Committee on Small Business

Stephanie Jones, *Senior Legislative Counsel*

Noah Meixler, *Senior Policy Analyst*

Aliya Ali, *Finance Unit Head*



###### **THE COUNCIL OF THE CITY OF NEW YORK**

**BRIEFING PAPER AND COMMITTEE REPORT OF THE GOVERNMENTAL AFFAIRS DIVISION**

 **Andrea Vazquez, *Legislative Director***

**Rachel Cordero, *Deputy Director, Governmental Affairs Division***

**COMMITTEE ON SMALL BUSINESS**

**Hon. Julie Menin, *Chair***

##### June 9, 2022

**OVERSIGHT: Combatting Storefront Vacancies**

**INT. No. 116:** By Council Members Menin, Hanif, Williams, Joseph, Brewer, Ung, De La Rosa, Riley, Yeger, Cabán, Abreu, Narcisse, Holden, Velázquez, Gennaro, Farías, Hudson, Schulman, Barron, Krishnan, Feliz, Brooks-Power, Hanks, Stevens, Moya, Powers, Won, Ossé, Dinowitz, Brannan, Avilés, Ayala, Sanchez, Marte, Rivera, Borelli, Ariola, Vernikov and Paladino

**TITLE:** A Local Law to amend the administrative code of the city of New York, in relation to creating a "One-Stop Shop NYC Business Portal"

**INT. No. 197:** By Council Members Rivera, Menin, Cabán, Hanif, Won, Restler, Krishnan and Hudson

**TITLE:** A Local Law to amend the administrative code of the city of New York, in relation to establishing a legacy business registry and preservation fund

**INT. No. 383:** By Council Members Brewer, Louis and Menin

**TITLE:** A Local Law to amend the administrative code of the city of New York, in relation to supplemental registration statements and the dataset for ground floor or second floor commercial premises

1. **Introduction**

On June 9, 2022, the Committee on Small Business, chaired by Council Member Julie Menin, will hold an oversight hearing on “Combatting Commercial Vacancies” and hear legislation on the following bills: (1) Int. No. 116, by Council Member Menin, in relation to creating a "One-Stop Shop NYC Business Portal"; (2) Int. No. 197, by Council Member Rivera, in relation to establishing a legacy business registry and preservation fund; and (3) Int. No. 383, by Council Member Brewer, in relation to supplemental registration statements and the dataset for ground floor or second floor commercial premises. Those invited to testify include the Department of Small Business Services (“SBS”), the Department of Finance (“DOF”), advocates and other interested parties.

1. **Background**
2. *Pre-Pandemic*

 New York City can be a challenging place for small businesses to operate. In addition to adhering to occasionally complex regulatory schemes enforced by multiple City agencies, business owners must confront hurdles including high rents, taxation, competition from chain stores and e-commerce retailers. Issues surrounding high commercial vacancies in NYC predate the pandemic. Former NYC Comptroller Scott Stringer released a report examining retail vacancy trends between 2007 and 2017. The report found that the citywide retail vacancy rate was 5.8 percent in 2017, up from 4.0 percent in 2007.[[1]](#footnote-1) While it is difficult to definitively ascertain the reasons for the rise in retail vacancies, the Comptroller report suggested that the rise in City retail vacancies may be due to an increase in internet retail, rising rents and regulatory burdens.[[2]](#footnote-2)

Between 2006 and 2016, average Manhattan retail asking rents rose from $108 per square foot (psf) annually to $156, an increase of 44.4 percent.[[3]](#footnote-3) The most acute growth took place in Midtown South, where rents rose from $85 psf to $143 psf, an increase of 68.2 percent.[[4]](#footnote-4) However, rising prices were not limited to Manhattan. According to a 2017 report published by CPEX, a commercial real estate company, the number of major Brooklyn retail corridors where floor space costs are $100 or more psf increased from three in 2007 to 15 in 2017, an increase of 400 percent.[[5]](#footnote-5) This trend has spanned neighborhoods including Park Slope, Williamsburg, Cobble Hill, Downtown Brooklyn, Brooklyn Heights and Boerum Hill.[[6]](#footnote-6)

Taxation issues also pose difficulties for New York City retailers. For years, business owners and advocates have lamented the commercial rent tax (CRT), a 3.9 percent levy on annual rent applied to Manhattan businesses that pay an annualized base rent of $250,000 or more.[[7]](#footnote-7) In 2017, the CRT accounted for more than $800 million in revenue for the City.[[8]](#footnote-8) However, opponents of the tax, such as the New York City Hospitality Alliance and the Manhattan Chamber of Commerce, argue for its abolition on the grounds that it placed a geographically-arbitrary burden on businesses that were already struggling to afford to stay in operation.[[9]](#footnote-9) In November 2017, the Council passed, and the Mayor signed, legislation that effectively raised the threshold for the tax to $500,000 in annual rent.[[10]](#footnote-10) As a consequence of this change, approximately 2,000 businesses are no longer subject to the tax.[[11]](#footnote-11)

Additionally, the rise of e-commerce and shift to online retail may pose difficulties for local business owners. Nationwide, e-commerce accounted for approximately 14 percent of all retail sales in 2021,[[12]](#footnote-12) a significant increase from its share of less than one percent in 2000.[[13]](#footnote-13)

1. *DOF’s Storefront Vacancy Database*

In July 2019, the Council enacted Local Law 157, which was intended to provide insight on commercial vacancy rates in the City, the neighborhoods and industries affected by vacancies, and other key information that may be used to ascertain the trends and causes of the vacancies.[[14]](#footnote-14) The Local Law requires property owners of ground floor or second floor commercial properties to submit information on their properties.[[15]](#footnote-15) The requirements vary by property class, but may include information on the property owner, the premises and its occupation or vacancy. If leased during the covered period, the law requires certain property owners to include certain information on the lease terms; if vacant, the date and duration of the vacancy; if not leased to a tenant during the covered period, the monthly rent per square foot paid by the most recent tenant; and if the property has undergone construction during the covered period, the start and completion dates of the construction project. For efficiency, this information is required to be submitted at the same time as the Real Property and Expense Statement (RPIE). Within six months of receiving the information from property owners, our local law requires DOF to establish a public online searchable dataset containing certain data points received from property owners in accordance with the provisions of the law.

Although Local Law 157 required commercial property owners to submit their first registration statements no later than November 2020 and the public dataset to be established by DOF no later than May 2021, DOF instead required the first statements to be provided by July 1, 2021. Thus, the implementation of this law was delayed.

In addition to timeliness issues, the datasets provided in accordance with the Local Law have usability issues. The data was provided in a series of Open Data datasets separated by property class, filing years, and in the aggregate and disaggregate, making it difficult to combine and use the data. Some datasets did not clearly indicate the year applicable to the data, and some values were not able to be used as the information was not comprehensive; for example, many geocode values were null; vacant commercial premises did not indicate the most recent business type, making it difficult to ascertain trends that may have triggered the commercial vacancies; and when business types were indicated in the dataset, they were not expressed consistently, which challenges the ability of analysts to synthesize the data by business type.

An analysis by the City Council’s data team of the DOF data found that as of December 31, 2020, there were over 8,500 vacant storefronts in NYC.[[16]](#footnote-16) The City’s total vacancy rate in 2020 was 11.3 percent, an increase of 2 percent from the previous year. Vacancy rates were not consistent across the City.[[17]](#footnote-17) In West Brighton, Brooklyn, the vacancy rate was over 36 percent.[[18]](#footnote-18) Meanwhile, in Williamsburg, Brooklyn, the vacancy rate was under two percent. The three Council Districts with the highest vacancy rates were in Manhattan. Council Districts four, one and three had vacancy rates of 17.4 percent, 16.6 percent and 16.2 percent, respectively.[[19]](#footnote-19)

As the most recent release of DOF data reflects the City’s commercial vacancy rate in 2020, it highlights the initial impact of the pandemic on NYC. An analysis of the data by borough shows that Manhattan experienced the greatest increase in commercial vacancies between 2019 and 2020.[[20]](#footnote-20) The chart below shows the percent change in commercial vacancies by borough:[[21]](#footnote-21)



1. *The Pandemic’s Impact*

The COVID-19 pandemic, and resulting impact on the NYC economy, devastated small businesses across the City. Around 26,300 businesses closed permanently in NYC over the course of the pandemic, and nearly 90 percent of these closures were businesses with fewer than 10 employees.[[22]](#footnote-22) According to a report from State Comptroller DiNapoli, there are over 33,000 fewer employees in the restaurant and retail sectors in NYC in March 2022 in comparison to March 2020.[[23]](#footnote-23) While DOF survey data for 2021 has not yet been released, the increase in business closures in the City will likely lead the next dataset to reflect high retail vacancies. In the summer of 2021, the Real Estate Board of NY (“REBNY”) produced a survey to determine the percent of unoccupied storefronts in certain commercial and residential corridors across the City. The results found that there was a vacancy rate of nearly 30 percent in the office-dependent corridors of Grand Central and Midtown East.[[24]](#footnote-24) In residential retail corridors, the vacancy rate was slightly lower. The Upper East Side had a vacancy rate of nearly 21 percent. In Brooklyn, Greenpoint and Prospect Heights had a vacancy rate of around 14.5 percent, and in the Queens neighborhoods of Astoria and Sunnyside the vacancy rate was around 14 percent.[[25]](#footnote-25)

1. *Improving the Regulatory Landscape*

As previously mentioned, small businesses can have difficulty complying with the numerous City rules and regulations enforced by a myriad of City agencies. The Adams Administration has proposed new initiatives to help ameliorate this problem and make it easier for small businesses to engage with City agencies. As part of the Mayor’s blueprint for the City’s economic recovery, the Mayor is proposing cutting business opening times in half by streamlining agency inspections, reviews, and approvals and launching an interagency small business express service.[[26]](#footnote-26) The Administration is proposing a one-stop-shop concierge service offering businesses a sole point of contact to help businesses navigate and manage City requirements.[[27]](#footnote-27) To prevent businesses from needing to go to a number of different agency websites to schedule inspections, renew licenses and permits, and pay fines and fees, the Administration is also proposing a one-stop-shop Business Portal.[[28]](#footnote-28) This portal will allow small businesses to execute and track all interactions with City agencies, providing greater accessibility and transparency to business owners, enabling more predicable processing times, and facilitating easier compliance with City rules and regulations.[[29]](#footnote-29)

1. **Legislative Analysis**

**Int. 116**

This bill would add a subdivision d to Section 22-1002 of the Administrative Code; the section requires SBS to post on the City’s website various online business tools and resources. This subdivision d would provide that, in addition to these other online business tools and resources, SBS is required to create a “One-Stop Shop NYC Business Portal” with the purpose of assisting individuals with the procedures required to establish and operate a small business in the city.

Paragraph 1 of subdivision d of the bill would require that, by December 1, 2022: the “One-Stop Shop NYC Business Portal” is available for use on SBS’s website and a mobile app; that all applications, permits, licenses and related information needed to open and operate a small business in the city are available, and users are able to submit them to agencies, in a manner designed to facilitate access and use; that the user is able to track the status of an application, license or permit the user has submitted to an agency for their small business; and that the searchable and interactive guide to aid business owners in understanding city laws and rules applicable to their businesses, as set forth in Section 22-1002 (a) (2), is available on the portal.

Paragraph 2 of subdivision d of the bill would require that, no later than September 1, 2022: SBS, in consultation with the Department of Consumer and Worker Protection (DCWP), the Department of Buildings (DOB), the Department of Health and Mental Hygiene (DOHMH), the Fire Department (FDNY), the Department of Sanitation (DSNY) and the Department of Environmental Protection (DEP) and any other agency overseeing small business requirements that SBS deems necessary and appropriate, would conduct a review to identify the applications, permits, licenses, inspection and other related information, as well as the processes and procedures used by individuals interacting with City agencies that are needed to establish and operate a small business in the city; and the methods by which the processes and procedures could be facilitated and made more efficient through use of the Portal.

 Paragraph 3 of subdivision d of the bill would require that, no later than January 1, 2024 and annually by January 1 thereafter, SBS shall, in consultation with DCWP, DOB, DOHMH, FDNY, DSNY and DEP and any other agency overseeing small business requirements that SBS deems necessary and appropriate, review the Portal’s efficiency and effectiveness in achieving its purpose; consider additional content that may be added to the Portal to facilitate and increase broader use of the Portal by City business owners and prospective business owners; and implement modifications and updates based upon this review and consideration.

Paragraph 4 of subdivision d of the bill would require that, no later than February 1, 2024 and annually by February 1 thereafter, SBS shall submit a report on the findings and consideration conducted, and the updates and modifications implemented or planned to be implemented, pursuant to paragraph 3 of subdivision d of the bill.

 This bill would take effect immediately upon becoming law.

**Int. 197**

This bill would require SBS, by December 1, 2022, to establish and maintain a registry of legacy businesses, the purpose of which to recognize and honor the contributions to the community of certain, long-standing businesses. This bill would add a Section 22-1007 to the Administrative Code. Subdivision b of section 22-1007 of the bill would empower SBS to designate a small business as a “legacy business” to be included in the registry, only when the following requirements are met: 1) the Mayor, the Public Advocate, a Borough President, or a Member of the City Council nominates the business to be designated as such; 2) the business has operated in New York City for a minimum of 20 years; 3) SBS has determined, after consultation with the community board for the community district in which the business is located and the Landmarks Preservation Commission, that the business has significantly contributed to the history, identity or character of the community or neighborhood in which the business is located; and 4) the business has submitted to SBS a description of how it intends to maintain traditions that define the business and that create a positive impact on the neighborhood or community in which the business is located.

Subdivision c of Section 22-1007 of the bill would require SBS to conduct activities that recognize the contributions of legacy businesses to their communities, including creating an interactive map that plots out the locations of legacy businesses with a description of the business, or a link to a description, and photographs of the exterior and interior of the building in which the business is located.

Subdivision d of Section 22-1007 of the bill would require SBS to, subject to appropriation and no later than February 1, 2023, create a legacy business preservation fund from which may be awarded grants to legacy businesses or property owners that lease their properties to legacy businesses under certain circumstances. For legacy businesses, SBS may award a grant annually to such businesses in an amount equal to $500 per full-time employee of the legacy business, up to a maximum of 100 full-time employees, and, in total combined grants paid, not to exceed the appropriations for the legacy business preservation fund for a fiscal year; and only if SBS determines there is a significant risk of displacement of the legacy business, and the legacy business files an application for the grant, certifies the number full-time employees they employ and meets any other requirements SBS establishes by rule. SBS may award annually a grant to a property owner who leases their property to a legacy business for a term of at least 10 years, or extends the existing lease for a minimum of 10 years; and only if the commissioner determines that there is a significant risk of displacement of the legacy business, and the property owner submits to the department: (a) an application; (b) a certification of the total square footage leased to the legacy business; (c) a copy of the lease with the legacy business; and (d) a certification that the owner meets all of the requirements for the grant and any rules promulgated by SBS. Any grants SBS provides to property owners must be equal to $4.50 per square foot leased to the legacy business, up to a maximum of 5,000 square feet.

Subdivision e of Section 22-1007 of the bill would require SBS to promulgate certain rules by December 1, 2022. Subdivision f of such section requires SBS to submit a report to the Mayor and the Council Speaker, by September 1 of each year, with the following information for the preceding fiscal year: the name, location, business type and reason for designation for each legacy business added to the registry; and the name and location of each grant recipient, amount awarded, whether the grant recipient is a legacy business or property owner, a description of the type of legacy business either receiving the grant or the subject of a lease agreement qualifying the property owner to receive the grant, whether the grant recipient has previously received a legacy business grant and the amount of such grant, and the reasons for providing the grant.

This bill would take effect immediately upon becoming law.

**Int. 383**

This bill would amend Subdivisions d and f of Section 11-3001 of the Administrative Code, which were added by Local Law 157 of 2019. The amendments of subdivision d would change the timeline on which the supplemental registration statements must be submitted. Currently, the Local Law requires that, if a premises becomes vacant or changes ownership any time between January 1 and June 30 of the same calendar year during which the registration statement required by the Local Law must be filed, the property owner must submit certain supplemental information according to a schedule prescribed by the Department of Finance. Under the amendments proposed by Section 1 of this bill, if a premises becomes vacant or changes ownership any time between January 1 and May 31 of the same calendar year during which the registration statement required by the Local Law must be filed, the property owner must submit that supplemental information at the same time as the registration statement. If the vacancy occurs between June 1 and December 31 of that calendar year, the supplemental information would be required to be filed within 60 days of the vacancy or change of ownership.

 The amendments in Section 2 of this bill would clarify and expand upon certain requirements of the public online searchable dataset DOF must publish in accordance with Local Law 157. The bill would still require that the dataset include the street address, block and lot number, and zip code of properties in the dataset; but it would expand upon or clarify the existing requirements of the dataset by specifically requiring that DOF indicate in the dataset whether each commercial premises was reported by the property owner to be vacant, leased or owner occupied as of December 31 of the previous calendar year or as of the filing date of the supplemental registration statement, if applicable; and, if vacant, provide the expiration date of the most recent lease of that property.

 This bill would take effect 60 days after becoming law.

Int. No. 116

By Council Members Menin, Hanif, Williams, Joseph, Brewer, Ung, De La Rosa, Riley, Yeger, Cabán, Abreu, Narcisse, Holden, Velázquez, Gennaro, Farías, Hudson, Schulman, Barron, Krishnan, Feliz, Brooks-Power, Hanks, Stevens, Moya, Powers, Won, Ossé, Dinowitz, Brannan, Avilés, Ayala, Sanchez, Marte, Rivera, Borelli, Ariola, Vernikov and Paladino

..Title

A Local Law to amend the administrative code of the city of New York, in relation to creating a **“**One-Stop Shop NYC Business Portal”

..Body

Be it enacted by the Council as follows:

Section 1. Section 22-1002 of the administrative code of the city of New York is amended by adding a new subdivision d to read as follows:

d. The commissioner shall create an online portal designated as the **“**One-Stop Shop NYC Business Portal,” the purpose of which shall be to assist individuals with the procedures to be followed in order to comply with requirements to establish and operate a small business in the city. The One-Stop Shop NYC Business Portal shall be designed based on the findings of the review required by paragraph 2 of this subdivision, including findings regarding methods by which the processes and procedures for establishing and operating a small business in the city could be facilitated and made more efficient through use of the One-Stop Shop NYC Business Portal.

1. No later than December 1, 2022, the One-Stop Shop NYC Business Portal shall:

(a) Be available to use through the department’s website, and also via a mobile application, which shall be developed by the commissioner in coordination with the commissioner of information technology and telecommunications;

(b) Make available all applications, permits, licenses, and related information needed to open and operate a small business in the city and allow such materials to be submitted to agencies, in a single location that is designed to facilitate access and use by the user;

(c) Provide the capability to allow a user to check the status of an application, permit or license associated with the user’s small business; and

(d) Incorporate the searchable and interactive guide required by paragraph 2 of subdivision a of this section.

2. No later than September 1, 2022, the commissioner, in consultation with the commissioner of consumer and worker protection, the commissioner of buildings, the commissioner of health and mental hygiene, the fire commissioner, the commissioner of sanitation, the commissioner of environmental protection, and, as deemed necessary and appropriate by the commissioner of small business services, the head of any other agency who oversees requirements with respect to small businesses, shall conduct a review of:

(a) The applications, permits, licenses, inspections, and other related information from agencies necessary to establish and operate a small business in the city;

(b) The processes and procedures used by individuals in interacting with agencies in establishing and operating a small business in the city; and

(c) Methods by which such processes and procedures could be facilitated and made more efficient through use of the One-Stop Shop NYC Business Portal.

3. No later than January 1, 2024, and January 1 each year thereafter, the commissioner shall, in consultation with the commissioner of consumer and worker protection, the commissioner of buildings, the commissioner of health and mental hygiene, the fire commissioner, the commissioner of sanitation, the commissioner of environmental protection, and, as deemed necessary and appropriate by the commissioner of small business services, the head of any other agency who oversees requirements with respect to small businesses:

(a) Review the efficiency of the One-Stop Shop NYC Business Portal and its effectiveness in facilitating assistance with respect to the establishment and operation of small businesses in the city;

(b) Consider additional information and tools that may be included in the One-Stop Shop NYC Business Portal to facilitate and increase use of the One-Stop Shop NYC Business Portal by business owners and prospective business owners in the city; and

(c) Implement updates and modifications to the One-Stop Shop NYC Business Portal based on the reviews required by subparagraphs (a) and (b) of this paragraph.

4. No later than February 1, 2024, and February 1 each year thereafter, the commissioner shall submit to the mayor and the council a report on the findings of the review conducted pursuant to paragraph 3 of this subdivision, and the updates and modifications implemented or planned to be implemented to the One-Stop Shop NYC Business Portal as a result of such review.

§ 2. This local law takes effect immediately.

JB

LS #6702

3/17/22

Int. No. 197

By Council Members Rivera, Menin, Cabán, Hanif, Won, Restler, Krishnan and Hudson

..Title

A Local Law to amend the administrative code of the city of New York, in relation to establishing a legacy business registry and preservation fund

..Body

Be it enacted by the Council as follows:

Section 1. Chapter 10 of title 22 of the administrative code of the city of New York is amended by adding a new section 22-1007 to read as follows:

§ 22-1007 Legacy business registry and preservation fund. a. Establishment of registry. No later than December 1, 2022, the commissioner shall establish and maintain a registry of legacy businesses, the purpose of which shall be to recognize and honor the contributions of long-standing small businesses to communities and neighborhoods in the city.

b. Designation as legacy business. The commissioner may designate a small business as a legacy business to be included on the legacy business registry required by subdivision a only if:

1. The mayor, the public advocate, a borough president or a member of the city council nominates such business as a legacy business;

2. The business has operated in the city for a minimum of 20 years;

3. The commissioner has determined, after consultation with the community board for the community district in which the business is located and the landmarks preservation commission, that the business has significantly contributed to the history, identity or character of the community or neighborhood in which the business is located; and

4. The business has submitted to the commissioner a description of how the business intends to maintain traditions that define the business and that create a positive impact on the neighborhood or community in which the business is located.

c. Recognition of legacy businesses. The commissioner shall carry out activities in order to recognize the contributions of legacy businesses to communities and neighborhoods in the city, which activities shall include, but not be limited to, creating an interactive map on the department’s website for use by the public that:

1. Indicates the location and address of each legacy business on the legacy business registry; and

2. Includes a link to a description of each legacy business, a history of the legacy business, and photographs of the exterior and interior of the building in which legacy business is located.

d. Legacy business preservation fund. 1. No later than February 1, 2023, the commissioner shall establish, subject to appropriation, a legacy business preservation fund from which a grant may be awarded to a legacy business or to a property owner that leases property to a legacy business, in accordance with the requirements of this subdivision.

2. The commissioner may award to a legacy business annually a grant in an amount equal to $500 per full-time employee of the legacy business, up to a maximum of 100 full-time employees, except that the total combined grants paid to all legacy businesses in a fiscal year shall not exceed the appropriations for the legacy business preservation fund for such fiscal year. The commissioner may award a grant to a legacy business under this subdivision only if the commissioner determines that there is a significant risk of displacement of the legacy business, and the legacy business:

(a) Files an application for the grant with the department on a form prepared by the commissioner;

(b) Certifies the number of full-time employees employed by the legacy business; and

(c) Meets any other requirements for the grant established by rules promulgated by the commissioner in accordance with this subdivision.

3. The commissioner may award annually a grant to a property owner who enters into an agreement with a legacy business for the lease of real property in the city for a term of a minimum of 10 years, or extends the term of a legacy business’s existing lease for a minimum of 10 years. A grant provided under this paragraph shall be equal to $4.50 per square foot leased to the legacy business, up to a maximum of 5,000 square feet. The commissioner may award a grant to a property owner under this section only if the commissioner determines that there is a significant risk of displacement of the legacy business, and the property owner submits to the department:

(a) An application on a form prepared by the commissioner;

(b) A certification of the total square footage leased to the legacy business;

(c) A copy of the lease entered into with the legacy business; and

(d) A certification that the owner meets all of the requirements for the grant established by this subdivision and rules promulgated by the commissioner.

e. Rules. No later than December 1, 2022, the commissioner shall promulgate rules to carry out the provisions of this section, including with respect to:

1. Procedures for removing a legacy business from the legacy business registry, after notice and opportunity to be heard, if the commissioner determines that a business no longer meets the standards for designation as a legacy business; and

2. Criteria for determining how grant awards from the legacy business preservation fund may be allocated to legacy businesses and property owners each year in the most equitable manner.

f. Annual Report. No later than September 1 of each year, the commissioner shall submit to the mayor and the speaker of the council a report including the following information for the preceding fiscal year:

1. For each business designated as a legacy business during such fiscal year, the name and location of the business, the type of business, and the reasons for designating the business as a legacy business; and

2. For each grant provided under this section:

(a) The name and location of the grant recipient;

(b) The amount of the grant;

(c) Whether the grant recipient is a legacy business or a property owner;

(d) For each grant recipient that is a legacy business, a brief description of the type of business of the legacy business;

(e) For each grant recipient that is a property owner, the legacy business to which the property owner leases property, and a brief description of the type of business of such legacy business;

(f) Whether the grant recipient has previously received a grant under this section, and if so, the amount of such grant; and

(g) The reasons for providing a grant to the business or property owner.

§ 2. This local law takes effect immediately.

JB

LS #2031/2032/6701

3/29/22

Int. No. 383

By Council Members Brewer, Louis and Menin

..Title

A Local Law to amend the administrative code of the city of New York, in relation to supplemental registration statements and the dataset for ground floor or second floor commercial premises

..Body

Be it enacted by the Council as follows:

Section 1. Subdivisions d and f of section 11-3001 of the administrative code of the city of New York, as added by local law number 157 for the year 2019, is amended to read as follows:

d. Supplemental registration. Every owner of a ground floor or second floor commercial premises who is required to file a registration statement pursuant to subdivision b of this section shall also submit a supplemental registration statement if the premises becomes vacant at any time [during the period from January 1 through June 30 of the current calendar year] or the ownership of the premises [has changed during that period] changes. Such supplemental registration statement shall be filed on forms [and according to a schedule] prescribed by the department of finance as follows:

1. If the vacancy or change of ownership occurs from January 1 through May 31 of the current calendar year, the supplemental registration shall be filed at the same time as the registration statement; and

2. If the vacancy or change of ownership occurs from June 1 through December 31 of the current calendar year, the supplemental registration shall be filed within 60 days of such vacancy or change of ownership.

f. The department of finance shall require the registration statements and supplemental registration required to be filed pursuant this subdivisions b, c and paragraph 1 of subdivision d of this section to be filed as part of the income and expense statement required to be submitted to such department pursuant to section 11-208.1.

§ 2. Paragraph 1 of subdivision h of section 11-3001 of the administrative code of the city of New York, as added by local law number 157 for the year 2019, is amended to read as follows:

1. Establish a public online searchable dataset. Such dataset shall be based upon registrations filed during the previous year and shall include [a list of street addresses, including block and lot number, and zip code,] for each ground floor and second floor commercial premises [indicating whether or not such commercial premises was reported as being vacant as of December 31 of the previous calendar year, or as of June 30 of the current calendar year if a supplemental registration statement has been filed for such premises.]:

(a) The street address, block and lot number, and zip code;

(b) Whether such commercial premises was reported as being vacant, leased or occupied by the owner as of December 31 of the previous calendar year or as of the filing date of the most recent supplemental registration statement, if applicable; and

(c) If such commercial premises is vacant, the expiration date of the most recent lease.

§ 3. This local law takes effect 60 days after it becomes law.

NAB

LS #6897

5/11/22 12:00PM

1. “Retail Vacancy in New York City: trends and causes, 2007-2017”, New York City Comptroller Scott M. Stringer, available at: <https://comptroller.nyc.gov/wp-content/uploads/documents/Retail_Vacancy_in_NYC_2007-17.pdf> [↑](#footnote-ref-1)
2. *Id.* [↑](#footnote-ref-2)
3. *Planning for Retail Diversity: Supporting NYC’s Neighborhood Businesses*, December 2017, <https://council.nyc.gov/land-use/wp-content/uploads/sites/53/2017/12/NYC-Council-Planning-For-Retail-Diversity.pdf>. [↑](#footnote-ref-3)
4. *Id*. [↑](#footnote-ref-4)
5. 2017 Brooklyn Retail Report from CPEX, [https://www.scribd.com/document/337456586/2017-Brooklyn-Retail-Report-from-CPEX#from\_embed](https://www.scribd.com/document/337456586/2017-Brooklyn-Retail-Report-from-CPEX%23from_embed). [↑](#footnote-ref-5)
6. *Id*. [↑](#footnote-ref-6)
7. Changes to the New York City Commercial Rent Tax, CPA Journal, April 2018, <https://www.cpajournal.com/2018/04/03/changes-new-york-city-commercial-rent-tax/>. [↑](#footnote-ref-7)
8. Tom Corrie, *Big Tax Changes for the Big Apple: How the Amended Commercial Rent Tax May Impact You*, June 28, 2018, <https://www.friedmanllp.com/insights/big-tax-changes-for-the-big-apple-how-the-amended-commercial-rent-tax-may-impact-you->. [↑](#footnote-ref-8)
9. Andrew Rigie, *The tax that’s Killing Manhattan Businesses*, NY Daily News, October 6, 2016, <https://www.nydailynews.com/opinion/rigie-walker-tax-killing-manhattan-business-article-1.2818905>. [↑](#footnote-ref-9)
10. Local Law 254 of 2017, available at: <https://legistar.council.nyc.gov/LegislationDetail.aspx?ID=2324746&GUID=5F1CB761-B063-4E8F-B72E-328714C639AF&Options=ID|Text|&Search=799> [↑](#footnote-ref-10)
11. *Freedom! 2,000 Businesses to Escape Commercial Rent tax*, The Real Deal, December 1, 2017, <https://therealdeal.com/2017/12/01/freedom-2000-businesses-to-escape-commercial-rent-tax/>. [↑](#footnote-ref-11)
12. “E-commerce as percentage of total retail sales in the United States from 2013 to 2025” Available at: <https://www.statista.com/statistics/379112/e-commerce-share-of-retail-sales-in-us/> [↑](#footnote-ref-12)
13. Planning for Retail Diversity: Supporting NYC’s Neighborhood Businesses, <https://council.nyc.gov/land-use/wp-content/uploads/sites/53/2017/12/NYC-Council-Planning-For-Retail-Diversity.pdf>. [↑](#footnote-ref-13)
14. Local Law 157 of 2019, available at: <https://legistar.council.nyc.gov/LegislationDetail.aspx?ID=3877885&GUID=C0D2361D-766A-42E3-A5CD-F8DBB1C52E8B&Options=ID|Text|&Search=157> [↑](#footnote-ref-14)
15. *Id.* [↑](#footnote-ref-15)
16. “Vacant Storefronts in NYC”, NYC Council, Available at: <https://council.nyc.gov/data/vacant-storefronts/> [↑](#footnote-ref-16)
17. *Id.* [↑](#footnote-ref-17)
18. *Id.* [↑](#footnote-ref-18)
19. *Id.* [↑](#footnote-ref-19)
20. *Id.* [↑](#footnote-ref-20)
21. *Id.* [↑](#footnote-ref-21)
22. “Rebuild, Renew, Reinvent: A Blueprint for New York City’s Economic Recovery”, Office of the Mayor, available at: <https://www1.nyc.gov/assets/home/downloads/pdf/office-of-the-mayor/2022/Mayor-Adams-Economic-Recovery-Blueprint.pdf> [↑](#footnote-ref-22)
23. “New York City Industry Sector Dashboards” Office of the New York State Comptroller Thomas P. DiNapoli, available at: <https://www.osc.state.ny.us/osdc/reports/nyc-sectors/retail> [↑](#footnote-ref-23)
24. “Special Report: The Importance of Restoring Midtown’s Retail to the City’s Recover” REBNY, available at <https://www.rebny.com/content/dam/rebny/Documents/PDF/News/Research/Retail%20Reports/REBNY_2021_SpecialReport_RetailOfficeVacancy_FINAL.pdf> [↑](#footnote-ref-24)
25. *Id.* [↑](#footnote-ref-25)
26. “Rebuild, Renew, Reinvent: A Blueprint for New York City’s Economic Recovery,” available at: <https://www1.nyc.gov/assets/home/downloads/pdf/office-of-the-mayor/2022/Mayor-Adams-Economic-Recovery-Blueprint.pdf> [↑](#footnote-ref-26)
27. *Id.* [↑](#footnote-ref-27)
28. *Id.* [↑](#footnote-ref-28)
29. *Id.* [↑](#footnote-ref-29)