

Monday, June 19, 2017 at 1:00PM
Council Chambers, City Hall, New York, NY

Comments of Paul Seres, Vice President, Founding Trustee, NYC Hospitality Alliance on Preconsidered Int. No.: In relation to establishing an office of nightlife and a nightlife task force.

In 2004, the New York Nightlife Association, produced the first of its kind for any major city, an economic impact study to understand the true value of the hospitality industry and what it means to New York City, the city that never sleeps. This simple idea that had never been done prior for the industry, was a unique window into the economic value that the industry provides the city.

Here are some things we learned back in 2004. Nightlife is a \$9 billion per year industry. We have more admissions to our venues than all of the professional sports teams combined. We have more admissions to our venues than all of the Broadway theatres combined. Back then our work force was over 20,000, just for nightlife venues, now we are well over 150,000.

With other industries moving away from New York due to the exorbitant costs to operate, hospitality has been the only growth industry our city has endured since the recession of 2008. This can be attributed to several factors one of which is the weak dollar compared to the Euro and other currencies that attract over 58 million tourists to our fair city every year, which, in 2015 spent over \$70 billion. Our restaurants, pubs, neighborhood bars, nightclubs and lounges aren't

there exclusively to serve the 8 million people living in the 5 boroughs, but they are there for the many visitors we have pumping more and more money into our local economy.

Since we did that Economic Impact Study in 2004, the number of licensed establishments and destination hotels has increased. This maybe attributed commercial rents increasing and alcohol being the one commodity a business owner can offer to make those high rents.

If we are an industry that puts that many people to work, taking care of all of the guest and visitors we have coming to the city, making them feel welcome, don't you think it is about time we had our voice in city government?

As with most things our industry has evolved. That is why in 2012, the New York Nightlife Association dissolved and we became the New York City Hospitality Alliance, looking at hospitality as a whole. This brings me to my first point of the proposed legislation, the name. The Office of Nightlife is too limiting. We believe something that encompasses all aspects of the industry would be more suitable. Therefore we propose The Office of Hospitality or the Office of Hospitality and Entertainment would be much more appropriate.

San Francisco in 2004 implemented the San Francisco Entertainment Commission. This is probably the most successful example of including hospitality in local government that exists to date. The Commission

holds an office inside City Hall as part of the Mayor's office. There are 7 volunteer commissioners who vote on licensing and permitting for venues as well as special events including outdoor festivals.

The San Francisco Entertainment commission is responsible for legislation such as the Administrative, Planning Codes - New Hotels and Motels Near Places of Entertainment. This ground breaking legislation states the following:

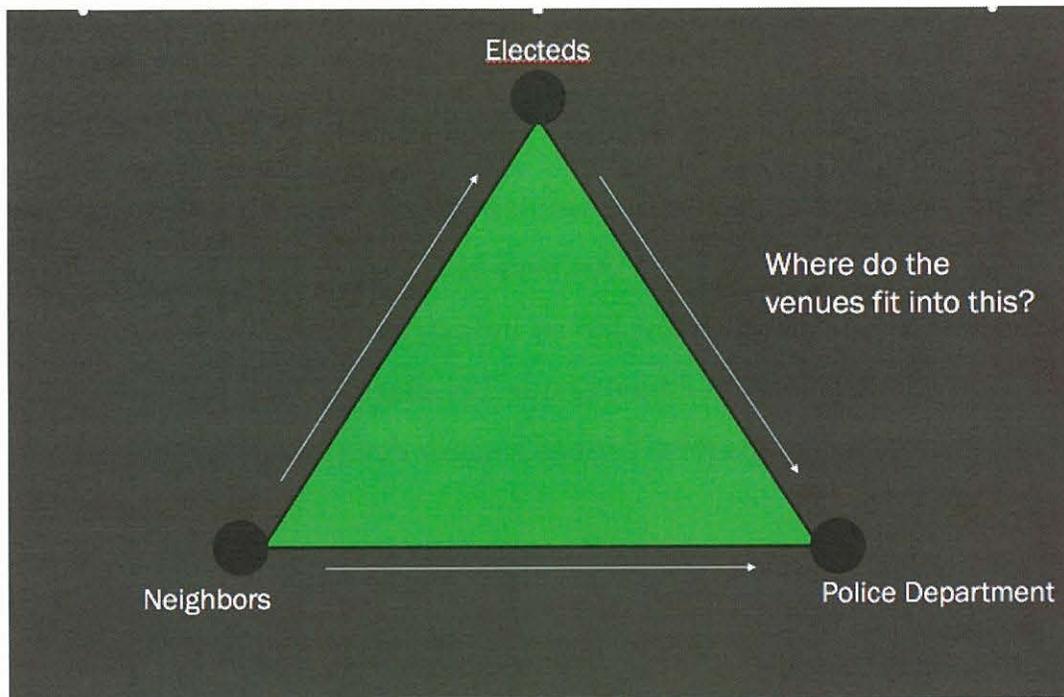
- 1) Authorizes the San Francisco Entertainment Commission to hold a hearing on any proposed residential development located near a Place of Entertainment and empowers the Commission to provide written comments and recommendations to the Planning Department and Department of Building Inspection about any noise issues related to the proposed project.
- 2) Requires lessors and sellers of residential property near Places of Entertainment to disclose to new lessees and purchasers the potential for noise and other inconveniences potentially associated with nearby venues.
- 3) Establishes that no Place of Entertainment located near a new residential development shall be a public or private nuisance on the basis of noise if the venue operates in compliance with its permits and appropriate laws.

For too many years, opening a licensed establishment any where in New York City has been anything but a pleasant, welcoming experience. The not in my backyard movement has empowered Community Boards and

created hostile encounters when any applicant must present their case for the business they want to open. I get the fact that these neighbors are upset that their communities are losing a lot of the mom and pop stores that help create the fabric that is their neighborhood. But commercial rents are only going up, and therefore the only businesses that can afford them are big box chain stores (such as Starbucks or Walgreens/Duane Reades), banks and restaurants and bars.

These problems are not exclusively unique to New York City. In my travels with the Responsible Hospitality Institute, a not for profit that has been around for more than 30 years, helping municipalities who understand the importance of a vibrant night time economy, we see the same problems no matter the size of the city. So how do you balance the needs for residences with the needs for businesses?

In other cities, they have hospitality or entertainment districts, similar to our Meat Packing, where the bulk of nightlife establishments are all within a radius much easier to manage. Traffic studies, pedestrian safety, outlining areas of quality of life are all issues that can easily be addressed. Why aren't we as a city addressing these issues with stakeholders so that we can get past the hostile rhetoric of residents versus business owner? If you took away all of the bars and restaurants in these neighborhoods that feel like they are under siege, what would happen then with all of the unrented storefronts? We should be working together as a city not against one another.



This idea of an office of nightlife or Night Mayor is nothing new. It started in Amsterdam and blossomed from there. London, Toronto, Cali, Colombia, Edmonton, Sydney, Vancouver, and Pittsburgh are just a few of the major cities that have brought on this position of Night Mayor/Night Manager. Iowa City and Orlando are two more US cities that just hired their position and are in the process of setting up their offices.

Too many of my peers have decided that opening up a new establishment in New York City is no longer worth the trouble so they would rather open up a new venue in a city that welcomes them. They want to go where they are appreciated and why shouldn't they. I myself am no longer looking to open up anything new in the city but have

found a community that welcomes the jobs and the business that I will be bringing them.

We are a complex city with complex issues. For too long the city agencies have looked at small business as the city's ATM. It's time there is a voice in city government for an industry that provides so much in the way of taxes, jobs, and paying our fair share of fines that help drive the economy and keeps New York as a major destination for tourism.

Respectfully Submitted,

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