New York City Economic Development Corporation Testimony of President & CEO Andrew Kimball

New York City Council, Committee on Economic Development Preliminary Budget Hearing – Economic Development March 15, 2024

Introduction

Good afternoon, Chair Farías, and members of the Economic Development Committee. Thank you for your continued partnership and support of the New York City Economic Development Corporation.

I'm Andrew Kimball, President and CEO of NYCEDC, and I am here today with my chief of staff, Jennifer Montalvo.

I'm glad to have the opportunity to update you on the progress EDC has made over the last year. We've provided you with copies of our 2023 Impact Report, which highlights our work, and our February 2024 Economic Snapshot, tracking key economic data, which was released yesterday. I'm happy to answer questions on any of these reports at the conclusion of my testimony.

EDC is a mission-driven nonprofit organization that works to create a vibrant, inclusive, and globally competitive economy for all New Yorkers. This mission guides all of our work and is implemented through four strategy pillars.

Strengthening Business Confidence

First, EDC works to strengthen confidence in NYC as a great place to do business, ensuring that industry and business leaders, entrepreneurs, investors, and top talent have confidence that NYC—the world's tenth-largest economy—is the best city in the world to do business.

Critical to business confidence is having a plan with concrete action items in place to help us both recover from the COVID years while leading us toward a stronger, more resilient, and equitable post-COVID economy.

With the support of EDC, just two years ago, Mayor Adams released a blueprint to "Rebuild, Renew, and Reinvent" New York City following the pandemic. Today,

despite challenging economic headwinds over the last four years, we've recovered all 1 million jobs lost during the pandemic and have reached an all-time high for private sector employment as well as overall jobs with 4.7 million in total jobs. We have the highest workforce participation rate, defined as those with jobs and actively looking for jobs, since 1976, the year this data was first collected. And the unemployment rate is half of its COVID-peak.

During this recovery, the city has also seen phenomenal growth in business creation, especially small businesses. Approximately 27,000 new businesses started in 2023, or 1 in 7 businesses in New York City, with 62% being in boroughs outside of Manhattan.

In addition to the Jobs Blueprint, in 2022, again with the support of EDC, the Mayor and Governor launched the *Making New York Work for Everyone Action Plan*, which, with input from 50 business and civic leaders and subject area experts, laid out 40 proposal—and a shared City-State agenda—focused on the future of jobs centers, neighborhoods, the way people work, key industries, infrastructure, talent development, and more. The Action Plan has led to tangible progress on scores of initiatives including redevelopment plans for commercial hubs from the North Shore of Staten Island to Broadway Junction in Brooklyn, and from Jamaica Queens to Morris Park in the Bronx.

EDC has been particularly focused on the fact that Midtown and Downtown Manhattan, NYC's two most significant jobs hubs that generate approximately 40% of total property tax revenue, continue to have close to 100 million square feet from aging and vacant office space. Three of the Panel's 40 strategies seek to address this challenge: 1) enact legislative and regulatory changes to facilitate the conversion of 20-30 million square feet of vacant office space to residential; 2) convert up to 10 million square feet from aging and vacant office space to amenity rich, and high-quality office space that meets the demands of the current workforce; and, 3) transform the city's urban realm with improved green and open space.

We continue to be hopeful that the State Legislature will act to further some of these initiatives and we look forward to continuing to work with the City Council on the Mayor's City of Yes zoning proposals to advance others. While we wait for these legislative processes, EDC has begun to tackle high commercial vacancies through our M-CORE program.

The M-CORE program incentivizes building owners to undertake major renovations that green their buildings, target EDC's priority innovation sectors, and provide important on-site amenities from childcare to incubators. In January the NYCIDA Board approved the first two M-CORE projects, which provided nearly 98M in tax incentives over 20 years. This incentive will leverage a five- fold return in City tax revenue generated, providing \$580M in revenue over the same 20 year period. In addition, numerous Midtown public realm initiatives from Broadway to Fifth Avenue to the Penn Station District also moved forward.

Growing Innovation Industries with a Focus on Equity

Our second strategy pillar is growing innovation industries with a focus on equity. EDC has a dynamic range of programs to support the life sciences, the green economy, and the tech sector, more broadly. These sectors are not only important for their innovation—from products that reduce our carbon footprint to drugs and therapies that cure disease—but also for job creation and economic impact for New Yorkers across all five boroughs.

This means not only expanding the number of businesses in high-growth industries but also ensuring pathways to good-paying jobs in these sectors are available and accessible to all New Yorkers.

Tech

Due in part to EDC efforts, employment in the tech sector has grown rapidly from under 100,000 jobs in 2008 to over 350,000 today or 7% of all city jobs. New York City is now the second-largest tech hub in the world, trailing only the Bay Area.

Artificial Intelligence and Machine Learning (AI/ML) is having a dramatic impact on all innovation sectors, including tech. New York is uniquely positioned to benefit from this new technology with approximately 40,000 people in the NYC region with AI and AI-adjacent skills. EDC is devoting resources to studying AI and its job-creating potential, as well as its disruptive capabilities. Later this year, we plan to release an AI report and announce new programmatic interventions to support private sector growth and workforce development opportunities.

Life Sciences

Thanks in part to EDC's \$1.1 billion LifeSci NYC Initiative, employment in the industry grew 50% over the last five years and continued strategic investments

can double the number of New Yorkers working in the life sciences from approximately 20,000 jobs today to over 40,000 in the next 10 years. We are focused on this industry not only for its immense overall growth potential, but also for its ability to create opportunities for those from all educational backgrounds, with only about half of all jobs in the industry requiring a college degree. Critical to this sector is the ability of biotech companies to afford to grow in NYC and we want to thank the Council for voting to renew the biotechnology tax credit.

Green Economy

Similar to tech and the life sciences, EDC sees the green economy as a major source of growth for NYC in the coming years and decades. Last month, alongside Mayor Adams, EDC released the *Green Economy Action Plan*, a first-of-its-kind plan that lays out a roadmap to growing the city's green economy. The plan maps investment in jobs and sectors that will help the city combat climate change, and train and position New Yorkers—particularly those from environmentally-disadvantaged communities—to benefit from the growth of 'green-collar' jobs. The plan outlines the potential for the industry to triple 2021 employment numbers by 2040, growing employment to nearly 400,000 jobs.

Innovation Industry Equity

EDC pursues strategies that focus on pathways to economic mobility for underrepresented New Yorkers primarily through workforce development initiatives, minority and women-owned contracting, and diverse entrepreneurship programs. I would like to highlight just a few examples of the many ways we have integrated these pathways into our projects and overall strategy.

In 2023, our LifeSci NYC Internship Program had another successful year. This program provides undergraduate and graduate students with quality internships in the life sciences field. Since the program's inception in 2018, it has placed 718 students at 180 companies, with nearly 50% of those internships either extended or leading to full-time jobs.

We are advancing the SPARC Kips Bay project, a transformational project that will create a unique job pipeline for New Yorkers, where a student can go from high school to college, to an internship, to a job in the life sciences—all on the same campus. We are proud of the way this project incorporates our main strategies for

our workforce development: strengthening NYCPS-CUNY pathways, creating centralized training hubs, creating place-based workforce networks, and expanding industry apprenticeships and internships.

We recently announced the expansion of our partnership with BioBus in the Bronx, which provides educational programming and STEM-related training to students of all ages. We also invested \$500,000 in Genspace, which is located in Sunset Park and will be the world's first community biology lab providing hands-on training to access laboratory jobs.

In November, we joined the Mayor and the Fedcap Group to celebrate the opening of Civic Hall at Union Square, a tech and digital hub that is expected to serve 750 people in its first year and will create an inclusive talent pipeline for good-paying jobs in the city's tech sector. Partners at Civic Hall include The Data School and LaGuardia Community College, which are training students in data visualization and analytics.

EDC has also continued our work to support the next generation of diverse entrepreneurs and founders. In 2023, the Founder Fellowship Program welcomed its second cohort of 100 tech founder teams from across the city. As a result of their participation, 2023 Founder Fellow companies hired nearly 80 new employees, and their combined valuation increased by \$112 million. Another 60 founder teams have joined for the 2024 Fellowship cohort, of which two-thirds have at least one female founder and nearly 80 percent are led by Black, Latinx, and/or Asian founders. In 2023, EDC initiated the Venture Access Alliance, which works hand in hand with the Founder Fellowship Program. This coalition of 100 NYC venture capital investors is committed to working together to increase diversity in the city's tech and venture ecosystem.

Through the Women.NYC network, EDC has worked with over 1,800 women entrepreneurs since 2023 through a social capital-building program to connect women interested in innovation industries with career advisors and mentors to help them explore new opportunities for growth. The network features carefully tailored programming to ensure that women play significant roles in the future of the city's economy.

We are also committed to ensuring diversity in our contracting. In FY23, 29.2% of all awards went to MWBEs, equating to \$159 million in contract value. During the same period 31.7% of all payments made went toward MWBEs, corresponding to \$187.7 million. Our MWBE focused programs like ConstructNYC and the Offshore Wind Waterfront Pathways programs create critical pipelines to ensure that diverse firms are able to access EDC contracts while also giving them technical and financial support to expand.

At Brooklyn Army Terminal (BAT), we are building the Climate Innovation Hub. This project marks a \$100 million investment in bringing business development, incubation, research, and workforce development programs to a 4-million-square-foot campus, turning Sunset Park into a center for innovation, advanced manufacturing, and workforce training.

Building Neighborhoods as Places to Live, Learn, Work, and Play

Our third pillar at EDC is building neighborhoods as places to live, learn, work, and play. We help shape the growth and revitalization of industry clusters and business districts, bringing jobs closer to where people live. We do this by delivering spaces that bring jobs and essential services as well as open spaces, and by strategically developing our assets to drive new business activity across all five boroughs. While impossible for me to speak to the dozens of EDC-projects, I would like to highlight a sample of our neighborhood and borough-specific work.

Bronx

In August we announced \$200 million in City and State funding toward the redevelopment of the historic Kingsbridge Armory and the fulfillment of the *Together for Kingsbridge Vision Plan*. The Vision Plan is grounded in community priorities, focusing on creating good-paying, local jobs that build economic opportunity and improve the quality of life for people in Kingsbridge Heights and neighboring Bronx communities.

Moving to Hunts Point, we broke ground on The Peninsula Phase 2 which will deliver 350 affordable homes as part of a broader project to reimagine the former Spofford Juvenile Detention Center, transforming it into a mixed-use, live/work campus. EDC is also continuing to move forward with the Hunts Point Produce Market redevelopment which has secured \$395 million in federal, State and City funding and seeks to build a state-of-the-art, all-electric food distribution facility allowing current businesses to grow, creating union jobs while removing over

1,000 trucks from fossil fuel generators. EDC also secured \$15 million in federal funding to support the development of the first electric freight hub in a former brownfield site in Hunts Point. We continue to move forward with commitments laid out in the *Hunts Point Forward Vision Plan* such as investing in resiliency efforts and supporting local community initiatives.

Brooklyn

Moving on to Brooklyn, in May, we announced a \$500 million investment in East New York, including \$400 million from the MTA—around the Broadway Junction subway station complex to make the area a true regional transit center, drive accessibility upgrades, deliver vibrant public space, improve quality of life, create good-paying jobs, and unlock inclusive economic growth. EDC's investment will result in two new public plazas, streetscape improvements, and activation of three publicly owned sites to foster continued business development.

We continue to invest aggressively in the 200-acre Sunset Park district. At Brooklyn Army Terminal, EDC and the City are investing \$286 million to modernize World War II-era buildings, including \$100 million for the previously mentioned Climate Innovation Hub.

Construction will begin soon on the 75-acre South Brooklyn Marine Terminal, making it a world-class offshore wind (OSW) port facility that is expected to generate 1000 jobs in the near term and support up to 13,000 jobs in the regional offshore wind ecosystem by 2035.

EDC is also making progress on the Made in New York Campus at Bush Terminal. The first 200,000-square -foot modernized building opens this summer and is only the first part of a multi-phased development.

Manhattan

In Upper Manhattan, this past August, we announced the beginning of archeological work at the Harlem African Burial Ground, and we recently selected an educational and engagement partner who will support community education throughout the archaeological process. The project will also include 600 to 700 units of housing and commercial along with community space.

Moving downtown, in November, we joined the Mayor and Deputy Mayor Maria

Torres-Springer to unveil the Science Park and Research Campus (SPARC) Kips Bay Master Plan—laying the groundwork for a first-of-its-kind job and education center in the heart of New York City. This project will create an estimated 3,100 permanent jobs in the life sciences sector and nearly 12,000 construction jobs. We are hitting all key milestones and expect to break ground on the project in 2025.

Staten Island

On Staten Island, in September, we joined Mayor Adams to release *The Staten Island North Shore Action Plan: Building a Vibrant, Mixed-Use Waterfront Community.* The plan articulates a clear and unified vision for the North Shore and is a result of months of collaboration between EDC, the local Council Member, and countless other City agencies. It directly responds to the Mayor's 2023 "Working People's Agenda" State of the City address, where he announced the start of the community engagement process and roadmap for the future of the North Shore of Staten Island.

The plan represents over \$400 million of public investment that will create 20 acres of continuous waterfront public access, providing a significant public amenity for residents and visitors. The Action Plan includes a two-mile, continuous waterfront esplanade, stretching from Stapleton to St. George. These public investments will create nearly 2,400 new homes on City-owned land, thousands of additional homes on private sites, a new public school with 600 K-8 school seats, and 1.3 million square feet of new commercial space.

Queens

Moving to Queens, this past December we broke ground on the first phase of Willets Point. In all, this project will bring 2,500 units of 100% affordable housing, a new public school, 40,000 square feet of new public open space, retail space, a 250-key hotel, and the city's first soccer-specific stadium, which will be privately financed. We are looking forward to the Council's vote on the Willets rezoning unlocking this project in the coming weeks.

In May 2023, Mayor Adams announced the Jamaica Neighborhood Plan to identify new ways to create jobs, housing, and design improvements to streetscapes in Downtown Jamaica. Led by DCP, the planning process will produce a community-driven Draft Neighborhood Plan with the goal to inform the City's rezoning process and explore opportunities for improvements for the neighborhood.

Delivering Sustainable Infrastructure

Our last pillar is delivering sustainable infrastructure. We work to deliver the infrastructure and buildings New York City needs not just today, but also for the challenges ahead.

One great example of our commitment to building sustainable infrastructure is the Blue Highways Initiative, facilitating the movement of freight via waterways instead of roadways. Six new landings throughout the city are currently in design allowing for barge and boat small-package deliveries that will reach their final destination on e-cargo bikes.

Last year, we launched a new vision for the Downtown Manhattan Heliport—a vision that will establish New York as the first city in the world to adapt its heliport infrastructure to support sustainable air-mobility technologies. We are currently reviewing RFP responses for an operator to upgrade the heliport and provide infrastructure for electric vertical take-off and landing aircraft.

2023 was a momentous year for NYC Ferry. The system had record ridership and signed a new operating contract that will lock in the system's operations for at least the next five years. The new agreement improves ridership experiences, expands accessibility and tech features, increases transparency and oversight of the system, and provides further investment by NYC Ferry as a maritime career pipeline.

We are also thrilled that we were able to partner with you, Chair Farías, to create a pilot program to provide Harbor School students discounted ferry fares and we look forward to expanding this program to all NYC high school students this fall.

We are proud to take a leadership role within the city to ensure that we have the infrastructure necessary to deliver on our green commitments. At JFK, we are creating the largest EV-charging facility in NYC, with 65 public EV chargers, including 12 rapid ones. The facility is currently estimated to charge 1,000 vehicles per year, with potential for growth. Through the NYCIDA board, we are helping to ensure dozens of battery-storage projects have the financing necessary to be completed while helping the city connect to upstate hydroelectric and solar

power through Champlain Hudson Power Express Project (CHPE). These projects, along with our offshore wind port and interconnection point for offshore wind power, will bring green energy to millions of NYC homes.

Conclusion

For more information on all of EDC's critical work, we have provided you with copies of our 2023 Impact Report. We encourage you to also review it online where we have multimedia components that bring several of our projects to life, showcase New Yorkers who benefit from our work, and highlight EDC staff who propel our mission forward day in and day out. We're proud to do this work in partnership with all of you, and I thank you for the opportunity to speak with you today. We welcome any questions you may have.

New York City Economic Snapshot

February 2024





Dear NYC Partner,

As the entity charged with driving the city's economic growth, we are pleased to release our latest monthly Economic Snapshot. This report assembles and highlights data from key sources that we track most closely in measuring the strength of NYC's economy.

A few key points from this month's report include:

- New York City reached another new all-time high in private sector employment in January with 4,148,000 jobs. The economy added 25,100 private sector jobs in January, and the private sector job count is now 40,100 jobs above the pre-pandemic high. The city is also at a record high for total jobs in January, at 4,730,000, and total employment is 27,300 above pre-pandemic levels.
- Revised data for 2023 show labor force participation reached a record high of 61.8 percent in December, and the labor force participation rate held steady at this record high in January.
- The unemployment rate ticked down one-tenth to 5.2 percent in January, the lowest rate since September 2023. However, despite some improvements in recent months, the disparity between unemployment rates by race or ethnicity remains high. The Black unemployment rate, at 9.3 percent, is three times the white unemployment rate of 3.0 percent. We are watching these metrics closely and will be reporting new data in April.
- The wider New York City Metro Area added over 100,000 jobs in the past two months (including 65,000 jobs in January). The New York City Metro Area has added 160,100 jobs over the past 12 months, approximately twice the jobs of the next closest metro areas (Houston, Miami, Dallas).

Having a clear picture of the city's economic data informs our work here at NYCEDC, as we build a more vibrant and inclusive economy. We hope you find it useful in your work as well.

Andrew Kimball

President & CEO,

New York City Economic Development Corporation



Since Jan. 1 '22 Pre-COVID **Previous** Latest (Adams Admin) Indicator **Key Takeaways: Labor Market** The city added 25,200 private sector jobs in January, reaching a record high for private sector employment, with private employment now up over 40,000 jobs from pre-pandemic highs. Benchmark revisions to 2023 employment data show that the city added fewer jobs in 2023 than the initial data showed, with the city adding 42,300 private sector jobs last year. Revised labor force participation data for 2023 and new data for January 2024 show that the city reached an all-time high in labor force participation rate of 61.8% in December 2023 and remained at the record high in January 2024. +6.500 per month +25.200 +9.100 +298.600 **City Private Sector Employment** Change & Annual Growth Rate +2.4% y/y +1.7% y/y +1.0% y/y (2019 avg) (January 2024) Metro Area Employment +65.000 +35,100 +559,400 +7,800 per month, +1.3% y/y +1.3% y/y (January 2024) +1.6% y/y (2019 avg) 1.79M 76,600 **Job Postings** 58,100 49,100 (2019 avg) (January 2024) 61.8% 60.2% **Labor Force Participation** 61.8% +1.6 pct pts (Feb 2020) (January 2024) **Unemployment Rate** 5.2% 5.3% -2.9 pct pts 4.3% (Feb 2020) (January 2024) **BIPOC Unemployment Rate** 6.7%* 6.7% -2.3 pct pts 5.3% (2020:Q1) (2023:Q4) 9.5% -1.4 pct pts 8.1% **Black Unemployment Rate** 9.3%* (2020:Q1) (2023:Q4) 6.7% -2.2 pct pts 5.3% Latinx Unemployment Rate 7.0%* (2020:Q1) (2023:Q4) 2.7% White Unemployment Rate 3.0%* 2.8% -3.9 pct pts (2020:Q1) (2023:Q4) **BIPOC Labor Force Participation** 59.9%* 60.4% +1.8 pct pts 58.3% Rate (2023:Q4) (2020:Q1) 56.2% **Black Labor Force Participation** 60.3%* 60.5% +4.7 pct pts (2020:Q1) Rate (2023:Q4) 58.9% **Latinx Labor Force Participation** 58.6%* 59.1% -0.2 pct pts (2020:Q1) Rate (2023:Q4) White Labor Force Participation 67.5%* 67.4% +3.4 pct pts 63.8% Rate (2023:Q4) (2020:Q1)

Indicator	Latest	Previous	Since Jan. 1 '22 evious (Adams Admin)		
Key Takeaways: Business Activity					
About 27,000 businesses (or 1 in 7) were	started in the pas	st year, as 5,500 new b	usinesses started in 2023	3:Q3. However, we	
estimate that 5,900 businesses closed, im as higher interest rates dampened activity	nplying net busine v. VC funding in 2	oss formation of -340 in 023 (\$18.7 billion) was	35% lower than 2022 an	d 63% lower than 2021.	
New Business Formation (2023:Q3)	5,500	6,700	50,700	7,100 (2019 avg)	
Net Business Formation (2023:Q3)	-340	+1,700	+7,130	+400 (2019 avg)	
VC Funding (2023:Q4)	\$4.961B	\$3.508B (2023:Q3)	\$47.711B	\$5.645B (2019:Q4)	
VC Funding (2023 through Q4)	\$18.726B	\$28.985B	n/a	\$24.111B (2019 through Q4)	
Indicator	Latest	Previous	Since Jan. 1 '22 (Adams Admin)	Pre-COVID	
Key Takeaways: Real Estate					
Return-to-office was lower in early 2024 of Kastle return-to-office data averaged 48.8 points to 63% in January, and REBNY Clamonth.	3% of pre-pandemass A+ office visit	nic levels in February, F ation was at 68% in Ja	REBNY office visitation de nuary, 6 percentage poin	eclined 4 percentage ts lower than the prior	
Kastle Metro Area Office Occupancy (4-wk avg, 2/27/24)	48.8%	50.4%	+25.6 pct pts	100%	
PFNYC Return to Office Survey (September 2023)	58%	52% (Feb 2022)	+30 pct pts (Oct 2021)	n/a	
REBNY Office Visitation (January 2024)	63%	67%	n/a	100% (2019)	
REBNY Class A+ Office Visitation (January 2024)	68%	74%	n/a	100% (2019)	
Manhattan Office Availability Average** (2023:Q4)	18.7%	18.8%	+0.9 pct pts	10.3% (2019 avg)	
Office Vacancy Rate (2023:Q4)	14.3%	13.9%	+2.6 pct pts	7.6% (2019 avg)	
Office Leasing Activity (2023:Q4)	62.4%	73.0%	-4.5 pct pts	100%	
Retail Vacancy Rate (2023:Q4)	4.1%	4.1%	+0.4 pct pts	3.2% (2019 avg)	
StreetEasy Rent Index (February 2024)	117.6	117.1	+17.2	100.0 (Feb 2020)	
StreetEasy Inventory Index (February 2024)	76.7	76.7	-18.0 pts 100.0 (Dec 2019)		

Latest

Previous

Since Jan. 1 '22 (Adams Admin)

Pre-COVID

Key Takeaways: Tourism & Transit

Tourism and transit data is weaker than last month, as holiday tourism fades and cold weather depresses tourist and transit activity. However, many of these indicators have improved from a year ago: Over the past 12 months, hotel occupancy is up 4 percentage points, Times Square pedestrians increased 12 percent, and subway ridership, averaging 3.15 million rides over the past month, increased 2 percent over the past year.

Broadway Attendance (4-wk avg, 3/3/23)	80.3%	83.7%	+9.8 pct pts	100%
Hotel Occupancy Rate (January 2024)	68.4%	86.6%		89.4% (Nov 2019)
Times Sq. Pedestrian Count (30-day avg, 3/3/24)	83.3%	77.6%	+10.8 pct pts	100%
Subway Ridership (30-day avg, 3/7/24)	70.9%	72.0%	+14.3 pct pts	100%
Bus Ridership (30-day avg, 3/7/24)	59.2%	61.2%	-4.3 pct pts	100%

Sources for the New York City Economic Snapshot include the NYS Department of Labor, the US Bureau of Labor Statistics, Lightcast, Pitchbook, Kastle Systems, the Partnership for New York City, the Real Estate Board of New York, Costar, Cushman & Wakefield, Newmark, Savills, Colliers, JLL, StreetEasy, Broadway League, STR, Times Square Alliance, NYC Tourism and Conventions, Visa, and MTA Open Data.

*Quarter-to-quarter changes within half of a percentage point are likely statistically insignificant due to the small sample size. We do not report quarterly estimates for the Asian population due to high margins of error, caused by heterogeneity in the population.

** This is a simple average of vacancy rates from Cushman & Wakefield and JLL, and availability rates from Newmark, Savills, Costar, and Colliers. Newmark's availability rate for 2023 Q3 was unavailable at time of publishing and was assumed to be consistent from 2023 Q2. The Citywide rates are using Costar data.

Legend

Indicator improved from prior reading
Indicator worsened from prior reading
No change

NYC Employment by Industry

INDUSTRY

EMPLOYMENT (thousands)

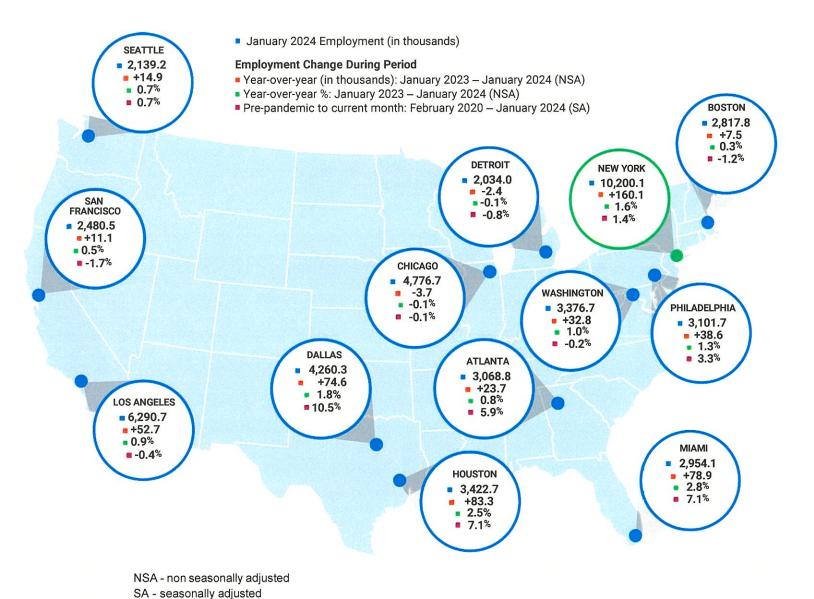
	Jan 2024	Dec 2023	Previous Month Change	Year-Over-Year Change	Jobs Lost, Pre-Pandemic to Trough	Jobs Regained, Trough to Jan 2024	Percent of Lost Jobs Regained	Job Change, Pre-Pandemic to Jan 2024
FIRE	504	505	-0.2%	1.0%	25,600	42,200	164.6%	16,600
Finance & Insurance	368	370	-0.4%	0.9%	10,800	30,600	283.7%	19,800
Securities	198	199	-0.8%	0.3%	5,600	20,600	365.4%	15,000
Banking	109	109	0.1%	1.5%	3,700	7,300	195.0%	3,500
Other	62	62	0.5%	2.0%	1,400	2,800	193.1%	1,300
Real Estate	135	135	0.2%	1.2%	16,200	12,900	79.8%	-3,300
SERVICES	2,866	2,841	0.9%	2.9%	641,600	750,700	117.0%	109,100
Information	227	217	4.8%	-4.6%	35,400	33,200	93.7%	-2,200
Professional & Business	799	796	0.3%	-0.4%	101,500	119,200	117.5%	17,800
Professional, Scientific & Technical	462	464	-0.4%	-1.6%	37,500	53,700	143.0%	16,100
Management of Companies & Enterprises	75	75	0.1%	2.3%	11,100	14,100	126.8%	3,000
Administrative & Support	261	257	1.6%	1.1%	57,500	56,100	97.7%	-1,300
Educational	256	253	1.1%	2.1%	27,700	27,600	99.9%	0
Healthcare & Social Assistance	962	953	0.9%	8.2%	116,000	254,200	219.1%	138,200
Arts & Entertainment	87	87	-0.4%	3.7%	55,700	46,800	84.0%	-8,900
Accommodation & Food	352	351	0.3%	2.8%	268,600	245,900	91.5%	-22,700
Other	183	183	0.0%	1.1%	66,900	53,900	80.6%	-13,000
TRADE	434	430	0.9%	-1.8%	147,300	95,600	64.9%	-51,700
Retail	303	300	1.1%	-2.4%	115,800	72,900	63.0%	-42,900
Wholesale	131	130	0.5%	-0.6%	31,600	22,700	71.9%	-8,900
MANUFACTURING	58	58	-0.2%	-0.7%	28,100	19,900	70.7%	-8,300
TRANSPORTATION AND UTILITIES	149	149	-0.4%	-0.6%	39,700	38,400	96.8%	-1,300
NATURAL RESOURCES, MINING AND CONSTRUCTION	138	140	-1.3%	-5.0%	74,900	50,600	67.6%	-24,300
TOTAL PRIVATE	4,148	4,123	0.6%	1.7%	946,200	986,300	104.2%	40,100
GOVERNMENT	582	570	2.1%	1.7%	22,100	9,500	43.2%	-12,500
TOTAL (PRIVATE + GOVERNMENT) NYC	4,730	4,693	0.8%	1.7%	956,400	984,000	102.9%	27,600

Note: Numbers may not add to totals due to rounding. Employment trough is April 2020 except for the following sectors, for which the trough is July 2020: FIRE (inclusive of all subsectors), Information, and Government

NYC Metro Area Employment

Compared to Other Major Metro Areas

To give local employment data a national perspective, we compare employment in the NYC Metro Area to other major metro areas around the US. We use metro areas rather than cities to provide a more consistent basis for regional economic comparison.



Source: US Bureau of Labor Statistics

About NYCEDC

New York City Economic Development Corporation is a mission-driven, nonprofit organization that works for a vibrant, inclusive, and globally competitive economy for all New Yorkers. We take a comprehensive approach, through four main strategies: strengthen confidence in NYC as a great place to do business; grow innovative sectors with a focus on equity, build neighborhoods as places to live, learn, work, and play; and deliver sustainable infrastructure for communities and the city's future economy.

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Testimony of New York City Employment and Training Coalition (NYCETC)

New York City Council Budget and Oversight Hearings on the Preliminary Budget for Fiscal Year 2025

ECONOMIC DEVELOPMENT COMMITTEE Submitted by Gregory J Morris, CEO March 15, 2024

I'm Gregory J Morris, CEO of the New York City Employment and Training Coalition (NYCETC) - the largest city-based workforce development association in the country. NYCETC serves as the 'industry voice' of more than 220 workforce development providers in New York City who are counted on to provide job training to more than 500,000 New Yorkers each year —primarily individuals who live in under-resourced and underserved neighborhoods. The most recent survey of our membership indicated that the majority of providers were focused on meeting the needs of women, young adults, NYCHA residents, immigrants/refugees/asylum seekers, and justice-involved individuals. It is our coalition that is relied upon to connect New Yorkers - of all ages - in every borough - to quality jobs and a living wage; and the services and support necessary to secure long-term, family-sustaining employment. To achieve an effective and sustainable workforce development ecosystem in NYC, NYCETC is called upon to take three actions:

- 1. Track the value/impact of the commitments that the administration makes in support of job readiness and training;
- 2. Serve as a resource to employers and employer intermediaries seeking talent; and
- 3. Advocate for the budgetary, legislative, and regulatory action items that maximize access and equity in the programs and services that are central to our efforts. *These efforts include industry specific skill development, college and career exploration, internships and apprenticeships, reskilling/upskill options, as well as, employment placement, retention and advancement assistance.*

New York City's workforce is the backbone of its economic success. Whether it's the New Yorkers who drive our local economy today, or the young people who will make up our future workforce, the City of New York does better when its people have access to the resources and education they need to access good paying jobs that sustain them and their communities. New York City's workforce development system is as diverse and ambitious as the city itself, yet there are still too many systemic barriers and disconnections that hold us back from a truly inclusive economy. To equalize opportunity for all New Yorkers, increase access to quality jobs over time, and support our City's overall economic growth, I respectfully request that the Council hold the city accountable for the linkage of workforce development and economic development through the following 10 budgetary and/or legislative items:

• Restoring all reductions in job training and workforce development opportunities for unemployed and underemployed New Yorkers. From the elimination of two Jobs Plus sites

to the "pause" of CUNY Cultural Corps, we have heard at each committee hearing so far both modest and significant PEGS or "pullbacks" on programs and services intended to support jobseekers. In Executive Order 22, this administration identified investment in the City's talent and workforce development system as "critical to an inclusive economic recovery that benefits City residents, employers, and the economy." PEGS that reduce or eliminate programs and services focused on preparing New Yorkers - especially economically disadvantaged New Yorkers - for current and future employment opportunities are misaligned with the priorities of the administration and will have a deleterious effect on the City's economic growth. An independent analysis on the Return of Investment (ROI) on Industry-focused Job Training Programs detailed the value of these programs: 1) These programs lead to 1) significant increases in earnings over time; and 2) have both positive returns in 5 and 10-year ROI estimates;

• Reviewing the value/impact of Small Business Services and Workforce Development Initiatives in the expense budget. As you can see from the chart that follows, there has been limited adjustment/alteration to the specific initiatives with Small Business Services and Workforce Development Initiatives to reflect a post-pandemic focus on training and job readiness. Note: The elimination of the "Bridge Program for WorkForce Development" severely reduced the ability of NYCETC providers to support HRA Career Services recipients who were focused on securing credentials and certification through a program focused on academic remediation, training in the foundational skills required for a career in IT services, and access to on-going supportive and retention services.

FY22	FY23	FY24
Chamber on the Go and Small Business	Chamber on the Go and Small Business	Chamber on the Go and Small Business
Assistance	Assistance	Assistance
Construction Site Safety Training	Construction Site Safety Training	Construction Site Safety Training
Create New Technology Incubators	Create New Technology Incubators	Create New Technology Incubators
Day Laborer Workforce Initiative	Day Laborer Workforce Initiative	Day Laborer Workforce Initiative
		Domestic Workers and Employer Empowerment
Green Jobs Corps Program	Green Jobs Corps Program	Green Jobs Corps Program
Job Training and Placement Initiative	Job Training and Placement Initiative	Job Training and Placement Initiative
Made in NYC	Made in NYC	Made in NYC
MWBE Leadership Associations	MWBE Leadership Associations	MWBE Leadership Associations
Neighborhood Development Grant	Neighborhood Development Grant	Neighborhood Development Grant
		Pride At Work
		Support for Immigrant and Women Workkers
Worker Cooperative Business Development	Worker Cooperative Business Development	Worker Cooperative Business Development
Initiative	Initiative	Initiative
Five Borough Chamber Alliance	Five Borough Chamber Alliance	
Bridge Program for Workforce Development	Bridge Program for Workforce Development	

Reallocating funding and investing in the Small Business Services and Workforce
 Development Initiatives that work. Overall funding (not including temporary resolutions) for
 Small Business Services and Workforce Development Initiatives grew from FY22-FY24 from

\$25,787,063 in FY22 to \$25,987,063 in FY23 to \$26,961,475 in FY24. This is representative of an increase of \$1.17M in funding. However, the "Job Training and Placement Initiative" - the most targeted initiative focused on workforce development in the expense budget has only increased by \$500,000 in three years from \$8,000,000 (FY22) to \$8,500,000 (FY24). There was minimal change in recipients of funding in FY23 and FY24 as well. See chart that follows. (Exodus Training Institute is no longer included. LEAP is added.) *Note: The Fund for the City of New York - The New York City Employment and Training Coalition (\$25,000) - was added to the transparency resolution in November 2023.* We encourage the Council to analyze the specific value and return of investment on each of the organizations associated with the Job Training and Placement Initiative to ensure that its existing resource allocation is effective and that new intermediaries and organizations are utilized to support targeted efforts to improve job access and opportunity.

FY23 - \$8,250,000	FY24 - \$8,450,000
Consortium for Worker Education - Jobs to Build On	Consortium for Worker Education - Jobs to Build On
Consortium for Worker Education - WSC	Consortium for Worker Education - WSC
Consortium for Worker Education - Make the Road	Consortium for Worker Education - Make the Road
JobsFirstNYC	JobsFirstNYC
Renaissance Training Institute	Renaissance Training Institute
HOPE Program	HOPE Program
Exodus Training Community	LEAP
WHEDCo	WHEDCo

We encourage this Committee to focus its analysis on the value of organizations in their efforts to improve job access and opportunity where there is a) current/anticipated economic development [Downtown/North Shore Staten Island, (Brooklyn) Broadway Junction & East New York, (Bronx) Kingsbridge/Hunts Point, (Queens) Willets Point; (Manhattan) Midtown West, Kips Bay]; b) Industry/sector growth [Health Care, Green Jobs, Infrastructure/Construction, Food/Hospitality, Child Care, Life Sciences, and Film/TV production] and/or c) an interest/investment in employing historically/systemically underserved New Yorkers [Migrants, Justice-Involved Individuals, Veterans, Public Housing residents, and Older Adults]. The allocation of resources in the FY25 budget related to those categories will support the essential linkage between workforce development and economic development.

• Equipping District Offices with a dashboard and resources to connect constituents to job training and employment placement opportunities in the district and borough. NYCETC has produced a Dashboard Tool that represents the activities taking place at nearly 400 training locations across NYCETC's member community. This dashboard was initially created as an internal tool based on New York City's Workforce Landscape report to help NYCETC's team fulfill information requests and peer connections across the member network, but is being extended to the Council Member Officers to support the expansion of information and resources to providers, employers, and jobseekers. We encourage the Committee to pilot this Dashboard Tool.

Expanding the capacity of job training providers serving new arrivals to meet the current and future needs of employers with significant vacancies through [new] Small Business Services and Workforce Development Initiatives focused on contextual training opportunities and coordinated work authorization effort. As identified in the Comptroller's Report, "Facts, Not Fear: How Welcoming Immigrants Benefits New York City" - "Immigrant New Yorkers are more likely to be employed, are more likely to create jobs by starting a business, and contribute billions of dollars to our New York economy in spending power and tax revenue. New immigration helps the U.S. economy compensate for declining birth rates, slow population growth, and residents moving out of the city. If not for immigrants, the U.S. workforce would be shrinking. New York City's workforce has shrunk since the pandemic. Growing our workforce by welcoming new arrivals will help address labor shortages and bolster our city's post-pandemic economic recovery."

NYCETC has proposed an initiative to respond to the conditions that have compromised the ability of job training provides and interested employers to provide clear and sustainable on-ramps to employment opportunities for new arrivals. This approach is focused on an immediate support response and the build-out of "scaffolding" that can position service providers to secure additional funding in the future and to break down the siloing between providers and city government: By streamlining and strengthening the existing pipelines that connect workforce development training providers and employers to support jobseekers with or close to obtaining work authorization; Simplifying and coordinating job training and job placement matching systems for future positions; Using data to measure the impact and value of its training providers and coordination efforts; and Facilitating the partnerships between workforce development training providers and entities that provide key supportive (or "wrap around") services that can prepare job seekers for employment opportunities and/or support retention post-hire including child care, contextualized English classes, and legal services.

Braided public and private funding will be required to prepare new arrivals for work opportunities now and in the future. <u>The City Council provided aid to this community last year</u>. Unfortunately, only \$100,000 was allocated for workforce development. We urge you to increase and baseline this funding.

Services and Workforce Development Civil Service Pathways Initiative- In a report released in 2023 by the 5BORO Institute on the municipal staffing crisis, 5Boro found that between 2020 and 2023, New York City had lost 20,000 public sector workers across all City agencies and offices, thanks to a combination of staff resignations, slow hiring processes, and other factors. Not surprisingly, a depleted municipal workforce means a reduction in the quantity and quality of public services. According to the 5BORO report, worker shortages contributed to longer stays in shelters for homeless families, delays in the City's response to families that have applied for food assistance, slower inspections of potentially dangerous housing conditions, and higher risks to pedestrian safety, among many other consequences. At the same time, public sector jobs traditionally offer three attributes that workforce providers value: security, upward mobility, and high satisfaction. Most municipal jobs are unionized, and offer competitive compensation when benefits are considered. Civil service rules—while often a barrier to entry into public sector jobs—help facilitate advancement along career paths. Further, many city

workers derive a sense of pride and purpose from serving their community. Understandably, then, conference attendees were eager to learn about how they can connect participants to employment opportunities with the City. At the same time, the Latino community is underrepresented in the Adams administration. As reported by City & State, "The latest City Hall workforce report filed with the federal Equal Employment Opportunity Commission found Latinos make up only 22% of new hires under Mayor Eric Adams' first full fiscal year. This was a 2% increase from the de Blasio administration, but it still trailed the representation of white and Black New Yorkers, 32% and 26%, respectively."

As a follow up to the above reporting, and in alignment with comments made by City Council Speaker Adams during her <u>State of the City address</u> this week, NYCETC strongly supports the development of a career-track roles in city government, the proposed initiative would seek to develop a first-of-its-kind Civil Service Pathways Apprenticeship in New York City for young adults (18-26 years of age with a specific focus on the Latino representation) from SYEP, CTE schools, public housing, workforce development training programs interest in municipal jobs. This Apprenticeship will serve as a feeder for an existing DCAS and CUNY Civil Service Pathways Fellowship, a partnership of DCAS with CUNY that places qualified college graduates in paid positions for up to two years while they take and pass the civil service exam.

- Supporting the City of Yes for Economic Opportunity zoning text amendment On March 6, 2024, the City Planning Commission voted to approve the City of Yes for Economic Opportunity zoning text amendment. The amendment, the second of Mayor Eric Adams' three City of Yes proposals, is a collection of eighteen changes to the zoning text. As we continue to navigate our City's post-pandemic recovery, acknowledge the potential growth of industries and sectors that put can New Yorkers on new career paths, and observe responsible businesses focused on quality jobs and living wages, it is absolutely essential that we have every tool in our arsenal available to us to facilitate an equitable and inclusive economic transformation. The vote in favor of *City of Yes for Economic Opportunity* isn't a panacea, but it brings us closer to achieving the vision of new New York through the modernization of our zoning and the reduction of impediments that keep us from finding footing in the work, live, and play spaces that every community and neighborhood needs to thrive.
- Passing legislation that requires the New York City Council [prior to voting on any legislation, and city agencies, prior to submitting a proposal to adopt, amend, or repeal a rule or regulation] to consider that proposal's economic impact on New York City families and businesses. This analysis should track the likely impacts of such proposed local law upon:

 Business attraction and retention; 2) Jobs, unemployment and wages; 3) The cost of living; 4)
 The poverty rate; 5) Income and wealth inequality; 6) Tax and fee revenues to the city; and 7)
 Each such analysis should be published on the City Council's website. The value of this legislation is to provide information and measurement both on the impact of economic development and economic health of the city.
- Launching a City Council Committee Working Group and/or Task Force focused on funding the workforce development system. This effort should include setting a wage floor, requiring deals made by NYCEDC legislation to include an employer investment into the workforce development fund, and/or partnership with the philanthropic community on neighborhoods with future planned economic development. In the absence of clarity and coordination from the administration on funding the workforce development system, the City Council needs to

- step up in support of New Yorkers and the organizations that provide job training in their districts.
- Launching a City Council Committee and/or Sub-Committee on Workforce Development Results/Outcomes - The Adams administration has identified a desire to reach 5,000,000 jobs by 2025. This interest follows the completion of the <u>Pathways to an Inclusive Economy: The</u> <u>Future of Workers Task Force Blueprint</u>. Currently, there is no accountability at any level of NYC government specific to employment outcomes and results. A sub-committee could track employment, wages, return on investment, and equity and inclusivity measures related to occupations/industries in NYC.

All of the above efforts and initiatives are central to the interests and expertise of the NYCETC members. A short summary of our accomplishments over the last year are provided on the following pages. Please accept my sincere thanks for the opportunity to testify. I am accessible through email gmorris@nycetc.org and phone/text - 646-469-2683.

NYCETC ACCOMPLISHMENTS IN 2023

In the last year, NYCETC accomplished the following:

- Connected with membership (through the <u>conference</u>, <u>happy hours</u>, and <u>member orientations</u>)
 and improved <u>communications</u>. NYCETC's primary communication tool- <u>Workforce Weekly</u>
 reaches an audience of more than 6,000 each each week.
- Positioned as a partner to key intermediaries (<u>NYATEP</u>, WPTI, JobsFirst), developed relationships with <u>elected officials</u>, and collaborated with research institutions (<u>Center for New York City Affairs</u> and Center for an Urban Future (CUF)) NYCETC serves as a partner on CUF's Borough Series <u>Helping New Yorkers Access Tech Careers</u>.
- Worked with the <u>current administration</u> and <u>challenged it</u> as a member of the <u>Future of Workers Task Force</u>. NYCETC has cultivated relationships with key agencies (DYCD, SBS, HRA, DDC, and DCAS) as well as MOCS and the Mayor's Office of Nonprofit Services. NYCETC partners with the <u>Mayor's Office for Economic Opportunity</u> to develop an employer-facing digital "front door" to strengthen the public workforce system and <u>NYCEDC</u> to support community hiring initiatives.
- Launched a new employer network (modeled on LESEN) on the west side of Manhattan West Side Work Coalition) in partnership with the City Council Speaker's Office and Council Member Erik Bottcher. Media related to the announcement can be found using the following links: <u>amNY</u> and <u>Patch</u>. To support outreach to employers/organizations and community members, the Council Member's Office put out an email blast that can be found <u>here</u>.
- NYCETC has engaged in regular briefings with local and state officials since October 2022 and attended the National Skills Coalition Summit in Washington, D.C. to meet with federal legislators in May 2023.
- In September 2023, NYCETC hosted a <u>briefing</u> on the cannabis industry for the Black, Latino, Asian Caucus of the City Council.
- NYCETC attended <u>SOMOS</u> in Puerto Rico in November 2023. NYCETC served as a program partner at the Human Services Reception and the AAPI reception.
- In December 2023, NYCETC hosted the 2023 Annual Conference, "Creating Quality Jobs through Partnership and Policy" featuring nearly 400 guests and more than 60 panelists. This event was co-sponsored by Civic Hall and City & State. The event began with a legislative breakfast attended by Council Members. Featured speakers included Deputy Mayor Maria Torres-Springer, Chancellor Felix Matos Rodriguez, Chancellor David Banks, Kevin D. Kim, Commissioner, New York City Department of Small Business Services, Douglas Lipari, Executive Director, Community Hiring, City of New York, and Dawn Pinnock, Commissioner, New York City Department of Citywide Administrative Services. Video of featured sessions from the conference can be found here. Abby Jo Sigal, Executive Director, NYC Mayor's Office of Talent hosted a specific panel on the workforce development ecosystem with all relevant city agencies. Video of that session can be found here. James Parrott, Director of Economic and Fiscal Policies at the Center for New York City Affairs at The New School presented on the current state of the post-pandemic recovery. Video of that session can be found here.



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Written Testimony for the New York City Council Economic Development Committee

March 15, 2024

Thank you to Chair Amanda Farias and members of the Committee on Economic Development for the opportunity to provide written testimony today on the state of economic development in New York City, specifically related to economic justice.

About the Association for Neighborhood and Housing Development

ANHD is one of New York City's lead policy, advocacy, and technical assistance and capacity-building organizations. We maintain a membership of 80+ neighborhood-based and citywide nonprofit organizations that have affordable housing and/or equitable economic development as a central component of their mission. We are an essential voice, bridging the power and impact of our member groups to build community power and ensure the right to affordable housing and thriving, equitable neighborhoods for all New Yorkers. We value justice, equity and opportunity, and we believe in the importance of movement building that centers marginalized communities in our work. ANHD turns 50 years old in 2024, and across five decades and five boroughs we have consistently focused on addressing New York's housing affordability crisis, displacement, and economic inequity to build community power.

ANHD's work directly supports the needs of our members who develop, manage, and organize to preserve affordable housing, and who fight to bring equity into low-wealth communities in New York City—especially communities of color. Our groups rely on us for technical assistance and capacity-building resources that allow them to maximize their resources, skills and impact. The support services, research, analysis, public education, and coalition building we do helps to identify patterns of local neighborhood experiences and uplift citywide priorities and needs. Our work translates into the capacity to win new programs, policies and systems that ensure the creation and preservation of deeply and permanently affordable housing, and economic justice.

Fund the Land Use Capacity-Building Initiative

As communities grapple with large-scale zoning changes proposed in the City of Yes text amendments, and gear up for a new approach to housing planning thanks to the Fair Housing Framework law passed last year, it's more important than ever for everyday New Yorkers to understand and feel empowered to participate in land use and planning decisions that impact them. We know that in many communities, people have felt disempowered and left out when development and zoning changes occur in their neighborhoods. Local residents can and should be able to participate more effectively in these crucial processes so that future development and investment better reflect both the local priorities and visions of neighborhood residents and the citywide needs of all New Yorkers.

Therefore, ANHD asks for the council's support to activate a \$130,000 Land Use Capacity-Building Initiative under Speaker Adrienne Adams' leadership. This initiative will provide resources – including in-person and virtual trainings, and print and online popular education materials – designed to help community members understand and engage productively in local land use and planning decision-making.

Materials and training curricula will be designed with input and feedback from the Speaker, Land Use Chair, and Council Members, and will cover the following topics:

- Zoning 101
- ULURP 101
- Affordable Housing & AMIs
- Displacement risks and resources
- Accessing and using data to understand community and citywide needs
- Environmental review
- How to participate effectively in a rezoning process
- Models and approaches for proactive community planning

ANHD has a long and robust history of providing training and technical assistance in communities responding to city- and developer-led rezoning proposals, as well as developing their own community plans. Over the past eight years, we provided in-depth rezoning technical assistance to community organizations and elected officials in over a dozen neighborhoods. We have created popular education resources to help community members better understand technical information such as AMI levels, the Mandatory Inclusionary Housing Program, and the ULURP process, and designed and led workshops such as our digital series to teach people how to access and interpret the information now available in the City's Equitable Development Data Explorer.

In 2022, ANHD led a training on housing and land use for Council Members and their staff, and in 2023 we worked with the Civic Engagement Commission to create and lead land use training for Community Board members from across the city.

Most recently, ANHD released a guide to developing community land use principles: a set of benchmarks that clearly lays out a community's needs and which types of land use, development, and capital investment proposals would be best to meet them.

ANHD is excited to work with Speaker Adams, Land Use Chair Salamanca, and the full Council to build institutional knowledge on the New York City land use process within the City Council and across NYC's community districts to help address the affordable housing crisis. We will consult with the Speaker and interested Council Members to prioritize a library of workshops and resources that are made available at the district, borough, and citywide levels. Training topics and curriculum would be targeted to help the audience understand how the land use process works, how they can engage strategically in it to achieve community goals, and how to use data tools in their local context.

Expected Outputs:

- 3-6 Workshops on different topics relevant to land use in NYC
- 7-10 Written handouts, brochures, and 1-pagers for distribution in communities
- Workshops conducted locally in all interested districts these can include both general community workshops and "train the trainer" sessions to support local CBOs and community leaders in spreading information on the ground

Written materials will be published online, and paper versions will be made available for distribution by Council members, community boards, and community organizations. Trainings and workshops will be available in person on request at the local and borough levels and will also be recorded and made available online for reference or broader distribution.

Expected Outcomes:

- Greater understanding of the land use process among community members and ability to activate the City of Yes building affordable housing goals.
- CBOs and community members are better able to work with their elected officials to respond to proposed local zoning changes.
- CBOs and community members are better able to work with their elected officials to proactively identify and plan to address community and citywide development and investment needs.
- Council members, CBOs, and community members are better able to understand and engage with the new Fair Housing Framework as it is developed and implemented.

We believe that this initiative can play a crucial role in ensuring that community members are better equipped to participate strategically and effectively in the land use process. They will be able to understand and utilize data the city makes available to shape local plans and priorities, and work with their council members to ensure that their interests are reflected in local rezonings while situating themselves more clearly in a citywide context.

With that understanding and context, local and citywide zoning changes and development proposals will move more smoothly and transparently and will ultimately better reflect New Yorkers' needs when community members are more informed and engaged in the process.

Long-term, this shift will lead to more equitable and affordable development in our communities, especially historically marginalized communities, which have historically lacked access to the technical knowledge, resources, and levers of power to participate fully in our land use process.

Strengthen, Preserve, and Grow the Industrial Sector

ANHD convenes and participates in the Industrial Jobs Coalition, a citywide alliance of policy advocates, community organizations, and industrial business service providers fighting to protect, preserve, and grow the industrial sector in NYC. We do this work because we recognize the vital role the industrial sector plays in creating a more equitable, thriving, and functioning New York City.

- Industrial jobs pay higher wages and offer more career opportunities to a workforce that is 80% people of color and 50% foreign-born.
- Industrial businesses are the second largest private sector employer in NYC, providing approximately 30% of all NYC jobs that pay over \$50,000 and do not require a college degree while paying nearly \$20,000 more than retail, and nearly twice as much as food/beverage annual salaries.
- The industrial sector is essential to the functioning of New York City's services and infrastructure, including food distribution, power plants and energy storage, recycling and waste management, and building and construction trades.
- The industrial sector and industrial-zoned land are critical to climate resiliency and our transition to a green economy.

ANHD commends Speaker Adams, Chair Farias, and the Council for their strong leadership on industrial issues, including the passage of the Industrial Development Strategic Plan legislation.

Ensuring Adequate and Sustained Funding for Industrial Business Service Providers

Industrial Business Service Providers (IBSPs) play a crucial role in supporting the 40,000 industrial firms in the city's Industrial Business Zones (IBZs). The non-profit IBSPs help retain and grow industrial businesses by providing training and technical assistance, workforce development services, support in accessing government programs, financing services, and business planning. IBSPs sustain invaluable support networks for industrial businesses and city agencies, and leverage their deep

knowledge of community needs to inform city policy and disseminate vital information to local businesses.

The IBSPs have long-operated with limited and irregular funding, and increased funding levels are needed to ensure they can fulfill their role. This is particularly important given their stated role in the recently passed Industrial Strategic Development Plan legislation where they will work with the City on a business assessment and survey of industrial businesses in the IBZs. **We urge the Council to commit to increasing the budget for IBSP's by 50%, index the funding to inflation, and shift the funding year from its current 1 year time-line to every 3 years.**

Creating new Manufacturing Zoning Districts

The City of Yes Zoning for Economic Opportunity Text Amendments that will shortly come before the Council for consideration, offer an important opportunity to strengthen the industrial sector through the creation of new Manufacturing Zoning Districts. Creating these new districts is a key way of addressing the issue of industrial and manufacturing businesses being priced out of existing Manufacturing zones due to non-industrial use businesses' ability to pay more for our limited amount of Manufacturing zoned land.

We urge the City Council to approve the Zoning for Economic Opportunity Text Amendments, with the following modifications to the New Manufacturing Districts Application:

- Increase density (FAR) for industrial uses, and limit density for competing non-industrial businesses in core industrial districts (M3As)
- Better incentivize the inclusion of industrial businesses in mixed-use commercial developments outside core industrial districts (M1As & M2As)

Ensuring Fair Housing Framework Implementation

ANHD applauds Speaker Adams and the Council for passage of the Fair Housing Framework legislation in 2023.

To ensure its robust and effective implementation, the Council must guarantee that the Department of Housing Preservation and Development (HPD) and the Department of City Planning (DCP) have the resources and staff they need to analyze data, generate the strategic equity framework, set targets and assess progress in time for the Fair Housing Plan due October 1, 2025.

At the time of bill passage, the Council estimated this work would require seven additional positions including fringe across HPD and DCP, at a cost of approximately \$847,500 at full fiscal impact.

We endorse this figure as a necessary investment in ensuring both agencies are able to deliver the City's first Fair Housing Plan by October 2025.

Prioritize Stability for Small Businesses

ANHD is a member of United for Small Business NYC, which is a coalition of community organizations across New York City fighting to protect New York's small businesses and commercial tenants from the threat of displacement, with particular focus on owner-operated, low-income, people of color-run businesses that serve low-income communities and communities of color. Additionally, ANHD launched the Citywide Merchant Organizing Project (CMOP) in 2022 with the support of New York City Small Business Services (SBS) to assess on-the-ground experiences of small business owners in New York City's commercial corridors.

In our report, "State of Storefronts 2023: Beyond Recovery", both quantitative analysis of data from the City's storefront registry and original survey data collected by ANHD's merchant organizing partners were collected. Together, findings from these two datasets paint a picture of a particularly challenging landscape for small businesses in communities of color and immigrant communities. The report finds the following:

- The small storefront businesses that our communities rely on are at great risk of displacement.
- One in four reported they plan to or may close in 2024.
- 37% reported they plan to or may relocate in 2024.
- Over 60% saw their rent increase at least 10% in the prior year.
- Those without leases were more than 3x as likely to report they may or plan to close in the next year.
- Merchants who identified as representing a community of color or immigrants were more likely to potentially relocate, owe back rent, and be personally liable for their rent.
- Storefront businesses in communities of color are seeing rents increase.
- 72% of residents are people of color in council districts where storefront rents increased versus 47% in council districts where they decreased.

If we don't provide adequate protections and resources, the commercial tenants who provide essential goods and services to their communities are at increasing risk of displacement. The loss of these businesses also contributes to residential displacement, as communities lose the local goods and services that they rely on, have connections to, and can afford.

Resources such as the Commercial Lease Assistance Program work. Those who were aware of the city's free legal support were half as likely to have felt coerced to change lease terms during COVID-19 and rated their experience negotiating a lease higher. However current funding is not enough, and the program needs to be strengthened.

Through the Citywide Merchant Organizing Project, ANHD's neighborhood-based partners built relationships with and among merchants in commercial corridors throughout the city. Only through organizing with merchants and with their leadership can we craft and implement policies that successfully stabilize and protect small businesses. More funding for merchant organizing is needed to

build the capacity of community-based organizations and grassroots groups to engage and build the leadership of merchants in their neighborhoods.

Thank you for providing the opportunity to provide written testimony and to the New York City Council for its leadership, commitment, and continued efforts to improve economic equity. We look forward to ongoing work to make sure our city can be a place for low- and middle-income New Yorkers to thrive.

If you have any questions or for more information, do not hesitate to contact Travis Bostick at travis.b@anhd.org.



TESTIMONY

Preliminary Budget Hearing for Fiscal Year 2025:
"New York City's Worker Cooperative Business Development Initiative:
Worker Cooperatives to Fight Economic Inequality in NYC"

Presented to

New York City Council, Committee on Economic Development Hon. Amanda Farías, Chair Friday, March 15, 2024

Prepared By:

Juan Cuautle,
Program Director, Cooperative Development Program
Center for Family Life in Sunset Park

New York City's Worker Cooperative Business Development Initiative Center for Family Life

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Good afternoon, Amanda Farías, and the distinguished members of the New York City Council Committee on Economic Development. My name is Juan Cuautle, Director of the Cooperative Development Program at the Center for Family Life in Sunset Park (CFL), a 45-year-old social service organization with the mission to provide resources to low-income-immigrant families of Brooklyn, so that they can thrive economically.

I am asking that the New York City Council fund the Worker Cooperative Business Development Initiative (WCBDI) at \$4.9 million for fiscal year 2025.

Since 2014, CFL has been part of WCBDI supported by the Council through which organizations like ours incubate and grow worker-owned businesses. Thanks to this annual support, CFL has incubated 25 cooperative businesses in the domestic work industry, organizing more than 500 immigrant women of color around a personal transformative experience, where they take control of their economic and professional development.

Through our Cooperative Development Program, every year more than 400 of the most vulnerable workers of our beloved city receive training and coaching on business management and community leadership, with the objective of developing their skills to manage their own businesses. We believe that every person, regardless of her socio-economic condition, with the correct resources can become an entrepreneur. With this council's support, CFL can also provide technical assistance to 10 worker-owned operating cooperatives to guarantee the operation of the businesses while they grow and stabilize.

Thanks to the continuous support of the council, CFL has been able to innovate in scaling initiatives to make the cooperative business model more accessible to other low-income communities across New York City. In the last 8 years, we have developed the cooperative platform Up & Go, with the idea to support small cooperative businesses to compete in the digital markets. The Up & Go platform puts workers in the center of the business model, giving them voice and vote in the decision-making process of the organization. Right now, Up & Go has 7 individuals cooperatives offering their cleaning services across the 5 boroughs of the City, generating an annual total income of \$700,000.

CFL has also improved the competitiveness of the cleaning cooperatives in the market, by developing the online marketplace Up & Go. A website where clients can book and pay for residential and commercial cleaning services from worker-owned cooperatives. Since 2019, Up & Go has sold \$2.5 million dollars in cleaning services, income that provides economic support to 200 people in our communities. We are also proud to say that the average income for members of the cooperative is \$33 per hour, while outside the

cooperative, domestic workers are making an average of \$16 per hour. It is also worth mentioning that in Up&Go we have eliminated wage theft, thanks to the infrastructure developed around cooperatives.

All these accomplishments wouldn't have been possible without the support of the City Council. We **urge** continued investment in worker-owned cooperative businesses for fiscal year 2025 to fight economic inequality in New York City through the Worker Cooperative Business Development Initiative.

CFL is also a proud member of the New York City Employment and Training Coalition (NYCETC). NYCETC serves as the 'industry voice' of more than 220 workforce development providers in NYC who are relied upon to connect New Yorkers of all ages – in every borough – to quality jobs and a living wage; and the services and support necessary to achieve self-sufficiency and economic mobility.

Thank you so much for your support.



MANHATTAN

QUEENS

1010 Avenue of the Americas, Suite 301, New York, NY 10018 tel: 212.674.2300 fax: 212.254.5953 vp: 646.350.2681

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www.cidny.org

Testimony on the Preliminary Budget for the Committee on Economic Development

March 15, 2024

To Whom it Concerns:

My name is Molly Senack, and I am testifying today on behalf of the Center for Independence of the Disabled, New York (CIDNY) as their Education and Employment Community Organizer. This testimony is supported by Sharon McLennon Wier, Ph.D., MSEd., CRC, LMHC, Executive Director of CIDNY.

In the last year, significant efforts have been made at both the city and state levels to increase the hiring and workplace retention rates of people with disabilities. In July 2023, Governor Hochul issued Executive Order 31, which requires all New York State agencies to develop a plan to improve hiring practices and working accommodations for people with disabilities within those agencies and to submit progress reports to the Office of the Chief Disability Officer beginning six months after the Order's issuance. This order has a similar citywide equivalent enacted in January 2023-- Local Law 12-- which requires all city agencies to develop (and eventually implement) a five-year plan to ensure that each agency's workplace, programs, and services are accessible to people with disabilities. Additionally, in the summer of 2023 Mayor Adams announced an initiative to support career advancement for people with disabilities. It includes the creation of a Center for Workplace Accessibility and Inclusion and the expansion of the existing NYC: ATWORK, both of which aim to remove barriers to people with disabilities seeking employment. This initiative is happening in conjunction with an expansion of New York's 55-a and b/c programs, which allow qualified people with disabilities to be hired for civil service positions (55-a are for city positions, 55-b/c are for state positions) without having to take a qualifying exam.

These measures to improve employment rates for people with disabilities are critically important. In 2022, only 34.8% of disabled people between the ages of 16-64 were employed in the United States. In New York State, only 26.1% of that demographic were employed. Unfortunately, those numbers make it unsurprising that, according to the American Community Survey, people with disabilities in NYS are almost twice as likely as people without disabilities to live below the poverty line (30% vs 17%).

People with disabilities experience disproportionate difficulty obtaining and retaining jobs for numerous and nuanced reasons. Many of the practices involved in applying, hiring, and training for jobs are implicitly discriminatory. Employees who request accommodations they are legally entitled to can be met with discouragement and even hostility in the workplace, often leaving those employees with a difficult decision: either struggle to work without necessary resources and supports or endure further marginalization. Both choices can lead to that employee leaving

their job. This not only puts unnecessary mental and financial strain on the individual, but also means that many industries end up lacking an important and useful perspective that people with disabilities are able to provide.

Without adequate access to employment, people with disabilities are essentially barred from being full participants in the NYC economic landscape. However, under Local Law 12, each city agency is beginning to address its gaps in accessibility and implement a plan to significantly improve access, communication, and inclusion (as per the requirements of the Law). And the multiple disability workforce initiatives created and expanded by Mayor Adams to address barriers to employment faced by people with disabilities are underway. Yet as city agencies across NYC are forced to cut corners amid sweeping budget cuts, protecting and even increasing the funding for these initiatives is critical. This will help ensure that making workplaces accessible and inclusive for people with disabilities remains a priority.

Thank you for your time and consideration.

Sincerely,

Molly Senack (She/Her)
Education and Employment Community Organizer
Center for Independence of the Disabled, New York
Email: msenack@cidny.org Phone: (917)-415-3154



Chinese-American Planning Council Testimony Before the Committee on Economic Development Chair, Council Member Amanda Farías March 15th, 2024

Thank you Chair Farías and members of the City Council for the opportunity to testify today. The mission of the Chinese-American Planning Council, Inc. (CPC) is to promote social and economic empowerment of Chinese American, immigrant, and low-income communities. CPC was founded in 1965 as a grassroots, community-based organization in response to the end of the Chinese Exclusion years and the passing of the Immigration Reform Act of 1965. Our services have expanded since our founding to include three key program areas: education, family support, and community and economic empowerment.

CPC is the largest Asian American social service organization in the U.S., providing vital resources to more than 80,000 people per year through more than 50 programs at over 30 sites across Manhattan, Brooklyn, and Queens. CPC employs over 700 staff whose comprehensive services are linguistically accessible, culturally sensitive, and highly effective in reaching low-income and immigrant individuals and families. With the firm belief that social service can incite social change, CPC strives to empower our constituents as agents of social justice, with the overarching goal of advancing and transforming communities.

To that end, we are grateful to testify about the issues that greatly impact our communities.

CPC is a proud member of the New York City Employment and Training Coalition (NYCETC), the largest city-based workforce development association in the country. NYCETC serves as the 'industry voice' of more than 220 workforce development providers in New York City who are counted on to provide job training to more than 500,000 New Yorkers each year —primarily individuals who live in under-resourced and underserved neighborhoods.

According to the <u>Asian American Federation</u>, 1 in 4 of AAPI New Yorkers live in poverty, which is two times the rate of white New Yorkers and 48% of AAPIs are Limited English Proficient (LEP). And many were disproportionately impacted by the COVID-19 pandemic with a <u>dramatic increase of Asian New Yorkers filing for unemployment claims that exceeded all other racial groups</u>. While the severity of the pandemic has subsided, there are still thousands of families across New York that are slowly picking themselves back up. It is in the City's vested interest to heavily invest in workforce development that is culturally and linguistically competent in underserved communities who are cornerstones to economic activity as well as the cultural fabric of our city.

We are urging the Council to consider the following recommendations in the FY25 budget to ensure that our marginalized communities are able to achieve economic mobility for themselves and their families:

• Commit to restoring all reductions in job training and workforce development opportunities for unemployed and underemployed New Yorkers. In Executive



Order 22, this administration identified investment in the City's talent and workforce development system as "critical to an inclusive economic recovery that benefits City residents, employers, and the economy." PEGS that reduce or eliminate programs and services focused on preparing New Yorkers - especially economically disadvantaged New Yorkers - for current and future employment opportunities are misaligned with the priorities of the administration and will have a deleterious effect on the City's economic growth. An independent analysis on the Return of Investment (ROI) on Industry-focused Job Training Programs detailed the value of these programs: 1) These programs lead to 1) significant increases in earnings over time; and 2) have both positive returns in 5 and 10-year ROI estimates;

- Protect the pathways to continuing education and literacy in New York City including CUNY and public libraries.
- Provide funding for existing or planned business-training providers networks that can serve as "one-stop shops" to support job seekers in neighborhoods where there is either planned economic development and/or the absence of targeted workforce development resources like Workforce1 Center and/or Jobs Plus.
- Equip City Council District Offices with up-to-date information about job training/hiring within the district and borough to connect constituents to connect constituents to accessible job training and employment placement opportunities;
- Expand the capacity of job training providers serving new arrivals to meet the current and future needs of employers with significant vacancies through contextual training opportunities and coordinated work authorization effort.
- Increase Access to Commercial Delivery Licenses (CDL) by funding programs
 that expand and diversify the pool of trained drivers with an important focus on
 attracting young people and individuals from underserved and immigrant
 neighborhoods in New York City.
- Assist public assistance beneficiaries to secure credentials and certification through a "Bridge to Tech" program focused on academic remediation, training in the foundational skills required for a career in IT services, and access to on-going supportive and retention services.
- Launching a City Council Sub-Committee [Task Force] on Workforce
 Development Results/Outcomes The Adams administration has identified a
 desire to reach 5,000,000 jobs by 2025. This interest follows the completion of the
 Pathways to an Inclusive Economy: The Future of Workers Task Force Blueprint.
 Currently, there is no accountability at any level of NYC government specific to
 employment outcomes and results. A sub-committee could track employment,
 wages, return on investment, and equity and inclusivity measures related to
 occupations/industries in NYC.

Thank you so much for the opportunity to testify on issues that greatly impact our communities. If there are any questions or concerns, feel free to reach out to Ashley Chen, Policy Analyst at achen9@cpc-nyc.org.



TESTIMONY

Fiscal Year 2025 Preliminary Budget Hearing:

"New York City's Worker Cooperative Business Development Initiative: Worker Cooperatives As An Innovative Workforce Development Strategy"

Presented to:

New York City Council Committee on Economic Development Hon. Amanda Farías, Chair

Friday, March 15, 2024

Prepared By:

Anh-Thu Nguyen
Director of Strategic Partnerships

New York City Worker Cooperative Business Development Initiative Democracy at Work Institute

> 254 36th Street Suite C-308 Brooklyn, NY 11232

Good afternoon, Chair Farías and distinguished members of the New York City Council Committee on Economic Development. My name is Anh-Thu Nguyen, Director of Strategic Partnerships at Democracy at Work Institute, or DAWI. I am testifying as both a member of the Worker Cooperative Business Development Initiative (WCBDI) and as a part of the NYC Employment and Training Coalition.

Thanks to City Council's investment of more than \$21 million over the last nine fiscal cycles, the Worker Cooperative Business Development Initiative (WCBDI) has provided significant benefit to aspiring business owners and small business cooperatives. Our small business support has helped scale and strengthen the cooperative ecosystem in NYC. In COVID times, we expanded our services, grew our membership in alignment with increased demand, and moved more than \$20M in emergency funding to help small businesses thrive.

Since its inception in Fiscal Year 2015, WCBDI has:

- created more than 1000 jobs and pathways to business ownership.
- reached more than 10000 entrepreneurs with education and technical assistance services.
- created more than 200 new worker cooperative businesses that offer higher hourly wages, better working conditions and importantly, build wealth and equity for workers.

In FY23, as the city has continued to actively recover from the COVID-19 epidemic, as well as addressing new challenges with new arrivals, WCBDI has been able to deliver impact and support quality job and business access, especially to predominantly immigrant, low-income communities—including 90 new hires and incorporating 14 new worker cooperative small businesses.

Between FY20-FY22, the height of the COVID-19 pandemic and accompanying economic crisis, WCBDI continued to deliver impact in communities most affected by COVID-19, with:

- 357 hires
- 5107 one-on-one services provided to 508 businesses and/or community based organizations
- 8984 educational services provided

We have seen best practices and inspiring transformation through integrating worker ownership with workforce development, creating better jobs, improved industry standards, and economic stability and mobility for working families. I will share two NYC success stories that have become national models for high-road businesses and workforce development.

The south Bronx has for 37 years been home to Cooperative Home Care Associates (CHCA), the largest worker cooperative in the country. CHCA has positively transformed home health care--a traditionally, low-wage, high-turnover industry, where the vast majority of workers are

BIPOC immigrant women--by raising job quality and industry standards through worker ownership and continuous investment in an embedded on-the-job training and skills development program. This workforce development model operates on a seamless continuum from recruitment to training, certification, placement and employment and has produced incredible workforce development results. Of 630 jobseekers enrolled annually with CHCA's training program, 94% graduate with a portable credential and 85% are employed as home health aides. Of those, 68% remain employed after one year. All program graduates are guaranteed a job with CHCA, if they wish. In comparison, according to the national Benchmarking Project, similar low-income training programs on average secure employment for only 29% of enrollees, and of those just 38% remain employed after one year.

Another example: at DAWI, we partnered with the CUNY Institute of Mexican Studies to incubate and demonstrate another model for workforce development and social entrepreneurship--Radiate Consulting. We work together to identify promising, entrepreneurial graduates with barriers to employment and want to develop their careers as non-profit service providers. We provide wraparound services to support and engage worker-owners as they navigate the working world and launch their business, connect with clients, and build their skills as emerging young professionals and worker-owners.

Worker cooperative businesses are unique in their ability to establish, grow, and retain community wealth, to make entrepreneurship accessible, and to create stable, dignified work for all New Yorkers.

We urge City Council to continue investing in worker cooperatives and the workforce development ecosystem in NYC, through enhancing WCBDI funding to \$4.92 million for FY25. This will provide for the start-up of 31 new worker cooperative small businesses, with positions for 103 new jobs in cooperatives, assist existing cooperatives through 2,830 service requests, and outreach to 1,769 cooperative entrepreneurs.

Thank you for the opportunity to speak about worker cooperatives as an innovative workforce development strategy. We look forward to continuing the work to develop worker leadership, high road business models that positively transform industries and strengthen communities, and support NYC's economic recovery and resilience.



To whom it may concern,

We would appreciate the inclusion of a line that says that DRIVE CHANGE, INC. is part of NYCETC. Something like this- New York City Employment and Training Coalition (NYCETC) - the largest city-based workforce development association in the country. NYCETC serves as the 'industry voice' of more than 220 workforce development providers in New York City who are counted on to provide job training to more than 500,000 New Yorkers each year —primarily individuals who live in under-resourced and underserved neighborhoods.

ACTION ITEMS:

- --Commit to restoring all reductions in job training and workforce development opportunities for unemployed and underemployed New Yorkers. In Executive Order 22, this administration identified investment in the City's talent and workforce development system as "critical to an inclusive economic recovery that benefits City residents, employers, and the economy." PEGS that reduce or eliminate programs and services focused on preparing New Yorkers especially economically disadvantaged New Yorkers for current and future employment opportunities are misaligned with the priorities of the administration and will have a deleterious effect on the City's economic growth. An independent analysis on the Return of Investment (ROI) on Industry-focused Job Training Programs detailed the value of these programs: 1) These programs lead to 1) significant increases in earnings over time; and 2) have both positive returns in 5 and 10-year ROI estimates;
- --Protect the pathways to continuing education and literacy in New York City including CUNY and public libraries.
- --Provide funding for existing or planned **business-training providers networks that can serve as "one-stop shops" to support job seekers** in neighborhoods where there is either planned economic development and/or the absence of targeted workforce development resources like Workforce1 Center and/or Jobs Plus.
- --Equip City Council District Offices with up-to-date information about job training/hiring within the district and borough to connect constituents to connect constituents to accessible job training and employment placement opportunities;
- --Expand the capacity of job training providers serving new arrivals to meet the current and future needs of employers with significant vacancies through **contextual training opportunities and coordinated work authorization effort**.



- --Increase Access to Commercial Delivery Licenses (CDL) by funding programs that expand and diversify the pool of trained drivers with an important focus on attracting young people and individuals from underserved and immigrant neighborhoods in New York City.
- --Assist public assistance beneficiaries to secure credentials and certification through a <u>"Bridge to Tech" program</u> focused on academic remediation, training in the foundational skills required for a career in IT services, and access to on-going supportive and retention services.
- --Launching a City Council Sub-Committee [Task Force] on Workforce Development Results/Outcomes The Adams administration has identified a desire to reach 5,000,000 jobs by 2025. This interest follows the completion of the Pathways to an Inclusive Economy: The Future of Workers Task Force Blueprint. Currently, there is no accountability at any level of NYC government specific to employment outcomes and results. A sub-committee could track employment, wages, return on investment, and equity and inclusivity measures related to occupations/industries in NYC.

Kalilah Moon, Executive Director/CEO Drive Change



Testimony Submitted by Iyeshima Harris-Ouedraogo, Policy Manager, Equity Advocates For the Committee on Economic Development Hearing on the FY25 NYC Budget

March 15, 2024

My name is **Iyeshima Harris-Ouedraogo**, **Policy Manager**, **Equity Advocates**. Thank you to Council Member Farías for holding today's budget hearing and the opportunity to submit this testimony.

Equity Advocates builds the capacity of nonprofit organizations to address the underlying causes of food inequity through policy and systems change. We partner with New York-based organizations working to alleviate hunger and poverty, providing them with the tools they need to be more civically engaged—including policy education, advocacy training and coalition leadership, such as convening the NY Food Policy Alliance since March 2020.

NYC Food Policy Alliance is a multi-sector group of 75+ food system stakeholders from across New York, including frontline CBOs directly impacted by food insecurity. The Alliance's mission is to identify and advocate for public policies and funding that not only respond to our current economic and hunger crises, but also address the ongoing vulnerabilities and injustices of the food system. Collectively, we approach this work through an anti-racism lens to ensure communities of color and other systemically under-resourced communities benefit from public policies and funding.

It is crucial to acknowledge the challenging fiscal landscape shaped by Mayor Eric Adams' proposed 15% budget cuts across New York City's agencies and those proposed in the FY25 Preliminary Budget. The proposed \$60 million cut to the Department of Education's Office of Food and Nutrition Services (OFNS) threatens the progress made over the years to ensure healthier, more nutritious school meals. The \$3 million budget reduction for the NYC Compost initiative has led to over 100 layoffs, effectively dismantling the city's local composting programs for residents¹. Rather than cutting critical community programs, the City should invest in and enhance essential services that are integral to the health and welfare of the city and its residents–including the thousands of new arrivals who are in need of services and support.

Our platform, advocating for enhanced economic development and support for marginalized communities, becomes more crucial in this context. As we navigate these challenging times, our commitment to advocating for equitable policies and funding in the food system is unwavering, ensuring that the most vulnerable New Yorkers are not disproportionately impacted by these fiscal adjustments.

¹ Composting's 'True Believers' Jilted as N.Y.C. Curbside Program Grows

Amidst these challenging budgetary constraints, our platform is more committed than ever to fostering equitable economic development and ensuring that vulnerable communities, already disproportionately affected by economic disparities, do not face further marginalization. We seek a FY25 City Budget that will ensure all New York City families have access to healthy, affordable food, strengthen urban agriculture and support the next generation of farmers, and foster long-term resilience and economic opportunity in the City's food system.

We respectfully request your support for the inclusion of the following budget recommendations in the FY25 New York City Budget:

Strengthen Urban Agriculture & Support the Next Generation of Farmers

- Restore \$2.6 million in funding for GreenThumb to support the hiring of additional Community
 Engagement Coordinators, seasonal staff members and to increase the distribution of resources,
 including the delivery of compost, topsoil, and lumber, for community gardeners. Community
 gardens serve as vital green spaces that promote growth, unity, and environmental awareness.
 They also address critical challenges such as food security, environmental sustainability, and
 community well-being.
- Allocate funding for the new Office of Urban Agriculture housed within the Office of Long-Term
 Planning and Sustainability (OLTPS) to maintain appropriate levels of staffing and increase
 transparency about Office goals and activities among the community of urban agriculture
 practitioners. Use funding to create a position dedicated to ongoing, intentional community
 engagement to inform the urban agriculture advisory's development of a set of
 recommendations as outlined in Local Law 123.
- Maintain the investment of \$206.5 million in baseline funding for the Summer Youth
 Employment Program (SYEP) and \$20 million for the school-year Work Learn Grow (WLG)
 program. Address current barriers in DYCD regulations hindering urban agriculture worksites
 from providing meaningful youth experiences. The city should establish a youth focus pilot
 program that meets the needs of local urban agriculture organizations. This program will focus
 on youth leadership and development in urban agriculture.
- Restore \$7 million in NYC Community Composting program funding, with a focus on engaging Community-Based Organizations (CBOs) in the brown bin rollout initiative. This initiative creates local jobs, reduces landfill waste, and fosters community engagement and helps move the City towards its Zero Waste goals.
- Maintain \$10.3 million in baseline funding to support youth in urban agriculture careers, including expanding the DOE's Career and Technical Education Agriculture, Food and Natural Resources program. Allocate substantial funding from the CTE program to support the growth of

urban agriculture initiatives and create a seamless pathway from the DOE's expansion of Food and Nutrition Education for PreK-8th Grade to Career and Technical Education programs.

Foster Long-Term Resilience And Economic Opportunity In The City's Food System

- Increase Funding to \$4.9 million for Worker Cooperative Business Development Initiative, up from \$3.7 million in FY24. We support the NYC Network of Worker Cooperatives' call for increased investment in the initiative that supports 15 worker cooperative support organizations, offering education, training, and assistance for new and existing cooperative small businesses. We urge that this increase in allocation help put worker cooperative support organizations that prioritize food businesses—such as RiseBoro Community Partnerships' Worker Coop

 Development Program—on the path to partnership within WCBDI. By prioritizing BIPOC and new groups focused on food systems businesses, which may not have had historic advantages and access to capital, we are promoting greater equity in our local food system and supporting the City's goals and values under the Good Food Purchasing Program. Worker cooperatives stimulate a value-based workforce, fostering collaboration, shared prosperity, and a more inclusive economy. With this funding, we aim for specific outcomes, such as empowering marginalized communities, enhancing economic sustainability, and strengthening the local food ecosystem.
- Fully Fund the Citywide Community Land Trust Initiative at \$3 million. We prioritize the notion that moving public land with insecure tenure to trust land will strengthen land security and sovereignty and prioritize access to lands for people who have deep and historic community connections, especially BIPOC farmers, growers and community gardens. Launched in FY2020, the citywide CLT discretionary funding initiative has helped catalyze CLT organizing, education, training and technical assistance. We support the NYC Community Land Initiative (NYCCLI) in its call for full funding to support 20 organizations working to develop and preserve deeply-affordable housing, community and commercial spaces, and advance a just recovery in Black and brown NYC communities. Public land must be used for public good, and be reserved for CLTs that provide for meaningful community control. It is also critical to raise awareness that CLTs can be utilized for commercial urban agriculture. We believe that this embodies the ability to balance local land control and long-term, stewarded development that addresses changing community needs. Supporting both Community-owned businesses and Community-controlled land together is part of an effort to democratize economic development in NYC's food system.

- Create a new Food Justice Fund to allocate \$5 million towards community-led projects to grow food justice and build wealth in BIPOC and low-income communities. In <u>Food Forward NYC</u>, the Mayor's Office of Food Policy calls for the establishment of a Food Justice Fund. We urge the City to invest in this program at \$5 Million and offer grants of at least \$500K to each grantee for both planning and implementation projects serving high need areas identified by Racial Equity Task Force. Funding would be allocated directly to community food organizations historically serving NYC residents with a demonstrated history of meeting the cultural and food needs of their communities. As this field of work requires long term investments, the fund should prioritize 2 year grant cycles and allow for flexibility on spending deadlines upon receiving grants. We also ask that the City explore a private-public partnership and leverage its convening power to secure matching investment from local philanthropic foundations. Types of projects funded under this pilot could include, but not be limited to:
 - Worker Ownership: activities may include establishing or providing technical assistance for worker cooperatives, Employee Stock Ownership Plan (ESOP) and other employee-ownership models within the food system. Providing access to capital for employee ownership models in the food systems is a key strategy to build community ownership within the local food system, especially in BIPOC communities that have historically had low rates of business establishment by residents.
 - Strengthen Food Systems and Supply Chain Infrastructure: activities may include creating
 or expanding community kitchen programs, affordable kitchen and processing space,
 improving efficiency in food distribution; technical assistance to support MWBE from
 participating in the City's procurement contracts; local or climate-friendly food
 production or procurement; food recovery and waste management; support for support
 community food hub models, and community-owned food retail to leverage existing and
 growing community-owned food, health, farming and retail infrastructures; and
 data/technology projects.
 - Growing Food System Career Pathways: activities may include community based culinary training and workforce development opportunities to support regional rural and urban agriculture enterprises, especially for youth and BIPOC farmers, to create a pipeline of urban farming and food systems career opportunities.

Ensure All New York City Families Have Access To Healthy, Affordable Food

• Increase and baseline funding to a total of \$60 Million for the Community Food Connection (CFC), formerly known as the Emergency Food Assistance Program (EFAP). We are concerned about the apparent reappropriation of funds from last year's budget to this incredibly impactful program that addresses the ongoing hunger crises. Given rising levels of inflation and increased demand at emergency food providers across the state, we call on the Administration not to cut CFC, but rather to increase and baseline program funding for a total of \$60 million. New data from the New York Department of Health reported that nearly one in four (24.9%) New York adults experienced food insecurity within the past 12 months. Meanwhile, according to the 2023

New York City True Cost of Living Report, published by United Way of New York City, 50% of working age New Yorkers are struggling to cover their basic needs. Families struggling to make ends meet live in every NYC neighborhood but across family composition, work status, and education, the report finds that people of color are disproportionately likely to lack adequate income. Further, 80% of households below the True Cost of Living had at least one working adult and the presence of children in the household almost doubles the likelihood that a household will have inadequate income. This alarming data aligns with testimonials from food banks and food pantries across the state, the majority of whom observed a major uptick in households served last year.

A moderate increase in funding for the CFC would accommodate the increased costs of adding fresh food into the program, rising cost of produce, and continued need, including the continuing influx of asylum seekers and other migrants seeking refuge in New York City. This increase will also help to address the inefficiencies found in using third-party vendors particularly in the procurement of kosher and halal items. Kosher- and halal-observant New Yorkers make up 21% of enrollees in GetFoodNYC and so it is critical the City's food assistance programs need to have sufficient kosher and/or halal certified product available and allocate funding to agencies that can effectively store and distribute that food in a culturally competent way. In addition to increased funding, we also request that HRA work with the Administration and Comptroller's Office to speed up payments to CFC providers, ensuring they have money up front to cover the administrative costs of implementing the program and are not required to obtain reimbursement for program services. Awaiting reimbursement is especially burdensome for new and small emergency food providers that may not have a line of credit or enough cash on hand to cover up front costs of implementing the CFC program. Finally, we urge HRA to engage in an outreach and education campaign to ensure smaller, community-based providers, especially those who have begun operating since the onset of the pandemic, are able to participate in the program, and adequately supported so that they are able to continue serving their communities.

- Maintain the Department of Education's Office of Food and Nutrition Services (OFNS) to support school meal operations across the five boroughs. During this administration, New York City has taken major leaps forward with unprecedented commitment on improving school nutrition programs and ending child hunger. Through creative menu development and service advancements, plant forward meals, the full expansion of Cafeteria Enhancement to all middle and high schools, and expansion of availability of halal and kosher meals, more children are eating nutritious school meals each and every day. Because of these advancements, meal participation is back up to pre-pandemic levels, even factoring in the drop in enrollment. The data backs up this progress - there was an 8% increase in meal participation in the first part of this school year. We were pleased to see the Administration restore the originally proposed \$60 million cut as it was a direct threat to that progress and impact. We strongly urge these funds to be maintained in the final budget. Now, more than ever, as pandemic era programs come to an end and hunger continues to rise, we must continue to take every step possible to make sure NYC's school meals program is the best in the nation and connects more children with meals. New York City must continue to lead the nation in this work by investing resources in school meal programs.
- Invest in a 5% COLA for Human Services Workers. Government reliance on the nonprofit human services sector for a broad range of vital public services has steadily grown over at least the past three decades. During that time, total New York City employment in the core social assistance sector doubled, increasing more than two-and-a-half times as fast as total private sector employment. However, human service workers make between 20-35 percent less in median annual wages and benefits than workers in comparable positions in the public and private sector. As the sector has stretched to meet community needs, providers are met with chronic delays in payment, underfunding, and a lack of sincere collaboration to create meaningful and lasting interventions, which strips away limited resources. Therefore, we ask that the City includes a 5% COLA (\$150 million, with \$50 million already allocated from the Workforce Enhancement Initiative) in the FY25 budget and 3% COLAs for the next two years each year on the personal services line of all human services contracts is needed to ensure this vital workforce does not slip further into poverty.
- Invest new funding to combat hunger among older adults. Specifically, at least \$10.9 million is needed for inflation cost for raw foods, gas and other items for the NYC Aging home delivered meals program, at a per-meal reimbursement rate of at least \$15.31 per meal (above the current rate of \$12.78 per meal). This is especially urgent this year as NYC Aging has released a home delivered meals procurement that will sustain the program for the next three or more years.
- Maintain funding for NYCBenefits, a new program that enables CBOs to conduct benefits
 outreach and connect eligible New Yorkers to the billions of dollars of government benefits that
 are currently underutilized. This helps to ensure that New Yorkers are aware of the supports
 available, that accessing those supports is easy and efficient and that New Yorkers enroll and stay
 enrolled in these support programs. As a result of the OTPS freeze, the funding for this program

has only been released through June 30th, 2024. The original RFP was intended to run for three years and we are only in the second half of the first year. The program must continue so that CBOs can continue to do this work.

- Increase HRA's budget baseline to ensure it can engage community based organizations (CBOs) in benefits outreach and streamline benefits applications. Further, we recommend additional funding to facilitate a joint application system between the SNAP program (managed by NYC HRA) and the WIC program (managed by NYS DOH), aligning with Mayor Eric Adams' pledge to develop a MyCity portal for integrated applications. This system aims to simplify the application process, making it easier and more accessible for applicants to receive the benefits they need.
- Maintain funding for and evaluate the Grocery to Go Program. This program originally emerged in the wake of the Covid-19 pandemic as food assistance for homebound New Yorkers and has since been redesigned to provide food insecure New Yorkers who also have hypertension and/or diabetes with monthly credit to purchase groceries through an online marketplace of local grocery stores. To make the program more impactful and ensure unspent credits do not go to waste we strongly recommend: 1) the monthly credits allotted to each participating household are increased to ensure that funds are reaching the individuals that the program is intended to serve, 2) expand the list for diet related conditions to widen the scale of the program, and 3) allow for the participation of young adults who meet the other eligibility criteria. Finally, we encourage the program to allow enrollees to have the freedom to use the credits on food items of their choosing that reflect need, cultural preference, dietary or medical requirements and personal taste. We strongly encourage the DOHMH not to apply additional limitations to eligible foods and to maintain that Grocery to Go credits can purchase SNAP approved items.
- We also urge full funding for the following City Council initiatives:
 - \$2.8 million for the Anti-Poverty Initiative
 - \$7.26 million in FY24 for food pantries
 - \$2.134 million for Access to Healthy Food and Nutritional Education, which funds farmers markets, urban farms, community gardens, and programs to expand the use of SNAP benefits
 - \$1.5 million for the Food Access and Benefits Initiative (HRA)

Thank you for your time and consideration.

Iyeshima Harris- Ouedraogo Policy Manager at Equity Advocates <u>iyeshima@nyequityadvocates.org</u>



NEW YORK CITY COUNCIL COMMITTEE ON ECONOMIC DEVELOPMENT Preliminary Budget Hearing

Thank you to the City Council, Economic Development Chair Farías and the Committees on Economic Development for their attention to the 2025 fiscal budget cycle. I am speaking on behalf of Hot Bread Kitchen, an organization that promotes economic mobility for women and gender-expansive people, immigrants, and people of color through job training and placement, food entrepreneurship programs, and an ecosystem of support in New York City, using our city's vibrant food industry as a catalyst for career growth.

Over the past 15 years, Hot Bread Kitchen has supported a community of over 500 program participants, who we call members, in launching careers in the food industry, starting and growing their small businesses, and accessing the resources they need to succeed at work and in the world. Our community, which includes residents of 50 City Council districts, consists primarily of women of color (93%); a majority are immigrants (51%). Roughly one third of our members this year are non-native English speakers, and 70% of our program participants this year were unemployed and below the poverty threshold before enrolling in our program. Our members are dedicated, hard-working New Yorkers seeking opportunities for meaningful careers, sustainable income, and long-term wealth generation for their families.

Hot Bread Kitchen offers our members a number of programs in order to reach economic mobility.

- 1. Workforce Training
 - a. Culinary Training: our signature 100-hour training focuses on culinary fundamentals and professional readiness, then aids in direct job placement and layers on customized retention services.
 - b. Upskilling: in 2023, we launched upskilling programs which enable food workers to gain additional skills leading to higher wages and career advancement.
- 2. Job Placement: We place all workforce training graduates into a high-quality job through our 250+ employer partners.
- 3. Human Services: As part of our support and retention program and our community-building efforts, we ensure that members have access to any assistance they need to start work confidently and safely-be it childcare, food security, or housing. Critical components of this approach include addressing structural and institutional barriers that limit our members' success, which include partnering with community-based social service providers and expanding our service offerings to include childcare support.

- 4. Quality Jobs Initiative: In partnership with the Good Jobs Institute, we are working with a cohort of small food businesses to create practical frameworks to recruit and retain talent, promoting a systems change approach and better employment practices across the food industry.
- 5. Small Business Incubation: We have helped incubate nearly 250 food businesses to date, mostly owned by women of color. Through our HBK Incubates program, we provide technical assistance, mentorship, access to markets, subsidized commercial kitchen space, and access to capital to food entrepreneurs of color.

We are grateful to have received funding from the City Council previously, which has supported our growing number of enrolled members, and our expansion of offerings into other boroughs, including the Bronx and Brooklyn. With the Council's investment, we are poised to surpass our three-year strategic growth goal of 1,000 Breadwinners strong by 2024. **We are seeking the Council's support again in FY25** to ensure we cross this threshold, to ensure we can meet the many new goals we have set for ourselves this year, and to ensure we can continue growing our economic development-driven programs.

Our goals for 2024 are ambitious. This year, we will launch a new Upskilling program: Front of House (FoH) Training. FoH will consist of training and job placement for customer-facing roles in the food industry, which typically offer higher starting pay rates than back of house roles. Additionally, many supervisor/ management roles are promoted from FOH positions, and hospitality skills and experience translate to a wide range of career paths. We are excited to expand the type and level of workforce training. By offering this new training, we will increase the ways in which we can help our members level up in their professional lives.

Hot Bread Kitchen will also expand its work with our food entrepreneur members. Our new program, Scale, has just launched and will connect established entrepreneurs to capital resources that allow them take their business to the next level.

Further, we will launch a workforce training offering, *Culinary Career Pathways for New New Yorkers*. As an unprecedented number of migrants and asylum seekers arrive in New York City, Hot Bread Kitchen will provide culinary training and facilitate access to high-quality employment for migrants who have received work authorization in New York City. This newly launched program will consist of five weeks of kitchen and professional readiness training, with additional Food Protection training. Instruction will be provided in English by bilingual instructors and support staff; intensive ESOL instruction will also be provided. Hot Bread Kitchen has received a foundational grant to launch this program, but we will need additional funding to ensure we can do so effectively.

Finally, Hot Bread Kitchen also plans to continue to bring its signature programs closer to where our members live. In 2023, we were thrilled to provide our training at two separate locations in Brooklyn and one in the Bronx. In 2024, we plan to return to the Bronx and Brooklyn, and expand further into Queens or upper Manhattan.

On behalf of Hot Bread Kitchen, I respectfully urge the Committee on Economic Development to support our ambitious 2024 agenda to reach more members than ever with our offerings. Thank you for your attention to this important issue and for your investment in Hot Bread Kitchen's work and community.

Eftihia Thomopoulos Senior Manager of Strategic Initiatives



MELLO TYMES LLC Bronx, New York 10467 Telephone 202-677-8571

March 15, 2024

VIA ONLINE FORM

Honorable Chairwoman Amanda Farias And Committee on Economic Development 250 Broadway New York, NY 10007

Re: Cannabis NYC Loan Fund

Mr. Chairwoman Farias and Members of the Committee,

My name is Eric Spencer and I am the Chief Compliance Officer ("CCO") and Policy Analyst for Mello Tymes LLC ("Mello Tymes"), a Minority, Latina, and Returning Citizen owned Social Equity Brand that was awarded a New York State Conditional Adult Use Retail Dispensary License ("CAURD") to open and operate a retail dispensary in the Bronx. Please accept this written testimony in good faith and of legal certainty.

Upon inspection of the Preliminary Budge Report for the New York City Economic Development Corporation, there has been a decrease in funding appropriated for NYC's burgeoning Cannabis Industry ("Industry"). We believe that at a minimum, funding should be increased to help with the onboarding of Licensees hoping to operate in NYC as we stressed in our written testimony to the Committee on Small Business Services.

One of the main reasons for the continued proliferation of the illicit cannabis market stems from the lack of open legalized and licensed dispensaries. If customers had viable choices, the illicit market would start to dissipate. As long as there are no alternatives, the illicit market will continue on with impunity.

The legalization of cannabis in New York State should afford cannabis licensees in NYC the same opportunities as other small business establishments. Oftentimes, funding is a key issue in the new Industry. However, unlike other industries operating in New York, funding is nearly nonexistent for cannabis entrepreneurs. We are at the mercy of predatory lenders who have not borne the brunt of the War on Drugs waged against communities of color in NYC. The Mayor's Office did not allow Licensees to tap into the NY Small Business Opportunity Fund.

More importantly, there are many licensed New York Cannabis establishments operating in NYC currently, paying a local tax alongside a state tax and providing jobs and benefits to many men and women in NYC. The Cannabis Industry is one of the fastest growing industries in the United States.

While we applaud the EDC, without loan funding to open and operate our cannabis establishments, the goal to eradicate the non-licensed market and address the disproportionately impacted communities in the

War on Drugs will not come to fruition. This is a great opportunity for New York City to become the standard bearer in the Industry as a whole.

In conclusion, Mello Tymes would request that funding be increased for the Cannabis NYC Loan Fund to \$15 million from \$8 million which will be administered by the EDC to provide loans to NYC Cannabis Licensees who will be opening and operating in NYC. This amount would provide a greater incentive for the third-party partner that the EDC is seeking to increase the amount available to the Loan Fund.

Thank you,

Eric Spencer CCO, and Policy Analyst Mello Tymes LLC 202-677-8571 eric@mellotymes.com



TESTIMONY

Preliminary Budget Hearing:
"New York City's Worker Cooperative Business Development Initiative:
Worker Cooperatives- An Essential Model for Business Sustainability and Recovery"

Presented to

New York City Council hearing, Committee on Economic Development Hon. Amanda Farias, Chair Friday March 15, 2024

Prepared By:

Catherine Murcek, Worker-Owner Samamkaya Yoga Back Care & Scoliosis Collective

Samamkaya Yoga Back Care & Scoliosis Collective 119 W 23rd Street, Ste. 406 646-964-5772 info@samamkayabackcare.com www.samamkayabackcare.com Thank you Chair Farias and Honorable Council Members of the Committee on Economic Development for the opportunity to testify. My name is Catherine Murcek and I am a worker-owner at Samamkaya Yoga Back Care & Scoliosis Collective and an elected member of the Advocacy Council coordinated by the NYC Network of Worker Cooperatives (NYCNoWC), a partner organization of the Worker Cooperative Business Development Initiative (WCBDI) and a member of the United for Small Business NYC (USBnyc) coalition. Our community of democratic worker-run businesses is predominantly led by women and people of color, representing communities across the five boroughs and a wide array of industries from cleaning to catering, manufacturing, media, childcare, and more. Thanks to the City Council's support over the last eight years, we have the largest network of cooperatives in the U.S! I am testifying today to ask you to please continue to support the great work of WCBDI as a crucial component of a just recovery, and as another part of those efforts I also urge you to ramp up efforts to regulate commercial rents for small businesses across the city as we struggle to recover from the pandemic.

My business, Samamkaya Yoga, is a very special, small studio focusing on the therapeutic applications of yoga for people with a wide range of body types and ability levels, including those with Scoliosis, herniated discs, a fused spine, and we even have an adaptive yoga class for folks with more limiting disabilities. The business formed just over eight years ago when a group of instructors highly skilled in therapeutic yoga for back issues were feeling exploited and underappreciated at another studio and decided to start their own worker cooperative, which is, in other words, a business that is co-owned and democratically-run by its workers.

Because of the then newly funded citywide initiative, WCBDI, the founding members were able to get legal support from NYCNoWC to form the business as an LLC cooperative with an Operating Agreement and a system for sharing profit based on the number of hours worked at the studio. One of the founders was fortunately able to provide a zero interest personal loan to the business to build out the small studio space in Chelsea to the very specific requirements of alignment-focused therapeutic yoga. In addition, through NYCNoWC's Principle 6 program the studio has over the years been able to have business cards printed for all faculty members by Radix Media cooperative. We have also been grateful to have attended a number of workshops and business coaching sessions over the years from NYCNoWC, BOCnet, and CAMBA.

Joining Samamkaya as a worker-owner seven years ago has been a truly transformative experience for me. In an industry where most yoga instructors are accustomed to being 1099 Independent contractors, to be able to have a vote in decisions about the business that will affect its members was really empowering. In addition, because cooperatives are built on certain principles including concern for community, one worker one vote, and training and education for its members, it has felt incredibly rewarding to be part of a values-driven business. Cooperatives allow the freedom to get involved in different aspects of the business that one might not have thought of before; to learn and grow in new ways. And, every member has incentive for the business to do well because every member is financially and energetically invested in the business and will do what it takes to see the business succeed.

This became even more clear for me at this time three years ago when so many non-essential businesses like mine were forced to close their doors in order to prevent further spread of COVID-19. All our members snapped into action as much as they were able, divvying up the tremendous labor of researching different platforms we might use to switch to online offerings and different grants that might be available to help keep us afloat. We completely revamped our schedule, pay, and fee structures in an equitable way that would make it easier on the studio but also for the teachers who were ineligible for unemployment; we worked together to find the best possible solution for both the business and its workers.

We were hopeful when SBS announced the Employee Retention Grant and Small Business Continuity Loan, but we were not eligible for the grant because we all work part-time and we really could not consider taking on more debt at this time since we still have a large debt from our start-up costs. Through the **Commercial Lease Assistance program (CLA)** we were able to set up a legal consultation to advise us on our commercial lease and how we might approach negotiations with our landlord, which fortunately went well, and we hope you will continue to fund that program. Even though we were one of the fortunate few small businesses I know of to have been able to negotiate our rent, we did so on the condition that we renew our lease for another ten years, during which period our rent will gradually rise to "market rate". Unfortunately, this makes our future remain uncertain because our numbers have not recovered to pre-pandemic levels and we have very limited opportunities for growing our classes due to the small capacity of our space. A fair and just system of **commercial rent stabilization** like the one proposed in **Councilmember Ayala's Intro 93** would allow small businesses like mine to feel secure enough to plan for the future.

Even though we have experienced significant losses in revenue, I know that we fared better than many other yoga studio and wellness businesses--of which so many have sadly closed for good--in a large part because of our democratic structure. Other traditionally-run studios I know of have reduced teachers' pay and number of classes, let go of teachers, or even closed their doors indefinitely. Because of the resiliency of the cooperative model, and because of the wonderful support offered by the WCBDI partner organizations and the cooperative ecosystem, I am more convinced than ever that cooperative businesses are a necessary and quintessential part of a just economic recovery and for building a strong and resilient economy.

I urge the City council to continue to support and build on the Worker Cooperative Business Development Initiative, enhancing its funding to \$4.9 million so that all the incredible partner organizations involved can continue providing legal services, education, and technical assistance to our growing community of locally-driven community-focused businesses. The way that the initiative partners coordinate and collaborate with each other is groundbreaking and shows a real commitment to economic democracy within development in addition to empowering small businesses through workplace democracy. They continued uninterrupted services throughout the pandemic and in many cases added services that were outside their original plans, like workshops to help worker owners respond to the crisis, information about available resources, and support for loan and grant applications. They also make sure that worker-owners have "a seat at the table" when making important decisions through the

leadership skill building program of NYCNoWC's Advocacy Council, which gives worker-owners the training and support they need to bring their voices to policy spaces.

There is so much we are eager to explore with the City Council to help ensure that the workers in our small business communities aren't just surviving, but thriving. Most worker cooperatives in our community have not been able to access affordable commercial spaces, and we would deeply appreciate assistance with that. We have a goal of creating cooperative co-working hubs in every borough but for now, we lack the resources and capacity to make that a reality. Ideally these hubs would be developed using the Community Land Trust model in order to foster community control and economic democracy. Cooperatives are also eager to take on procurement opportunities with city agencies, but have had trouble accessing city contracts due to a variety of factors. In addition, access to direct financing has been a major barrier for many co-ops to access capital to start up their business or to help it grow. For now, the best option for most co-op startups is through the innovative model used by The Working World, a CDFI and a partner in the WCBDI which supports every one of its loan recipients with education and technical assistance to help them succeed, and only accepts repayment once the business is profitable, but their resources are limited and they need your support. Please refer to www.workercoop.nvc for more info about our municipal policy priorities.

Further, in coalition with and in support of other groups, I urge you to support long term community-driven efforts toward a just recovery by supporting the following. 1) Reintroduce the former Intro 93 for commercial rent stabilization, Draft a version A, and hold a hearing on it. City council needs to take this very seriously in order to protect our broader small business community from future continued closures and displacement in the aftermath of the pandemic. Rents were already too high before the pandemic began, so we need long-term solutions to prevent further displacement of small businesses across the city. Landlords should not be allowed to quadruple a small business's rent in order to get the highest bidder into a commercial space, but there is currently no law preventing that. A fair and just system of commercial rent stabilization would help to level the playing field, making much needed spaces more attainable for a more diverse array of small businesses, which contribute to the cultural fabric of our great city. The idea that rents are lower or more manageable post-pandemic is a myth. 2) Preserve permanent funding for the Commercial Lease Assistance program in the budget. 3) Please consider a new round of grant opportunities--as opposed to loans--with expanded eligibility and language access to allow for more types of small businesses to get back on their feet on the long road to economic recovery. 4) Fund community-based organizations engaged in merchant organizing and outreach to give small businesses across the city the voice they deserve. 5) Finally, increase accessibility to SBS services for Limited English Proficiency immigrant small business owners by expanding language capacity within the agency.

In conclusion, democratic workplaces in our most vulnerable communities help protect against wealth extraction by building up community wealth, the capacity for community control, and by protecting jobs and wages. My cooperative community members and I urge you to continue to support WCBDI and build on all efforts that prioritize equity—and protect NYC's women,

immigrants, and BIPOC small business workers from displacement—to ensure a just economic recovery. Thank you for your work and for reading my testimony.



NYC City Council Committee on Economic Development March 15, 2024

Testimony of Carina Kaufman-Gutierrez

Deputy Director, Street Vendor Project at the Urban Justice Center

Good afternoon Chair Farias and Committee members. My name is Carina Kaufman-Gutierrez. I am the Deputy Director of the Street Vendor Project, a membership-based organization of over 2,900 street vendors - thank you for the opportunity to testify. As the only organization that exclusively serves street vendors in New York City, SVP is the centralized hub for this underserved population, providing critical small business and legal services to vendors since 2001.

We respectfully request support from New York City Council to sustain and expand two programs: essential Small Business Empowerment Program (158996) and Community Outreach and Education for Street Vendors (158917) for street vendors. The demand for street vending education and services continues to grow, as the population transformed during the pandemic and continues to increase as many asylum seekers are beginning to vend. It is critical there be an investment in education and training in these emerging small business owners to help them know their rights and responsibilities, which SVP is primed to do.

We are the one stop shop for street vendors that provide them not only legal representation when they receive a ticket, but help them to navigate complex street vending laws in seven languages - Arabic, Bangla, Spanish, Mandarin, English, French and Wolof - and offer trainings to build their skills to grow your street vending businesses.

Despite being a small team of just 3 full-time organizers, 2 part time, and 1 lawyer on staff, in just the first 8 months of this fiscal year we have supported

414 individual vendors with individual consultations on topics ranging from sales tax filings to filing loan applications to negotiating catering contracts. Of these, in the past year,
 57% of our small business consultations were conducted in Spanish, 20% in Mandarin, 14% in English, 5% in Arabic,

- and 3% in Bangla. 59% of our consultations were with female vendors.
- 708 individual vendors who we engaged through street outreach and resource fairs in order to connect them to services, often with a fellow SVP member alongside us to build continue building trust when so many have faced scams in the street vending world
- We also hold **monthly** workshops at our membership meetings, with regular attendance of 50-75 individuals tonight's for example is on registering for e-payment systems

Each of these engagements is with the purpose of helping a small business owner to grow and become a part of the formalized economy. A few success stories:

- We supported Chef Tami Treadwell of Harlem Seafood Soul unlock a \$20,000 interest free grant through the Hebrew
 Free Loan Society to open a stall in Dekalb Market Place
- We helped Ana Maldonado of La Michoacana Taqueria Food Truck negotiate a fair rental price at a commissary to prepare her food, and then scouted with her to find a legal vending location in Washington Heights - find her on Broadway & 175th!

 We assisted Jovita Estrada of Rosa's Tamales to successfully renew her Mobile Food Vending License, which involved legal representation to waive tickets received

SVP truly fulfills a critical role. There is no city agency that meaningfully serves street vendors. In September 2023, Small Business Services reported to NYC Comptroller Brad Lander that they do not have staff dedicated to vending, does not conduct in-person educational outreach, and did not have data on how many street vendors had accessed any of their services.

This is a stark difference when compared with the investment in enforcement - DSNY as of the FY24 adopted budget currently has \$2.9 million budgeted for the office of street vendor enforcement, set to increase to \$4.7 million by FY27.

SVP is eager to increase services to street vendors, but we need City Council's support to increase our capacity. By empowering vendors to improve their financial literacy, our services help them integrate into the formalized economy - allowing them to open bank accounts, access credit, regularly pay and file taxes, and grow their businesses. Thank you for your consideration of this proposal in supporting the small business owners that make New York City beautiful and diverse.

TAKEROOT JUSTICE

ON THE RECORD

Testimony to the NYC City Council Committee on Economic Development

Preliminary Budget Hearing for FY25

March 15, 2024

Good afternoon, Committee Chair Farias and members of the Committee, and thank you for the opportunity to testify. My name is Paula Segal, and I am speaking today as Staff Attorney in the Equitable Neighborhoods practice of TakeRoot Justice. TakeRoot works with grassroots groups, neighborhood organizations and community coalitions to help make sure that people of color, immigrants, and other low-income residents who have built our city are not pushed out in the name of "progress."

TakeRoot is a member of the New York City Community Land Initiative (NYCCLI), an alliance of grassroots, affordable housing, environmental and economic justice organizations working to promote community land trusts (CLTs) and neighborhood-led development. My testimony today will be focused on the Community Land Trust (CLT) Initiative and the redesign of our municipal debt collection system to support housing and neighborhood stability.

TakeRoot has received City Council discretionary funding through the citywide Community Land Trust Initiative since it launched in FY20. We at TakeRoot support the growing CLT movement for affordable community-controlled housing, commercial and community spaces through legal services to CLT members of the initiative and other groups exploring the CLT model. We provide everything from education on governance and incorporation, to transactional legal services in support of negotiating ground leases and joint venture agreements.

We thank the City Council for its vital support and urge you to increase funding for the Citywide CLT Initiative to \$3 million in the FY2025 budget. With this enhancement, the CLT initiative will support 21 organizations—including new CLTs in Ravenswood and Edgemere, Queens, and Flatbush, Brooklyn, all of which include a focus on providing affordable commercial and community space—and expand citywide education, organizing, and technical assistance to meet the growing and urgent need for CLTs. (See attached one-pager.)

New York's CLT movement is squarely focused on addressing our city's deepening affordability crisis, advancing racial equity in housing and land use and is making great strides: half of the initiative members now steward or are in the process of acquiring land for tenant and community-controlled housing, community and commercial spaces, an incredible outcome from merely four years of investment.

By giving communities shared ownership and control over land, CLTs serve as a bulwark against real estate speculation and displacement. CLTs also maintain affordability over generations

Contact:

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– protecting public investment that would otherwise be lost over time. The Cooper Square CLT on Manhattan's Lower East Side, for example, has preserved hundreds of deeply affordable apartments and two dozen affordable storefronts for local small businesses since 1994, and expanded its portfolio by two rent stabilized buildings through the support of the Initiative. East Harlem El Barrio recently celebrated the rehabilitation of multifamily buildings it acquired from the city in 2020, creating permanently affordable mutual housing units and three commercial and community spaces. The Mott Haven Port Morris Community Land Stewards won a bid to transform a long-abandoned city-owned property into a Health, Education and Arts (HEArts) Center serving their South Bronx community, while the Real Edgemere CLT is working on addressing resiliency in the face of climate vulnerability so that it can develop 119 lots that were similarly warehoused by the City. TakeRoot has supported each of these transformative efforts with legal services, and we stand by to continue to respond to the needs of a growing movement.

Capital Funding is Needed for CLTs to Successfully Reverse Decades of Disinvestment

In addition to supporting the CLT Initiative, we urge the City Council to ensure robust capital funding for the acquisition, rehabilitation and preservation of community controlled property. As community organizations step up to reverse decades of municipal neglect and transform abandoned spaces into thriving places, the City must be a partner providing economic support.

Fund Enforcement of Municipal Arrears that Stabilizes Communities

Finally, we want to remind you that the majority of this Council has committed not authorize the lien sale as a strategy to offload municipal arrears from the City's property owners. As you know, the lien sale eliminates the City's leverage over slumlord and other property owners who do not pay their City bills while exposing BIPOC communities to speculation, deed theft and displacement. Having no enforcement mechanism at all, as the City has since the last sale in 2021, is not a solution.

In FY25, the Department of Finance must have additional resources to develop a program that incentivizes timely payments, supports owner occupants with access to exemptions and payment deferrals, allows owners who simply cannot pay to resolve their debt in a manner that increases the City's supply of affordable real estate, and creates a pathway towards secure affordable housing for the thousands of tenants living in buildings where their landlords skirt their obligations to both them and the City. TakeRoot and the rest of the Abolish the Tax Lien Sale Coalition look forward to being a resource as the Department and the Council put a new system in place this year.

¹ The Committee can find a detailed framework developed by the Abolish the Tax Lien Sale coalition, with insight from the housing preservation and development sector as well as many Council members here: https://www.eastnewyorkclt.org/wp-content/uploads/2023/02/Leaving-the-Speculators-in-the-Rear-View-Mirror Feb-2-2023-2.pdf.



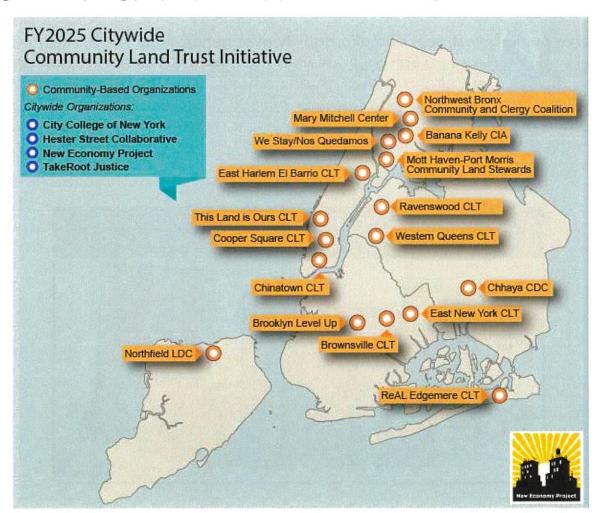


Community Land Trust Initiative

FY2025 Discretionary Funding Request

The **citywide Community Land Trust Initiative** requests **\$3 million** in FY2025 City Council discretionary funding to support 21 organizations working to develop community land trusts (CLTs) and permanently-affordable housing, commercial and community spaces. The CLT Initiative delivers in-depth education, organizing, and legal and technical assistance to support the formation and expansion of CLTs in low-income, Black and brown neighborhoods. By taking land and housing off the speculative market, CLTs combat displacement and address root causes of NYC's deepening affordability crisis.

Launched in FY2020, the CLT Initiative has catalyzed the growth of grassroots CLTs across the five boroughs; organized and educated thousands of New Yorkers; and brought land and housing into permanently affordable community control. Nine CLTs now steward or are in active stages of acquiring property for deeply affordable housing and other needs.



Enhanced funding of \$3 million in FY2025 is needed to meet the growing demand for CLTs. This year, the CLT initiative will:

- Support 17 grassroots CLTs including 3 new CLTs in Brooklyn and Queens, and 9 CLTs stewarding land and housing – and expand organizing and technical assistance citywide.
- Provide 65 technical assistance engagements to CLTs on matters such as incorporation, bylaws, property acquisition, developer partnerships, and financing.
- Conduct 200+ organizing, education, and planning sessions in multiple languages for tenants, homeowners, small businesses, and other community members.
- Train 100 CLT leaders and residents on community and tenant governance, and produce popular education material to support intergenerational organizing

The CLT Initiative is urgently needed to stabilize neighborhoods and keep New Yorkers safely housed. With Initiative support, CLTs will create and preserve thousands of permanently affordable homes – including rental, shared equity, and supportive housing. CLTs also will develop community and cultural spaces, affordable storefronts for small and worker-owned businesses, community solar projects, and other infrastructure.

CLTs preserve public investment and affordability over generations. Manhattan's <u>Cooper Square CLT</u> and <u>East Harlem El Barrio CLT</u> steward more than 400 deeply affordable apartments, as well as storefronts for two dozen community-serving small businesses. <u>East New York CLT</u>, <u>Mott Haven Port Morris Community Land Stewards</u>, <u>Bronx CLT</u>, <u>ReAL Edgemere CLT</u>, and others are acquiring their first properties, including multifamily buildings, vacant City land, and more.





Advancing Racial, Social and Economic Justice in NYC Communities

TakeRoot Justice provides legal, participatory research and policy support to strengthen the work of grassroots community-based organizations in New York City to dismantle racial, economic and social oppression. We partner with dozens of grassroots community-based organizations each year (see partial list on reverse) that build leadership and power within New York City's low-income communities, particularly immigrants, communities of color and others who are traditionally excluded from policy-making. Founded in 2001 as a project of the Urban Justice Center, TakeRoot has been an independent, 50-person nonprofit organization since July 2019.

Our current areas of work include:

- Tenants' Rights
- > Workers' Rights
- > Immigrants' Rights
- Consumer Justice
- > Equitable Neighborhoods & Cannabis Equity
- Participatory Research and Policy
- > Technical and Capacity Building Assistance for Nonprofits and Small Businesses

FY25 Funding Requests

TakeRoot participates in several citywide council funding initiatives designed to provide critical services to low-income NYC communities. They include:

- Stabilizing NYC
- Legal Services for the Working Poor
- Low Wage Worker Support
- The Worker Cooperative Business Development Initiative
- Community Land Trust (CLT) Initiative
- Community Housing Preservation Strategies

TakeRoot's innovative research, legal services and support for community-based organizations have played a crucial role in underserved NYC communities for over 20 years, and with the Council's support we look forward to engaging in the hard but necessary work of helping these communities recover from the devastating effects of the pandemic.

<u>Contact</u>: Marco Conner, Executive Director <u>mconner@takerootjustice.org</u>, (347) 987 1197 123 William Street, Suite 401 | New York, NY 10038 <u>www.takerootjustice.org</u>



TakeRoot collaborates with 70+ groups organizing low-income, BIPOC and immigrant communities throughout NYC to serve 2100+ New Yorkers per year and share \$20 million+ in support for work toward racial, social and economic justice. We are proud to work with the following organizations:

The Bronx

- Banana Kelly Community Improvement Association
- Crotona Community Coalition
- Green Worker Cooperatives*
- Mary Mitchell Family and Youth Center
- Mothers on the Move/ Bronx Organizing Neighborhoods & Development (BOND)
- New Settlement Apartments/Community Action for Safe Apartments (CASA)
- Northwest Bronx Community and Clergy Coalition
 & the Bronx Community Land Trust
- Pan-African Community Development Initiative
- South Bronx Tenant Movement

<u>Brooklyn</u>

- Brooklyn Movement Center
- Carroll Gardens Association
- Carroll Gardens Nanny Association
- Center for Family Life in Sunset Park
- Cypress Hills LDC
- East New York Community Land Trust
- Equality for Flatbush
- Fifth Avenue Committee
- Flatbush Tenant Coalition
- Haitian Women for Haitian Refugees*
- IMPACCT Brooklyn
- Neighbors Helping Neighbors
- Red Hook Initiative
- St. Nicks Alliance
- Worker's Justice Project/Proyecto Justicia Laboral*

Queens

- Adhikaar*
- Chhaya Community Development Corporation
- Desis Rising Up and Moving*
- MinKwon Center for Community Action
- New Immigrant Community Empowerment
- Project Hajra
- Ridgewood Tenants Union
- Woodside on the Move

<u>Manhattan</u>

- African Communities Together*
- Asian Americans For Equality*
- CAAAV Organizing Asian Communities*
- Chinese Staff and Workers' Association
- Cooper Square Committee
- East Harlem El Barrio Community Land Trust
- Good Old Lower East Side (GOLES)
- Harlem Solidarity Defense
- Little Sisters of the Assumption
- Movement for Justice in El Barrio
- The Residents to Preserve Public Housing
- University Settlement

Staten Island

La Colmena

City-wide

- Arab American Association
- Asian Americans for Equality
- Association for Neighborhood and Housing Development
- Black Alliance for Just Immigration
- Damayan Migrant Workers Association
- Domestic Workers United
- Flanbwayan Haitian Literacy Project
- Laundry Workers Center
- Make the Road NY
- National Domestic Workers Alliance
- National Mobilization Against Sweatshops
- NYC Network of Worker Cooperatives
- Participatory Budgeting Project
- Right to Counsel NYC Coalition
- Rise
- Sylvia Rivera Law Project
- Tenants and Neighbors
- VOCAL-NY
- Urban Upbound

^{*}These organizations also offer services to communities in other borough(s) in addition to the borough under which they are listed.



The Doe Fund

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Written Testimony for the New York City Council Committee on Economic Development March 15, 2024

Dear Members of the New York City Council,

On behalf of The Doe Fund, thank you for the opportunity to submit testimony. We've advanced workforce development as a successful solution to homelessness for over 30 years. With a track record of empowering 30,000 individuals, we are proud to partner with the City to address our spiraling homelessness crisis through economic opportunity.

The Doe Fund is also proud to be a member of the New York City Employment and Training Coalition (NYCETC) — the largest city-based workforce development association in the country — on which our President & CEO serves as Vice-Chair of its Board of Directors. NYCETC is the voice of more than 220 workforce development organizations that provide job training to more than 500,000 New Yorkers each year, primarily in under-resourced and underserved communities.

In his State of the City, Mayor Adams set the ambitious goal of 5,000,000 jobs by 2025. The administration will rely on members of NYCETC to make that vision a reality — and on organizations like The Doe Fund in particular to ensure that economic opportunity reaches those experiencing homelessness.

But we can't do it alone. We call upon the City Council to invest in equitable access to quality jobs for marginalized New Yorkers in the following ways:

• Restore all funding reductions in job training and workforce development opportunities for un- and under-employed New Yorkers. PEGs that reduce or eliminate programs and services focused on preparing New Yorkers — especially economically disadvantaged New Yorkers — for employment are at odds with the administration's priority of "an inclusive economic recovery that benefits City residents, employers, and the economy." The Doe Fund's *Ready, Willing & Able* program has shown the value of for more than 30 years; starting wages of program graduates is 15% higher than average entry level pay in NYC. Graduates not only leave the program with full-time employment and permanent housing; they are also 52% less likely to recidivate than their peers.



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- Increase Access to Commercial Delivery Licenses (CDL) by funding programs that expand and diversify the pool of trained drivers with an important focus on attracting young people and individuals from underserved and immigrant neighborhoods in New York City. At The Doe Fund, CDL is one of our most popular career training tracks and a proven path to stability for program graduates like Jose. After struggling with addiction and homelessness for years, he decided to turn his life around for the sake of his daughter and join *Ready, Willing & Able*. Now, he works as a driver for an electrical supply company and as a paratransit operator for Access-A-Ride. "I could not have asked for a better opportunity than The Doe Fund," Jose told us.
- Assist public assistance beneficiaries to secure credentials and certification through a "Bridge to Tech" program focused on academic remediation, training in the foundational skills required for a career in IT services, and access to ongoing supportive and retention services. IT has been a successful career for Ready, Willing & Able graduates like Edwin, who was hired as a fiber optic technician before becoming an IT specialist focused on building digital network operations centers for major financial corporations. Edwin now earns 132% more than NYC's median individual income while raising his son as a single father. "It's never too late," Edwin told us of the program. "And one thing I never knew is that you can find hope in other people... There are people who have faith in you even if you don't have it in yourself."
- Launch a City Council Sub-Committee [Task Force] on Workforce Development
 Results/Outcomes to ensure accountability specific to employment outcomes and
 results. A sub-committee could track employment, wages, return on investment, and
 equity and inclusivity measures related to occupations/industries in NYC.

Thank you for your time. For Jose, Edwin, and the thousands of others who have achieved success through our workforce development programs, we hope we can rely on the Council's support.

Regards,

Felipe Vargas

Executive Vice President of Programs

The Doe Fund

Thank you Chair Faarias and the Economic Development Committee for the time to share my thoughts and experiences with you today.

My name is Brian Colon. I'm the Director of Workforce Services at Greenwich House, a 122-year-old settlement house in Greenwich Village that provides a wide variety of services across sectors, including behavioral health services, workforce and skill-building services, older adult services and supports for people experiencing substance abuse disorder. Greenwich House is part of the New York City Employment and Training Coalition (NYCETC) - the largest city-based workforce development association in the country. NYCETC serves as the 'industry voice' of more than 220 workforce development providers in New York City who are counted on to provide job training to more than 500,000 New Yorkers each year - primarily individuals who live in under-resourced and underserved neighborhoods.

I speak to you today as someone who has been employed for 20 + years in the workforce training space. I urge you all to allocate resources where they'll have the most impact – in programs designed to assist those who have been historically marginalized. I'm referring to our disconnected youth, individuals grappling with behavioral health challenges, those with a background in the criminal justice system, older adults, and others facing substantial barriers to employment.

Here's why targeted funding for these populations is paramount:

1. Disconnected Youth: Referring to young individuals aged 16-24, also recognized as opportunity youth, who are neither engaged in education nor employment, these individuals face heightened risks of prolonged unemployment and economic instability.

By investing in tailored workforce training – and the wrap-around services they need to succeed, we can provide them with the necessary skills and supports for successful entry into the job market.

2. Behavioral Health Populations: Individuals grappling with mental health or substance abuse issues often confront pervasive workplace stigma and discrimination, which can impede their ability to secure and maintain employment. However, it's crucial to recognize that with the appropriate training and social-emotional supports, these individuals possess untapped potential and can make significant contributions to the workforce.

With 1 in 4 New Yorkers managing a behavioral health condition at any given time, its essential that we make sure we have training and supports for this segment of our communities and families.

3. Formerly Incarcerated Individuals: Reintegration into society poses substantial challenges for those with a history of incarceration, often resulting in high rates of recidivism. According to Innovating Justice, 45% of all parolees in New York City experience re-arrest within two years of their release. However, individuals who find meaningful workforce training and employment

are significantly less likely to re-offend, with studies showing a decrease in recidivism rates by up to 30%.

4. Older Adults: This is an often-overlooked population within our workforce training apparatus, but we at Greenwich House along with our partners at DFTA have started to make strides to develop training and skills building for adults or older adults who are increasingly wanting to – and needing to – stay involved in the workforce.

Investing in tailored workforce development programs for older adults is crucial for harnessing their experience, combating ageism, and fostering inclusivity.

By allocating funding towards these high-need populations, we can amplify the impact of our workforce development initiatives, guarantee equitable access to opportunities for all New Yorkers, and most importantly help small and large sized employers with their single greatest need – a well prepared and well trained workforce.

Thank you for your time today.

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