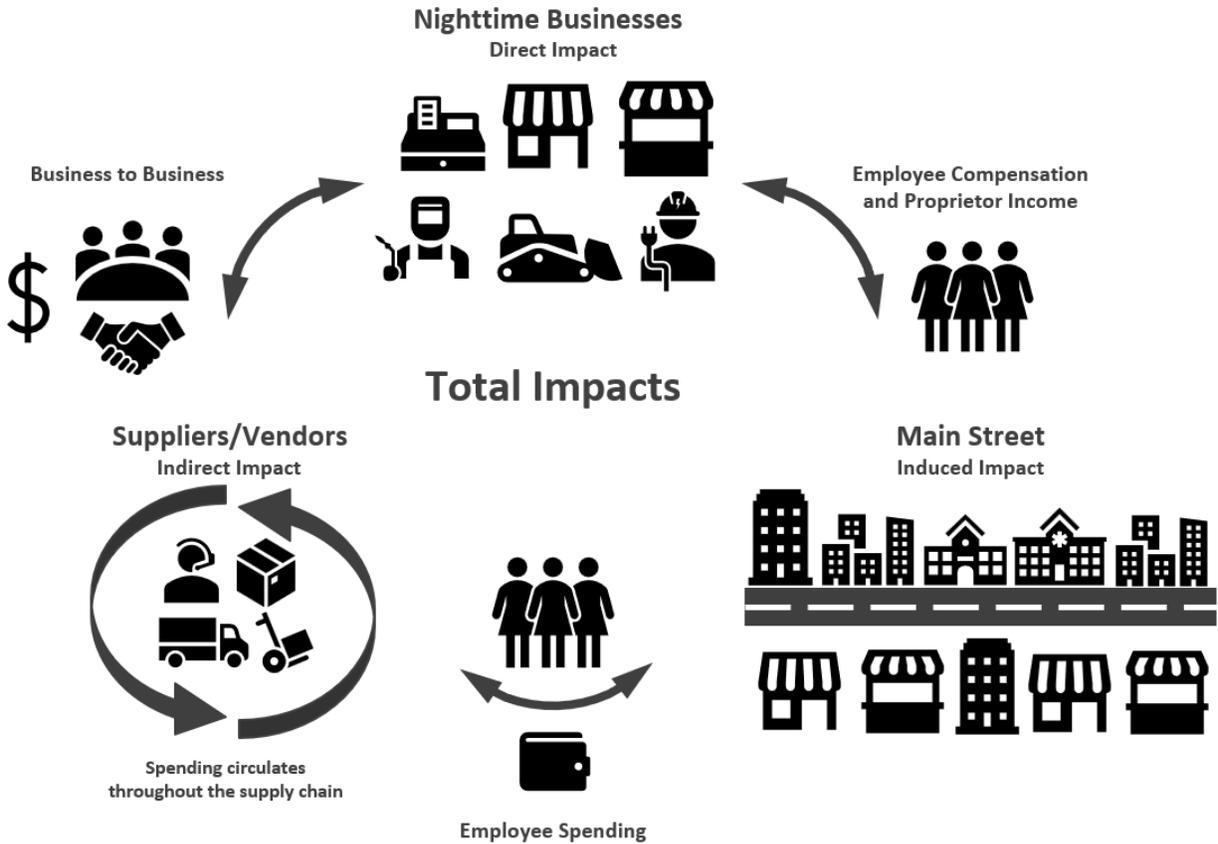
This report estimates the total economic and fiscal impact of Philadelphia's nighttime economy on an annual basis using widely accepted economic modeling frameworks. Data points have been verified where possible, and assumptions rely on conservative estimates and industry surveys to ensure that the findings are robust and reliable. The resulting analysis highlights the importance of nighttime industries not only as drivers of economic activity but also as significant contributors to public revenue.

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<sup>74</sup> See Appendix Figure A.1 for a more detailed explanation of the input-output model used for this analysis.

## Input-Output Modeling

Figure A.8 Economic Impact Methodology



Source: Econsult Solutions, Inc. (2025)

In an interconnected economy, every direct dollar spent generates two spillover impacts:

- First, some amount of the proportion of that expenditure that goes to the purchase of goods and services gets circulated back into an economy when those goods and services are purchased from local vendors. This represents what is known as the **indirect effect** and reflects the fact that local purchases of goods and services support local vendors, who in turn require additional purchasing with their own set of vendors.
- Second, some amount of the proportion of that expenditure that goes to labor income gets circulated back into an economy when those employees spend some of their earnings on various goods and services. This represents what is known as the **induced effect** and reflects the fact that some of those goods and services will be purchased from local vendors, further stimulating the economy.

To model the impacts resulting from the direct expenditures of Philadelphia's nighttime economy, ESI developed a customized economic impact model using IMPLAN's input-output modeling system. Utilizing an industry standard approach, IMPLAN's input-output modeling system allows users to assess the

economic and job creation impacts of industry-based events and public policy changes within a county or its surrounding area. IMPLAN has developed a social accounting matrix (SAM) that accounts for the flow of commodities through economics. From this matrix, IMPLAN also determines the regional purchase coefficient (RPC), or the proportion of local supply that satisfies local demand. These values not only establish the types of goods and services supported by an industry or institution, but also the high level at which they are acquired locally. This assessment determines the multiplier basis for the local and regional models created in the IMPLAN modeling system. IMPLAN takes these multipliers and divides them into 546 industry categories in accordance with the North American Industrial Classification System (NAICS) codes.

## Fiscal Impacts by Nighttime Economy (NTE) Sectors

Figure A.9 Annual Fiscal Impact of the NTE Arts and Culture Sector, 2022

| <b>Arts and Culture</b>          | <b>City of Philadelphia</b> | <b>Commonwealth of Pennsylvania</b> |
|----------------------------------|-----------------------------|-------------------------------------|
| Wage/Income (\$M)                | \$7.8                       | \$6.6                               |
| Sales (\$M)                      | \$2.0                       | \$11.8                              |
| Business (\$M)                   | \$3.5                       | \$4.6                               |
| <b>Total Fiscal Impact (\$M)</b> | <b>\$13.3</b>               | <b>\$23.0</b>                       |

Source: IMPLAN (2022), Commonwealth of PA Office of Budget (2023), City of Phila. Budget Office (2023), Econsult Solutions, Inc. (2025)

Figure A.10 Annual Fiscal Impact of the NTE Essential Services Sector, 2022

| <b>Essential Services</b>        | <b>City of Philadelphia</b> | <b>Commonwealth of Pennsylvania</b> |
|----------------------------------|-----------------------------|-------------------------------------|
| Wage/Income (\$M)                | \$78.6                      | \$68.6                              |
| Sales (\$M)                      | \$12.8                      | \$81.9                              |
| Business (\$M)                   | \$22.9                      | \$32.3                              |
| <b>Total Fiscal Impact (\$M)</b> | <b>\$114.2</b>              | <b>\$182.8</b>                      |

Source: IMPLAN (2022), Commonwealth of PA Office of Budget (2023), City of Phila. Budget Office (2023), Econsult Solutions, Inc. (2025)

Figure A.11 Annual Fiscal Impact of the NTE Food, Beverage & Hospitality Sector, 2022

| <b>Food, Beverage &amp; Hospitality</b> | <b>City of Philadelphia</b> | <b>Commonwealth of Pennsylvania</b> |
|---|-----------------------------|-------------------------------------|
| Wage/Income (\$M)                       | \$33.6                      | \$29.0                              |
| Sales (\$M)                             | \$6.0                       | \$37.4                              |
| Business (\$M)                          | \$10.8                      | \$14.7                              |
| <b>Total Fiscal Impact (\$M)</b>        | <b>\$50.4</b>               | <b>\$81.1</b>                       |

Source: IMPLAN (2022), Commonwealth of PA Office of Budget (2023), City of Phila. Budget Office (2023), Econsult Solutions, Inc. (2025)

Figure A.12 Annual Fiscal Impact of the NTE Night Shift Industries Sector, 2022

| <b>Night Shift Industries</b>    | <b>City of Philadelphia</b> | <b>Commonwealth of Pennsylvania</b> |
|----------------------------------|-----------------------------|-------------------------------------|
| Wage/Income (\$M)                | \$88.6                      | \$77.7                              |
| Sales (\$M)                      | \$14.4                      | \$93.6                              |
| Business (\$M)                   | \$25.8                      | \$36.9                              |
| <b>Total Fiscal Impact (\$M)</b> | <b>\$128.7</b>              | <b>\$208.2</b>                      |

Source: IMPLAN (2022), Commonwealth of PA Office of Budget (2023), City of Phila. Budget Office (2023), Econsult Solutions, Inc. (2025)

Figure A.13 Annual Fiscal Impact of the NTE Sports and Recreation Sector, 2022

| <b>Sports and Recreation</b>     | <b>City of Philadelphia</b> | <b>Commonwealth of Pennsylvania</b> |
|----------------------------------|-----------------------------|-------------------------------------|
| Wage/Income (\$M)                | \$38.7                      | \$32.5                              |
| Sales (\$M)                      | \$4.8                       | \$30.5                              |
| Business (\$M)                   | \$8.7                       | \$12.0                              |
| <b>Total Fiscal Impact (\$M)</b> | <b>\$52.2</b>               | <b>\$75.0</b>                       |

Source: IMPLAN (2022), Commonwealth of PA Office of Budget (2023), City of Phila. Budget Office (2023), Econsult Solutions, Inc. (2025)

## Analyzing Local Economic Activity

This report provides analysis of the time and location of nighttime activity in Philadelphia, utilizing mobile data from Placer.ai. In collaboration with the Department of Commerce, ESI identified a selection of corridors spread throughout the city to study. Through a collaboration with Philadelphia's Center City District, Placer.ai data was obtained that provides details on the time, duration, and location of individuals visiting the selected corridors. Data utilized covers May 2023 to April 2024 and focuses on visits between 6:00 pm and 6:00 am lasting 30 minutes or longer.

Figure A.14 Identified Commercial Corridors by Neighborhood and Council District

| <b>Corridor</b>                   | <b>Neighborhood</b>             | <b>Council District(s)</b> |
|-----------------------------------|---------------------------------|----------------------------|
| 1700 N. Broad Street              | Lower North                     | 5                          |
| 2nd St                            | Center City                     | 1, 5                       |
| 52nd Street                       | West and Southwest Philadelphia | 3                          |
| 5th and Lehigh                    | Lower North                     | 5, 7                       |
| 5th and Olney                     | North Philadelphia              | 9                          |
| 5th and the Boulevard             | North Philadelphia              | 7, 8                       |
| 6600 Castor Ave                   | Northeast Philadelphia          | 7, 9                       |
| 9th Street - Italian Market       | South Philadelphia              | 1, 2                       |
| Aramingo Avenue                   | Lower North                     | 6                          |
| Central Germantown                | Northwest Philadelphia          | 8                          |
| Chester Avenue                    | West and Southwest Philadelphia | 2, 3                       |
| Chestnut Hill                     | Northwest Philadelphia          | 8                          |
| Chinatown                         | Center City                     | 1                          |
| Cottman and the Boulevard         | Northeast Philadelphia          | 6, 9, 10                   |
| East Passyunk                     | South Philadelphia              | 1                          |
| Fishtown-Kensington Area Business | Lower North                     | 1, 5, 7                    |
| Frankford Ave - Mayfair           | Northeast Philadelphia          | 6                          |
| Hunting Park Juniata              | North Philadelphia              | 7                          |
| Main Street - Manayunk            | Northwest Philadelphia          | 4                          |
| Midtown Village                   | Center City                     | 1                          |
| Old City                          | Center City                     | 1                          |
| Philadelphia Mills                | Northeast Philadelphia          | 10                         |
| Rittenhouse Row                   | Center City                     | 2, 5                       |
| South Street                      | South Philadelphia              | 1, 2                       |
| West Girard                       | Lower North                     | 4, 5                       |
| Woodland Avenue                   | West and Southwest Philadelphia | 2                          |

Source: City of Philadelphia Department of Commerce (2024), Econsult Solutions, Inc. (2025)

Figure A.15 Nighttime Annual and Average Weekly Visits of Selected Commercial Corridors in Philadelphia, May 2023 – April 2024

| <b>Corridor</b>                   | <b>Annual Visits</b> | <b>Avg. Weekly Visits</b> |
|-----------------------------------|----------------------|---------------------------|
| Rittenhouse Row                   | 9,220,900            | 174,000                   |
| Midtown Village                   | 8,130,500            | 153,400                   |
| 1700 N. Broad Street              | 7,093,200            | 133,800                   |
| Old City                          | 5,306,500            | 100,100                   |
| Cottman and the Boulevard         | 2,862,600            | 54,000                    |
| Chinatown                         | 2,834,500            | 53,500                    |
| South Street                      | 2,767,400            | 52,200                    |
| Aramingo Avenue                   | 2,758,800            | 52,100                    |
| Philadelphia Mills                | 2,397,400            | 45,200                    |
| 9th Street - Italian Market       | 2,077,100            | 39,200                    |
| Main Street - Manayunk            | 2,030,100            | 38,300                    |
| 2nd St                            | 1,900,800            | 35,900                    |
| Fishtown-Kensington Area Business | 1,308,800            | 24,700                    |
| Central Germantown                | 1,241,700            | 23,400                    |
| Chestnut Hill                     | 1,028,800            | 19,400                    |
| East Passyunk                     | 812,900              | 15,300                    |
| 52nd Street                       | 587,800              | 11,300                    |
| Frankford Ave - Mayfair           | 586,800              | 11,100                    |
| 6600 Castor Ave                   | 536,700              | 10,100                    |
| 5th and the Boulevard             | 479,700              | 9,200                     |
| Woodland Avenue                   | 456,800              | 8,800                     |
| 5th and Olney                     | 373,000              | 7,200                     |
| West Girard                       | 345,200              | 6,600                     |
| Hunting Park Juniata              | 244,300              | 4,700                     |
| 5th and Lehigh                    | 225,900              | 4,300                     |
| Chester Avenue                    | 110,000              | 2,100                     |

Source: Placer.ai (2024), Econsult Solutions, Inc. (2025)

Figure A.16 Nighttime Annual and Average Weekly Visits of Selected Commercial POIs in Philadelphia

| <b>Council District</b> | <b>Annual Visits</b> | <b>Avg. Weekly Visits</b> |
|-------------------------|----------------------|---------------------------|
| 1                       | 34,359,500           | 648,300                   |
| 2                       | 22,762,800           | 429,700                   |
| 3                       | 1,154,600            | 22,200                    |
| 4                       | 2,963,100            | 56,200                    |
| 5                       | 28,225,300           | 532,800                   |
| 6                       | 6,208,200            | 117,100                   |
| 7                       | 2,795,400            | 53,100                    |
| 8                       | 2,750,200            | 52,100                    |
| 9                       | 3,772,300            | 71,300                    |
| 10                      | 5,260,100            | 99,200                    |

Source: Placer.ai (2024), Econsult Solutions, Inc. (2025)

## Cities Evaluated for Promising Nighttime Economy Practices

Figure A.17 List of Cities Evaluated for Promising Practices (Non-Exhaustive)

### Promising Practice Cities / Regions

Amsterdam, Netherlands  
Austin, TX  
Berlin, Germany  
Bogotá, Columbia  
Boston, MA  
Bristol, England  
Dallas, TX  
Detroit, MI  
Iowa City, IA  
London, England  
Madison, WI  
Mexico City, Mexico  
Miami Beach, FL  
Montreal, Canada  
Nashville, TN  
New Orleans, LA  
New South Wales, Australia  
New York, NY  
Orlando, FL  
Paris, France  
Philadelphia, PA  
Pittsburgh, PA  
Sacramento, CA  
San Francisco, CA  
Seattle, WA  
Sydney, Australia  
Tokyo, Japan  
Toronto, Canada  
Washington D.C.

## PHILADELPHIA AFTER DARK



Department of  
**Commerce**

CITY OF PHILADELPHIA

This report was commissioned by the City of Philadelphia Department of Commerce. The Department of Commerce is the economic catalyst for the City of Philadelphia. Commerce helps businesses thrive and increases economic opportunity for all. We envision Philadelphia with a globally competitive economy that benefits all people who live, work, and do business in our city.

Our strategic priorities include:

- Attract and retain businesses through customized support and incentives.
- Build workforce development strategies that connect talent to growth industries and to jobs that pay family-sustaining wages.
- Leverage partnerships and research to drive policy, strategy and ease of doing business.

Find out more: [phila.gov/commerce](http://phila.gov/commerce)

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economics | strategy | insight

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ESI combines robust quantitative analysis with trusted expert insights to create sustainable solutions. The firm works collaboratively with its clients, and draws in expertise, when necessary, from its network of experts and partners across industries, regions, and management practices. Based in Philadelphia, the firm supports clients nationwide.

## KEY DRIVERS AND TRENDS IN THE NIGHTTIME ECONOMY

*Photo view of Benjamin Franklin Parkway and Philadelphia City Hall; licensed stock image*