

NYC | HOSPITALITY ALLIANCE

MEMORANDUM OF SUPPORT A8427-A (Epstein) / S8203 (Ramos)

An act to amend the alcoholic beverage control law, in relation to expanding the availability of temporary retail permits by eliminating the two-year restriction on temporary retail permits for applications subject to the 500 foot law

The New York City Hospitality Alliance (“The Alliance”) – representing thousands of restaurants and nightlife establishments across the five boroughs – strongly supports A8427-A (Epstein) / S8203 (Ramos), which makes important improvements to the successful experiment of allowing the State Liquor Authority (SLA) to issue temporary liquor permits to new applicants in New York City.

The Alliance has long advocated for changing the Alcoholic Beverage Control Law to allow New York City establishments to receive temporary permits in the same manner as new applicants elsewhere in the state of New York. We were pleased to work with the NYS legislature in 2022 to make initial, common-sense changes to the law, by vastly expanding the number of NYC businesses eligible for a temporary permit. These changes were a resounding success – filling vacant storefronts and allowing new restaurants to open faster, employ people sooner, and start generating tax revenue earlier, without compromising on community engagement.

This legislation builds on that success. For liquor license applications subject to the 500 Foot Law (almost all NYC applications), it will remove the provision requiring the premises to have had a license within the past two years to be eligible for a temporary permit. This amendment is important and needed for three reasons:

- **Filling storefronts vacant since the pandemic.** The 2022 changes that expanded temporary permits in NYC were intended to help fill vacant restaurant spaces that shuttered because of the pandemic, so the issuance of temporary retail permits was limited to spaces that had been licensed in the past two years. Today, almost four years since Covid-19 struck New York City, this two-year requirement is proving to be a straitjacket for spaces that are *still* vacant, have not been licensed in the past two years, and are thus not eligible for a temporary permit. This legislation will update the law so these still-vacant spaces will become eligible for a temporary permit, allowing them to be filled faster.
- **Supporting new construction.** There are many newly renovated and newly built developments in New York City with commercial space for restaurants, but they are not eligible for temporary liquor permits because the premises obviously could not have had a liquor license within the past two years. This includes places like Moynihan Train Hall, newly constructed office towers, and many other locations. This legislation will update the law, making it so these spaces do not have to sit

unnecessarily and unjustly empty for many extra months by making them eligible for a temporary permit.

- **SLA backlog.** Right now, it is taking SLA roughly 10-12 months to issue permanent liquor licenses. We understand that the new leadership team at SLA is working to address the backlog, and we support their efforts. But as it stands, if a premises is not eligible for a temporary retail permit, that means it will take roughly a year for a new business to open their doors. That is unacceptable. Increasing the number of spaces eligible for a temporary permit will help ease that pain by allowing more businesses to begin operating while they wait for their permanent license.

A8427-A /S8203 will make a huge difference for people looking to invest in New York City and open new restaurants and bars by significantly reducing the time to begin legally serving alcohol. They won't be deterred from signing new leases because of bureaucracy, small businesses won't burn through their opening capital while they're closed just waiting for their official license to be issued while SLA works through their administrative backlog, and importantly it won't result in newly hired workers potentially being laid off because the business can't open because it can't get a temporary permit. It is also important to note that such temporary permits would be issued *only after the applicant has gone through the community board process* in New York City and that the SLA would retain its full enforcement power.

This legislation was developed within the context of the on-the-ground results of past legal changes, and it represents an incremental improvement of that effort. It will have positive economic development impacts for New York City and New York State. We thank you for your consideration.

If you have questions about the NYC Hospitality Alliance's position, please contact Executive Director Andrew Rigie at [212-582-2506](tel:212-582-2506)/arigie@thenycalliance.org or our lobbyists, Yoswein New York, Inc., at 212-233-5700.



MEMORANDUM OF SUPPORT

S6895 (Persaud) / A7492 (Walker)

Relates to the use of municipal space for outdoor dining

The New York City Hospitality Alliance – representing restaurants and nightlife establishments across the five boroughs – strongly supports S6895 (Persaud) / A7492 (Walker) which would make a needed technical correction to the critically important law passed in 2021 to allow licensed bars and restaurants to sell alcohol for on-site consumption in non-contiguous municipal space as part of an outdoor dining program.

This previous legislation has helped to allow 11,000 NYC restaurants to participate in the “Open Restaurants” outdoor dining program, which has been critical in saving countless restaurants from closing and responsible for bringing back 100,000 industry jobs. The law allows liquor licenses to extend into roadway dining facilities that are non-contiguous with the originally licensed premises and which are separated by a sidewalk and/or roadway. However, because of an unintended oversight in the law’s drafting, clarifying language is now needed in relation to locations which are also separated by a bike lane. A potential interpretation has arisen which could, if adopted, prohibit alcohol service in these roadway dining setups, thereby rendering them useless. This clarification meets the intent of the original law, which allows it, and also clears up any potential misinterpretation. Further, nothing in the bill will impact existing bike lanes or limit any expansion of bike lanes.

New York City is about to make seasonal roadway dining permanent and so this clarification is extremely timely and needed to ensure the continued success of this important program. Again, we strongly urge the passage of S6895/A7492.

ABOUT THE NYC HOSPITALITY ALLIANCE

The New York City Hospitality Alliance is a not-for-profit association representing thousands of restaurants and nightlife establishments throughout the five boroughs. Through the support and involvement of our members, The Alliance is committed to advancing -- with a clear and unified voice -- an agenda focused on opportunity, economic investment and job creation. Advocating on behalf of our members at all levels of government, The Alliance supports pro-growth public policy, encourages investment in and promotion of NYC’s hospitality industry, and evaluates the development, implementation and fairness of relevant government regulations.

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