Jacqueline Ludorf Chair

Latha Thompson District Manager



505 Park Avenue, Suite 620 New York, N.Y. 10022-1106 (212) 758-4340 (212) 758-4616 (Fax) www.cb8m.com - Website info@cb8m.com - E-Mail

The City of New York Manhattan Community Board 8

February 19, 2010

Honorable Christine Quinn New York City Council Speaker City Hall New York, NY 10007

Dear Speaker Quinn:

Re: Resolution requesting lawmakers to consider implementing a Real Estate Tax Credit to benefit small to mid-sized non-profit Performing Arts organizations and theaters

Dear Speaker Quinn:

At the February 17, 2010 Land Use/Full Board meeting, the board adopted the following resolution by a vote of 37 in favor, 0 opposed and 2 abstentions:

Whereas: For years, small to mid-sized non-profit theaters and performing arts organizations have added value both culturally and economically to New York City's individual communities, and to the city as a whole; and

Whereas: The current economic climate, however, has made it extremely difficult for many of these small to mid-sized non-profit theaters and performing arts organizations to stay in business; and

Whereas: The unprecedented cross-community board collaboration that has surrounded the crafting and support of this resolution is a unique phenomenon, clearly manifesting how vital and meaningful this sector is to communities throughout the City, and, therefore, the City as a whole.

Whereas: In 2008, New York Innovative Theatre Awards released a widely publicized study that evaluated trends regarding performance venues from neighborhood to neighborhood. The study found that over the last five years this sector lost a number of theaters to development. Twenty-six percent (26%) of Midtown's small to mid-sized performance space inventory, and twenty-five percent (25%) of performance spaces located in the West Village are now defunct¹. And this just accounts for two of New York City's neighborhoods; and

Whereas: There is a "core" group of small to mid-sized non-profit theaters and performing arts organizations that hold long-term leases. This "core" group is the life's blood of this sector, as the performing arts organizations within this group rent their spaces to performing arts companies that are unable to commit to long-term leases. As these "core" small to

_

¹ NYIT Off-Off Broadway Survey Program, pp.5-6

mid-sized non-profit theaters and performing arts organizations continue to disappear, so does the whole sector; and

Whereas: It is, therefore, imperative that we look at innovative solutions that will help rescue, preserve, and subsequently stimulate the seriously threatened small to mid-sized non-profit performing arts sector – the heart and soul of New York City's cultural landscape.

Whereas: New York City is known as a global cultural capital, due in large part to its unique fabric of small to mid-sized non-profit theaters and performing arts organizations. In microeconomic terms, this sector boosts New York City by supporting neighborhood small businesses, and attracting both New Yorkers and tourists alike who flock to the City specifically for its vibrant performing arts scene; and

Whereas: Small to mid-sized non-profit theaters and performing arts organizations have long been the foundation of New York City's arts and creative industries. These organizations are the primary incubators where new talent first emerges and is developed, <u>and where real artistic risks can be taken</u>; and

Whereas: The Arts also help the City retain talented graduates and attract investment from corporations that stay in <u>or come to</u> New York City in order to cull from an elite pool of creative workers, who, themselves, choose to <u>locate</u> in New York City for its thriving cultural scene.

Whereas: Local businesses such as restaurants and food markets, clothing stores, parking garages, and similar other retailers benefit from the influx of people brought into the community by small to mid-sized non-profit theaters and performing arts organizations; and

Whereas: The City would ultimately reclaim the revenue from a real estate tax credit through the ancillary spending generated by the influx of people who would come to these locations with the specific intention of patronizing arts-related events, and who would spend money at local businesses; and

Whereas: Small to mid-sized non-profit theaters and performing arts organizations throughout New York City's neighborhoods encourage <u>community-friendly evening</u> foot traffic, safe streets for our community residents, and help protect <u>small business diversity</u>; and

Whereas: Small to mid-sized non-profit theaters and performing arts organizations improve the quality of life in local neighborhoods and are a source of pride for local residents and businesses; and

Whereas: Long-term donated and rent-affordable Community Facility F.A.R., and under market leased spaces would provide a safe haven for artists and small to mid-sized non-profit theaters and performing arts organizations to create their art, protected from unwieldy and insurmountable rent hikes;

THEREFORE BE IT RESOLVED THAT, Manhattan Community Board No.8 strongly urges that our elected City and State officials consider the implementation of a real estate tax credit to benefit small to mid-sized non-profit theaters and performing arts organizations, in order to consequently halt, and reverse, the alarming trend of theater closures, and the rapid demise of this sector. Manhattan Community Board No.8 will work with all of New York City's Community Boards to support specific legislation in this context.

Sincerely,

Jacqueline Ludorf Chair cc: Hon. Michael Bloomberg, Mayor of the City of New York

Hon. John Liu, Comptroller for the City of New York

Hon. Scott M. Stringer, Manhattan Borough President

Hon. Carolyn Maloney, United States Congress Member

Hon. Liz Krueger, New York State Senator

Hon. Jonathan Bing, New York State Assembly Member

Hon. Micah Kellner, New York State Assembly Member

Hon. Daniel Garodnick, New York City Council Member

Hon. Jessica Lappin, New York City Council Member