Today’s complex, confusing zoning rules make it difficult for small businesses to thrive. Business owners may need to hire land use attorneys or other technical experts to understand where they are allowed to open shop or how they could expand their business. This complexity can make it more costly to own a small business in NYC.

city of yes for economic opportunity aims to remove unnecessary or outdated zoning restrictions on small businesses so they can more easily find space, operate, and grow.

Expanding Opportunities for Entrepreneurs

**Corner stores:** Zoning currently prohibits new, small-scale stores from residential areas, leaving many neighborhoods without easy access to goods and services. city of yes would create a pathway—requiring public review—for corner stores under 2,500 square feet to apply for space in these areas.

**Home-based businesses:** The pandemic changed how New Yorkers work from home, but zoning hasn’t kept up. city of yes would remove the current list of prohibited home occupations, expand the allowable business size within a home, and allow a home business to increase its employees from one to three.

**Campus commercial:** Today, local shops and makerspaces cannot easily set up near large-scale residential campuses such as NYCHA campuses. city of yes would create a pathway—requiring public review—for businesses to convert underused non-residential space, such as storage or offices, into limited commercial space.
Remove Unnecessary Restrictions to Filling Storefront Space

**Vacancy reactivation:** Historic Districts and some residential areas do not have zoning provisions that would allow commercial space to be reoccupied when vacant for more than two years. This can lead to long-term vacancies. city of yes would allow businesses to reoccupy vacant storefronts in these areas, regardless of how long the space has been empty.

**Clarifying language:** Current zoning laws use outdated, inconsistent language to regulate business types, making it hard for businesses to understand where to find space or what they can do. city of yes would create logical categories of businesses and use terms based on activities in today’s economy, so that any entrepreneur or small business owner could easily understand where they can find space.

**Simplifying districts:** Similar types of commercial districts—even when they’re next to each other—often have conflicting rules. This leads to situations where, for example, a bike rental shop might be allowed on one side of the street but not the other. city of yes would simplify rules for businesses on neighborhood retail streets and in office districts.

Questions or comments?

Please email NYC Planning at EconomicOpportunity@planning.nyc.gov.