

**LOCAL LAWS
OF
THE CITY OF NEW YORK
FOR THE YEAR 2017**

No. 109

Introduced by Council Members Torres, Menchaca, Cumbo, Van Bramer, Richards, Levine, Rose, Espinal, Salamanca, Rosenthal, Rodriguez, Gibson, Chin, Cohen, Constantinides, Deutsch, Dromm, Ferreras-Copeland, Gentile, Johnson, Kallos, King, Koslowitz, Lancman, Lander, Levin, Maisel, Mendez, Miller, Palma, Perkins, Reynoso, Treyger, Williams, Wills, Vacca, Cabrera, Eugene, Grodenchik, Cornegy, Crowley, Mealy, Barron, Borelli and Ulrich.

A LOCAL LAW

To amend local law number 50 for the year 2015, relating to the preservation of certain hotels, a moratorium and report relating to such preservation, and the expiration and repeal of such amendments, in relation to extending the effective period of the provisions of such local law and requiring a supplemental report relating to such preservation

Be it enacted by the Council as follows:

Section 1. Declaration of legislative intent and findings. a. The council finds and declares that:

1. The Manhattan hotel industry alone generates almost \$11.8 billion in economic activity and is responsible for generating over 65,000 jobs throughout the city.

2. Larger hotels, which include many upscale and luxury hotels, often provide enhanced services to guests and are a vital component of Manhattan's hotel industry, serving as an important source of quality jobs for city residents. These larger hotels are at significant risk for condominium conversion, and indeed several hotels have converted to residential condominiums in the last decade, resulting in a significant loss of quality jobs. Because of this recent conversion history and current market trends, the council is concerned that more such hotels will seek to convert to residential condominiums or other non-hotel uses in the near future.

3. The council continues to be concerned that once undertaken, such conversions are potentially irreversible and that, as elaborated in the legislative findings set forth in section one of local law number 50 for the year 2015, the loss of even a small number of such hotels creates a corresponding loss of these quality hotel industry jobs. This is coupled with the loss of economic activity generated by these hotels, which may not be replaced in their particular communities, posing a significant risk to the economy, market for quality jobs and quality of life for residents and visitors, both city-wide and in the particular communities where these conversions occur. The impact of such losses is not adequately counteracted through development of smaller and budget-quality hotels, as these hotels tend to employ less personnel and provide fewer on-site services.

4. In local law number 50 for the year 2015, the council required a report to examine, among other things, the short-term and long-term impacts of conversions of primary hotel space in Manhattan on the availability of quality jobs for city residents and other potential impacts of such conversions. A review of that report indicates a need for further research and analysis of the impacts of these conversions as well as substantive and particularized recommendations for addressing any impacts on the availability of quality jobs for city residents.

5. An in-depth supplemental report is therefore required in order to fully understand the current and projected impact of hotel conversions on the city, both in terms of their effect on the availability of quality jobs and, to the extent practicable, their other relevant impacts. Such report should also set forth particularized recommendations, as appropriate, in relation to promoting the preservation and enhancement of the hotel industry and particular sectors thereof. Following the preparation of the supplementary report, additional time is required to allow the city to consider

and, if deemed necessary, develop and implement the recommendations or other responsive policy.

b. As a result of the foregoing, the council finds that it is necessary and appropriate to extend the duration of local law number 50 for the year 2015 for a limited term in order to facilitate the preparation and consideration of a supplemental report to be completed by appropriate city offices or agencies, and to maintain the city's inventory of these critical hotels pending the development and implementation of the recommendations of such report.

§ 2. Supplemental hotel industry report. No later than June 2, 2018, one or more offices or agencies designated by the mayor shall complete a supplementary report analyzing the cumulative impact of the hotel industry and particular sectors thereof, including hotels as defined in section 25-701 of the administrative code of the city of New York, on the economy of the city. Such report shall include, but need not be limited to:

a. An updated analysis of recent and projected conversions of primary hotel space, as such term is defined in section 25-701 of the administrative code of the city of New York, and other hotel space to other uses, and the short-term and long-term impacts of such conversions on the city's economy, with particular attention to the availability of quality jobs for city residents and, to the extent practicable, other relevant impacts; and

b. Particularized recommendations for the preservation and enhancement of the hotel industry and particular sectors thereof, including hotels as defined in section 25-701 of the administrative code of the city of New York, and of tourism more broadly, including, as appropriate, recommendations relating to legislation, zoning text or map amendments, regulatory actions and financial or other incentives.

§ 3. Section four of local law number 50 for the year 2015 is amended to read as follows:

§ 4. This local law takes effect immediately, and expires and is deemed repealed [two years after its effective date] *June 2, 2019*.

§ 4. This local law takes effect immediately.

THE CITY OF NEW YORK, OFFICE OF THE CITY CLERK, s.s.:

I hereby certify that the foregoing is a true copy of a local law of The City of New York, passed by the Council on May 10, 2017 and approved by the Mayor on May 30, 2017.

MICHAEL M. McSWEENEY, City Clerk, Clerk of the Council.

CERTIFICATION OF CORPORATION COUNSEL

I hereby certify that the form of the enclosed local law (Local Law No. 109 of 2017, Council Int. No. 1586 of 2017) to be filed with the Secretary of State contains the correct text of the local law passed by the New York City Council and approved by the Mayor.

STEPHEN LOUIS, Acting Corporation Counsel.