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January 14, 2022

Michael McSweeney City Clerk of the Council 141 Worth Street New York, NY 10013

Dear Mr. McSweeney:

Transmitted herewith is the bill disapproved by the Mayor. The bill is as follows:

Introductory Number 2443-A

A Local Law to amend the administrative code of the city of New York, in relation to increasing penalties related to using joint living work quarters for artists contrary to zoning.

Sincerely,

Roberto Perez

Director of the Mayor's Office of Intergovernmental Affairs

cc: Honorable Adrienne E. Adams



THE CITY OF NEW YORK OFFICE OF THE MAYOR NEW YORK, N.Y. 10007

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January 14, 2022

Hon. Michael McSweeney City Clerk and Clerk of the Council 141 Worth Street New York, NY 10013

Dear Mr. McSweeney:

Pursuant to Section 37 of the New York City Charter, I hereby disapprove Introduction No. 2443-A, which would amend the administrative code of the city of New York to increase penalties for non-compliance with the Joint Living Work Quarters for Artists ("JLWQA") program.

Introduction No. 2443-A would establish a new requirement that owners of JLWQA record in the City Register, or with the Richmond County Clerk, a statement that the property is a JLWQA, and therefore subject to relevant provisions of the Zoning Resolution of the City of New York (the "Zoning Resolution"). The bill would also permit me to designate an office or agency to similarly record such information in the City Register. Finally, Introduction No. 2443-A would substantially increase civil penalties for zoning violations related to JLWQA to "not less than \$15,000 for the first offense and \$25,000 for each subsequent offense" with an additional potential penalty of "\$1,000 for each month the violation is not corrected."

I fully support the SoHo/NoHo Neighborhood Plan approved by the City Council on December 15, 2021 (the "SoHo/NoHo Rezoning"), and my disapproval of Introduction No. 2443-A should not be construed otherwise. The SoHo/NoHo Rezoning is an important step towards ensuring equity and fairness in New York City, and simplifying decades of legal and regulatory complexity. The SoHo/NoHo Rezoning effectively rationalized an antiquated regime, and it provided protection to existing JLWQA housing while providing a mechanism for converting nonconforming units to residential housing through a significant payment to the SoHo/NoHo Arts Fund. By contrast, Introduction No. 2443-A creates additional paperwork and processes without a benefit to the artists and residents of the SoHo and NoHo neighborhoods.

Increasing civil penalties without increasing compliance is not good governance. In the first instance, City agencies should focus on improving enforcement, where necessary, to further the City's goals. This bill, however, focuses on the end of the process rather than the beginning. It will likely have a negative impact on many long-term residents of the affected neighborhoods and may force hundreds of residents from their homes. These increased civil penalties would neither increase housing for artists, nor would they further the purposes of the SoHo/NoHo

Rezoning. My administration cannot support an approach that focuses on penalties over constructive process.

There are better ways to further the laudable goals of the JLWQA program and preserve artist housing. The JLWQA program already has a civil penalty structure in place and the recent SoHo/NoHo Rezoning strengthens that program. I will be instructing relevant agencies, in particular the Department of Buildings, the Department of City Planning, and the Department of Cultural Affairs, to evaluate and restructure the enforcement of this program to more effectively meet the goals of existing law. This will include evaluating and, where necessary, updating the criteria for certifying artists and adjusting the requirements for this program to better reflect the realities of artist housing. I will be instructing these agencies to develop longer-term solutions for the hundreds of residents who would have either been forced to relocate or see their savings diminished by this proposed legislation. Throughout this process, we will work in partnership with the City Council to further the goals of the SoHo/NoHo Rezoning, without first reverting to increased penalties.

Introduction No. 2443-A would also add an additional recording requirement for owners, and it would permit a City office or agency to record information related to JLWQA in the City Register. The bill does not provide a means for enforcing this requirement on owners, and in any event, the recording requirement is not the most effective means for determining the extent and scope of non-compliance. These proposed recording requirements are a prime example of the type of bureaucratic complexity that we must eliminate.

Because Introduction No. 2443-A increases bureaucratic complexity and does not effectively advance the goals of the SoHo/NoHo Rezoning, it is hereby disapproved.

Sincerely,

Eric Adams Mayor

Cc: Hon. Adrienne Adams

DISAPPROVED

ON THE 14 DAY OF JANUARY 2022

Int. No. 2443-A

By Council Member Chin

A Local Law to amend the administrative code of the city of New York, in relation to increasing penalties related to using joint living work quarters for artists contrary to zoning

Be it enacted by the Council as follows:

Section 1. Chapter 6 of title 7 of the administrative code of the city of New York is amended by adding a new section 7-629 to read as follows:

§ 7-629 Joint living-work quarters for artists. a. Definition. For the purposes of this section, the following terms have the following meanings:

City register. The term "city register" means the office of the register of the city of New York.

Joint living-work quarters for artists. The term "joint living-work quarters for artists" has the same meaning as such term is defined in section 12-10 of the zoning resolution.

b. Recording requirement for owners of joint living-work quarters for artists. Within 90 days of acquiring ownership of a property that is a joint living-work quarter for artists, the owner of such property must record in the city register, or in the case of property within the county of Richmond, in the office of the clerk of such county, a statement that such property is a joint living-work quarter for artists, and that such property is therefore subject to regulations governing joint living-work quarters for artists pursuant to the zoning resolution. Such requirement shall not apply to an owner of such property who acquired ownership of such property prior to the effective date of the local law that added this section.

c. Notice recorded by city agencies. In addition to any statement required to be recorded by the owner of a property that is a joint living-work quarter for artists pursuant to subdivision b

artists, an office or agency designated by the mayor may, where such office or agency determines it to be in the public interest, timely record in the city register, or in the case of property within the county of Richmond, in the office of the clerk of such county, notice that such property is a joint living-work quarter for artists, and that such property is therefore subject to regulations governing

of this section, for any property in the city of New York that is a joint living-work quarter for

joint living-work quarters for artists pursuant to the zoning resolution. Each such notice shall

include the borough, block and lot number of such property as set forth on the tax map.

§ 2. Section 28-201.2.2 of the administrative code of the city of New York is amended by

adding a new item 8 to read as follows:

8. A violation of a requirement, established pursuant to the zoning resolution, related to a

use contrary to the definition of joint living-work quarters for artists, as defined by section 12-10

of the zoning resolution.

§ 3. Section 28-202.1 of the administrative code of the city of New York is amended by

adding a new exception 13 to read as follows:

13. A violation of a requirement, established pursuant to the zoning resolution, related to a

use contrary to the definition of joint living-work quarters for artists, as defined by section 12-10

of the zoning resolution, shall be subject to a civil penalty of not less than \$15,000 for the first

offense and \$25,000 for each subsequent offense. In addition to such civil penalties, a separate

monthly penalty may be imposed of \$1,000 for each month that the violation is not corrected.

§ 4. This local law takes effect 180 days after it becomes law.

I hereby certify that the above bill was passed by the Council of the City of New York on Wednesday, December 15, 2021 receiving the following votes:

AMR LS #17889 127/2021 11:23 pm

Affirmative....47.....

Negative.....1

Michael M. McSweeney, City Clerk, Clerk of the Council.