

THE CITY OF NEW YORK OFFICE OF THE COMPTROLLER BRAD LANDER

September 7, 2023

The Honorable Eric Adams Mayor City Hall New York, NY 10007

Re: Request for information regarding implementation of Local Law 18 of 2021

Dear Mayor Adams,

I write to request data on the implementation of Local Law 18 of 2021, legislation that reformed the City's outdated laws for regulating street vendors. Street vendors are an integral part of New York City's economy and have contributed to the vitality of our communities for over 150 years. Estimates put the number of street vendors operating citywide at over 20,000. For too long, the City's approach to street vendors has been overly restrictive, preventing our city's smallest businesses from acquiring the permits needed to formalize their businesses and contribute to our city coffers, while also failing to implement constructive regulatory enforcement without resorting to overly punitive measures.

Local Law 18 of 2021 was adopted to address these issues. The law required the City to expand the number of permits allowing legal vending, shift enforcement responsibilities, and conduct educational outreach to vendors. This legislation required the release of 445 new supervisory licenses for food vendors per year for ten years, starting in July 2022.

The City appears to have missed the first two deadlines under this law, holding just one hearing on the matter in June 2022. Between March and May 2023, the Department of Health and Mental Hygiene (DOHMH) mailed out 400 new permit applications in two tranches. However, according to *City Limits*, only four vendors have received new permits, even as over 10,000 applicants sit on City-administered waitlists for permits. I am concerned that the slow pace of implementation of this legislation and the simultaneous escalation in enforcement actions are failing the city's street vendors, many of whom are women, people of color, and immigrants. This lack of accessible permitting forces workers into an informal economy, rather than expanding legal work opportunities and promoting a functioning regulatory system of vending.

Despite the delay in issuing new permits for legal vending, multiple City agencies have increased enforcement activity against street vendors. The sweep against vendors operating in Corona Plaza last month was a recent, high-profile example of aggressive action taken against vendors. An investigation conducted by *City Limits* in March 2023 found that the NYPD and Department of Consumer and Worker Protection (DCWP) together issued 5,197 tickets in 2022. This was nearly three times as many as the two agencies issued in 2019. NYPD was responsible for most of this increase, issuing 3,392 tickets to vendors in 2022 compared to 1,812 in 2019. This is despite Local Law 18 shifting enforcement authority over street vendors away from NYPD, first to DCWP and eventually to the Department of Sanitation (DSNY) earlier this year. A more recent investigation by *City Limits* revealed that DSNY confiscated goods from vendors in 228 instances since they took over enforcement, confiscating over 36,000 pounds of food from vendors. This escalation of enforcement actions, in the absence of the legally-required expansion of permits, is in contradiction to the spirit of Local Law 18.

To better understand the City's progress in implementing Local Law 18, our office requests the following information:

Licenses and Permits

- How many new street vending permits have city agencies issued since July 2022?
- What is the total number of vending permits currently in circulation?
- How many food vending permits have city agencies issued since July 2022?
- What is the total number of food vending permits currently in circulation?
- How many general vending permits have city agencies issued since July 2022?
- What is the total number of general vending permits currently in circulation?
- How many new vending licenses have city agencies issued since July 2022?
- What was the average application processing time for all three types of vending permits and licenses in 2019?
- What is the average application processing time for all three types of vending permits and licenses for applications processed between April 1, 2023 and today?
- How many full and part-time staff are dedicated to processing applications?
- How many applications of each type have been rejected and for what reasons?
- What outreach is the City doing to vendors about the availability of permits and the application process, and in what languages?

Vending Waitlists

- What is the total number of people on waitlists seeking Manhattan-specific permits?
- What is the total number of people on waitlists seeking citywide permits?
- What is the total number of people on waitlists seeking permits reserved for veterans?

Enforcement

- How many tickets did each of the following agencies issue to vendors for the years 2018-2023 and for what violations? What is the payment status for each of those violations?
 - Police Department (NYPD)
 - Department of Consumer and Worker Protection (DCWP)
 - Department of Sanitation (DSNY)
 - Department of Health and Mental Hygiene (DOHMH)
 - Department of Parks and Recreation
- How many sweeps did enforcement agencies enact against street vendors for each of the years 2018-2023?
- How many inspections did DOHMH conduct of street vending operations for each of the years 2018-2023?
- In how many instances have enforcement agents confiscated materials from street vendors for each of the years 2018-2023?
- What is the City's strategy for deciding when to deploy the following enforcement actions against street vendors?
 - Ticketing
 - Sweeps
 - Inspections
 - Confiscations
- How many enforcement actions involved the use of an interpreter?

SBS Vendor Engagement

- Does SBS provide small business services to street vendors, and if yes, what services do you provide?
 - How many street vendors have been reached via SBS services in this past year?
 - How many street vendors accessed SBS services last year through SBS programs like the hotline, small business support centers, or individualized support SBS provides?
- Does SBS conduct business compliance outreach to street vendors to inform them of city rules & regulations on street vending, in the same way they do to brick & mortar businesses?
 - If yes, can you describe in what manner this takes place?
 - How often does this type of educational work take place?
 - What corridors / areas have been visited?
 - How many vendors have been engaged?
- How many staff are assigned to work on street vendor educational and business services? What languages do they offer services in?
- Does SBS help street vendors acquire licensing and permitting to vend?
- How does SBS navigate the cap on permits and licenses to vendors?
- Do you provide services to vendors who are unable to acquire licensing to vend?
- What is the estimated cost to SBS currently to provide educational services to street vendors, uniquely?
- What support would SBS need in order to provide services to street vendors, financial or otherwise to hire and train sufficient staff?
- Given that street vending encompasses conducting business in the public realm, which has a different set of rules and regulations than businesses operating in fixed structures, would SBS consider creating a division of services to street vendors?

Additional Questions:

- What is the status of implementing the <u>Street Vendor Advisory Board's May 2022</u> recommendations?
- What outreach activities have City agencies carried out to educate vendors about their responsibilities under the law?

Local Law 18 legislated much-needed reforms to the regulations governing street vending, and it is critical that the City follow through to implement the law. We respectfully request a response to our questions by September 20, 2023. We appreciate your efforts on this matter and commitment towards building a fair vending system.

Sincerely,

Brad Lander

New York City Comptroller

CC:

Police Department (NYPD)

Department of Consumer and Worker Protection (DCWP)

Department of Sanitation (DSNY)

Department of Health and Mental Hygiene (DOHMH)

Department of Parks and Recreation

Department of Small Business Services (SBS)