



**THE COUNCIL OF THE CITY OF NEW YORK  
FINANCE DIVISION**

LATONIA MCKINNEY, DIRECTOR

**FISCAL IMPACT STATEMENT**

**PROPOSED INTRO NO. 1916-A**

**COMMITTEE:** Consumer Affairs and Business  
Licensing

**TITLE:** In A Local Law in relation to requiring the waiver and refund of certain sidewalk café revocable consent fees, and providing for the repeal of such provision upon the expiration thereof.

**SPONSORS:** Council Members Cohen, Chin, Powers, Yeger, Louis, Ayala, Rivera, Lander, and Koslowitz

**SUMMARY OF LEGISLATION:** Proposed Intro No. 1916-A would waive and/or refund sidewalk café consent fees for enclosed sidewalk cafes to the extent that such payment is due for the period covering March 1, 2020 until the date the mayoral executive order waiving their fee obligation expires. Additionally, the bill would waive and/or refund sidewalk café consent fees for unenclosed sidewalk cafes to the extent that such payment is due for the period covering March 1, 2020 through February 28, 2021. The fee waivers and/or refunds would not apply to any fee relating to a petition for a new consent to operate a sidewalk café filed with the Department of Consumer Affairs on or after March 30, 2020.

**EFFECTIVE DATE:** This local law would take effect immediately and would expire and be deemed repealed on March 1, 2021.

**FISCAL YEAR IN WHICH FULL FISCAL IMPACT ANTICIPATED:** Fiscal 2021

**FISCAL IMPACT STATEMENT:**

	<b>Effective FY20</b>	<b>FY Succeeding Effective FY21</b>	<b>Full Fiscal Impact FY21</b>
<b>Revenues (+)</b>	\$0	(\$7,400,000)	(\$7,400,000)
<b>Expenditures (-)</b>	\$0	\$0	\$0
<b>Net</b>	\$0	\$0	\$0

**IMPACT ON REVENUES:** Sidewalk café consent fees are collected on a March-to-February annual basis and are due on March 1<sup>st</sup>, although are often paid in quarterly installments on March 1<sup>st</sup>, June 1<sup>st</sup>, September 1<sup>st</sup>, and December 1<sup>st</sup>. Mayor de Blasio's Executive Order 105, as extended by subsequent executive orders, waives consent fees for unenclosed and enclosed sidewalk cafes from March 1, 2020 – May 9, 2020, and as such, realizes a loss of \$2.9 million for the March 1<sup>st</sup> quarterly payment. However, as of the release of the Fiscal 2021 Executive Plan, the Office of Management and Budget (OMB) still anticipates collecting \$8.6 million in Fiscal 2021, including the anticipated consent fee revenue for the remaining three quarters of the calendar year. OMB has also stated that enclosed sidewalk café consent fees only constitute 15 percent of total revenue the City collects on a yearly basis, while unenclosed café consent fees total 75 percent of total revenue, with 1,170 unenclosed sidewalk cafes with a consent agreement on file for the period of March 1, 2020 through February 28, 2021. Provided that the Mayor does not extend his Executive Order waiving sidewalk café consent fees beyond June 1, 2020, because this bill would waive consent fees only for unenclosed sidewalk cafes until February 28, 2021, it is estimated that this bill would result in a loss in revenue of \$7.4 million in Fiscal 2021.

**IMPACT ON EXPENDITURES:** It is estimated that there would not be an impact on expenditures resulting from the enactment of this legislation because the relevant agencies would use existing resources to accomplish its requirements.

**SOURCE OF FUNDS TO COVER ESTIMATED COSTS:** N/A

**SOURCES OF INFORMATION:** New York City Council Finance Division  
Mayor's Office of Legislative Affairs  
Department of Consumer Affairs  
Office of Management and Budget

**ESTIMATE PREPARED BY:** Sebastian Palacio Bacchi, Senior Financial Analyst

**ESTIMATE REVIEWED BY:** Nathaniel Toth, Deputy Director  
John Russell, Unit Head  
Noah Brick, Assistant Counsel

**LEGISLATIVE HISTORY:** This legislation was introduced to the Council as Intro. No. 1916 on April 22, 2020 and was referred to the Committee on Consumer Affairs and Business Licensing (Committee). The Committee heard the legislation on April 29, 2020, and the legislation was laid over. The legislation was subsequently amended, and the amended version, Proposed Int. 1916-A, will be considered by the Committee on May 13, 2020. Upon a successful vote by the Committee, Proposed Int. 1916-A will be submitted to the full Council for a vote on May 13, 2020.

**DATE PREPARED:** May 5, 2020