



## Legislation Text

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### Res. No. 361

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 and Gentile

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 1990's 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"; 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; Kenny's Castaways, was located on Bleecker Street, which opened in 1967 and hosted some of Bruce Springsteen's first New York shows and other artists such as Patti Smith, Yoko Ono, and the Fugees; and the historic Harlem jazz club Lenox Lounge, opened in 1939 on Lenox Avenue, which served as the backdrop for many jazz legends including Billie Holiday, Miles Davis, Frank Sinatra, and John Coltrane; and

Whereas, The closing of these clubs, which indisputably helped build the City's music scene during the last seven 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 states and countries more affordable and amenable to the professional survival of musicians, such as Louisiana which provides a variety of tax incentives and other support through the Louisiana Economic Development office; and

Whereas, In 2005, after New York City was experiencing a similar situation in the film and television

industry, the Council passed legislation to provide a film tax credit 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, According to the NYC Mayor's Office of Film, Theatre and Broadcasting, production days in the City increased from 23,321 in 2004, the year before the credit was enacted, to 34,718 in 2006, the first year the credit was enacted, and the tax credit was so successful in bringing film production back to the City that the maximum allocation of credits were expended by mid-2009; 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 City of New York to establish a Small Performance Venue Business Tax Credit.

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Finance Committee  
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