



Legislation Details (With Text)

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Title: Resolution calling upon the New York State Legislature to introduce and adopt, and the Governor to sign, legislation which would authorize the City of New York to establish a Small Performance Venue Business Tax Credit.

Sponsors: James G. Van Bramer, Fernando Cabrera, Daniel Dromm, Julissa Ferreras-Copeland, David G. Greenfield, Letitia James, Brad S. Lander, Diana Reyna, Jumaane D. Williams

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Res. No. 450

Resolution calling upon the New York State Legislature to introduce and adopt, and the Governor to sign, legislation which would authorize the City of New York to establish a Small Performance Venue Business Tax Credit.

By Council Members Van Bramer, Cabrera, Dromm, Ferreras, Greenfield, James, Lander, Reyna and Williams

Whereas, No other city in the country currently comes close to competing with New York City's rich, vibrant and diverse music scene; and

Whereas, New York City is home to a plethora of famous musicians and bands such as Duke Ellington, Miles Davis, Billie Holiday, The Velvet Underground, Ella Fitzgerald, Barbara Streisand, Paul Simon, and the Talking Heads, just to name a few; and

Whereas, The majority of these now world-renowned musicians and bands started their careers performing in the City's small performance venues which provide a unique opportunity for unknown musicians to practice their art in front of live audiences in an affordable and acoustically supportive space; and

Whereas, Small to mid-sized non-profit theaters (venues with a public assembly of 250 persons or less) and performing arts organizations groups add both cultural and economic value to New York City's communities, and to the city as a whole; and

Whereas, The current economic climate, coupled with skyrocketing costs of lease space, however, has made it extraordinarily difficult for many theaters and performing arts companies to stay in business in New York City; and

Whereas, Many small to mid-sized performing arts groups hold long-term leases and usually sublet their spaces to other performing arts groups that do not have the financial strength to commit to long-term leases; and

Whereas, Accordingly, when long-term lease holders leave the City, the groups to which they provide space are endangered thereby diminishing the entire sector; and

Whereas, Since 2005, New Yorkers have witnessed the closing of Tonic, a nightclub tucked away on the Lower East Side known for its avant-garde music; the Roxy, a popular nightclub in Chelsea that hosted performances by many pop stars; the rock club Sin-e, located on Attorney Street on the Lower East Side, popular in the 90s and known for its up-and-coming musical acts; Brownies, in the East Village, referred to as a "temple of alternative rock"; the Bottom Line, located near Washington Square Park, which opened in 1974 as a showcase venue for jazz musicians and singer-songwriters; Luna Lounge, a club which "helped establish Ludlow Street as a nocturnal destination"; and the venerable punk club, CBGB, which opened in 1973 in the East Village and since such time helped launch the careers of bands such as the Ramones, Blondie, Talking Heads, Patti Smith, and Television; and

Whereas, The closing of these clubs, which indisputably helped build the City's music scene during the last three decades, not only threatens the health of the City's diverse music community, but also makes it exceedingly difficult for the City's struggling musicians to find affordable and suitable places to perform; and

Whereas, With market forces seemingly averse to cultivating the City's musical population, New York

City will continue to be threatened with a mass exodus of musicians to cities and countries more affordable and amenable to the professional survival of musicians, such as New Orleans which provides tax incentives and other support through its Office of Music Business Development; and

Whereas, In 2005, after New York City was experiencing a similar situation in the film and television industry, the Council, together with the Mayor, passed legislation to provide a film tax credit (currently equal to \$30 million annually) to help lure film productions back to the City and counter the flight of production jobs to more affordable places, such as Toronto, Montreal and Vancouver; and

Whereas, Under current law, the film tax credit provides a partially refundable tax credit against the City's General Corporation Tax and Unincorporated Business Tax to film and television producers for certain costs incurred in the production of film and television episodes in New York City for the purpose of providing financial incentives for the such productions; and

Whereas, Since the initial credit was enacted, \$600 million and over 6,000 new jobs have been generated for New York City's economy; and

Whereas, According to the NYC Mayor's Office of Film, Theatre and Broadcasting, production days in the City increased from 14,898 in 2002 to 34,718 in the first year the credit was enacted; and

Whereas, Providing a similar tax credit to owners of individual small performance venues who rent performance space at a discount to non-profit performing arts groups would not only offset some of the City's escalating rental costs, but would also ensure that great talent stays in New York City; and

Resolved, That the Council of the City of New York calls upon the New York State Legislature to introduce and adopt, and the Governor to sign, legislation which would authorize the ity of New York to establish a Small Performance Venue Business Tax Credit.

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Finance Committee

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