



Legislation Text

File #: Res 1728-2021, **Version:** *

Res. No. 1728

Resolution calling upon the Department of City Planning to refer out, by the end of 2021, an amendment to the text of the Zoning Resolution to allow dancing and entertainment as-of-right in all eating and drinking establishments.

By Council Members Powers, Levine, Adams, Dinowitz, Menchaca, Reynoso, Van Bramer, Levin, Koo and Ayala (in conjunction with the Brooklyn Borough President)

WHEREAS, New York City’s nickname has long been The City That Never Sleeps; and

WHEREAS, this nickname reflects the global recognition of the major role that nightlife serves in the economy and culture of the City; and

WHEREAS, New York City’s nightlife industry has played a critical role in making the City a global arts capital by providing musicians, writers, entertainers, and visual artists the chance to hone their craft, build demand for their talent, mix and mingle with artistic giants, be discovered, and earn a living; and

WHEREAS, New York City’s nightlife industry is an incubator for social and cultural trends, including beat poetry, Nuyorican poetry, pop art, hip-hop, punk rock, jazz, disco, salsa, drag and ballroom culture, to name a few; and

WHEREAS, New York City’s nightlife industry has historically been a safe haven for marginalized communities, including the Black, LGBTQ and Latino communities, and has helped organize them to advance social and political change; and

WHEREAS, according to the Mayor’s Office of Media and Entertainment’s 2019 report “NYC’s Nightlife Economy”, prior to the COVID-19 pandemic, the nightlife industry’s combined direct, indirect, and

induced economic impact supported 299,000 jobs, with \$13.1 billion in employee compensation, \$35.1 billion in economic output, and \$697 million in tax revenue; and

WHEREAS, as of 2019, 11,961 establishments held on-premises liquor licenses, including 2,100 bars and clubs, and over 9,000 restaurants; and

WHEREAS, with the arrival of COVID-19 in New York City, on March 16, 2020, Governor Andrew Cuomo issued Executive Order 202.3, which prohibited eating and drinking establishments from welcoming patrons indoors; and

WHEREAS, the Mayor's Office of Nightlife conducted a survey to evaluate the immediate effects of the COVID-19 restrictions and found that nightlife venues reported losing 95% of weekly income, their vendors reported losing 93.4% of weekly income, their employees reported losing 95.3% of their weekly income, and two out of three freelancers working in nightlife reported losing 100% of their weekly jobs; and

WHEREAS, according to the New York City Hospitality Alliance, between June and December of 2020, the percentage of restaurants, bars, nightclubs, and event spaces that could not pay their full rent increased from 80% to 92%, with 35.7% of such businesses paying no more than half of their rent, and 45.2% paying no rent at all; and

WHEREAS, by December of 2020, 60% of landlords had not waived any rent for nightlife businesses during the COVID-19 pandemic, and only 8% of landlords had waived more than half the rent; and

WHEREAS, 86% of nightlife businesses surveyed could not renegotiate their leases during the COVID-19 pandemic; and

WHEREAS, as a result, a large percentage of New York City bars and restaurants will continue to be indebted to landlords even after the end of COVID-19 capacity restrictions; and

WHEREAS, New York State Comptroller Tom DiNapoli issued a report “The Restaurant Industry in New York City: Tracking the Recovery” which calls on New York City to provide support to ensure the restaurant and bar industry remains healthy and able to carry out its integral role in the City’s economy and within its many communities; and

WHEREAS, eating and drinking establishments have long been subject to antiquated, costly, and arbitrarily enforced regulations that have harmed the hospitality industry and prevented such establishments from maximizing revenues; and

WHEREAS, one such regulation was the Cabaret Law which, for 91 years from 1926 to 2017 required a license to operate an eating or drinking establishment with dancing or entertainment; and

WHEREAS, the Council did all it could do to legalize dancing and entertainment in eating and drinking establishments when it repealed the Cabaret Law by passing Introduction 1652-A for the year 2017, to repeal the Cabaret Law and legalize dancing and entertainment; and

WHEREAS, when the Mayor signed Introduction 1652-A as Local Law 252, of the approximately 12,000 businesses then holding on-premises liquor licenses, only 108 were licensed to feature entertainment or dancing; and

WHEREAS, the Zoning Resolution prohibits dancing in all residential districts and C1 commercial districts, and imposes expensive and impractical special permit requirements on dancing and entertainment in many commercial, manufacturing, and waterfront districts; and

WHEREAS, on June 10, 2021, the Mayor’s Office of Nightlife in the Mayor’s Office of Media and Entertainment issued its “Report: 2018-2021” which recommends exploring changes to the Zoning Resolution to allow dancing and entertainment in eating and drinking establishments; and

WHEREAS, notwithstanding such zoning changes, all eating and drinking establishments that feature entertainment or dancing are now and would continue to be subject to the requirements of the Administrative Code, the Noise Code, the Building Code, the Fire Code, the Health Code, and the New York State Liquor Authority; and

WHEREAS, eating and drinking establishments that feature entertainment and dancing can maximize revenues from food and beverage sales and by charging cover fees; and

WHEREAS, it is absolutely vital that we help this sector of our economy recover from COVID-19; now, therefore, be it

RESOLVED, that the Council of the City of New York calls upon the Department of City Planning to refer out, by the end of 2021, an amendment to the text of the Zoning Resolution to allow dancing and entertainment as-of-right in all eating and drinking establishments.

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